

REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE AGENDA

May 22, 2019; 9:30 a.m.
5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692

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. The Board of Directors may consider any agenda item at any time during the meeting.

1. **CALL TO ORDER AND ROLL CALL**
2. **PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes
3. **CONSENT CALENDAR**
 - a. Minutes of the April 24, 2019 Executive Committee meeting and minutes of the April 26, 2019 and May 13, 2019 Special Closed Session Executive Committee meetings
Action: Approve the April 24, 2019 Executive Committee meeting minutes and April 26, 2019 and May 13, 2019 Special Closed Session Executive Committee meetings
4. **POLICY 400.1, APPENDIX G UPDATE**

Information Update: Rob Swartz, Interim Executive Director
Action: Recommend Board Approval of Amended RWA Policy 400.1, Appendix G
5. **LEGISLATIVE/REGULATORY UPDATE**

Information Update: Ryan Ojakian, Legislative and Regulatory Affairs Manager
Action: Take support position on Senate budget proposal
Action: Take and amend positions on bills:
AB 508 support
SB 134 move from a support position to an oppose unless amended
6. **REGIONAL SMART CONTROLLER PROGRAM**

Information Update: Amy Talbot, Senior Project Manager
Action: Approve contractor selection for Regional Smart Controller Program
Action: Authorize Interim Executive Director to enter into a contract with Rachio/Valley Soil

7. **AQUIFER STORAGE AND RECOVERY PROJECT**
Information Update: Rob Swartz, Interim Executive Director
Action: Approve Regional Aquifer Storage and Recovery Information Project Agreement
8. **PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT APPLICATION PROJECT**
Information Update: Rob Swartz, Interim Executive Director
Action: Approve 2019 Proposition 1 Implementation Grant Application Project Agreement
9. **2018 GROUNDWATER SUBSTITUTION TRANSFER REPORT PROJECT**
Information Update: Rob Swartz, Interim Executive Director
Action: Authorize the Interim Executive Director to Execute the Agency Agreement to Provide Support for Final Report Preparation
10. **RWA JUNE 13, 2019 BOARD OF DIRECTORS MEETING AGENDA**
Action: Approve June 13, 2019 Board of Directors Meeting Agenda
11. **EXECUTIVE DIRECTOR'S REPORT**
12. **DIRECTORS' COMMENTS**
13. **CLOSED SESSION – PUBLIC EMPLOYEE APPOINTMENT**
(Government Code §§ 54954.5(e), 54957(b)(1))
Title: Executive Director
14. **CLOSED SESSION – CONFERENCE WITH LABOR NEGOTIATORS**
(Government Code, §§ 54954.5(f), 54957.6)
Agency designated representatives: Paul Schubert, Kerry Schmitz and Marcus Yasutake
Unrepresented employee: Executive Director
15. **REPORT FROM CLOSED SESSIONS**

ADJOURNMENT

Upcoming meetings:

Upcoming Executive Committee Meetings – June 26, 2019 and July 24, 2019
at 8:30 a.m. at the RWA office

Next RWA Board of Directors' Meeting – Thursday, June 13, 2019, at 10:30
a.m. at the RWA office

The RWA Executive Committee 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.

May 22, 2019

AGENDA ITEM 3a: CONSENT CALENDAR

Minutes of the April 24, 2019 Executive Committee meeting and minutes of the April 26, 2019 and May 13 2019 Special Closed Session Executive Committee meetings

Action: Approve the April 24, 2019 Executive Committee meeting and minutes of the April 26, 2019 and May 13, 2019 Special Closed Session 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
Michelle Carrey, City of Sacramento
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, Monica Garcia and Ryan Bezerra, legal counsel.

Others in Attendance

Trevor Joseph

1. CALL TO ORDER AND ROLL CALL

Agenda item number 11 was moved after agenda item 13, but is reported in the order listed on the agenda.

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

- a. The minutes from the Executive Committee meeting held March 27, 2019
- b. Gilbert and Associates Contract for RWA's fiscal year 2019 audit

On April 25, 2018 the RWA Executive Committee approved a contract with Gilbert and Associates for professional auditing services. The Fiscal Year 2019 audit will

be the second year that RWA has contracted with Gilbert and Associates. The contract shall not exceed \$27,500 for the FY 2019 audit.

Motion/Second/Carried (M/S/C) Mr. Greenwood moved, with a second by Mr. York, to approve the March 27, 2019 Executive Committee meeting minutes and to authorize the Interim Executive Director to contract with Gilbert and Associates to provide for professional auditing services for RWA's fiscal year 2019 audit. The motion carried by the unanimous voice vote of all directors present.

4. ADMINISTRATIVE AND MANAGEMENT SERVICES AGREEMENT WITH SACRAMENTO GROUNDWATER AUTHORITY

The resolution of the CalPERS Audit of RWA, which led to establishment of a CalPERS contract with SGA 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 were enclosed in the packet.

It was noted in the policy that the RWA Executive Director shall be responsible for recruiting and hiring employees. RWA also runs the recruitment process for the Executive Director, with assistance from SGA. Once the candidates for the Executive Director have been decided, they will be presented to the RWA and SGA boards for approval. The Executive Director works for both the RWA and SGA and the costs associated with hiring the Executive Director is split between the RWA and SGA.

M/S/C Mr. Yasutake moved, with a second by Ms. Schmitz, to recommend RWA board approval of the amended RWA Policy 100.2. The motion carried by the unanimous voice vote of all directors present.

5. RWA BOARD MEETING SCHEDULE

Ryan Bezerra, legal counsel, explained that 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. RWA complies through our Policy 200.1, under which RWA Board meetings generally are held on the second Thursday of every other month 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 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 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 a June 13, 2019 meeting, 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 were included in the packet.

M/S/C Mr. Greenwood moved, with a second by Ms. Schmitz, to recommend RWA board approval of amended RWA Policy 200.1. The motion carried by the unanimous voice vote of all directors present.

M/S/C Mr. Greenwood moved, with a second by Ms. Carrey, to recommend RWA board approval of proposed amended RWA Board meetings scheduled for 2019 to add a June 13, 2019 RWA regular board meeting to follow the June 13, 2019 SGA Board meeting. The motion carried by the unanimous voice vote of all directors present.

6. REGIONAL WATER AUTHORITY STRATEGIC PLAN UPDATE

Mr. Swartz said that 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 March 27 Executive Committee meeting, staff provided an initial set of proposed amendments with suggested edits. It is suggested to bring proposed draft amendments to the full Board at its May 2, 2019 board meeting for discussion and initial input. If needed the amendments will be brought back to the Executive Committee as needed for additional discussion in May and June and taken to the full RWA Board for consideration of adoption on July 11, 2019.

At a recent Integrated Regional Water Management Plan meeting the concern was expressed that water should not be taken out of the river at any time. Those issues will need to be overcome to insure everyone involved that we are operating within the Water Forum Agreement so there is acceptance and approval.

The intent of the amendments is to provide for at least a year for the new Executive Director to have an opportunity to get oriented before beginning new plans.

There was discussion regarding the reliability plan and other efforts and if there is any water modeling projected to move potable water around the entire region. Mr. Swartz reported that at this time there is not a regional distribution system modeling. It is possible that in the future we get to a point with the water reliability plan and water bank, if there is interest in partnering with RWA, to consider a regional distribution system model.

7. SACRAMENTO REGIONAL WATER BANK, PHASE 1 – MODEL DEVELOPMENT

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 then run the water bank analyses for both subbasins. The North American is already being developed through SGA and the other GSAs to the north.

Woodard & Curran has been the modeler for the entire existence of RWA and the Water Forum process. The RWA Interim Executive Director proposes to use RWA Policy 300.2, Section III - Alternate Selection Process. The reasons to select Woodard & Curran directly include their success in performing 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. They have 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.

They are 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.

There was discussion on the funds for the project. The work will be authorized through task orders and a minimum of \$250,000 must be committed from project participants before the Water Bank Project can be authorized and work can begin. To date, four project agreements have been received for in excess of \$100,000.

Ms. Tobin entered the meeting.

There has been \$50,000 in expenses for the development of the North American Subbasin. The entire effort is close to \$800,000, with about \$500,000 to do the work in the North American Subbasin. Historically, the model that we have has stopped at the county line indicating new territory for Placer County and Sutter County portions. There is cost efficiency by developing both the North American Subbasin and South American Subbasin at the same time.

M/S/C Mr. Greenwood moved, with a second by Mr. Yasutake, to approve the Interim Executive Director's proposed alternate selection process for work on model development to support analysis of the proposed Sacramento Regional Water Bank. The motion carried by the unanimous voice vote of all directors present.

M/S/C Mr. Greenwood moved, with a second by Mr. Yasutake, to recommend to the RWA Board of Directors authorizing 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. 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 legislature and how the water tax and safe drinking water continue to evolve. The Assembly continues to work on a policy that includes a water tax. There are strong indications that the Senate will not support a water tax and is developing a non-tax proposal, likely to be advanced in the budget process. The Governor is telling members he is open to any proposal that solves the problem, but may be signaling that he prefers a "hybrid" or a trust and tax approach.

The legislative process has generally moved into its refinement phase. The point in the process that most bills are improved is now in the Appropriations Committees. All bills that are going to go to Appropriations will have to have made their way there by April 26th. Staff recommended that the Executive Committee take positions on AB 296 and SB 487. Assembly member Cooley's bill AB 296 would establish the Climate Innovation Grant Program to be funded through a

voluntary tax check off and administered by the Strategic Growth Council in the Governor's office. Senator Caballero's bill SB 487 would continuously appropriate \$150 million from the General Fund to the Department of Water Resources to fund ten years of areal snow surveys.

Mr. Ojakian and other members of the water community are working to get assembly members who are opposed to a tax to work together to have the tax provision removed from AB 217 (Garcia). He has met with Assembly member Cooley regarding the trust bill SB 669 and alternative solutions to the tax.

There was discussion about the fifty cent per connection fee that was confirmed to be a monthly fee. Collecting this fee will still be short of the \$140 million estimated amount needed. The state could be the collector for the water user fees. A lock box approach would mean that if the fifty cents per connection was to be changed it would have to go before the voters in a statewide election.

There are two letters the Interim Executive Director has taken action on to support a budget request for \$70 million in funding for Voluntary Agreements and request that public water systems be exempt from inverse condemnation liability. Because the letters were due before the Executive Committee meeting, the RWA Interim Executive Director conferred with RWA legal counsel to determine support is consistent with RWA positions per Policy 100.5, Section IV.1.(B). Those letters were included in the packet and were before the Executive Committee for ratification per Policy 100.5, Section IV.2.

M/S/C Ms. Tobin moved, with a second by Mr. Yasutake, to take support positions on AB 296 and SB 487, ratification of a budget support position taken by the Interim Executive Director and ratification of signing a coalition letter on inverse condemnation liability by the Interim Executive Director. The motion carried by the unanimous voice vote of all directors present.

9. WATER EFFICIENCY PROGRAM UPDATE

Amy Talbot, Senior Project Manager, gave an update on conservation regulations, water shortage contingency plan standards, aerial imagery request for proposals, UC Davis SmartLandscape Project, the CalWEP conservation legislation compliance tool and monthly data reports. Senate Bill (SB) 606 and Assembly Bill (AB)1668, referred to as the Water Conservation Legislation, were approved by Governor Brown in May 2018. Collectively, these bills will require urban retail water suppliers to comply with a water supplier level water budget starting in 2023. In the meantime, the state, water suppliers, and other interested parties are working together to create the regulations that will guide the implementation of these bills. For example, one component of the water budget is residential landscape water use. RWA, Placer County Water Agency, and the City of Folsom have been appointed to the Department of Water Resources Landscape Area Measurement Work Group to provide technical support to shape the resulting

regulation. Expanded drought planning is also a part of the Water Conservation Legislation and includes the statewide standardization of water shortage contingency plans for inclusion in 2020 Urban Water Management Plans. This may be a coordination opportunity for RWA with the goal of consistent water conservation actions for each stage across the region. Efforts to coordinate stage actions were undertaken in 2010 and 2015. The 2015 effort resulted in a recommended stage template, which can be found on the RWA website (<https://rwah2o.org/water-shortage-stage-workshop-summary-report/>).

Most of the drought planning improvements are focused on the water shortage standards for the 2020 Urban Water Management Plan. There is a set number of stages with a percent reduction that equates to each. It was suggested at a Water Efficiency meeting that it would be beneficial for everyone to work with similar stage actions for less confusion and continuity in reporting to the media and customers.

Staff developed a Regional Imagery Analysis Request for Proposals (RFP) as an extension of the 2018 RWA purchase of high-resolution aerial imagery for the region in coordination with the Sacramento Area Council of Governments (SACOG). The RFP project will define and calculate residential landscape water budgets for one or more pilot areas in participating water agencies' service areas with the goal of informing the development of the SB 606 and AB 1668 regulations. A draft RFP was distributed in early April to a subset of interested agency staff for comments. Comments will be incorporated into a final RFP and is planned for release in May. When expectations and pricing are defined, more agencies may be interested in participating in the project. The anticipated timeline for the RFP project is 9 to 12 months.

The Water Efficiency Program (WEP) is partnering with the University of California Davis (UC Davis) on a SmartLandscape Project through the California Center of Urban Horticulture. This urban landscape research project will incorporate irrigation technology, irrigation design, and landscape management practices. Specifically, the project will test landscape budgets versus landscape watering needs, which will provide information to inform the ongoing SB 606 and AB 1668 regulatory process. The project will begin in summer 2019 and will be a multiyear project involving a variety of manufacturers, UC Davis departments, and student workers.

WEP is also partnering with multiple water suppliers throughout the state, organized by the California Water Efficiency Partnership (CalWEP), on the development of a SB 606 and AB 1668 compliance tool. The tool is envisioned to be filled out by urban retail water suppliers and then submitted to the state to verify compliance with the new regulations. M. Cubed and A&N Technical Services have provided a project proposal to CalWEP for a total cost of \$200,000. At this time, other partnering agencies include: Western Municipal Water District, Sonoma Water, Solano County, City of Santa Barbara, Inland Empire Utilities Agency,

Santa Clarita Valley Water Agency, Upper San Gabriel Valley Municipal Water District, and Municipal Water District of Orange County.

RWA staff collects monthly production (by volume by water source) and residential gallons per capita per day (R-GPCD) from each water supply every month. Staff processes the data and then distributes a monthly summary report back to suppliers. This data collection serves multiple purposes including: use in grant applications and grant reporting, inclusion in water supply planning efforts like the Reliability Plan, informing public outreach messaging, timely media response, and general information to RWA member water suppliers.

10. RWA MAY 2, 2019 BOARD MEETING AGENDA

Mr. Bezerra said that he received a request from Directors Dan York and Paul Helliker to participate on a tele-conference call for the May 2nd RWA Board meeting. The location of the tele-conference will be open to the public and will have to be noticed on the agenda and posted. A call will be made directly to the Washington, D.C. location to be connected to a conference line. To accommodate action items and the closed session roll call may be made at times during the meeting. Mr. Bezerra will determine what is required for the conference call to be noticed and held.

Mr. Swartz said that an action item will be added to the agenda for approval of a Resolution for the amended RWA Board Meeting Schedule item. The action item may be amended on the Sacramento Regional Water Bank Phase 1 – Model Development item. It was suggested that the closed session be moved to the last item on the agenda.

M/S/C Ms. Tobin moved, with a second by Mr. Greenwood, to approve the May 2, 2019 RWA Board meeting agenda to include the logistics for adding a tele-conference call for the entire meeting and with the suggested agenda amendments. The motion carried by the unanimous voice vote of all directors present.

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

Title: Executive Director

12. EXECUTIVE DIRECTOR'S REPORT

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.

Bureau of Reclamation Water Management Options Pilot Program – RWA responded to a funding opportunity under the Reclamation Basin Study Program with a letter of interest to Reclamation. 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. Reclamation will have staff perform the work or they will use consultants from a preferred list. Staff decided to respond to seek support for the next phase of modeling. The integrated water flow model development is a surface water/groundwater model that is needed to evaluate the impacts of doing conjunctive use locally. The Federal and State have to be shown that this does not impact their operations. This is an opportunity to offset some of our costs for Phase 2. Some of the expected costs are to facilitate the discussions with Reclamation to come up with operations that are mutually beneficial. A schedule from Reclamation is expected soon with an invitation to prepare a full proposal. The participant pool is limited to those who are in an area that has completed a basin study.

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. The article was enclosed in the packet.

The State just released their application for the Prop 1 Implementation Grant, which gives some clarity on the project. Mr. Swartz met with the other regional water management groups in the Sacramento River funding area. The State is requesting the group work out an agreement about how to equitably divide the funds. The group has come up with a preliminary recommendation for distributing the \$29 million that remain for the Sacramento River funding area. Integrated Regional Water Management (IRWM) stakeholders were requested to submit their

project ideas for the IRWM advisory committee to consider and recommend. Once the funding award is received, permitting needs to be completed within a year with project completion within two to three years. Most of the projects that were requested were included. The proposal was made for \$7.7 million in the Sacramento funding area. A million dollars is set aside in the San Joaquin River funding area, because a portion of our region is in the Consumnes area. Staff will be performing the majority of the work potentially with some consulting support.

13. DIRECTORS' COMMENTS

Ms. Tobin was glad to be home after a very long motor home road trip.

Mr. Smith reported that the City of Lincoln approved an employment contract for Jennifer Hanson as new City Manager. Ms. Hanson had been serving as Interim City Manager and Interim Finance Director. He said that with the water content and frozen snow in the Sierra and their watershed, it should be a productive water year. They are running as much through their power-generating turbines as possible to minimize spills.

ADJOURNMENT

The public portion of the meeting adjourned at 10:17 a.m. with the Closed Session beginning at 10:20 a.m. The Closed Session adjourned with nothing to report. With no further business to come before the Executive Committee, Chair Schubert adjourned the meeting at 11:00 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 8:30 a.m. at the Sacramento Marriott. Individuals in attendance are listed below:

Executive Committee Members

Ron Greenwood, Carmichael Water District
Marcus Yasutake, City of Folsom
Michelle Carrey, City of Sacramento
Deb 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

Cecilia Partridge

Others in Attendance

Valerie Roberts and Norm Roberts

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

None.

Ms. Partridge exited the meeting at 8:31 a.m.

**3. CLOSED SESSION – PUBLIC EMPLOYEE APPOINTMENT
(Government Code §§ 54954.5(e), 54957)
Title: Executive Director**

4. REPORT FROM CLOSED SESSION – PUBLIC EMPLOYEE APPOINTMENT

There was nothing to report from the closed session.

ADJOURNMENT

The closed session was adjourned at 12:00 p.m. and reconvened at 1:00 p.m.
With no further business to come before the Executive Committee, Chair Schubert
adjourned the meeting at 4:03 p.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 10:00 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
Deb 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

Cecilia Partridge

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

None.

Ms. Partridge exited the meeting at 10:01 a.m.

**3. CLOSED SESSION – PUBLIC EMPLOYEE APPOINTMENT
(Government Code §§ 54954.5(e), 54957)(b)(1)
Title: Executive Director**

4. REPORT FROM CLOSED SESSION – PUBLIC EMPLOYEE APPOINTMENT

There was nothing to report from the closed session.

ADJOURNMENT

The closed session was adjourned at 11:30 p.m. and reconvened at 12:45 p.m.
With no further business to come before the Executive Committee, Chair Schubert
adjourned the meeting at 2:47 p.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer

May 22, 2019

AGENDA ITEM 4: POLICY 400.1, APPENDIX G UPDATE

BACKGROUND:

In order to save on long-term retiree health benefit costs, the RWA board adopted Resolution 2019-05 at its March 14, 2019 meeting rescinding the current benefit vesting that RWA had in place under Resolution 2007-03 and replaced it with Resolution 2019-06 that adopts an employer contribution at an equal amount for employees and annuitants. The board also implemented a new Cafeteria Plan and Retiree Health Premium Reimbursement Plan through Resolution 2019-07.

RWA adopted these resolutions to permit the Authority to develop three separate health benefit tiers, Tier I, Tier II and Tier III, for retiree health insurance purposes. These resolutions 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 was 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 to qualify for the retiree health benefit contribution.

To properly reflect the changes resulting from the above actions, RWA must now make changes to *Policy 400.1, Appendix G – Employee and Retiree Health Benefits*. RWA's special counsel, Best, Best & Krieger LLP, suggested rewriting the policy to be in compliance with CalPERS law. The revised and original versions of the appendix are attached with this item.

STAFF RECOMMENDATION:

Information Update: Rob Swartz, Interim Executive Director

Action: Recommend Board Approval of Amended RWA Policy 400.1, Appendix G

REGIONAL WATER AUTHORITY
PERSONNEL RULES – POLICY 400.1 APPENDIX G

Policy Type: Employment
Policy Title: Employee and Retiree Health Benefits
Policy Number: 400.1 Appendix G
Date Adopted: January 10, 2019
Date Amended: June 13, 2019
Effective: July 1, 2019

I. Employee Health Benefits

The Regional Water Authority (RWA) provides medical, dental and vision insurance benefits to employees pursuant to the terms and conditions set forth below.

(a) Medical and Hospital Insurance. Medical and hospital care benefits are provided by RWA to eligible employees under the provisions of the California Public Employees Medical and Hospital Care Act (PEMHCA) as administered by CalPERS. All eligible employees may participate in RWA's medical and hospital insurance for themselves and all eligible dependents in accordance with the terms of the medical and hospital insurance policy or policies provided under PEMHCA and pursuant to the terms set forth in this Policy Number 400.1, Appendix G.

The RWA contribution available to each eligible employee will be equal to the Median Premium for the applicable coverage level in which an eligible employee enrolls. The "Median Premium" is the premium of the Basic Plan in the Sacramento Area Region that falls directly in the middle of all the Basic Plans which are *available* to eligible employees. In the event that the number of Basic Plans is an even number, the Median Premium will be higher of the two middle rates. For example, for the 2019 plan year, there are nine Basic Plans in the Sacramento Area Region that are available to RWA employees (the PORAC plan is not available to miscellaneous members). Of these, the rate for the BSC Access+ plan is the Median Premium (\$881.01 for employee only, \$1,762.02 for employee +1 and \$2,290.63 for family). An eligible employee can enroll in any available plan offered by CalPERS. However, if the premium of the selected plan is higher than the RWA contribution, then the employee must pay the difference out of pocket, but on a pre-tax basis through payroll deductions. If an eligible employee enrolls in a plan with a premium that is less than the RWA contribution, the remaining RWA contribution is forfeited.

(b) Medical Opt-Out Amount. Employees eligible for the RWA contribution pursuant to the preceding section that are covered by another group health plan may receive a monthly taxable payment equal to one-half of the Median Premium for employee only coverage in lieu of enrolling in a group health plan offered by RWA. The monthly opt-out amount is \$440.50 for the 2019 calendar year. Employees may elect this option by completing an opt-out agreement provided by RWA and providing satisfactory proof of enrollment of the employee and his or her spouse and dependents, if any, in an

REGIONAL WATER AUTHORITY
PERSONNEL RULES – POLICY 400.1 APPENDIX G

alternative group health plan. This election will only apply for the calendar year in which it was made. A new opt-out election must be made each calendar year during open enrollment to be eligible to receive the opt-out amount.

(c) Dental Insurance Benefits. RWA provides dental benefits to employees through the Delta Dental Plan. The details of the RWA dental plan are set forth in the Delta Dental Plan. RWA pays 100% of the premium for employees and all eligible family members.

(d) Vision Insurance Benefits. RWA provides vision benefits through the Vision Service Plan. The details of RWA vision plan are set forth in the Vision Service Plan. RWA pays 100% of the premium for employees and all eligible family members.

II. Retiree Health Benefits.

RWA contracts with CalPERS pursuant to PEMHCA to make medical insurance plans available to eligible retirees. Pursuant to the terms and conditions set forth below, RWA provides an Allowance, as defined below, to eligible retirees, to offset the costs of enrolling in such medical insurance plans.

The Allowance available to each eligible retiree will be determined on the basis of several factors set forth below which include the date of hire, date of retirement and years of service with RWA, Sacramento Groundwater Authority (SGA) and other CalPERS employers. The allocation of the Allowance is addressed in paragraph (b), below. The Allowance will only be available for the payment of premiums of a medical insurance plan offered by CalPERS.

An “Eligible Retiree” is an employee of RWA that has retired from service with RWA through CalPERS. An employee is deemed to be “retired from service with RWA” if his or her effective retirement date is within 120 days of separation from employment with RWA and he or she is receiving a service or disability retirement allowance from CalPERS resulting from the employee’s service with RWA. The Allowance for an Eligible Retiree will be determined on the basis of the tier applicable to the Eligible Retiree set forth in paragraph (a), below. All Eligible Retirees, including retirees that fail to meet the requirements of below, will be eligible for the PEMHCA Minimum, defined below, if he or she enrolls in a medical insurance plan offered by CalPERS.

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(a) Determination of Allowance.

(1) **Tier I Retiree.**

(i) “Tier I Retiree” means an Eligible Retiree who retired prior to September 1, 2007.

(ii) The Allowance for a Tier 1 Retiree is a fixed monthly amount equal to \$400. The allocation of the Allowance is discussed in paragraph (b), below.

(2) **Tier II Retiree.**

(i) “Tier II Retiree” means an Eligible Retiree who: (a) was hired prior to July 1, 2019, (b) retired on or after September 1, 2007, and (c) has at least five (5) years of CalPERS service credit accrued from service with RWA and/or SGA *plus* at least five (5) years of additional CalPERS service credit accrued from service with RWA, SGA or other CalPERS employers.

(ii) The Allowance for a Tier II Retiree will be equal to the Applicable Percentage, defined in subparagraph (4) below, of the contributions determined by CalPERS using the State Contribution 100/90 Formula and published annually on the CalPERS website for the coverage level in which the Tier II Retiree enrolls. The allocation of the Allowance is discussed in paragraph (b), below.

(3) **Tier III Retiree.**

(i) “Tier III Retiree” means an Eligible Retiree who: (a) was hired on or after July 1, 2019 and (b) has at least five (5) years of CalPERS service credit accrued from service with RWA and/or SGA *plus* at least five (5) years of additional CalPERS service credit accrued from service with RWA, SGA or other CalPERS employers.

(ii) The Allowance for a Tier III Retiree will be equal to the Applicable Percentage, defined in subparagraph (4) below, of the contributions determined by CalPERS using the State Contribution 100/90 Formula and published annually on the CalPERS website for the coverage level in which the Tier III Retiree enrolls up to the contribution for the Employee +1 coverage level. The allocation of the Allowance is discussed in paragraph (b), below.

(4) **Determination of Applicable Percentage.** The “Applicable Percentage” will be determined on the basis of the Tier II or Tier III Retiree’s years of CalPERS service credit (with a minimum of ten (10) years of service, inclusive of five (5) years of service with RWA/SGA) pursuant to the table below. No more than five (5) years of CalPERS service credit accrued from service with other CalPERS employers may be counted for purposes of determining the Applicable Percentage for Tier III Retirees.

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Years of Service Credit	Applicable Percentage
10	50%
11	55%
12	60%
13	65%
14	70%
15	75%
16	80%
17	85%
18	90%
19	95%
20 or More	100%

For reference, the contributions determined by CalPERS using the State Contribution 100/90 Formula for the 2019 calendar year are the following:

Employee Only: \$734*
Employee +1: \$1398*
Family: \$1,788*

**These contribution amounts are subject to change each year based on CalPERS' determination.*

For example, a Tier III Retiree with five (5) years of service with RWA/SGA and ten (10) years of service with other CalPERS employers enrolled in family coverage level will be eligible for a monthly Allowance of \$699 (e.g., 50% x \$1,398) in 2019. No more than five (5) years of service with other CalPERS employers count for purposes of determining the Allowance for a Tier III Retiree *and* the contribution coverage level is capped at the Employee +1 level for a Tier III Retiree. A Tier II Retiree with the same scenario will be eligible for a monthly Allowance of \$1,341 (e.g., 75% x \$1,788) in 2019.

(b) Allocation of the Allowance. The Allowance for which each Tier I, Tier II and Tier III Retiree (collectively, "Retiree") is eligible shall be allocated in the following manner and payable in the following forms: (1) PEMHCA Minimum, described in (1) below, payable by RWA directly to CalPERS, and (2) Reimbursement Amount, described in (2) below, payable to the Retiree.

- (1) PEMHCA Minimum Contribution. Pursuant to Resolution No. 2019-07, RWA will pay to CalPERS, on behalf of each Retiree, a monthly employer contribution equal to the minimum contribution required under Government Code Section 22892(b)(2) (PEMHCA Minimum). This amount (\$136 for 2019) is established annually by CalPERS.
- (2) Reimbursement Amount. A reimbursement paid by RWA to the Retiree for health insurance premiums actually paid by the Retiree in an amount

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not to exceed the difference between the Allowance and the PEMHCA Minimum. RWA has adopted a retiree health reimbursement plan (Retiree Plan) for the purpose of paying the Reimbursement Amount on a nontaxable basis to each Retiree enrolling in the Retiree Plan.

(c) Additional Terms. The PEMHCA Minimum *plus* the Reimbursement Amount will be available to Retirees solely for the purpose of paying for premiums for any group health plan offered through CalPERS. To the extent that the selected premium is less than the Allowance, the remaining Allowance shall not be available to the Retiree. To the extent the selected premium is more than the Allowance, the Retiree will be responsible for the additional premium.

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PERSONNEL RULES – POLICY 400.1 APPENDIX G

Policy Type: Employment
Policy Title: Health Reimbursement
Policy Number: 400.1 Appendix G
Date Adopted: January 10, 2019
Date Amended:

I. Employee Benefits

The Regional Water Authority provides health, dental, and vision insurance benefits to employees.

(a) Health Benefits. Eligible employees receive health benefits sponsored by PERS' Health Benefits Services Division. The details of the Authority's PERS health plan are described in the health plan contract between the Authority and PERS and related documents and applicable PERS law. The Authority will pay health benefits premiums for each eligible employee and all of the employee's eligible family members up to the cost of the most expensive Health Maintenance Organization (HMO) plan offered by PERS. Under PERS policy, health benefits coverage begins the first day of the month following the date of hire. If the employee opts to enroll in a Preferred Provider Organization (PPO) or other more expensive health plan, the employee will pay the difference in cost between the most expensive HMO plan and the cost of the premiums for the chosen PPO or other health plan through a periodic payroll deduction for the cost difference.

b) Dental Insurance Benefits. The Authority provides dental benefits to employees through a Delta Dental Plan. The details of the Authority dental plan are set forth in the Delta Dental Plan. The Authority pays 100% of the cost for employees and all eligible family members.

c) Vision Insurance Benefits. The Authority provides vision benefits through a Vision Service Plan. The details of the Authority vision plan are set forth in the Vision Service Plan. The Authority pays 100% of the cost for employees and all eligible family members.

II. Retiree Health Benefits.

a) Each eligible employee hired before September 1, 2007 who is covered by PERS health insurance and who has or will retire from the Authority, subject to any age and service limitations in the Authority's pension plan contract with PERS, is covered by the retiree health benefits insurance contract between the Authority and PERS approved in Resolution 1993-001. This retiree health benefit also covers the retired employee's qualified dependents. Health benefits coverage for retirees provided under this paragraph is paid by the Authority consistent with the premium formulas and

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available health plan options provided in the Authority’s PERS health plan contract approved in Resolution 1993-001, as it may be amended from time to time.

b) For employees who commence employment with the Authority on or after September 1, 2007, an employee must be eligible to retire in accordance with the Authority’s PERS pension plan rules and have at least five years of credited service with the Authority. Under the Authority’s contract with PERS for this retiree health benefit, PERS sets the annual amount of premiums the Authority is required to pay for each retiree and his or her eligible dependents in accordance with the formula set forth in Government Code section 22893, as it may be amended from time to time. The Authority’s annual required contribution toward the health benefits coverage premiums for each eligible retired employee and his or her qualified dependents will be calculated as a percentage of the total eligible cost of such coverage based on the retired employee’s total credited years of qualifying service under PERS’ service credit rules as determined by the following vesting schedule:

<u>Credited Years of PERS Service</u>	<u>Percentage of Authority Contribution</u>
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

Employees with less than 10 years total PERS service and/or less than five years credited service with the Authority will not be eligible for retiree health care coverage under the Authority’s plan. Any additional health plan premiums not paid by the Authority’s contribution toward the cost of the retiree’s health benefits coverage must be paid by the retired employee. Please contact the Authority’s Finance and Administrative Services Officer for further information concerning post-retirement health benefits coverage.

c) Any employee of the Authority who was employed before September 1, 2007 and is covered by the health benefit described in subsection (i) of this subdivision (b) of section 7.5, will be entitled to elect coverage under the health benefit plan for new employees hired on or after September 1, 2007, which is described in subsection (ii) of this subdivision (b) of section 7.5. The Authority will provide one annual opportunity for qualified employees to make such an election at the time and in the manner as will be designated by the Authority’s Finance and Administrative Services Officer. The election

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PERSONNEL RULES – POLICY 400.1 APPENDIX G

of an employee to change his or her health benefits plan is irrevocable as provided in Government Code section 22893. If at any time all qualified employees have made the election provided in this subsection, the Authority will have no further obligation to offer such an election. (amended 7-12-07)

May 22, 2019

AGENDA ITEM 5: LEGISLATIVE/REGULATORY UPDATE

BACKGROUND:

There has been significant movement on the Water Tax. On May 15th in budget subcommittee the Senate rejected the Administration's trailer bill, which included a water tax, and took the first affirmative vote in favor of a stable funding solution for safe drinking water since the issue was brought forth over two years ago. The Senate solution does not include a water tax and would be an annual appropriation out of the general fund of \$150 million. The solution would allow for general fund support to be reduced, if it is replaced with an equivalent amount through a future tax or fee. The solution would only take effect if SB 200 (Monning), which would put in place governance of safe drinking water funds were also to take effect. The proposal does not include a tax on Agriculture nor nitrate contamination enforcement relief. It is not known what position the Agricultural community or the environmental justice community will take on the Senate proposal.

At the time of this update the Assembly has not taken a budget action. It is not currently known where the Administration stands on the various proposals, but there are indications that it is supportive of the Senate budget proposal. It is most likely that safe drinking water will move to budget conference committee to be resolved. The budget must be approved by the Legislature by June 15th.

The Assembly passed AB 217 (E. Garcia), and AB 134 (Bloom), the Assembly policy package on safe drinking water, out of Appropriations committee. Notably, the trust was removed from AB 217 and agricultural taxes were increased. It seems likely that the bills will be taken up on the Assembly floor sometime before May 31st.

AB 508 (Chu) is related to safe drinking water, but would focus on private domestic well owners that are a barrier to consolidation projects. The bill would make those private well owners ineligible for state funds available to address safe drinking water.

SB 134 (Hertzberg), was introduced to address double jeopardy under the water efficiency "water use objective" established under AB 1668 (Friedman) and SB 606 (Hertzberg) in 2018 and the water loss standards established under SB 555 (Wolk, 2015). RWA took a support position on the introduced version of the bill, which would have removed enforcement on water loss under the SB 555 standards. The bill was amended to remove enforcement only if, as determined by the State Water Resources Control Board, water loss is the sole reason for noncompliance with the water use objective and the water loss standard under SB 555 is separately being enforced.

STAFF RECOMMENDATION:

Information Update: Ryan Ojakian, Legislative and Regulatory Affairs Manager

May 22, 2019

Action: Take support position on Senate budget proposal

Action: Take and amend positions on bills:

AB 508 support

SB 134 move from a support position to an oppose unless amended

May 22, 2019

AGENDA ITEM 6: REGIONAL SMART CONTROLLER PROGRAM

BACKGROUND:

Staff is seeking support for the implementation of a Regional Smart Controller Program (Program). The Sacramento region's residential outdoor water use is estimated to be between 50-60% of a household's total use. The goal of the Program is to convert higher water use households to more water efficient households through the installation of smart controllers to manage outdoor water use. The Program timeline is June 2019-March 2020 with an opportunity to extend further into 2020 and beyond, pending RWA approval and available funding. Current funding for the Program totals \$110,000 from a California Department of Water Resources grant and does not have a local water supplier funding match requirement.

The Program has four main tasks:

1. Provide Program design and administration framework, including an online platform to facilitate RWA's Program oversight and management
2. Provide marketing, online sign up platform, customer assistance, and training and installation services necessary to implement a "turnkey" multiagency smart controller program.
3. Develop and provide Program evaluation metrics
4. Provide Program status and completion reports

There are optional opportunities to expand the Program into other parts of northern California, in partnership with RWA, pending partner water agency approval and available funding. The expansion to other regions would increase the economy of scale for the program and potentially provide cost savings for the Sacramento region. The Bay Area Water Supply & Conservation Agency (BAWSCA) and its 26 member agencies (BAWSCA Member Agencies) and Sonoma Water and its contractors (9 cities and special districts) have expressed interested in partnering.

Selection Process

According to RWA Policy 300.2 Professional Services Selection and Contracting Services, any consulting contract exceeding \$50,000 requires a competitive selection process by issuance of a Request for Qualifications (RFQ) and approval of selected consultant by the Executive Committee. RWA staff issued a RFQ on April 11, 2019 to sixteen consulting firms with known experience in smart controller equipment and programs (Table 1). The RFQ was also posted on the RWA web site and sent over the RWA list service. Proposals were due on May 9, 2019. One proposal was received from Rachio (submitted in partnership with their subcontractor, Valley Soil).

For evaluation purposes, RWA staff developed a guidance sheet for reviewing proposals in terms of: consultant profile (10 points); staff qualifications (15 points); past experience and references (20 points); program tasks (30 points); fee schedule

May 22, 2019

(10 points); multiregional approach (10 points); and overall proposal quality (5 points) for a total of 100 potential points. The review panel included Sarah Jones (Elk Grove Water District), Don Smith (City of Folsom), Andree Johnson (BAWSCA) and Amy Talbot (RWA). Each reviewer assigned points to the above categories independently before discussing the scores at the May 13, 2019 review conference call. The average evaluation of Rachio's proposal was 91, with individual scores ranging from 86 to 96.

Recommendation

After review and discussion of the proposal, the review panel unanimously agreed to recommend Rachio/Valley Soil as the consultant for this program to the RWA Executive Committee. Rachio/Valley Soil demonstrated a past history of similar projects in California, industry standard landscape/irrigation staff qualifications, a robust customer service and marketing package, and a reasonable fee schedule.

Table 1: Consultant Outreach and Response Status

Consultant	Response Status
Blossom	No response received
Blue Watchdog	No response received
Bottom Line	No response received
BrightView	No response received
Ecotech Services	No response received
G3	No response received
Glen's Landscape	No response received
Global Sun Landscape	No response received
Hunter	No response received
OnPoint Systems	No response received
Rachio	Proposal submitted with Valley Soil
Rainbird	No response received
Toro	No response received
Valley Soil	Proposal submitted with Rachio
Waterfluence	No response received
WaterWise Consulting	No response received

STAFF RECOMMENDATION:

Information Update: Amy Talbot, Senior Project Manager

Action: Approve contractor selection for Regional Smart Controller Program

Action: Authorize Intern Executive Director to enter into a contract with Rachio/Valley Soil.

May 22, 2019

AGENDA ITEM 7: AQUIFER STORAGE AND RECOVERY PROJECT

BACKGROUND:

During development of the RWA Regional Water Reliability Plan, a strong interest in potentially employing aquifer storage and recovery (ASR) wells as a potential means of improving water supply reliability was expressed, but relatively little is known about the costs, favorable conditions, water quality issues, and legal/regulatory issues around the use of ASR. In the region, only the cities of Roseville and Woodland currently use ASR wells. Also of interest with respect to ASR is the increased storage potential of surface water directly into the groundwater basin as part of the proposed Sacramento Regional Water Bank.

This project has secured consulting services to provide expertise in addressing these unknowns, so that agencies in the region have a strong basis in deciding on the use of ASR. The Executive Committee approved the selection of GEI Consultants following a Request for Qualifications process on October 24, 2018.

Staff has been working with proposed participants to develop the attached draft project agreement. An estimated 11 RWA member agencies are expected to participate in the project. The not-to-exceed budget for the project, including RWA staff time, is \$60,000.

STAFF RECOMMENDATION:

Information Update: Rob Swartz, Interim Executive Director

Action: Approve Regional Aquifer Storage and Recovery Information Project Agreement

**REGIONAL WATER AUTHORITY
PROJECT AGREEMENT**

REGIONAL AQUIFER STORAGE AND RECOVERY INFORMATION PROJECT

This Agreement is made and entered into as of the ____ day of _____, 2019, by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, and following, and the Members and Contracting Entities of RWA listed in Exhibit 1 to this Agreement, upon their execution of this Agreement (who are collectively referred to in this Agreement as “Participants”), to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the Participants.

RECITALS

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

B. The joint powers agreement (“RWA JPA”) pursuant to which RWA was formed and operates, and as was amended on October 8, 2013, authorizes RWA to enter into a “Project or Program Agreement,” which is defined in the RWA JPA as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the parties to the Project or Program Agreement.

C. Article 21 of the RWA JPA states: “The Regional Authority’s projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name.”

D. Article 22 of the RWA JPA states: “Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program, including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities,

obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

E. RWA and the Participants desire to carry out a project and share in the costs and benefits of the project, as a Project or Program Agreement as provided for in Articles 21 and 22 of the RWA JPA.

In consideration of the promises, terms, conditions and covenants contained herein, the parties to this Agreement hereby agree as follows:

- 1. Recitals Incorporated.** The foregoing recitals are hereby incorporated by reference.
- 2. Defined Terms.** Terms defined in the RWA JPA will have the same meaning in this Agreement.
- 3. Description of the Project.** The RWA and the Participants desire to carry out this Regional Aquifer Storage and Recovery Information Project (“ASR Project”) to develop, by way of an information study, critical information needed to make decisions regarding the expanded use of aquifer storage and recovery (ASR) wells in the greater Sacramento region. In the vicinity, the cities of Roseville and Woodland employ ASR. During development of the RWA Regional Water Reliability Plan (a separate RWA-led project), a strong interest in potentially employing ASR as a potential means of improving water supply reliability was expressed, but relatively little is known about the costs, favorable conditions, water quality issues, and legal/regulatory issues around the use of ASR. Also of interest with respect to ASR is the increased storage potential of surface water directly into the groundwater basin. The ASR Project has secured consulting services to provide expertise in addressing these unknowns, so that the Participants have a strong basis in deciding on the use of ASR. A scope of work for the ASR Project is attached hereto as Exhibit 2 (“Project Description”).
- 4. Project Committee.** The Participants hereby form a Project Committee consisting of one representative (and alternates) designated by each Participant. The Project Committee will meet as necessary from time to time to administer and implement this Agreement on behalf of the Participants. A majority of the total members of the Project Committee will constitute a quorum. Each member of the Project Committee will have one vote, either by its representative or an alternate. To proceed with a vote to take action, a quorum must be present at a meeting, with a majority of the number present required for an affirmative vote. Where a vote to take action will occur, notice of at least seven days shall be provided to all Project Committee members so that they may have a reasonable opportunity to participate in the consideration of the action item.
- 5. Sharing in Project Costs and Benefits.** The total cost to complete the ASR Project is estimated at \$60,000. The assessments for each Participant are further described and attached hereto as Exhibit 3 (“Financing Plan”). Each of the Participants will make one or more payments to RWA for completion of the Project. Any proposed increase in the not-to-exceed fee as shown in Exhibit 3 must be approved by each participant. Participants shall have full access to the work

products of the Project.

At the conclusion of the ASR Project, the Project Committee will take action on the dispensation of any remaining funds. If the Project Committee elects to return the surplus funds to the Participants, RWA will pay back such funds to the Participants on a pro rata basis reflecting the amount of the payments made by each of the Participants. In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Project will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed this Agreement.

6. Role of RWA. The RWA will (a) ensure that the interests of Members and Contracting Entities of RWA who do not participate in this Project are not adversely affected in performing this Agreement, (b) provide information to the Participants on the status of implementation of the Project, (c) assist the Project Committee in carrying out its activities under this Agreement, d) secure consultant support services through a competitive selection process as identified in RWA Policy 300.2, where applicable; and e) manage consultant support services in completion of the Project.

7. Authorization to Proceed with the Project. The ASR Project is authorized to proceed upon the commitment of \$30,000 from Project Participants to fund initial ASR Project costs. Upon execution of this Agreement, the Participants agree to fund their portion of the ASR Project costs in an amount and manner as described in Exhibit 3 (“Financing Plan”) to this Agreement.

8. Term. This Agreement will remain in effect for so long as any obligations under this Agreement and/or obligations from other sources of funding secured for completing the ASR Project remain outstanding.

9. Withdrawal. A Participant may withdraw from this Agreement without requiring termination of this Agreement, effective upon ninety days’ notice to RWA and the other Participants, provided that, the withdrawing Participant will remain responsible for any indebtedness incurred by the Participant under this Agreement prior to the effective date of withdrawal. If any surplus funds remain after the withdrawing Participant has met all of its financial obligations under this Agreement, then such funds will be returned to the withdrawing Participant in proportion to the total contribution made by each Participant.

10. Amendments. This Agreement may be amended from time to time with the approval of all of the Participants and RWA.

11. Privileges and Immunities. All of the privileges and immunities from liability; exemptions from laws, ordinances and rules; and all pension, relief, disability, worker’s compensation and other benefits that apply to the activity of officers, agents or employees of RWA or the Participants when performing their respective functions for those agencies will, to the extent permitted by law, apply to them to the same degree and extent while engaged in the performance

of any of the functions and other duties under this Agreement. It is further understood and agreed by RWA and the Participants that, notwithstanding anything contained herein, the employees of RWA and of each Participant shall continue to be entirely and exclusively under the direction, supervision and control of the employing party.

12. No Third Party Beneficiary. RWA and the Participants understand and agree that this Agreement creates rights and obligations solely between RWA and the Participants and is not intended to benefit any other party. No provision of this Agreement shall in any way inure to the benefit of any third person so as to constitute any such third person as a third-party beneficiary of this Agreement or any of its items of conditions, or otherwise give rise to any cause of action in any person not a party hereto.

13. Liabilities. With respect to this Agreement, RWA and the Participants expressly agree that the debts, liabilities and obligations of RWA and of each Participant shall remain the debts, liabilities and obligations of that party alone and shall not be the debts, liabilities and obligations of any other party to this Agreement, except as may be otherwise set forth herein or in an amendment to this Agreement.

14. Audits and Accounting. All funds provided under this Agreement shall be separately accounted for and maintained, with books and records of such funding open to inspection by the Participants. Funding under this Agreement shall be subject to and consistent with the audit and accounting procedures set forth in Articles 27 and 28 of the RWA JPA.

15. General Provisions. Any notice to be given under this Agreement shall be made by: (a) depositing in any United States Post Office, postage prepaid, and shall be deemed received at the expiration of 72 hours after its deposit; (b) transmission by facsimile copy; (c) transmission by electronic mail; or (d) personal delivery. This Agreement shall be governed by the laws of the State of California. The contact information for each Participant with respect to this section of the Agreement is set forth in Exhibit 4 (“Notice Information”). This Agreement may be executed by the parties in counterpart, each of which when executed and delivered shall be an original and all of which together will constitute one and the same document.

16. Signatories’ Authority. The signatories to this Agreement represent that they have authority to execute this Agreement and to bind the Participant on whose behalf they execute it.

The foregoing Regional Aquifer Storage and Recovery Information Project Agreement is hereby agreed to by RWA and the Participants.

Dated: _____ __, 2019

_____ __, 2019

Signature

Signature

Name

Name

Regional Water Authority

Agency

List of Agreement Exhibits

Exhibit 1 – Project Participants

Exhibit 2 – Project Description

Exhibit 3 – Financing Plan

Exhibit 4 – Notice Information

EXHIBIT 1

PROJECT PARTICIPANTS

REGIONAL WATER AUTHORITY

REGIONAL AQUIFER STORAGE AND RECOVERY INFORMATION PROJECT

Agency (Proposed)

Carmichael Water District
Citrus Heights Water District
City of Lincoln
City of Sacramento
Elk Grove Water District
Fair Oaks Water District
Golden State Water Company
Placer County Water Agency
Sacramento County Water Agency
Sacramento Suburban Water District
San Juan Water District

EXHIBIT 2

PROJECT DESCRIPTION

REGIONAL WATER AUTHORITY

REGIONAL AQUIFER STORAGE AND RECOVERY INFORMATION PROJECT

The ASR Project will be completed by GEI Consultants, Inc. (GEI) as described in the first three tasks below. A fourth task is also identified for RWA staff management of the ASR Project.

Consultant Scope of Work

TASK 1 MEETINGS

Prior to development of this Scope of Work, a meeting was held on December 17, 2018 to get input from agencies with an interest in the ASR Project. GEI will facilitate two meetings during the completion of this project, including:

- ***Project Coordination Meeting:*** This purpose of this meeting is to check at the approximate mid-point of the ASR Project with the Participants to update on progress toward completing the work in the agreed upon scope, schedule and budget. During this meeting we will review the role of the consulting team, RWA staff and Participants. We will agree on a process for reviewing GEI's draft report and consolidating comments through RWA.
- ***Presentation of Results Meeting:*** During this meeting GEI will present its draft findings and distribute hard copies of its draft report for review.

Task 1 Deliverables: Meeting Agendas, PowerPoint Presentations and Meeting Summaries.

TASK 2 EVALUATION: COMPILE, REVIEW AND INTERPRET DATA AND INFORMATION

GEI will compile, organize and review information required to complete each of the following subtasks:

2.1 Role of ASR in the Region: GEI working with RWA staff will evaluate:

- The role ASR could play in a future regional groundwater bank.
- Evaluation of ASR in relation to other, less expensive, options such as in-lieu recharge.

2.2 ASR Cost Considerations: The GEI Team will draw from its team experience and working with RWA staff to solicit input from operating ASR system managers to address the following:

- What are the capital costs for construction of ASR wells compared to new conventional wells?
Including:

- Additional components required for ASR, a brief explanation of the functionality of each component, and a line item cost for each component,
- Comparison of costs between construction of a traditional well vs an ASR well using both basic construction standards and state of the art construction with higher quality materials; and,
- Siting and facilities cost considerations.
- What are the capital costs of converting an existing conventional production well for use as an ASR well?
- How do operations and maintenance costs of ASR wells compare to conventional wells?
- What are additional costs of permitting and regulatory compliance (e.g., water quality monitoring) associated with ASR wells?

2.3 Well and Hydrogeologic Considerations: The GEI Team will draw from its experience with wells and groundwater investigations in the region to address the following questions:

- Based on available hydrogeologic conditions and regional geologic characterizations, where are desirable locations in the region to employ ASR?
- What are characteristics of existing wells that make them suitable or unsuitable for conversion to ASR wells?

2.4 Water Quality Considerations: The GEI Team will draw from its experience with ASR and knowledge of water quality within the region, but also solicit input from ASR operators to answer the following:

- Based on available water quality analyses, what types of potential reactions associated with differing source injection water (Sacramento River versus American River) and groundwater (e.g., redox conditions and pH reactions influencing adsorption/desorption) might be expected to occur? This evaluation will not include geochemical equilibrium modeling.
- Based on known regional groundwater quality conditions, what parts of the region are more or less favorable for considering use of ASR wells.
- What types of impacts (positive or negative) on existing known contaminant plumes or other impaired groundwater quality might be expected? Working with RWA staff, GEI will solicit input from Orange County Water District, Los Angeles County Department of Public Works, Water Replenishment District of Southern California and the City of Woodland.

2.5 Right to Store Water in Aquifers: The GEI Team will draw from its experience with ASR permitting but also solicit input from ASR operators to answer the following:

- How have other operating ASR programs in California addressed the legal right to store the water (e.g., the use of Underground Storage Supplement Permits from the Water Board)? Working with RWA staff, we will solicit input from Orange County Water District, Los Angeles County Department of Public Works, Water Replenishment District of Southern California, Santa Clara Valley Water District, East Bay Municipal Utilities District, Monterey Peninsula, the City of Tracy, the City of Woodland, and Sonoma County Water District.

- What are the general permitting requirements for ASR operations?

Task 2 Deliverables: Survey questionnaire for soliciting input for other ASR operators in California.

TASK 3 DRAFT AND FINAL REPORT

The GEI Team will prepare a draft report for review by RWA and the Participants.

Proposed Outline of RWA Regional ASR Assessment Report

- I. Introduction
- II. Assessment Methodology
- III. Results of Assessment – Summary Table and Narrative Description
- IV. Recommendations for Further Study

Task 3 Deliverables: Draft and Final Report.

Project Schedule

Project is scheduled to begin by July 2019 and be complete by November 2019.

Project Fee

The project budget is provided in the table below. Tasks 1 through 3 are based on the consultant's budget estimate. Task 4 is for the RWA's Manager of Technical Services for contractor procurement and management, ASR Project agreement development, and support in completing the consultant's tasks. This represents 32 hours of labor at \$185 per hour.

Estimated Budget by Task

Task 1: Meetings	\$7,764
Task 2: Evaluation: Compile, Review and Interpret Data and Information	\$35,001
Task 3: Draft and Final Report	\$11,205
Task 4: RWA Staff Project Management	\$5,920
Project Total	\$59,890

EXHIBIT 3

FINANCING PLAN

REGIONAL WATER AUTHORITY

REGIONAL AQUIFER STORAGE AND RECOVERY INFORMATION PROJECT

In developing the proposed fees for each Participants, factors such as Participant size, the level of interest, and the likelihood and level of implementing ASR operations were considered. The not-to-exceed fee for each Participant is shown in the table below. These amounts will not be increased without the approval of all Participants.

Proposed Fee Table

Agency	Not-to-Exceed Fee
Carmichael Water District	\$ 3,700
Citrus Heights Water District	\$ 6,600
City of Lincoln	\$ 3,700
City of Sacramento	\$ 10,500
Elk Grove Water District	\$ 3,700
Fair Oaks Water District	\$ 3,700
Golden State Water Company	\$ 3,700
Placer County Water Agency	\$ 3,700
Sacramento County Water Agency	\$ 8,500
Sacramento Suburban Water District	\$ 8,500
San Juan Water District	\$ 3,700

EXHIBIT 4 [CONTACT INFO TO BE ADDED BELOW UPON CONFIRMATION OF PARTICIPANTS]

NOTICE INFORMATION

REGIONAL WATER AUTHORITY

REGIONAL AQUIFER STORAGE AND RECOVERY INFORMATION PROJECT

Carmichael Water District

Fair Oaks Water District

Citrus Heights Water District

Golden State Water Company

City of Lincoln

Placer County Water Agency
Attn: Tony Firenzi
144 Ferguson Road
Auburn, CA 95603
Phone: (530) 823-4965
Email: tfirenzi@pcwa.net

City of Sacramento

Sacramento County Water Agency

Elk Grove Water District

Sacramento Suburban Water District

San Juan Water District
Attn: Greg Zlotnick
P.O. Box 2157
Granite Bay, CA 95746
Phone: (916) 791-6933
Fax: (916) 791-6983
Email: gzlotnick@sjwd.org

Regional Water Authority
Attn: Rob Swartz
5620 Birdcage Street, Suite 180
Citrus Heights, CA 95610
Phone: (916-967-7692
Fax: (916) 967-7322
Email: rswartz@rwah2o.org

May 22, 2019

AGENDA ITEM 8: PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT APPLICATION PROJECT

BACKGROUND:

In April 2019, the Department of Water Resources (DWR) released its Proposition 1, Round 1 Integrated Regional Water Management (IRWM) Implementation Grant Proposal Solicitation Package (PSP). Based on the draft PSP, RWA had been in touch with its IRWM stakeholders to identify projects that would be eligible and a regional priority for pursuing funding. Staff identified 11 priority projects and has worked with the IRWM Advisory Committee to recommend projects for advancement to pursue an estimated \$8 million in grant funding.

RWA has reviewed the PSP and believes that staff can complete the application with direct participation of each of the project proponents. Staff has prepared the attached draft project agreement, which is currently being reviewed by the project proponents. The proposed participants are listed in Exhibit 1 of the project agreement; participants include seven RWA members, one RWA associate member, the RWA Water Efficiency Program (representing multiple members), and one RWA non-member. The project agreement covers the completion of the PSP only. If the funding request is successful, a separate project agreement would be developed to manage the grant. The not-to-exceed budget for the project is \$24,960.

STAFF RECOMMENDATION:

Information Update: Rob Swartz, Interim Executive Director

Action: Approve 2019 Proposition 1 Implementation Grant Application Project Agreement

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REGIONAL WATER AUTHORITY PROJECT AGREEMENT

2019 PROPOSITION 1 IMPLEMENTATION GRANT APPLICATION PROJECT

This Agreement is made and entered into as of the __ day of _____, 2019, by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, and following, and the Members, Associate Members, and Non-Members of RWA listed in Exhibit 1 to this Agreement, upon their execution of this Agreement (who are collectively referred to in this Agreement as “Participants”), to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the Participants.

RECITALS

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

B. The joint powers agreement (“RWA JPA”) pursuant to which RWA was formed and operates, authorizes RWA to enter into a “Project or Program Agreement,” which is defined in the RWA JPA as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the parties to the Project or Program Agreement.

C. Article 21 of the RWA JPA states: “The Regional Authority’s projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name.”

D. Article 22 of the RWA JPA states: “Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program, including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

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E. RWA and the Participants desire to carry out a project and share in the costs and benefits of the project, as a Project or Program Agreement as provided for in Articles 21 and 22 of the RWA JPA.

F. RWA adopted an updated Integrated Regional Water Management Plan (“IRWMP”) for the lower American River Basin (“ARB”) to identify objectives and projects that will result in water supplies for all uses in a sustainable environment on July 12, 2018.

G. The California Department of Water Resources has released the initial round of grant application funding from Proposition 1 to fund priority projects from IRWMP efforts throughout the State. RWA and the Participants desire to pursue this funding opportunity.

H. RWA desires to include entities that are not affiliated with RWA in the grant funding application described in this Agreement in order to ensure that the RWA application contains the broadest possible scope of projects and benefits within the region. RWA and the Participants recognize that some entities that may be invited or request to submit projects in the grant funding application may not have the ability to pay some or all of their share of Project expenses, and that this inability to pay should not affect the inclusion of such projects.

I. There is nothing in the RWA JPA or RWA policies that would prevent the participation of unaffiliated entities in projects conducted by RWA and its Members and Contracting Entities under a Project or Program Agreement. Therefore, RWA and the Participants intend to permit unaffiliated entities to be included in the Project, subject to the terms and conditions set forth in this Agreement.

In consideration of the promises, terms, conditions and covenants contained herein, the parties to this Agreement hereby agree as follows:

1. **Recitals Incorporated.** The foregoing recitals are hereby incorporated by reference.
2. **Defined Terms.** Terms defined in the RWA JPA will have the same meaning in this Agreement.
3. **Description of the Project.** The project that RWA and the Participants desire to carry out involves developing an application for funding to the California Department of Water Resources (“DWR”) for a grant under the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (“Prop 1”), to fund certain Participant projects in RWA’s IRWMP. This Project is limited in scope to preparation of the application for funding. If successful, implementation and management of the grant award would be subject to a separate Project Agreement.
4. **Sharing in Project Costs and Benefits.** It is anticipated that nine agencies will participate in the Project as shown in Exhibit 1. Participants will fund the estimated not-to-exceed budget of \$24,960 for RWA to assist in preparing the Prop 1 application. Each Participant’s share of the Project costs and their assumed grant benefit is shown in Exhibit 1. In the event that DWR awards less than the requested amount, RWA will confer with the

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Participants on reduced funding levels.

RWA will pay back any surplus funds, including any excess project management fees charged in accordance with Article 7 of this Agreement, to the Participants on a pro rata basis reflecting the amount of the payments made by each of the Participants. In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Project will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those Members or Contracting Entities who have not executed this Agreement.

5. Role of Participants. Each Participant will: (a) assign a primary point of contact to RWA; (b) complete the DWR Project Information Form (PIF) for its respective project; (c) respond in timely fashion to requests from RWA or DWR for additional project information; (d) make a representative available, at its own expense, to attend a DWR grant workshop to provide an overview of its project to DWR (the workshop will likely be in the summer of 2019 and may involve travel to the north Sacramento Valley), if needed.

6. Role of RWA. RWA will: (a) ensure that the interests of Members and Contracting Entities of RWA who do not participate in this Project are not adversely affected in performing this Agreement; (b) provide information to the Participants on the status of implementation of the Project; (c) assist the Participants with answering their questions in completing the DWR PIF; (d) review DWR PIFs submitted by each Participant; (e) complete the DWR Proposal Summary for the regional application; (f) attend the DWR grant workshop to support and promote the projects submitted by the Participants.

7. RWA Project Management Expenses. As part of the total not-to-exceed amount of \$24,960, each Participant will pay RWA for managing and performing Project activities under this Agreement. The not-to-exceed amount to prepare and submit the grant application to DWR is based on a cost estimate developed by RWA staff and is included as Exhibit 2.

8. Authorization to Proceed with the Project. The Project is authorized to proceed upon the commitment of \$15,000 by Project Participants to fund initial Project costs. Upon execution of this Agreement, the Participants agree to make their project cost payment to cover the RWA application preparation expenses as required by Articles 4 and 7, respectively. Project payments will be due and payable upon RWA's presentation of an invoice to each Participant.

9. Term. This Agreement will remain in effect until March 31, 2020, or will terminate on any earlier date when all obligations under this Agreement have been performed.

10. Withdrawal. A Participant may withdraw from this Agreement at any time, effective upon thirty days' notice to RWA, provided that the withdrawing Participant will not be entitled to a refund of any portion of its initial RWA project management fee payment.

11. Amendments. This Agreement may be amended from time to time with the approval of all of the Participants and RWA.

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12. General Provisions. Any notice to be given under this Agreement shall be made by: (a) depositing in any United States Post Office, postage prepaid, and shall be deemed received at the expiration of 72 hours after its deposit; (b) transmission by facsimile copy; (c) transmission by electronic mail; or (d) personal delivery. This Agreement shall be governed by the laws of the State of California. This Agreement may be executed by the parties in counterpart, each of which when executed and delivered shall be an original and all of which together will constitute one and the same document.

The foregoing 2019 Proposition 1 Implementation Grant Application Project Agreement, is hereby consented to and authorized by RWA and the Participants.

Dated: _____, 2019

Dated: _____, 2019

Signature

Signature

Name

Name

Regional Water Authority

Agency

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EXHIBIT 1

REGIONAL WATER AUTHORITY

2019 PROPOSITION 1 IMPLEMENTATION GRANT APPLICATION PROJECT

PROJECT PARTICIPANTS

Agency	Estimated Grant Benefit	Not-to-Exceed Application Fee
Citrus Heights Water District	\$1,000,000	\$3,120
City of Lincoln	\$287,500	\$3,120
City of Sacramento	\$1,000,000	\$3,120
Fair Oaks Water District	\$750,000	\$3,120
RWA Water Efficiency Program (1)	\$2,200,000	\$3,120
Sacramento Area Flood Control Agency	\$999,809	\$3,120
Sacramento County Water Agency	\$700,000	\$3,120
Sacramento Suburban Water District	\$1,000,000	\$3,120
Valley Foothill Watersheds Collaborative	\$200,000	\$0

(1) The RWA Water Efficiency Program (WEP) will not enter directly into this Project Agreement as it has no standing as an RWA Member or Non-Member. However, the WEP will provide its contribution to the project application fee to participate in the regional application.

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EXHIBIT 2

REGIONAL WATER AUTHORITY

2019 PROPOSITION 1 IMPLEMENTATION GRANT APPLICATION PROJECT

PROJECT COST ESTIMATE

Project Management Tasks	Staff	Number of Hours	Rate (\$/Hour)	Total
1) Application Coordination	Manager of Technical Services	8	\$185	\$1,480
Meetings and Calls	Senior Project Manager	24	\$130	\$3,120
	Project Research Asst.	12	\$100	\$1,200
2) Assist in Preparation and Review	Manager of Technical Services	24	\$185	\$4,440
of Project Information Forms	Senior Project Manager	48	\$130	\$6,240
	Project Research Asst.	16	\$100	\$1,600
3) Preparation of Proposal Summary and	Manager of Technical Services	16	\$185	\$2,960
Participation in DWR Funding Area Workshop	Senior Project Manager	24	\$130	\$3,120
	Project Research Asst.	8	\$100	\$800
Application Total		180		\$24,960

May 22, 2019

AGENDA ITEM 9: 2018 GROUNDWATER SUBSTITUTION TRANSFER REPORT PROJECT

BACKGROUND:

Staff has previously reported to the RWA Board and Executive Committee on the 2018 Regional Groundwater Substitution Transfer, which involved six RWA member agencies (San Juan Water District, Citrus Heights Water District, Fair Oaks Water District, Carmichael Water District, City of Sacramento, and Sacramento Suburban Water District). In early 2019, staff was approached by San Juan Water District (acting as the manager of funds received from the transfer on behalf of the participating agencies) seeking assistance with preparing groundwater level contour maps associated with final reporting requirements for the transfer. RWA staff researched options and determined that it would be preferable to complete the work using RWA staff. Staff consulted with RWA legal counsel on a mechanism to reimburse RWA staff time and the direct expense of the software needed to complete the task, and an agreement was recommended. Staff is requesting that the Executive Committee authorize the execution of the attached agreement. The agreement would result in the collection of \$3,080 in unplanned staff revenue in the current fiscal year.

STAFF RECOMMENDATION:

Information Update: Rob Swartz, Interim Executive Director

Action: Authorize the Interim Executive Director to Execute the Agency Agreement to Provide Support for Final Report Preparation

2018 Regional Groundwater Substitution Transfer Final Report Project Agency Agreement

THIS AGREEMENT is made and entered into this 22nd day of May 2019, by and between the Regional Water Authority, hereinafter referred to as “RWA” and San Juan Water District, hereinafter referred to as “SJWD.”

In 2018, six RWA member agencies (SJWD, Citrus Heights Water District, Fair Oaks Water District, Carmichael Water District, City of Sacramento, and Sacramento Suburban Water District), hereinafter referred to as “Partners,” participated in a regionally-coordinated groundwater substitution transfer. SJWD served as the manager of funds received from the transfer on behalf of the Partners. The Partners requested assistance from RWA to prepare portions of the final transfer report required by the California Department of Water Resources. In support of this effort, RWA and SJWD agree as follows:

RWA will:

1. Research and purchase software for the preparation of final report water elevation contour maps.
2. Prepare and review three groundwater elevation contour maps for the beginning of the transfer, the end of the transfer, and the Spring following the transfer.
3. Collect and provide groundwater elevation measurements at select monitoring wells as required for the transfer, and provide that information to the SJWD consultant, Tully & Young, serving as the lead for the final transfer report.

SJWD will:

1. Upon documentation of completion of the above work, reimburse RWA on behalf of the Partners for RWA staff time and direct software purchase expenses as shown in the table below.

	Hours	Rate	Total
Rob Swartz – Manager of Technical Services	8	\$ 185	\$ 1,480
Monica Garcia – Project Research Assistant	16	\$ 100	\$ 1,600
Surfer Software Purchase		\$ 849	\$ 849
			\$ 3,929

RWA will invoice SJWD for payment upon documentation of completion of the work.

Regional Water Authority

San Juan Water District

By
Rob Swartz
Interim Executive Director

By
Paul Helliker
General Manager

Date

Date

May 22, 2019

**AGENDA ITEM 10: RWA JUNE 13, 2019 BOARD OF DIRECTORS MEETING
AGENDA**

Action: Approve June 13, 2019 Board of Directors Meeting Agenda

**REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS**

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

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

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. The Board of Directors may consider any agenda item at any time during the meeting.

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

3. CONSENT CALENDAR

- a. Minutes from the February 15, 2019 and May 22, 2019 RWA Special board meetings and the May 2, 2019 RWA regular board meeting

Action: Approve February 15, 2019 and May 22, 2019 Special Board meetings and the May 2, 2019 RWA Board meeting minutes

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

- a. Information: Final minutes of the March 27, 2019 and April 24, 2019 Executive Committee meetings and the April 26, 2019 and May 13, 2019 Special Executive Committee meetings

5. POLICY 400.1 APPENDIX G UPDATE

Information Presentation: Rob Swartz, Interim Executive Director

Action: Approve Amended RWA Policy 400.1, Appendix G

6. EXECUTIVE DIRECTOR'S REPORT

7. DIRECTORS' COMMENTS

8. CLOSED SESSION – PUBLIC EMPLOYEE APPOINTMENT

(Government Code §§ 54954.5(e) AND 54957(b)(1))

Title: Executive Director

- 9. CLOSED SESSION – CONFERENCE WITH LABOR NEGOTIATORS
(Government Code §§ 54954.5(f), 54957.6)
Agency designated representatives: Paul Schubert, Kerry Schmitz and
Marcus Yasutake
Unrepresented employee: Executive Director**

10. REPORT FROM CLOSED SESSIONS

- 11. EXECUTIVE DIRECTOR APPOINTMENT AND EMPLOYMENT AGREEMENT
Action: Approve Executive Director Appointment and Employment Agreement**

ADJOURNMENT

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, June 26, 2019, 8:30 a.m. at the RWA office and July 24, 2019, 8:30 a.m. at the RWA office.

Next RWA Board of Directors' Meeting – Thursday, 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.

May 22, 2019

AGENDA ITEM 11: EXECUTIVE DIRECTOR’S REPORT

MAY 22, 2019

TO: REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE

FROM: ROB SWARTZ, INTERIM EXECUTIVE DIRECTOR

RE: EXECUTIVE DIRECTOR'S REPORT

- a. Bureau of Reclamation Water Management Options Pilot Program** – A response to the Letter of Interest submitted to Reclamation by RWA staff is expected the week of May 20th. If RWA is invited to submit a full proposal for Reclamation support in modeling to evaluate the proposed Sacramento Regional Water Bank, the proposal is expected to be due by June 26, 2019.
- b. RWA Outreach** – Staff will be presenting to the Sacramento Suburban Water District Board on the Sacramento Regional Water Bank, Phase 1 and the Regional Aquifer Storage and Recovery projects at its May 20, 2019 regular Board meeting.

May 22, 2019

AGENDA ITEM 12: DIRECTORS' COMMENTS

May 22, 2019

**AGENDA ITEM 13: CLOSED SESSION – PUBLIC EMPLOYEE APPOINTMENT
(Government Code §§ 54954.5(e), 54957(b)(1))
Title: Executive Director**

May 22, 2019

**AGENDA ITEM 14: CLOSED SESSION – CONFERENCE WITH LABOR
NEGOTIATORS**

(Government Code, §§ 54954.5(f))

**Agency designated representatives: Paul Schubert, Kerry Schmitz and Marcus
Yasutake**

Unrepresented employee: Executive Director

May 22, 2019

AGENDA ITEM 15: REPORT FROM CLOSED SESSIONS