

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. Ojikian 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

No action was taken in Closed Session.

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 Cosumnes 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