



**Regional Water Authority
Executive Committee Meeting
Final Minutes
May 22, 2019**

1. CALL TO ORDER

Chair Schubert called the meeting of the Executive Committee to order at 9:52 a.m. Individuals in attendance are listed below:

Executive Committee Members

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

Staff Members

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

Others in Attendance

None.

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The minutes from the April 24, 2019 Executive Committee meeting and minutes from the April 26, 2019 and May 13, 2019 Special Closed Session Executive Committee meetings. It was noted on the April 24, 2019 minutes under agenda item 11 to add the notation “No action was taken in Closed Session,” and in the last paragraph under agenda item 12, the spelling of “Cosumnes” was corrected.

Motion/Second/Carried (M/S/C) Ms. Tobin moved, with a second by Ms. Sedwick, to approve the consent calendar items with the noted changes to the April 24, 2019 Executive Committee Meeting minutes. The motion carried by the unanimous voice vote of all directors present.

4. POLICY 400.1 APPENDIX G UPDATE

Rob Swartz, Interim Executive Director, reported that changes were made to Policy 400.1, *Employee and Retiree Health Benefits* in March, 2019. To update the amendments, RWA's special counsel, Best, Best & Krieger LLP, recommended rewriting the policy's Appendix G. to be in conformance with the updated policy. The revised and original versions of the appendix were included in the packet.

M/S/C Mr. Yasutake moved, with a second by Ms. Schmitz, to recommend Board Approval of Amended RWA Policy 400.1, Appendix G. The motion carried by the unanimous voice vote of all directors present.

5. LEGISLATIVE/REGULATORY UPDATE

Ryan Ojakian, Legislative and Regulatory Affairs Manager, gave an update that there has been significant movement on the Water Tax. The Senate Budget approved \$150 million from general funds for safe drinking water. The Assembly has not concurred in that action. An option to replace the \$150 million from general funds from other sources including a water tax has been left open. The budget conversation is ongoing.

He said that the Assembly passed AB 217 (E. Garcia), and AB 134 (Bloom), the Assembly policy package on safe drinking water, out of Appropriations committee. 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. If the Senate Budget proposal and SB 200 takes effect, it would fund and put in place governance of safe drinking water funds. 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 had 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.

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. There was discussion on how this bill might affect private domestic wells and rural water users.

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.

Mr. Greenwood entered the meeting.

Mr. Bezerra referred to RWA Policy 100.5 on External Issues which “*...provides a unified voice to advocate and respond to legislative, regulatory and policy matters of importance to the region’s water supply.*” This policy gives Mr. Ojakian the ability to be flexible and move as quickly as necessary on legislature issues.

M/S/C Mr. Yasutake moved, with a second by Ms. Schmitz, to take a support position on the Senate Budget Proposal. The motion carried by the unanimous voice vote of all directors present.

M/S/C Ms. Tobin moved, with a second by Mr. Yasutake, to move from a support position to a support if amended position on SB 134. The motion carried by the unanimous voice vote of all directors present.

6. REGIONAL SMART CONTROLLER PROGRAM

Amy Talbot, Senior Project Manager said that 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 percent 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 to provide Program design and administration framework, provide marketing, online sign up platform, customer assistance, and training and installation services necessary to implement a “turnkey” multiagency smart controller program, to develop

and provide Program evaluation metrics and 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.

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 an RFQ on April 11, 2019 to sixteen consulting firms with known experience in smart controller equipment and programs. One proposal was received from Rachio (submitted in partnership with their subcontractor, Valley Soil).

After review and discussion of the proposal, the proposal 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.

M/S/C Mr. Yasutake moved, with a second by Mr. York, to approve contractor selection for the Regional Smart Controller Program and authorize the Interim Executive Director to enter into a contract with Rachio/Valley Soil. The motion carried by the unanimous voice vote of all directors present.

7. AQUIFER STORAGE AND RECOVERY PROJECT

Rob Swartz, Interim Executive Director, said that 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. 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. 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 the unknowns giving agencies in the region 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 draft project agreement that was included in the packet. 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.

M/S/C Ms. Sedwick moved, with a second by Ms. Tobin, to approve Regional Aquifer Storage and Recovery Information Project Agreement. The motion carried by the unanimous voice vote of all directors present.

8. PROPOSITION 1 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT APPLICATION PROJECT

Mr. Swartz said that 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 prepared a draft project agreement that was included in the packet, and was being reviewed by the project proponents. The proposed 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.

M/S/C Ms. Schmitz moved, with a second by Mr. York, to approve 2019 Proposition 1 Implementation Grant Application Project Agreement subject to participant approval and legal counsel review. The motion carried by the unanimous voice vote of all directors present.

9. 2018 GROUNDWATER SUBSTITUTION TRANSFER REPORT PROJECT

Rob Swartz, Interim Executive Director, said that staff has previously reported to the RWA Board and Executive Committee on the 2018 Regional Groundwater Substitution Transfer, which involved six RWA member agencies including 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 and hydrographs associated with final reporting requirements for the transfer.

RWA staff researched options including talking with consultants who have previously prepared this type of information for us and determined that the project was too small for the consultants and it would be preferable to complete the work using RWA staff. Mr. Swartz 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. The agreement has been agreed to as to form by San Juan Water District as the fiscal agent for the transfer group. Mr. Swartz reported that the agreement would result in the collection of \$3,080 in unplanned staff revenue in the current fiscal year.

M/S/C Mr. Yasutake moved, with a second by Mr. Greenwood, to Authorize the Interim Executive Director to Execute the Agency Agreement to Provide Support for final Report Preparation. The motion carried by the unanimous voice vote of all directors present.

10. RWA JUNE 13, 2019 BOARD OF DIRECTORS MEETING AGENDA

It was suggested that an agenda item be added to the RWA June 13, 2019 Board of Directors meeting agenda if, after discussion, Mr. Swartz, Mr. Ojakian and Mr. Bezerra determine a need to reaffirm existing policy principles.

M/S/C Ms. Sedwick moved, with a second by Mr. Yasutake, to approve the June 13, 2019 Board of Directors Meeting Agenda with the suggested addition if determined necessary. The motion carried by the unanimous voice vote of all directors present.

11. EXECUTIVE DIRECTOR'S REPORT

Mr. Swartz reported that a response to the Letter of Interest submitted to the Bureau of Reclamation is expected May 24th that will include an invitation for a full application to be submitted.

Mr. Swartz gave a presentation to the Sacramento Suburban Water District Board at their May 20, 2019 Board meeting on the Sacramento Regional Water Bank, Phase 1 and the Regional Aquifer Storage and Recovery projects.

12. DIRECTORS' COMMENTS

Mr. York reported that Sacramento Suburban Water District will be bringing to their board in June a proposed water rate increase.

Ms. Tobin confirm that the June 13, 2019 RWA Board meeting will begin at 10:30 a.m. and the June 13, 2019 SGA Board meeting will begin at 1:00 p.m.

Chair Schubert said that Golden State Water Company has a proposed decision from the judge on their general rate case.

- 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**

There was nothing to report from Closed Session.

ADJOURNMENT

The closed session convened at 10:49 a.m. and adjourned at 11:05 a.m. With no further business to come before the Executive Committee, Chair Schubert adjourned the meeting at 11:06 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer