

**REGIONAL WATER AUTHORITY  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
Thursday, July 11, 2019, 9:00 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 June 13, 2019 RWA regular board meeting  
**Action: Approve June 13, 2019 RWA Board meeting minutes**

**4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**

- a. Information: Final minutes of the May 22, 2019 Executive Committee meeting

**5. EXECUTIVE DIRECTOR'S INTRODUCTORY COMMENTS**

Information Presentation: James Peifer, Executive Director

**6. REGIONAL WATER RELIABILITY PLAN**

Information Update: Rob Swartz, Manager of Technical Services

**Action: Approve Resolution 2019-09 to Adopt the RWRP**

**7. WATER EFFICIENCY PROGRAM UPDATE**

Information Update: Amy Talbot, Senior Project Manager

**8. EXECUTIVE DIRECTOR'S REPORT**

**9. DIRECTORS' COMMENTS**

**ADJOURNMENT**

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, July 24, 2019, 8:30 a.m. and August 28, 2019, 8:30 a.m. at the RWA office.

Next RWA Board of Directors' Meetings – September 12, 2019, 9:00 a.m. and November 14, 2019, 9:00 a.m. at the RWA office.

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

**AGENDA ITEM 3a: CONSENT CALENDAR**

Minutes from the June 13, 2019 RWA Regular Board meeting minutes

**Action: Approve the June 13, 2019 RWA Regular Board meeting minutes**

## 1. CALL TO ORDER

Chair Schubert called the meeting of the Board of Directors to order at 10:30 a.m. at the Regional Water Authority. Individuals in attendance are listed below:

### RWA Board Members

S. Audie Foster, California American Water  
Ron Greenwood, Carmichael Water District  
Steve Nugent, Carmichael Water District  
Raymond Riehle, Citrus Heights Water District  
Hilary Straus, Citrus Heights Water District  
Marcus Yasutake, City of Folsom  
Dan Karleskint, City of Lincoln  
Bruce Houdesheldt, City of Roseville  
Sean Bigley, City of Roseville  
Michelle Carrey, City of Sacramento  
Ben Moody, City of Yuba City  
Trish Harrington, Del Paso Manor Water District  
Jim Abercrombie, El Dorado Irrigation District  
Tom Nelson, Elk Grove Water District  
Paul Schubert, Golden State Water Agency  
Brent Smith, Placer County Water Agency  
Andy Fecko, Placer County Water Agency  
Mark Martin, Rancho Murieta Community Services District  
Tim Shaw, Rio Linda/Elverta Community Water District  
Kerry Schmitz, Sacramento County Water Agency  
Dan York, Sacramento Suburban Water District  
Pam Tobin, San Juan Water District

### RWA Associate Members

Ansel Lundberg, SMUD and Jose Ramirez, SRCSD

### RWA Affiliate Members

Alan Driscoll, Forsgren Associates, Inc.

### Staff Members

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

**Others in Attendance:**

David Gordon, Chelsea Spier, Debra Sedwick, Ted Costa, Misha Sarkovich, Greg Zlotnick, Pauline Roccucci and Paul Olmstead

**2. PUBLIC COMMENT**

Mr. Olmstead, Sacramento Municipal Utility District (SMUD), commented on replacing the recently retired Executive Committee Member from Del Paso Manor Water District. He said that the person who has been recommended by Del Paso to potentially replace the vacated position does not have the knowledge and experience to move RWA forward. SMUD is interested in seeing RWA be successful.

**3. APPOINTMENT OF TEMPORARY SECRETARY**

Mr. Bezerra, RWA Legal Counsel, said that in compliance with the RWA Joint Powers Authority agreement, the Interim Executive Director recommends that the Board temporarily appoint Cecilia Partridge, RWA Executive Assistant, as the RWA Secretary for the June 13, 2019 meeting.

Motion/Second/Carried (M/S/C) Mr. Yasutake moved, with a second by Mr. Nugent, to approve appointment of Cecilia Partridge as Secretary for the June 13, 2019 RWA Regular Board meeting. The motion carried by the unanimous voice vote of all directors present.

**4. CONSENT CALENDAR**

- a. Approve Minutes of the February 15, 2019 and May 22, 2019 RWA Special Board meetings and the May 2, 2019 RWA Regular Board meeting

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

**5. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**

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

**6. FILL VACANCY ON THE EXECUTIVE COMMITTEE**

The RWA Executive Committee of the Board of Directors was seeking to fill a post-election vacancy. When a committee member leaves the committee mid-year, RWA Policy 200.3 provides procedures for the filling of a vacancy. A copy of Policy 200.3 was included in the packet.

Debra Sedwick, Del Paso Manor Water District's former general manager, was a member of the Executive Committee prior to her retirement from that District. With her retirement, her seat on the Executive Committee was vacated. Under Policy 200.3, Del Paso Manor Water District recommended Trish Harrington as a replacement on the Executive Committee in a June 8, 2019 letter to the Board Chair. Consistent with Policy 200.3, the RWA Board of Directors considered appointing Ms. Harrington to serve in the vacated Executive Committee seat for the remainder of the 2019 term.

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

Ms. Harrington did not receive a majority of the votes. Six votes were received approving the recommended appointment, specifically those of the City of Lincoln, City of Sacramento, Del Paso Manor Water District, El Dorado Irrigation District, Placer County Water Agency, and Rancho Murieta Community Services District. Twelve votes were received against the recommended appointment, specifically those of California American Water, Carmichael Water District, Citrus Heights Water District, City of Folsom, City of Roseville, City of Yuba City, Elk Grove Water District, Golden State Water Company, Rio Linda/Elverta Community Water District, Sacramento County Water Agency, Sacramento Suburban Water District and San Juan Water District. Fair Oaks Water District abstained. With the majority votes against, Ms. Harrington will not fill the vacancy on the Executive Committee.

Mr. Greenwood entered the meeting.

RWA Policy 200.3 requires that the makeup of the Executive Committee include:

- At least two members who are members of a governing board of a member of RWA.
- At least two members who are management staff of a member of RWA.
- At least one member who represents a city or county member of RWA.
- At least one member who represents a contracting entity of RWA.

These requirements are satisfied by the existing eight members of the Executive Committee. As a result, any RWA board member whose organization is not already represented on the Executive Committee is an eligible candidate for the

Mr. Bezerra gave a brief overview of the election process. Each candidate was allowed two minutes to make a statement.

Sean Bigley from the City of Roseville received a majority of the votes, with 12 votes. Those votes were from Sacramento County Water Agency, Carmichael Water District, Placer County Water Agency, El Dorado Irrigation District, City of

Roseville, City of Folsom, Golden State Water Company, San Juan Water District, Elk Grove Water District, Sacramento Suburban Water District, California American Water and Yuba City. Ms. Harrington received one vote from Del Paso Manor Water District, Mr. Karleskint received one vote from the City of Lincoln, and Mr. Riehle received four votes from Rio Linda/Elverta Community Water District, City of Sacramento, Citrus Heights Water District and Rancho Murieta Community Services District.

Pursuant to Policy 200.3, Mr. Bigley was elected with the majority of votes to serve as a member of the 2019 Executive Committee for the remainder of its term.

## **7. POLICY 400.1 APPENDIX G UPDATE**

Rob Swartz, Interim Executive Director, said that in March changes were adopted to our current employee and retiree employee health benefits. The benefit details were presented to the Board and requires an update to Policy 400.1, Appendix G. 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. The revised version of the appendix was included in the packet.

M/S/C Mr. Nugent moved, with a second by Ms. Tobin, to approve the Amended RWA Policy 400.1, Appendix G. The motion carried by the unanimous voice vote of all directors present.

## **8. EXECUTIVE DIRECTOR'S REPORT**

The Regional Water Reliability Plan has been completed and is posted on the RWA website. Hard copies will be available for each agency at the July 11, 2019 RWA Board meeting. With completion of the RWRP, staff is now moving into the main recommendation of the plan, the Sacramento Regional Water Bank.

Funding opportunities have come up to help fund the planning to arrive at a water bank. The first funding opportunity is a Bureau of Reclamation water management option pilot program that includes an opportunity to request approximately \$400,000 to \$500,000. Staff is working on an application that is due July 10, 2019. RWA and Placer County Water Agency have been invited to pursue funding from this program.

Another opportunity came up through the WIIN Act, a federal program. With additional planning needs to complete the second phase, this program represents 25% federal funding cost share. Staff is pursuing approximately \$800,000 with a proposal that was submitted on June 10<sup>th</sup> to the Mid-Pacific Region with recommendations as to whether to advance the proposal to a Reclamation-wide review process expected June 14<sup>th</sup>.

Mr. Swartz gave a presentation to the Sacramento Suburban Water District on May 20<sup>th</sup> and was part of a regional contingent that met with the Mid Pacific Region Director on June 12<sup>th</sup>, briefing him on our goals to establish a water bank in the region.

Mr. Fecko commented that the work that Mr. Swartz and staff have done for the region program are appreciated.

## **9. DIRECTORS' COMMENTS**

Ms. Tobin congratulated Mr. Bigley on his election to the Executive Committee.

Mr. Greenwood said he recently participated in a Bay-Delta tour sponsored by the Water Education Foundation. He said it was well worth the time and he recommended the tour to anyone.

Mr. York reported that Sacramento Suburban Water District is in the final stages of a water rate study that is being supported by their board.

Ms. Harrington thanked Carmichael Water District and San Juan Water District for assisting Del Paso Manor Water District in the past few weeks.

Mr. Bigley thanked members for voting him to the Executive Committee. He provided an update on the City of Roseville's Article 3F Recharge Operations System. Since February 20<sup>th</sup>, they have been taking water under their water service contract under Article 3F. They are currently at approximately 900 acre feet of recharge. The City will have an Environmental Assessment that will be posted by the Bureau of Reclamation regarding a transfer between SMUD and City of Roseville that will be used as testing of their groundwater program.

Ms. Roccucci congratulated Mr. Bigley for his election to the Executive Committee.

Mr. Shaw said that he attended a stakeholder meeting in West Sacramento sponsored by DWR that focused on entering the penalty phase of SB 606. A second meeting held downtown focused on maximum water loss. He would like to see an update presented by staff to the board on these meetings.

Chair Schubert said that the Golden State Water Company's Arden system will be fluoridated beginning this month and expected to be up and running by August. The rate increase that was filed in 2017 has been approved.

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

- 11. 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**

**12. REPORT FROM CLOSED SESSIONS**

There were no actions to report from the Closed Sessions.

**13. EXECUTIVE DIRECTOR APPOINTMENT AND EMPLOYMENT AGREEMENT**

Mr. Bezerra said that the employment contract under consideration has been modified beginning with section 5. Under Work Hours, the paragraphs will be numbered subsections 5.1 and 5.2. In subsection 6.3 the text will read “An automobile allowance of \$600 per month, which covers all personal vehicle-related expenses. Employee will be responsible for all expenses associated with the vehicle Employee obtains using the above automobile allowance, including without limitation automobile insurance and any expenses for which Employee otherwise might seek IRS-authorized mileage reimbursement.” In paragraph 9 in the first sentence it will be amended to read “Employee’s employment also will be governed by **all applicable laws and the...**”.

Ms. Sedwick commented that she had served on the Executive Committee during the recruitment of the Executive Director. She feels the contract is fair and equitable and the RWA is gaining an excellent Executive Director with the hiring of James Peifer. She congratulated the negotiating committee on their accomplishments.

M/S/C Ms. Tobin moved, with a second by Mr. Nugent, to approve the Executive Director Appointment and Employment Agreement as amended. The motion carried by the unanimous voice vote of all directors present.

Ms. Tobin thanked Ms. Sedwick for her service on the Executive Committee.

Mr. Bezerra noted that the employment agreement is with James Peifer.

Chair Schubert reminded everyone that an SGA Board meeting will follow at 1:00 p.m., with the same process to approve the employment agreement before it is final.

Chair Schubert thanked Mr. Swartz for serving as the Interim Executive Director the past few months. He thanked staff for assisting throughout the lengthy interview process.

**ADJOURNMENT**

The public portion of the meeting adjourned at 11:12 a.m. with the Closed Session beginning at 11:17 a.m. The Closed Session adjourned at 12:05 p.m. with nothing to report. With no further business to come before the Executive Committee, Chair Schubert adjourned the meeting at 12:13 p.m.

By:

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Chairperson

Attest:

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Cecilia Partridge, Executive Assistant/Secretary

**AGENDA ITEM 4a. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATION**

Information: Final minutes of the May 22, 2019 Executive Committee meeting minutes

**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 31<sup>st</sup>. 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 15<sup>th</sup>.

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 24<sup>th</sup> 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:

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Chairperson

Attest:

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Nancy Marrier, Board Secretary / Treasurer

## **AGENDA ITEM 5: EXECUTIVE DIRECTOR'S INTRODUCTORY COMMENTS**

### **BACKGROUND:**

The Executive Director will make his introductory comments to the RWA Board with a focus on initial outreach to the RWA members and facilitating the update of the strategic plan.

### **EXECUTIVE COMMITTEE RECOMMENDATION:**

Information Presentation: James Peifer, Executive Director

## **AGENDA ITEM 6: REGIONAL WATER RELIABILITY PLAN**

### **BACKGROUND:**

The RWA Regional Water Reliability Plan (RWRP) Project was launched in mid-2016. The objective of the project was to increase water supply reliability by looking at the vulnerabilities of the water resources and potential options to mitigate those vulnerabilities for each agency. Additionally, the project analyzed the conjunctive use potential of the interconnected systems in the region as a key strategy to improve reliability of water supplies. Staff most recently gave an update to the RWA Board on the recommendations of the RWRP on March 14, 2019.

The RWRP was completed in May 2019, and has been posted to the RWA web site ([www.rwah2o.org](http://www.rwah2o.org)). As a means of expressing strong support for the RWRP's recommendations and the overall significance of the multi-year planning effort, RWA Chair Schubert recommended that staff prepare a resolution to have the RWA Board take action to adopt the RWRP upon its completion. The resolution is enclosed for consideration.

### **EXECUTIVE COMMITTEE RECOMMENDATION:**

Information Update: Rob Swartz, Manager of Technical Services

**Action: Approve Resolution 2019-09 to adopt the RWRP**

## RESOLUTION 2019-09

### A Resolution of the Regional Water Authority to Adopt the Regional Water Reliability Plan

**Whereas**, the Regional Water Authority's mission includes protecting and enhancing the reliability, availability, affordability, and quality of water resources; and

**Whereas**, the Regional Water Authority (RWA) 2013 Strategic Plan called for the development of a Regional Water Reliability Plan (RWRP) to identify the most promising regional opportunities to improve water supply reliability; and

**Whereas**, RWA began a subscription-based program, with 20 RWA members and associate members participating, to develop the RWRP in 2016; and

**Whereas**, RWA assessed the water supply vulnerabilities and potential mitigation actions of each member agency, evaluated the conjunctive use potential of the region, and explored interest in establishing a regional water bank as part of the RWRP; and

**Whereas**, in May 2019, RWA staff, and the members of the subscription program, completed the RWRP, which includes recommendations for further planning to establish a regional water bank and other mitigation actions to improve regional water supply reliability; and

**Whereas**, the RWRP is intended to be a framework for coordinated planning in the region and to inform future decisions by RWA's members and contracting entities, among others, about physical improvements and water management measures;

**Whereas**, without further actions by RWA's members or contracting entities, or others, the RWRP will not cause the implementation of any physical improvements or water management measures and therefore will not cause any physical changes in the environment;

**Whereas**, because the RWRP itself will not cause any physical changes in the environment, directly or indirectly, the RWRP is not a "project" that is subject to the California Environmental Quality Act; and

**Whereas**, RWA desires to express its strong support for its members, its contracting entities, other local agencies and the state and federal governments to consider and promote and support the recommendations and measures identified in the RWRP.

**THEREFORE, BE IT RESOLVED**, that the Board of Directors of RWA hereby declares the Regional Water Reliability Plan to be complete, accepts that Plan as a blueprint for improving the reliability of water supplies within the region that RWA serves and urges all interested parties to support the Plan's recommendations and measures to help ensure sustainable water resources for our region.

**PASSED AND ADOPTED** at a meeting of the Authority held on July 11, 2019.

By: \_\_\_\_\_  
Chair, Regional Water Authority

Attest: \_\_\_\_\_  
Secretary, Regional Water Authority

## AGENDA ITEM 7: WATER EFFICIENCY PROGRAM UPDATE

### **BACKGROUND:**

Senate Bill 606 (SB 606) and Assembly Bill 1668 (AB 1668), also 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, with fines for non-compliance starting in 2027. In the meantime, water suppliers and other interested parties are working with the state to create the regulations that will guide the implementation of these bills. The two most recent meetings regarding implementation included an Urban Conservation Overview meeting on May 20<sup>th</sup> in West Sacramento and a Water Loss meeting on June 7<sup>th</sup> in Sacramento. The May 20<sup>th</sup> meeting covered a summary of the legislation and associated water agency water budgets, a sample budget calculation featuring the city of Santa Rosa, and brief descriptions of the state's existing and new workgroups for SB 606 and AB 1668 implementation. The workgroups are summarized below in Table 1. DWR solicited workgroup members through a statewide application process. RWA coordinated with several member agencies on applying to better ensure our region would have representation in all the workgroups. DWR will release the final roster of each workgroup in the next few months. RWA is already a member of the Landscape Area Measurements workgroup along with the City of Folsom and Placer County Water Agency. All the workgroup meetings are open to the public.

*Table 1: DWR Workgroups for SB 606 and AB 1668 Implementation*

Model Water Efficient Landscape Ordinance	Existing
Landscape Area Measurements	Existing
Wholesale Water Loss	New
Water Use Studies	New
Standards, Methodologies and Performance measures	New
Urban Water Management Plan Guidebook	New
Annual Water Supply and Demand Assessment	New
Data Streamlining	New

Expanded drought planning is also a part of the Water Conservation Legislation and includes the statewide standardization of water shortage contingency plans (in terms of number of stages and the associated percent reduction) 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/>).

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 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 described above. A draft RFP was distributed in early April to a subset of interested agency staff for comments. Comments were incorporated into a final RFP that was released on June 11<sup>th</sup>. Responses are due July 8<sup>th</sup>, with a RFP review committee meeting scheduled for July 17<sup>th</sup>. RWA has also acquired the same imagery that DWR is using to calculate landscape budgets for the regulations. Contact Amy Talbot, if your agency is interested in obtaining this imagery.

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. 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 multi-year 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, CalWEP has collected enough funding to move forward with the project. 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.

The WEP officially launched the second year of its two-year public outreach campaign, Check and Save, in March. The campaign invites residents to check their yard's soil moisture before watering, utilizing moisture meters and the "screwdriver test" as tools. The messaging was chosen and tested by a residential focus group in February 2018. Campaign ads feature both an eye grabbing lawn gnome and a more traditional water savings tip approach. Ads will be primarily in online and social media advertising. Radio ads and in-person radio interviews will supplement the visual messaging.

WEP hosted its second Qualified Water Efficient Landscaper (QWEL) 4-week training in March and April. QWEL is a United States Environmental Protection Agency (EPA) WaterSense labeled certification program designed for landscape professionals. The training focuses on sustainable landscape practices and irrigation system audits. RWA is an EPA-authorized organization to host QWEL trainings. Registration for the both classes was full (30 person capacity) and both had a waitlist. Sacramento Suburban Water District provided the training location. For more information, visit the QWEL website at [www.qwel.net](http://www.qwel.net).

The new location of the Powerhouse Science Center is now under construction near downtown Sacramento. RWA sponsored two exhibits in the Water Gallery: Water Day-to-Day and Our Water Future. RWA staff met with Powerhouse Science

Center staff to begin work on exhibit design and content. The anticipated opening of the Center is spring 2021.

Staff released an irrigation controller project request for proposals (RFP) in April. The project is grant funded (\$100,000) and will provide residents with an online portal to purchase (discounted) “smart” weather-based irrigation controllers with the option of controller installation services. The project is modeled after existing water agency programs throughout the state, including Moulton Niguel Water District. The anticipated timeline for the project is July 2019 through July 2020. The RFP includes language to allow neighboring northern California regional water agencies to partner with RWA on the project. Sonoma Water (9 suppliers) and the Bay Area Water Supply & Conservation Agency (BAWSCA) (26 suppliers) had expressed interest. RWA selected Rachio and their installation partner, Valley Soil for the project. RWA and BAWSCA are working together to finalize a contract with an anticipated customer launch in September 2019.

**EXECUTIVE COMMITTEE RECOMMENDATION:**

Information Update: Amy Talbot, Senior Project Manager

**AGENDA ITEM 8: EXECUTIVE DIRECTOR'S REPORT**

**JULY 11, 2019**

**TO: REGIONAL WATER AUTHORITY BOARD**

**FROM: JIM PEIFER, EXECUTIVE DIRECTOR**

**RE: EXECUTIVE DIRECTOR'S REPORT**

- a. **Ad Hoc Committee** – Chair Schubert has appointed an ad hoc committee to address the RWA's role in the Bay Delta Water Quality Control Plan (WQCP) and the Voluntary Agreements (VA). The new ad hoc committee's charge is to oversee the participation of RWA and its Executive Director in the ongoing negotiations and proceedings concerning the SWRCB proposal to amend the WQCP. The ad hoc committee will make recommendations to the RWA Board and Executive Committee for defining the RWA role and commitments of resources.
- b. **Grants Update** – Staff is managing four grants totaling in excess of \$28 million (see enclosed grant status table). A fifth grant, the Prop 1 Planning Grant, has been completed and we are awaiting final retention payment. Over the past quarter, nearly \$2.4 million in reimbursement payments were received from the Department of Water Resources (DWR).

Staff is continuing development of a Proposition 1 Integrated Regional Water Management Implementation Grant. While final numbers are still being determined, the grant will support an estimated 10 projects with in excess of \$8 million in grant funds. Final information on the projects is due to DWR by August 23<sup>rd</sup>, and DWR will hold a workshop to review the submitted projects on September 20<sup>th</sup>. Following the workshop, DWR will provide feedback on the proposed projects, and a final application will be due by November 29, 2019.

- c. **RWA Outreach** – Staff, along with a number of local water agency representatives, met with Reclamation Mid-Pacific Regional Director Ernest Conant and other Reclamation management staff to brief them on the Sacramento Regional Water Bank, the region's comments on Reclamation's proposed Water Transfer Guidelines and the Water Quality Control Plan Voluntary Agreements.

Staff is tentatively scheduled to brief the California Water Commission on the Sacramento Regional Water Bank at its next meeting on August 27, 2019.

The RWA newsletter was distributed and posted on June 27th (see enclosed copy).

- d. **Water Resilience Portfolio for California** – On April 29, 2019, Governor Newsom signed an executive order directing his administration to develop a comprehensive strategy to build a climate-resilient water system. The order directs the secretaries of the California Natural Resources Agency, California Environmental Protection Agency

and the California Department of Food and Agriculture to identify and assess a suite of complementary actions to ensure safe and resilient water supplies, flood protection and healthy waterways for the state's communities, economy and environment.

The RWA issued a statement applauding the Governor, while highlighting the importance of regional approaches for building resilience and strengthening partnerships with local water agencies (see enclosed copy).

The RWA will be developing a set of recommendations to inform the Governor's Water Resilience Portfolio initiative.

- e. **Legislative and Regulatory Affairs update** – RWA staff have been very active in the Legislative and Regulatory areas this year. RWA has taken a position on 18 bills and has tracked over 120 bills to date. The legislative priority focus has been on defeating a water tax to fund safe drinking water. From the beginning of the year the Governor to Legislative leadership have been committed to finding a resolution to safe drinking water this year. The disagreement on a solution has been over the funding source. There were at least eight different safe drinking water legislative proposals this year, with many of those relying on a water tax. RWA has a standing policy against a solution that relies on a water tax. Fortunately, the legislative solution moving forward does not include a water tax, and instead relies on funds out of the Greenhouse Gas Reduction Fund.

Pursuant to AB 401 (Dodd, 2015) the State Water Board is in the process of developing a plan for low-income rate assistance. RWA staff submitted comments on the draft low-income rate assistance plan in February. It is not currently known when the plan will be finalized.

The next RWA Legislative and Regulatory committee meeting will occur on August 21, 2019.

- f. **Financial Documents** – The financial reports for the month ending May 31, 2019 are attached.

## Regional Water Authority Status of Grant Awards

July 2019

	Prop 84 2011 Implementation Grant (1)	Prop 84 2014 Drought Grant	Prop 84 2015 Implementation Grant	USBR CalFed 2018 Meter Grant (2)	Prop 1 Planning Grant (3)	Total
<b>Awarding Agency</b>	DWR	DWR	DWR	USBR	DWR	
<b>Award/Effective Date</b>	8/16/2011	1/17/2014	1/13/2016	9/21/2018	8/8/2017	
<b>Completion Date</b>	6/30/2019	6/30/2020	12/31/2019	3/31/2020	12/31/2018	
<b>Grant Award Amount</b>	\$16,030,766	\$9,765,000	\$1,757,000	\$750,000	\$250,000	\$28,552,766
<b>Reimbursement Requests Currently Being Reviewed</b>	\$0	\$80,701	\$0	\$0	\$0	\$80,701
<b>Reimbursements Received During Previous Quarter</b>	\$1,834,130	\$307,314	\$113,074	\$0	\$118,321	\$2,372,839
<b>Reimbursements Paid to Date</b>	\$12,478,524	\$7,973,518	\$621,835	\$0	\$225,000	\$21,298,877
<b>Grant Award Outstanding</b>	\$3,552,242	\$1,710,781	\$1,128,915	\$750,000	\$25,000	\$7,166,939

(1) Grant agreement has expired. Final invoicing and reporting being completed over next quarter.

(2) Grant was awarded to Sacramento Suburban WD on behalf of the region. RWA developed the application and is managing the grant.

(3) Grant has been accepted as complete by DWR. Awaiting final retention payment.

July 2019

Building Alliances in Northern California

## MISSION

To serve and represent regional water supply interests and assist Regional Water Authority members with protecting and enhancing the reliability, availability, affordability and quality of water resources.



## RWA and SGA Welcome James Peifer as Executive Director

The Regional Water Authority (RWA) and Sacramento Groundwater Authority (SGA) in June welcomed lauded water industry professional James Peifer as the new Executive Director after a months-long, exhaustive search.

Peifer comes to RWA and SGA from the City of Sacramento Department of Utilities, where he has served as Policy and Legislation Manager since 2012.

During his 25-year career, Peifer has held numerous leadership and advocacy roles at the state, regional and local levels. He is currently serving as a negotiator for the Sacramento region in the state's Bay-Delta Water Quality Control Plan update and as vice chair of the Federal Affairs Committee for the Association of California Water Agencies (ACWA).

In 2017, RWA recognized Peifer and Andy Fecko of PCWA as the region's Water Statesperson of the Year for leadership and work on legislative and regulatory issues that impact the Sacramento region.

During his 16 years at the Sacramento Department of Utilities, Peifer filled numerous roles, including managing the Government Affairs and Sustainability sections, and engineering planning services. Peifer was instrumental in updating the city's outdoor water conservation ordinance to be among the state's most stringent. He also served as chair of ACWA's Urban Water Conservation Subcommittee during the development of AB 1668 and SB 606 (Water Conservation and Drought Planning legislation) and played a significant advocacy role in that process.

RWA and SGA Board Chairs Paul Schubert and Pam Tobin thanked Interim Executive Director and Technical Services Manager Rob Swartz for serving in a dual role during the search and the RWA Executive Committee for working seamlessly to review the many qualified applicants.

*"RWA was in truly capable hands with former Executive Director John Woodling, and now we are looking forward to achieving the next level under Jim's leadership,"* Tobin said.

*"Jim brings an incredible mix of industry experience, negotiating skill and finesse. We considered many qualified candidates for the position, but Jim is clearly the right person at the right time to lead RWA and SGA."*

**RWA Board Chair Paul Schubert of Golden State Water Company**

*"Over the years, Jim has worked hard to cultivate excellent relationships with our federal, state and local partners, including the U.S. Bureau of Reclamation, as well as the environmental community. The significance and skill of that accomplishment cannot be overstated and will be crucial in the coming years as we continue working to ensure reliable water supplies while protecting our environmental resources."*

**SGA Board Chair Pam Tobin of the San Juan Water District**



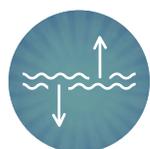
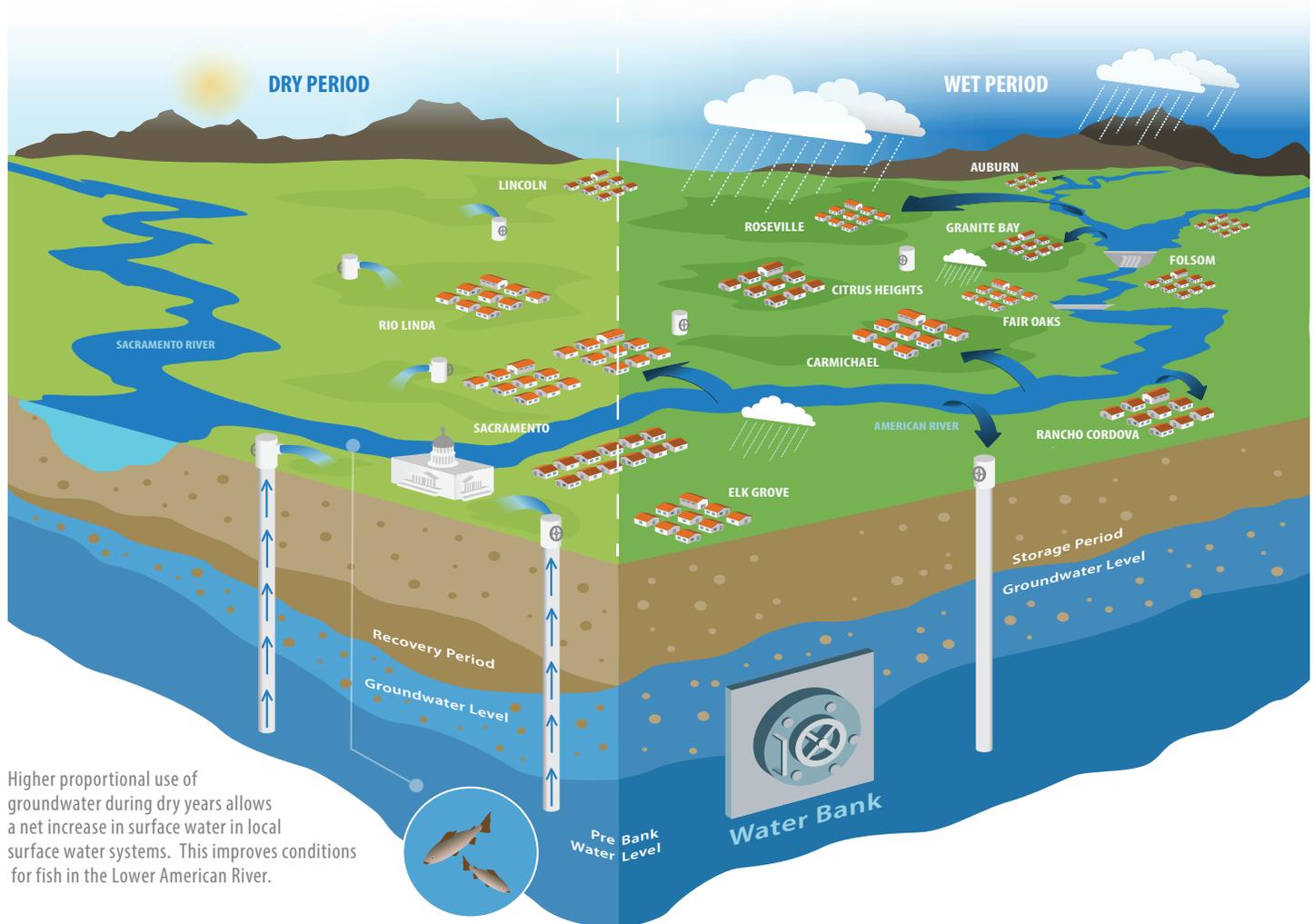
# Sacramento Regional Water Bank Moves Into New Development Phase



With the Regional Water Reliability Plan now complete, the Sacramento Regional Water Bank is moving into a new phase focused on developing technical tools that explore how the bank could be implemented in the Sacramento region. A major task will be to prepare modeling tools to inform the Water Bank's development and operations.

Other tasks planned for this development phase, slated to occur through June 2020, include:

- Evaluating water markets and exploring potential partnerships; developing Water Bank financial model and scenarios.
- Determining potential physical, operational, legal, and environmental constraints; assessing infrastructure needs.
- Exploring options for Water Bank governance and implementation; initiating development of monitoring plan; developing Phase 2 implementation plan.
- Developing Water Bank informational materials and conducting outreach to key stakeholders.



## New Water Bank Informational Materials Available

RWA has launched a new section of its website and produced materials that describe the region's vision for the Sacramento Regional Water Bank. Materials include an overview that illustrates how the bank works, its storage and recovery potential, and projected benefits for people, the economy and environment, as well as fact sheets that outline planning underway and projected through 2022, and needed investments to make the bank a reality. **You can find the materials on RWA's website at [rwah2o.org](http://rwah2o.org).**



# Legislative Update



## Safe Drinking Water and a Water Tax

The issue of how to pay for safe drinking water in California’s disadvantaged communities has been under discussion by the Legislature for more than two years with many funding proposals focused on taxing drinking water. In June, the Legislative Budget Conference Committee adopted a long-term funding proposal for safe drinking water (through at least 2030) that would take \$130 million annually from Greenhouse Gas Reduction Funds (climate change funds, also known as a carbon tax). Additional funding would come from the state’s General Fund and an anticipated budget trailer bill. These proposals are expected to continue evolving in the coming months.

**In addition to the Water Tax, RWA is focusing on three additional bills as the Legislative session begins to wind down. These include:**

- **Assembly Bill 402 (Quirk):** Would establish a funding stabilization program for Local Primacy Agencies (LPAs), which oversee small (15-199) connection water systems at the county level. This bill would restructure existing fees on these systems and hand authority to collect them to the State Water Board. Of great significance, the bill designates drinking water fees as the funding source for the stabilization program, raising questions about the limitations on the Water Board’s authority to assess drinking water fees. RWA’s current position is Oppose Unless Amended.
- **Assembly Bill 756 (C. Garcia):** Allows the State Water Board to require monitoring of two common chemicals in the PFAS family, perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS). This bill would create a new, separate process for monitoring and notification specific for PFAS/PFOS. A better option would be to pursue and aid in implementation of the “polluter pays principle” for PFAS/PFOS. RWA’s current position is Oppose.
- **Senate Bill 134 (Hertzberg):** Intended to address “double jeopardy” for water loss under the SB 555 standalone standard and water use efficiency under AB 1668/SB 606, this bill could limit flexibility for water suppliers to comply with water loss and conservation standards and establishes an unacceptable path for enforcement. RWA’s current position is Support and Amend.

For the latest information as the issues continue to evolve, visit RWA’s website at [rwah2o.org](http://rwah2o.org) or contact RWA Legislative and Regulatory Affairs Program Manager Ryan Ojakian at (916) 967-7692 or at [rojakian@rwa.org](mailto:rojakian@rwa.org).

## RWA Applauds Newsom’s Water Resilience Portfolio Executive Order

RWA issued a statement in April supporting Gov. Newsom’s new initiative to build a climate-resilient water system and ensure healthy waterways. An executive order directed state agencies to prepare a Water Resilience Portfolio that identifies and assesses a suite of complementary actions to ensure safe and dependable water supplies, flood protection and healthy waterways for the state’s communities, economy, and environment.

“We are especially pleased that his administration will place premium on encouraging regional approaches for building resilience and strengthening partnerships with local water agencies,” RWA’s statement said. “We also appreciate that the order also calls for integrating investments, policies and programs across state government, which we believe has been a significant barrier to achieving resilient water supplies in the past.”

RWA’s entire statement is available at [rwah2o.org](http://rwah2o.org).





# Water Efficiency Program News

## Water Providers Make the Rounds on Local Media

The RWA Water Efficiency Program summer media outreach and advertising campaign is in full swing with local water providers appearing on several news programs to promote efficient tree watering, wise watering tips for summer and other key themes. Recent highlights included:

- Sacramento Suburban Water District's Greg Bundesen in April promoted regional Mulch Mayhem events and provided efficient tree watering tips for Arbor Day in partnership with the Sacramento Tree Foundation on Fox 40 Live.
- Placer County Water Agency's Ross Branch in May presented Water Spots awards to students from Rocklin's Whitney High School live on Good Day Sacramento.
- RWA's Amy Talbot in June promoted efficient landscape watering tips for summer on local radio public affairs shows, which were broadcast on 18 different stations.
- PCWA's Linda Higgins and SSWD's Greg Bundesen in June provided tips for sprucing up sprinklers on Fox 40 Live.

*"Recent media attention is especially notable given the very wet winter and spring," Talbot said. "This indicates that our outreach strategy, which connects efficient watering to healthy plants, is resonating with the media and public."*



## 2018 Water Efficiency Program Annual Report Available

The 2018 Annual Report for the Water Efficiency Program is now available online. The report describes trends in the region's per-capita water use, the number of high-efficiency fixtures and appliances installed, grant funding received, results from advertising and more. You can find the report on RWA's website at [rwah2o.org](http://rwah2o.org).

## New Videos Promote Efficient Watering, Expert Tips

**RWA is producing several new videos as part of its series focused on helping customers solve common landscape watering problems.**

New for 2019 are brief "how to" videos on programming sprinkler timers to cycle and soak and the benefits of weather-based sprinkler timers. These complement three videos produced last year that encourage viewers to check soil moisture before turning on sprinklers, efficiently water mature trees and replace older sprinklers with efficient rotators.

In addition, RWA is developing new "Ask the Expert" videos on tree watering, efficient irrigation and fall planting. Videos feature experts from the Sacramento Tree Foundation and Green Acres, as well as "The Plant Lady" Marlene Simon.

**Videos, which are used in social media advertising, are available at [BeWaterSmart.info](http://BeWaterSmart.info).**



EXECUTIVE DEPARTMENT  
STATE OF CALIFORNIA

Executive Order N-10-19

**WHEREAS**, water is a human right, and is central to California's strength and vitality; and

**WHEREAS**, we face a range of existing water challenges, including unsafe drinking water across the state, major flood risks that threaten public safety, severely depleted groundwater aquifers, agricultural communities coping with uncertain water supplies, and native fish populations threatened with extinction; and

**WHEREAS**, climate change is having a profound impact on water and other resources, making the climate warmer and more variable, which reduces mountain snowpack, intensifies drought and wildfires, and drives shorter, more intense wet seasons that worsen flooding; and

**WHEREAS**, California continues to grow, with our population projected to grow to 50 million over the next several decades and our economic activities expanding as the world's fifth largest economy; and

**WHEREAS**, the future prosperity of our communities and the health of our environment depend on tackling pressing current water challenges while positioning California to meet broad water needs through the 21st century; and

**WHEREAS**, many state programs, policies and investments are being implemented, such as the Sustainable Groundwater Management Act and new urban water efficiency standards, that can be built upon to meet these evolving challenges; and

**WHEREAS**, providing clean, dependable water supplies to communities, agriculture, and industry while restoring and maintaining the health of our watersheds is both necessary and possible; and

**WHEREAS**, achieving this goal requires a broad portfolio of collaborative strategies between government, sovereign tribes, local communities, water agencies, irrigation districts, environmental conservationists, academia, business and labor leaders, and other stakeholders.

**NOW, THEREFORE, I, GAVIN NEWSOM**, Governor of the State of California, by virtue of the power and authority vested in me by the Constitution and the statutes of the State of California, do hereby issue this Order to become effectively immediately.

**IT IS HEREBY ORDERED THAT:**

1. The California Natural Resources Agency, the California Environmental Protection Agency, the California Department of Food and Agriculture, in consultation with the Department of Finance, shall together prepare a water resilience portfolio that meets the needs of California's communities, economy, and environment through the 21st century.

These agencies will reassess priorities contained within the 2016 California Water Action Plan, update projected climate change impacts to our water systems, identify key priorities for the administration's water portfolio moving forward, and identify how to improve integration across state agencies to implement these priorities.

2. These agencies shall first inventory and assess:
  - a. Existing demand for water on a statewide and regional basis and available water supply to address this demand.
  - b. Existing water quality of our aquifers, rivers, lakes and beaches.
  - c. Projected water needs in coming decades for communities, economy and environment.
  - d. Anticipated impacts of climate change to our water systems, including growing drought and flood risks, and other challenges to water supply reliability.
  - e. Work underway to complete voluntary agreements for the Sacramento and San Joaquin river systems regarding flows and habitat.
  - f. Current planning to modernize conveyance through the Bay Delta with a new single tunnel project.
  - g. Expansion of the state's drinking water program to ensure all communities have access to clean, safe and affordable drinking water.
  - h. Existing water policies, programs, and investments within state government.
  
3. This water resilience portfolio established by these agencies shall embody the following principles:
  - a. Prioritize multi-benefit approaches that meet multiple needs at once.
  - b. Utilize natural infrastructure such as forests and floodplains.
  - c. Embrace innovation and new technologies.
  - d. Encourage regional approaches among water users sharing watersheds.
  - e. Incorporate successful approaches from other parts of the world.
  - f. Integrate investments, policies and programs across state government.
  - g. Strengthen partnerships with local, federal and tribal governments, water agencies and irrigation districts, and other stakeholders.

4. These agencies shall conduct extensive outreach to inform this process, including to other state agencies, sovereign tribes, federal and local government, local water agencies, agricultural groups, environmental justice and environmental conservation organizations, local and statewide business leaders, academic experts and other stakeholders.

**IT IS FURTHER ORDERED** that as soon as hereafter possible, this Order shall be filed with the Office of the Secretary of State and that widespread publicity and notice shall be given to this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its departments, agencies, or other entities, its officers or employees, or any other person.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 29th day of April 2019.

A handwritten signature in black ink, appearing to read "Gavin Newsom", is written over a horizontal line. The signature is fluid and cursive.

GAVIN NEWSOM  
Governor of California

**ATTEST:**

A handwritten signature in black ink, appearing to read "Alex Padilla", is written over a horizontal line. The signature is cursive and stylized.

ALEX PADILLA  
Secretary of State



## Fact Sheet on Water Resilience Portfolio Initiative

April 2019

Governor Gavin Newsom signed an executive order on April 29, 2019, directing three state agencies to develop a comprehensive strategy to build a climate-resilient water system and ensure healthy waterways through the 21st century.

### 1. What action did Governor Newsom take?

The Governor signed an executive order directing the secretaries of the California Natural Resources Agency, the California Environmental Protection Agency and the California Department of Food and Agriculture to prepare a water resilience portfolio that meets the needs of California's communities, economy and environment through the 21st century.

### 2. Why does the state need a water resilience portfolio?

California faces a range of water challenges, from severely depleted groundwater basins to vulnerable infrastructure to unsafe drinking water in many communities to uncertain water supplies for our cities and agriculture. Climate change magnifies the risk. There is widespread agreement that a coordinated portfolio of complementary actions is needed to build water resilience, ensure healthy waterways and meet long-term water needs. Five years of historic drought showed the importance of regional investments in a diverse water supply portfolio, including conservation, water recycling, groundwater storage and cleanup, and more. Pursuing a statewide portfolio of actions creates opportunities to build resilience, leverage past investments and meet multiple objectives.

### 3. What elements will be part of the portfolio?

The portfolio will integrate and build on programs, policies and investments already in place to build a climate-resilient water system. While specifics will be defined over the coming months, likely elements include making the most of every drop through recycling and conservation, expanding stormwater capture and groundwater recharge to their full potential, modernizing water infrastructure -- including in the Delta -- to withstand climate pressures, and advancing multi-benefit projects such as floodplains that improve flood protection, enhance habitat and recharge groundwater basins. The Governor's executive order emphasizes the need for innovation and new technologies, strengthened partnerships and regional approaches.

**4. How will the three agencies carry out their charge?**

The California Natural Resources Agency, California Environmental Protection Agency and the California Department of Food and Agriculture will establish a working group to develop the water resilience portfolio. The working group will inventory and assess current water supplies and the health of waterways. It will also assess projected future water needs, anticipated climate-driven impacts on water systems, including more severe droughts and floods, and other challenges.

The working group will gather input through a variety of public workshops and listening sessions, and hold regular meetings to review work in progress, consider public comment and develop a water resilience portfolio to recommend to the Governor.

**5. Hasn't this already been done? How does this differ from previous planning efforts?**

The Newsom Administration's portfolio initiative will build on previous work, including the California Water Action Plan released by the Brown Administration in 2014 and updated in 2016. It will take advantage of new data and lessons learned since then to reassess priorities in the Water Action Plan, identify potential new priorities for the Newsom Administration and identify ways to improve integration across state agencies to implement those priorities.

**6. What does this mean for the Delta tunnels project?**

Governor Newsom has stated that modernized Delta conveyance is needed as part of a water resilience portfolio for California. He has directed his team to take steps to advance a smaller capacity, strategically designed single tunnel to deliver water through the Delta. The Department of Water Resources will begin taking those steps in the coming days and weeks.

**7. What are the next steps?**

The agencies plan to establish the portfolio working group in the coming weeks and begin to inventory and assess current supplies and conditions. Public input will be gathered through workshops and other venues. A draft portfolio is expected to be submitted to the Governor later this year.

## **Regional Approaches, Integrating Investments the Right Direction for Water Resilience Plan**

*The Regional Water Authority, which represents more than two dozen water providers and affiliates in the greater Sacramento region, issued the following statement regarding the [executive order](#) by Governor Gavin Newsom directing three state agencies to develop a comprehensive strategy to build a climate-resilient water system and ensure healthy waterways through the 21st century.*

We applaud what Governor Newsom sets forth in his executive order. It is a step in the right direction for building a portfolio of solutions to address the projected effects of climate change on California's water supplies and environment.

We are especially pleased that his administration will place a premium on encouraging regional approaches for building resilience and strengthening partnerships with local water agencies. We also appreciate that the order also calls for integrating investments, policies and programs across state government, which we believe has been a significant barrier to achieving resilient water supplies in the past.

In line with the Governor's goal of preparing a water resilience portfolio that ensures adequate and safe water supplies for communities and the environment, Sacramento-area water managers have been committed for decades to implementing sustainable water management practices to balance our water supply needs and the environmental health of the lower American River through the region's landmark Water Forum Agreement.

The region's current planning effort integrates multiple benefits for water supply, the environment, flood protection and climate adaptation that embodies the resilience portfolio the Governor's order seeks to achieve. For example, water managers are developing a regional water bank to store more water in the groundwater basin during wet years, so that it is available when needed. We are also working with regional flood managers to find opportunities to divert flood flows for groundwater recharge, and we are working with other local stakeholders to identify opportunities for capturing and storing storm water. The stored groundwater will provide critical water supplies in dry periods, so that precious surface water resources are maintained for regional environmental benefit. With the region's location north of the Sacramento-San Joaquin Delta, there are potential opportunities to collaborate and develop solutions that benefit the environment and communities downstream after these local needs are met.

In addition, the region is working closely with the U.S. Bureau of Reclamation on a watershed-scale study that looks at the impacts of climate change on snowpack and runoff, and how that relates to reservoir operations and groundwater sustainability. That study will result in the identification of innovative adaptation measures to ensure the future prosperity of the region.

We look forward to continuing our work to improve the region's resilience in a future with climate change and to continuing collaboration with our state and federal government partners.

***About the Regional Water Authority:*** *RWA is a joint powers authority representing 21 member and five associate member agencies in portions of Sacramento, Placer, El Dorado, Yolo and Sutter counties. Formed in 2001, its primary mission is to help its members protect and enhance the reliability, availability, affordability and quality of water resources.*

# REGIONAL WATER AUTHORITY

## Income Statement

Year-to-Date Performance, May 2019  
Department 10 to 20

	<i>11 Months Ended May 31, 2019</i>	<i>Annual Budget</i>	<i>Unused</i>
REVENUES			
Annual Assessments	897,831.00	897,800.00	(31.00)
Affiliate Members Annual	7,500.00	7,900.00	400.00
Associate Membership Annual	53,300.00	53,300.00	0.00
Powerhouse Science Center - Members	83,419.00	60,000.00	(23,419.00)
SGA Service Agreement Fees	449,245.29	624,800.00	175,554.71
Holiday Social Revenue	6,020.00	8,000.00	1,980.00
Miscellaneous Revenue	591.03	0.00	(591.03)
Cash Discounts	305.35	0.00	(305.35)
Interest on S/T Investments	43,443.75	19,600.00	(23,843.75)
TOTAL REVENUES	1,541,655.42	1,671,400.00	129,744.58
Adjustments			
Fees Adjustments	(1.12)	0.00	1.12
TOTAL Adjustments	(1.12)	0.00	1.12
TOTAL REVENUE	1,541,654.30	1,671,400.00	129,745.70
GROSS PROFIT	1,541,654.30	1,671,400.00	129,745.70
OPERATING EXPENDITURES			
Staff Expenses			
General Salaries	731,305.05	922,300.00	190,994.95
Benefits/Taxes	350,433.66	469,900.00	119,466.34
Travel / Meals	15,796.62	30,000.00	14,203.38
Professional Development	361.00	7,000.00	6,639.00
TOTAL Staff Expenses	1,097,896.33	1,429,200.00	331,303.67
Office Expenses			
Rent & Utilities	29,030.62	32,300.00	3,269.38
Insurance	27,887.73	26,500.00	(1,387.73)
Office Maintenance	0.00	500.00	500.00
Telephone	10,400.51	12,700.00	2,299.49
Dues and Subscription	9,888.22	11,300.00	1,411.78
Printing & Supplies	11,496.36	20,600.00	9,103.64
Postage	2,344.95	3,000.00	655.05
Meetings	11,144.03	15,500.00	4,355.97
Computer Equipment/Support	14,331.34	16,900.00	2,568.66

	<i>11 Months Ended May 31, 2019</i>	<i>Annual Budget</i>	<i>Unused</i>
TOTAL Office Expenses	116,523.76	139,300.00	22,776.24
Office Furniture & Equipment			
Office Furniture	0.00	2,800.00	2,800.00
Office Move	1,910.00	0.00	(1,910.00)
TOTAL Office Furniture & Equipment	1,910.00	2,800.00	890.00
Professional Fees			
ADP / Banking Charges	1,893.39	2,700.00	806.61
Audit Fees	26,900.00	32,000.00	5,100.00
Legal Fees	56,877.23	68,300.00	11,422.77
GASB 68 reporting fee	950.00	0.00	(950.00)
Consulting Expenses - General	106,353.50	220,100.00	113,746.50
Powerhouse Science Center Payments	20,000.00	25,000.00	5,000.00
TOTAL Professional Fees	212,974.12	348,100.00	135,125.88
Program Fees			
Consulting Expenses	8,898.50	10,000.00	1,101.50
TOTAL Program Fees	8,898.50	10,000.00	1,101.50
TOTAL OPERATING EXPENDITURES	1,438,202.71	1,929,400.00	491,197.29
OPERATING INCOME (LOSS)	103,451.59	(258,000.00)	(361,451.59)
NET OPERATING INCOME (LOSS)	103,451.59	(258,000.00)	(361,451.59)
NET INCOME (LOSS) NET OF PROGRAM	103,451.59	(258,000.00)	(361,451.59)



Per California Government Code 6505.5 (e ), RWA reports the following unaudited information:

For the period ending May 2019

Cash in checking account:	\$	240,372
LAIF Balance	\$	1,931,030

For the period of February 1 to May 31, 2019

Total cash receipts for the period:	\$	2,548,852
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Total cash disbursements for the period:	\$	2,510,057
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**Investments, Restricted Cash and Designated Funds, Undesignated Funds and Cash Report**

<b>For the month ending:</b>	<u>Unaudited May 31, 2019</u>	<u>Audited June 30, 2018</u>
<b>Local Agency Investment Fund (LAIF)</b>	\$1,931,030	\$1,877,936
<b>General Checking Account</b>	<u>\$240,372</u>	<u>\$157,817</u>
<b>Total Cash and Investments</b>	\$2,171,402	\$2,035,753
<b>Less: Restricted Cash and Designations<sup>1</sup></b>		
Water Efficiency Program (WEP) <sup>2</sup>	\$507,082	\$443,603
Direct Install <sup>2</sup>	\$11,549	\$200,000
Lobbying Subscription Program <sup>2</sup>	\$0	\$86,806
Prop 84 Project Management <sup>2</sup>	\$51,287	\$68,478
2014 Drought Program Management	\$13,998	\$29,482
Prop 84 3 Project Management <sup>2</sup>	\$14,743	\$17,964
Proposition 50 Grant Management <sup>2</sup>	\$6,329	\$8,593
WEP Prop 84 3 Program Management <sup>2</sup>	\$0	\$6,272
ARB Study	\$0	\$376
SRCSD Water Suppliers <sup>2</sup>	\$1,646	\$0
Membership Dues Stabilization	\$142,700 <sup>4</sup>	\$137,200
Subscription Program Stabilization	\$25,100 <sup>4</sup>	\$25,400
Pension Plan Accounting Change	<sup>4</sup>	\$45,000
Powerhouse Science Center	\$190,759 <sup>4</sup>	\$155,753
Strategic Plan Fund	<u>\$90,648<sup>7</sup></u>	<u>\$109,748</u>
<b>Total Designated Funds, excluding operating fund</b>	\$1,055,841	\$1,334,675
<b>Total Available Cash for Operating Funds</b>		
Operating Fund <sup>3</sup>	\$671,000 <sup>6</sup>	\$628,100
Undesignated Funds <sup>5</sup>	<u>\$444,561</u>	<u>\$72,978</u>
<b>Total Designated and Undesignated Funds</b>	<u><u>\$2,171,402</u></u>	<u><u>\$2,035,753</u></u>

<sup>1</sup> Designated funds represents amounts set aside for program specific purposes.

<sup>2</sup> The cash for this designated fund is restricted as to its use for these specific programs based upon contractual agreements with the participating member agencies.

<sup>3</sup> Per Policy 500.1, the Operating Fund is available to pay ongoing RWA operations and administration expenses.

<sup>4</sup> The designated amounts reflect the June 30, 2019 projected year end balance from the FY2019 budget plus/minus any year end accounting adjustments.

<sup>5</sup> Per Policy 500.1, Funds in excess of the maximum target designated balances may be used to offset future membership dues and subject to an annual review by the Board.

<sup>6</sup> The operating fund at June 30, 2019 is estimated to be at 6 months.

<sup>7</sup> Hiring of strategic planning staff occurred in December 2016. Adjusted to reflect projected available remaining funds at 06.30.19.

**AGENDA ITEM 9: DIRECTORS' COMMENTS**