

**1. CALL TO ORDER**

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

**Executive Committee Members**

Ron Greenwood, Carmichael Water District  
Sean Bigley, City of Roseville  
Michelle Carrey, City of Sacramento  
Paul Schubert, Golden State Water Company  
Brent Smith, Placer County Water Agency  
Kerry Schmitz, Sacramento County Water Agency  
Dan York, Sacramento Suburban Water District  
Pam Tobin, San Juan Water District

**Staff Members**

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

**Others in Attendance**

Jim Peifer and Charles Duncan

**1. PUBLIC COMMENT**

None.

Ryan Bezerra, Legal Counsel, said that it came to the attention of staff that Senate Bill (SB) 101, which relates to the proposed water tax, was amended at 5:00 p.m. last Friday, after the agenda had been posted. Staff would like to add an action item for SB 101 to the agenda under item 4. The procedure under the Brown Act is that the Executive Committee has to have a 2/3 vote that this matter came up after the agenda was posted and there is a necessity to take immediate action.

Ryan Ojakian, Legislative and Regulatory Affairs Manager, said that this is all related to the water tax and staff recommends communicating opposition to it.

Motion/Second/Carried (M/S/C) Ms. Schmitz moved, with a second by Mr. Greenwood, to approve the addition of SB 101 to the agenda. The motion carried by the unanimous voice vote of all directors present.

## **2. CONSENT CALENDAR**

The minutes from the May 22, 2019 Executive Committee meeting

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

## **3. LEGISLATIVE/REGULATORY UPDATE**

Ryan Ojakian, Legislative and Regulatory Affairs Manager, reported that the budget conference committee rejected a tax that hinged on funding safe drinking water from greenhouse gas reduction funds. The Senate and the administration never wavered from the deal to use greenhouse gas reduction funds. Based on our position, staff took action to sign onto a coalition letter in support of trailer bill AB 100. The positive action in AB 100 is that greenhouse gas reduction funds are used instead of a tax on drinking water fees. SB 101 would expand the systems that could be eligible for safe drinking water funds to anything that has a contaminant. A contaminant is defined in the bill as any matter in water. SB 101 therefore could be a vehicle for a water tax to be imposed at some point.

Staff signed onto three letters supporting the budget actions that were using a funding source other than a water tax. Mr. Ojakian asked for an action to ratify the letters that were included in the packet, that relate to safe drinking water.

RWA communicated an “oppose unless amended” position to the Legislature on AB 402 (Quirk). This action was taken urgently when it became clear that the bill is intended to allow the State Water Board to impose fees on all water systems. Those fees would be used to help fund work related to counties assuming the regulatory responsibilities of the State Water Board through local programs known as local primacy agencies (LPAs) that regulate small water systems under 199 connections. AB 402 is the only piece of standard legislation included in the packet that is not budget related. The state implements the federal Clean Water Act through the State Water Board who is the regulatory authority. Some counties have turned their responsibilities back over to the state, although the LPAs are generally more efficient than the state. AB 402 seeks to address the issue by creating a fund stabilization program. The challenge is the funding source for the fund stabilization program will come from existing drinking water fees. This constitutes an approximately 45% increase in drinking water fees. A position needed to be registered last week with the bill scheduled to be heard July 3, 2019. Along with ACWA and many water agencies, RWA immediately communicated its position as an urgent matter. RWA’s communication was under RWA Policy 100.5, which allows for such immediate communications with the agreement of RWA legal counsel. Legal counsel concurred that AB 402’s potential grant of fee authority to the State Water Board in relation to all water systems would be inconsistent with RWA’s policy principles concerning public goods charges/water taxes.

Mr. Smith commented that Placer County is the LPA for Placer County Environmental Health (PCEH). A call was received from PCEH reporting that the

agency has reached out to all of the small water systems within Placer County asking for support of AB 402. They have asked Mr. Smith to sign on to a letter, but he has not responded yet. PCEH is very thinly staffed to try and manage over 100 small systems that are experiencing the most problems with providing safe drinking water.

Mr. Ojakian said that everyone benefits from LPAs. The challenge and problem that needs to be resolved with AB 402 is the funding source.

He said that our profile needs to be raised in the Legislature. The groundwater bank story needs to be told along with climate adaptation that produces more water without any negative environmental impacts. Groundwater banking enhances the ability to manage water for the environment.

Four coalition letters were included in the packet, that the Interim Executive Director has taken action on following consultation with RWA legal counsel to support a non-water tax budget solution and to oppose unless amended SB 1 due to impacts on the voluntary agreements. Staff requested Executive Committee ratification in conformance with RWA Policy 100.5 on the enclosed letters along with the “oppose unless amended” position on AB 402.

If SB 1 passes, it could make it impossible for the region to get funding from the Voluntary Agreements.

It was suggested that the RWA Policy Principles be revisited, reviewed and updated by the Executive Committee with new Policy Principles ready to present to the full board no later than the January 2020 RWA Board meeting.

M/S/C Ms. Tobin moved, with a second by Mr. Greenwood, to take an oppose position on SB 101. The motion carried by the unanimous voice vote of all directors present.

M/S/C Ms. Tobin moved, with a second by Ms. Schmitz, to ratify letters related to safe drinking water. The motion carried by the unanimous voice vote of all directors present.

M/S/C Ms. Schmitz moved, with a second by Mr. Bigley, for ratification of the oppose unless amended position on AB 402. The motion carried by the unanimous voice vote of all directors present.

M/S/C Ms. Schmitz moved, with a second by Mr. Greenwood, for ratification of the coalition letter opposing SB 1 unless amended. The motion carried by the unanimous voice vote of all directors present.

M/S/C Mr. Greenwood moved, with a second by Ms. Tobin, to take a support position on the Federal Drought Resiliency and Water Supply Infrastructure Act. The motion carried by the unanimous voice vote of all directors present.

#### **4. BAY-DELTA WATER QUALITY CONTROL PLAN VOLUNTARY SETTLEMENT AGREEMENTS**

Jim Peifer, Incoming Executive Director, gave a presentation update how the State Water Board is updating the Bay-Delta Water Quality Control Plan (the Bay-Delta Plan). The State Water Board intends for that update to address not only conditions in the Sacramento-San Joaquin Bay-Delta, but also in the Delta's tributaries like the American River. The State Water Board's general proposed approach would require roughly 45%-65% of a watershed's unimpaired runoff be allowed to flow down the river and out of the Delta. This approach, if implemented, could significantly impact water supplies and reservoir storage. Such an approach even could impact the American River's fish because reduced Folsom Reservoir storage could lead to higher river temperatures.

With technical support from RWA, several American River water agencies and the Water Forum have been engaged in settlement discussions with state agencies for over two years. The goal is a 15-year voluntary settlement agreement (VA). In December 2018, those agencies, along with agencies in other watersheds, reached principles of agreement with the state Department of Fish and Wildlife and Department of Water Resources. The federal Bureau of Reclamation also agreed to the American River principles.

As Mr. Peifer transitions to the RWA Executive Director position and leaves the City of Sacramento, there will be a gap left with the VA process. Andy Fecko with Placer County Water Agency has expressed a desire to decrease his presence in the VA process.

The VAs have the potential to impact every water agency that is a member of the RWA. The Water Quality Control Plan is impactful, but it is unknown how the Water Quality Control Plan will eventually manifest itself in terms of changes to water rights, entitlements or future groundwater operations. There is an opportunity for RWA to continue in the VA process for the benefit of the region. There is a process that RWA affords to make sure that regional input is provided into the direction of the VAs. Mr. Peifer suggested hiring a consultant through a subscription program to help facilitate the VA was one option. He would like to spend a minimum of time in the process, while exploring other avenues to offload the activities and assignments that he had previously been involved in. Funding resources are needed to invest in future elements of the VAs.

Ryan Bezerra, RWA legal counsel, said that an opportunity is presented for the region to get better protection for Folsom Reservoir written into the Water Quality Control Plan. This is a resource that is common to the whole region. The water supply and reliability from Folsom effects agencies in the regions directly and indirectly.

Chair Schubert suggested forming an Ad Hoc Committee of RWA members to determine the best way to move the VA process forward to make certain that everything in the process is adequately covered.

There was discussion about how important it is that RWA continue to be engaged in what implementation may look like. The Ad Hoc Committee could be charged with recommending next steps for RWA's role and possible funding options, if additional support is needed. Chair Schubert will appoint the Ad Hoc Committee of RWA Board members and member agencies to include four or less Executive Committee members. No formal actions will be taken by the Ad Hoc Committee.

Mr. Peifer indicated that he would attend the VA plenary meetings whenever possible and assist in guiding the process as time permits with his new position as Executive Director. Mr. Swartz said that he will remain involved on the technical side of the VA process including with pursuing possible grant funding options to help build facilities for implementing the VA.

## **5. RWA STRATEGIC PLAN UPDATE**

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

At the May 2, 2019 RWA Board meeting, staff provided a draft edited version of the Strategic Plan amendments and requested comments by June 19, 2019 that the Executive Committee could further consider on June 26, 2019. One set of comments was received from Greg Zlotnick of San Juan Water District. Mr. Zlotnick accepted the proposed changes from the May 2<sup>nd</sup> version of the amendments before adding his own suggested edits. Both versions of the document were enclosed in the packet. The intent is to update the Strategic Plan and reflect that we have completed the Regional Reliability Plan and we are moving into the implementation portion of those activities. Mr. Swartz went through the changes that were made by Mr. Zlotnick.

Staff requested that the Executive Committee review the proposed amendments and make a recommendation to the full RWA Board for consideration of adoption on July 11, 2019. The primary intent of the limited update to the Strategic Plan was to reflect completion of the RWRP planning effort and commencement of the RWRP implementation effort, while allowing time for the transition to a new RWA Executive Director before embarking on a more comprehensive Strategic Plan update for the organization.

It was decided that further discussion needs to take place to determine any changes to the Strategic Plan and future impacts of implementation of line items. Chair Schubert recommended that the Executive Director bring this item back to the Executive Committee for further discussion on the proposed changes. No action was taken on this item at this time.

M/S/C Ms. Tobin moved, with a second by Mr. Greenwood, to take no action on this item at this time. The motion carried by the unanimous voice vote of all directors present.

## **6. REGIONAL WATER RELIABILITY PLAN**

Mr. Swartz reported that the RWA Regional Water Reliability Plan (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 was enclosed for consideration.

M/S/C Mr. Bigley moved, with a second by Ms. Tobin, to recommend RWA Board approval of Resolution 2019-09 to adopt the RWA RWRP. The motion carried by the unanimous voice vote of all directors present.

## **7. RWA JULY 11, 2019 BOARD OF DIRECTORS MEETING AGENDA**

After discussion it was decided to add an Executive Director Introductory Comments agenda item and a Bay-Delta Voluntary Settlement Ad Hoc Committee Plan agenda item. There will not be an RWA Strategic Plan Update on the agenda. A legislative update will be given under the Executive Director's report.

M/S/C Ms. Tobin moved, with a second by Mr. York, to approve the July 11, 2019 Board of Directors meeting agenda with the mentioned changes. The motion carried by the unanimous voice vote of all directors present.

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

Mr. Swartz said that it has been an extreme pleasure to serve RWA in the capacity of Interim Executive Director since March 1, 2019. During this time, he has had an opportunity to interact with many member agencies, and is more convinced than ever about the value of our regional collaboration. He looks forward to resuming his role as Manager of Technical Services and to supporting Mr. Peifer on a very successful transition for the organization. The support he has received from the Board, legal counsel and RWA staff during this time has been appreciated.

Chair Schubert thanked Mr. Swartz for accepting the role of Interim Executive Director.

**Grants Update** – Staff is continuing development of a Proposition 1 Integrated Regional Water Management Implementation Grant. While final numbers are still be 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 the Department of

Water Resources (DWR) by August 23<sup>rd</sup>, and DWR will hold a workshop to review the submitted projects on September 20<sup>th</sup>. DWR will have four weeks to notify us that we can move forward with the projects.

## **9. DIRECTORS' COMMENTS**

Mr. York said that, since Debra Sedwick and other employees resigned from Del Paso Manor Water District, the Sacramento Suburban Water District is assisting Del Paso under a mutual aid agreement. Derrick Whitehead has been hired as Interim General Manager by Del Paso, with an accountant brought on board. With some CalPERS issues coming up, Mr. Whitehead may be leaving. The water rate analysis was approved by the Sacramento Suburban Water District Board.

Ms. Tobin, Mr. Bigley and Mr. Greenwood thanked Mr. Swartz for serving as the RWA Interim Executive Director. They are looking forward to working with Jim Peifer as the new Executive Director.

Mr. Smith said that, in support of small system consolidation, Placer County Water Agency has secured a \$1.8 million grant for a mobile home park, a disadvantaged community, in the Newcastle area. This grant was a process over five years. He also thanked Mr. Swartz for serving as Interim Executive Director.

Ms. Schmitz welcomed Mr. Bigley to his first meeting as an Executive Committee member.

Chair Schubert thanked Mr. Swartz for serving in the capacity of Interim Executive Director. He welcomed Sean Bigley as an Executive Committee member. Golden State Water Company will begin fluoridation in their Arden System the end of July or first of August.

## **ADJOURNMENT**

Chair Schubert adjourned the meeting at 10:33 a.m.

By:

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Chairperson

Attest:

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Nancy Marrier, Board Secretary / Treasurer