

1. CALL TO ORDER

Vice Chair Schmitz called the meeting of the Board of Directors to order at 9:00 a.m. at the Regional Water Authority. Individuals in attendance are listed below:

RWA Board Members

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
Denix Anbiah, City of West Sacramento
Robert Matteoli, Del Paso Manor Water District
Michael Raffety, El Dorado Irrigation District
Mark Madison, Elk Grove Water District
Randy Marx, Fair Oaks Water District
Tom Gray, Fair Oaks Water District
Joe Duran, Orange Vale Water Company
Robert Dugan, Placer County Water Agency
Tim Shaw, Rio Linda/Elverta Community Water District
Kerry Schmitz, Sacramento County Water Agency
Dave Jones, Sacramento Suburban Water District
Dan York, Sacramento Suburban Water District
Pam Tobin, San Juan Water District
Paul Helliker, San Juan Water District

RWA Associate Members

Brett Storey, Placer County; Arthur Starkovich and Damien Waples, SMUD; Jose Ramirez, SRCSD

RWA Affiliate Members

Alan Driscoll, Forsgren Associates, Inc.; Vanessa Nishikawa, Stantec; Charles Duncan and Kelye McKinney, West Yost Associates

Staff Members

Jim Peifer, Rob Swartz, Nancy Marrier, Amy Talbot, Cecilia Partridge, Monica Garcia and Andrew Ramos, Legal Counsel

Others in Attendance:

Kathleen McPherson, Ed Crouse, Rob Hunter, Chelsea Spier, Marisa Tricas, Karl Brustad and Linda Higgins

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

- a. Approve Minutes of the March 14, 2019 RWA regular board meeting. Under the Directors' Comments, Ms. Harrington's statement was changed to reflect that it was Sacramento Suburban Water District that assisted Del Paso Manor Water District not San Juan Water District.

Motion/Second/Carried (M/S/C) Ms. Tobin moved, with a second by Mr. Greenwood, to approve the consent calendar item with the stated change. The motion carried by the unanimous voice vote of all Directors present.

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

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

5. EXECUTIVE DIRECTOR'S INTRODUCTORY COMMENTS

Jim Peifer, RWA's new Executive Director, thanked the RWA Board for appointing him as the RWA/SGA Executive Director. He is looking forward to advancing the organization. He thanked Rob Swartz for serving as Interim Executive Director, while continuing to work in his regular position as Manager of Technical Services. He thanked the RWA staff and said they were a talented group of professionals that are committed to the mission of the organization who worked diligently before, during and after the recruitment.

One of Mr. Peifer's first priorities is to re-examine the Strategic Plan, which is the cornerstone of the work that RWA does. There was a major update to the plan in 2013 and a minor update followed in 2017. He plans to meet with each agency in the next few weeks to hear what the individual agency visions are for the future of RWA. Following the meetings with each agency, a facilitated Strategic Plan session will be scheduled that will allow a common vision to come together for the RWA.

6. REGIONAL WATER RELIABILITY PLAN

Rob Swartz, Manager of Technical Services, distributed a copy of the completed Regional Water Reliability Plan (RWRP) to each member agency. The document has been posted on the RWA web site at 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 has been reviewed by legal counsel and was enclosed in the packet.

Mr. Swartz reported that there is nothing in the report that RWA is committing to by approval of the resolution and that a project is not required. Staff continues to move forward with planning of the Sacramento Regional Water Bank. At the appropriate time an environmental analysis will be completed for the Water Bank. The conclusions of the RWRP show that we are largely reliable, however, there remain uncertainties. The major mitigation action that we can take is to practice more conjunctive use so agencies have sources of supply to deal with the dry and wet extremes. The other part is to expand conjunctive use by establishing the Water Bank, which ultimately becomes an accounting system to ensure that we have a sustainable groundwater basin in the future for compliance with the Sustainable Groundwater Management Act. At the same time, it creates opportunities to do more of the types of things like we did last year with the regionally coordinated groundwater substitution transfer to help generate revenues to overcome the cost barrier of conjunctive use. The next project is the Sacramento Regional Water Bank Phase I.

M/S/C Mr. Dugan moved, with a second by Mr. Yasutake, to approve Resolution 2019-08 to adopt the RWRP. The motion carried by the unanimous voice vote of all Directors present.

7. WATER EFFICIENCY PROGRAM UPDATE

Amy Talbot, Senior Project Manager, gave a power point presentation update on the Water Efficiency Program (WEP) and water conservation related legislation. 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 20th in West Sacramento and a Water Loss meeting on June 7th in Sacramento. The May 20th 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. 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.

Mr. Peifer noted that there is a good deal of talent in our member agencies who could participate and contribute to the workgroups. So that agencies have a voice in the workgroups, participation is encouraged to the extent that it is feasible.

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

Ms. Talbot explained water loss audits in the context of SB 606 and AB 1668 and hypothesized that the regulation may be based on the number of gallons per connection of (real) water loss. The main issue with regulating water loss based on water audits is that the water audits themselves can vary drastically from year to year and may not necessarily provide a consistent baseline to measure progress.

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. RWA has acquired the same imagery that DWR is using to calculate landscape budgets for the regulations. The imagery will be useful for overall planning purposes and analysis in determining irrigated and non-irrigated land. Ms. Talbot requested that any agency interested in obtaining this imagery contact her.

The 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.

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 and both had a waitlist. Sacramento Suburban Water District provided the training location. Additional information is available on the QWEL website at 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 RFP in April. The project is grant funded and will provide residents with an online portal to purchase "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. RWA selected Rachio and their installation partner, Valley Soil for the project. RWA is currently finalizing the contract with an anticipated customer launch in September 2019.

8. EXECUTIVE DIRECTOR'S REPORT

Mr. Peifer reported that in his former position at the City of Sacramento he was Vice Chair of the ACWA Federal Affairs Committee and a member of the ACWA Water Management Committee. He would like to continue to serve on those committees. Participating on these committees gives him access to certain workgroups like the Resilience Strategy workgroup that ACWA has.

Chair Schubert 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. This Water Quality Control Plan could potentially affect every agency within our region. The RWA Strategic Plan allows RWA to engage in the process. The ad hoc committee will make recommendations to the RWA Board and Executive Committee for defining the RWA role and commitment of resources and direct the Executive Director's involvement.

Staff is managing four grants totaling in excess of \$28 million. A July 2019 RWA Status of Grants Awards table was included in the packet. A fifth grant, the Prop 1 Planning Grant, has been completed and final retention payment is expected soon.

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.

A copy of the RWA newsletter that was distributed and posted on the website was included in the packet.

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. A copy of the statement was enclosed in

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

RWA staff have been very active in the Legislative and Regulatory areas this year. The legislative priority focus has been on defeating a water tax to fund safe drinking water. From the beginning of the year the Governor and the 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. The legislative solution moving forward does not include a water tax, and instead relies on funds out of the Greenhouse Gas Reduction Fund.

Financial Documents for the month ending May 31, 2019 were included in the packet.

9. DIRECTORS' COMMENTS

Ms. Tobin said that the 2019 Chief Financial Officer (CFO) of the Year Awards ceremony is scheduled for this afternoon. Donna Silva, San Juan Water District's CFO, is one of the award recipients.

Mr. Shaw said that the State Water Resources Control Board has scheduled October and November workshops for the economic feasibility criteria for the Chrome 6 MCL.

Mr. Marx said that Mike Carey passed away recently after many years serving as a Fair Oaks Water District Board Member.

Ms. Roccucci said at the City of Roseville's Council meeting Debbie Sedwick was elected to another term on the Public Utilities Commission. The City of Roseville plans to begin renovation of bridges in their area.

Mr. Greenwood said that Steve Nugent has given his retirement date as mid-December 2019. Current Assistant General Manager, Lynette Moreno has been offered the position of general manager.

Mr. Nugent thanked the RWA for the benefits to Carmichael Water District through their membership. RWA is a unique organization that has done amazing things in the region working together.

Mr. Gray suggested that all agencies review their cyber security, protections and recovery systems.

Mr. York reported that the Sacramento Suburban Water District Board of Directors accepted the 2019 water rate study. The process will begin in October.

Ms. Carrey said that the City of Sacramento has been involved in the water loss component working with a pilot project with the UC Davis group putting together the model and generating standards. The City of Sacramento has received requests from the UC Davis group for real time data and information. The requests are being reviewed to determine the feasibility of providing all of the requested information.

Mr. Dugan referred to the Governor’s executive order that was included in the packet. The order includes legislative items and objectives that provide opportunities to focus on collaborative and creative solutions with regional approaches. There is an opportunity to meet the regulators with solutions that are consistent with the order.

Mr. Waples reported that SMUD recently approved rate increases for 2020 and 2021 and a commercial rate restructure for 2021. Any questions can be directed to Mr. Waples.

Mr. Starkovich said that he and Mr. Waples are working to pull together an update on SMUD for future RWA board meetings. He thanked everyone for the wildfire mitigation comments that were submitted. SMUD’s Shine Grant Program is now in its third year. Paul Olmstead retired from SMUD on June 21, 2019.

Adjournment

With no further business to come before the RWA Board of Directors, Vice Chair Schmitz adjourned the meeting at 10:06 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer