

1. CALL TO ORDER

Chair Schmitz called the meeting of the Executive Committee to order at 8:30 a.m. at the Sacramento Suburban Water District. Individuals in attendance are listed below:

Executive Committee Members

Ron Greenwood, Carmichael Water District
Marcus Yasutake, City of Folsom
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
Marty Hanneman, San Juan Water District (via conference phone)

Staff Members

Jim Peifer, Ryan Ojakian, Josette Reina-Luken, Amy Talbot, Cecilia Partridge, Monica Garcia and Andrew Ramos, legal counsel

Others in Attendance

John Woodling, GEI Consultants and Dan Rich, Sacramento Suburban Water District, and Ellen Cross, Strategy Driver participated via conference phone

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

Approval of the minutes from the January 22, 2020 Executive Committee meeting were deferred to the March 2020 Executive Committee meeting

4. STRATEGIC PLAN

Mr. Peifer said that finishing touches have been made to the agenda for the RWA Strategic Plan Workshop. RWA prepared a strategic plan in 2013 and adopted minor plan updates in 2017. Similar to the 2013 update, the Executive Committee will guide the development of the process to update the plan, including schedule, the

process(es) used to solicit input from members and stakeholders, and other considerations.

Ellen Cross, Strategy Driver, gave a summary of the results from a survey that was sent out to RWA members. She said there was a lot of alignment from the participating agencies including additional outreach, involving the full membership in the groundwater bank, improved communication and identifying grants for smaller agencies. Education, communication, transparency, water affordability, water efficiency and advocacy ranked very high as priorities. The survey revealed what the membership would like to see for the next five years including more communication, collaboration with one voice that represents the whole membership, protecting our groundwater sustainability plan, water rights and conjunctive use, aligning priorities in the strategic plan to meet long range goals.

Mr. Peifer said that survey responses were varied but the purpose of a strategic plan is for the members to have a common vision. Mr. Peifer reported that one agency reported on their survey that they were concerned that with federal and legislative activities their dues may increase while they don't see a benefit for them with the program. When the agency was contacted, they provided additional feedback saying that they may be satisfied with a subscription program that they were not obligated to pay for.

5. OTHER POST-EMPLOYMENT BENEFITS (OPEB) FUNDING REPORT

Josette Reina-Luken, Financial and Administrative Services Manager gave a report back from the January 22nd Executive Committee meeting. Ms. Reina-Luken said that she confirmed with CalPERS that they are not allowing agencies to invest in two funding strategies at this time. They are currently doing a test pilot with an agency to see what administrative effort would be involved to manage multiple portfolios. This option will be brought to the Executive Committee when it becomes available. She gave an overview of Funding Strategy 1, Funding Strategy 2, their discount rates and how each strategy affects expenses, trust balances, ratios, implicit and explicit liabilities. She asked for a funding recommendation from the Executive Committee to present to the full RWA Board.

Mr. Peifer said that the risk tolerance of the board starts with a discussion among the Executive Committee. Mr. Schubert suggested that we move to Strategy 2 and eliminate the implicit liability.

Mr. Woodling, GEI Consultants, said that RWA is a voluntary membership organization. A part of the funding loop was closed when RWA adopted an exit clause for agencies leaving the RWA. The strategy choice to maintain funding the implicit liability for RWA years ago was a conservative decision.

Ms. Reina-Luken said that she will direct the actuary to perform the calculation and have the information to staff in preparation to present at the full board at the March meeting and include in the May budget presentation.

6. LEGISLATIVE/REGULATORY UPDATE

Ryan Ojakian, Legislative and Regulatory Affairs Manager said that the Legislative bill introduction is February 21st. There have only been a few bills introduced related to water management. A potential climate resilience bond remains the primary water issue in the state. It is expected that there will be multiple bills presented for this legislative session. The Governor posted his proposed \$4.75 billion bond as a budget trailer bill on January 31st. RWA has put together language requesting \$200 million for conjunctive use to be specifically called out in the bond. A copy of that language was included in the packet. The intent of the RWA language is to direct funding to the Sacramento Regional Water Bank and the RiverArc projects. The approach in the RWA language is to set the regions conjunctive use approach apart from other efforts around the state by prioritizing projects.

Mr. Ojakian said that there needs to be discussion on how to determine how any funds that are allocated would be distributed in the region and determine distribution priorities.

Mr. Peifer suggested putting funding distribution recommendations together with a proposal for discussion by the Executive Committee.

Staff expects to have discussion on the proposed bills at the next RWA Board meeting.

7. VOLUNTARY AGREEMENT AD HOC COMMITTEE RECOMMENDATIONS

Chair Schmitz reappointed the ad hoc committee to address the RWA's role in the Bay Delta Water Quality Control Plan (WQCP) and the Voluntary Agreements (VA). The 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 made recommendations to the RWA Board and Executive Committee for defining the RWA role and commitments of resources.

During the December 11, 2019 Executive Committee (EC), the VA Committee updated the EC on the status of committee efforts in order to move the VA subscription program forward. At that meeting, Andy Fecko from PCWA brought up difficulties relative to consultant assistance as well as given the multiple processes/challenges to surface water rights in particular, perhaps RWA should contemplate staff resources rather than consultant resources. The EC then gave direction to the Executive Director to investigate the need for a staff position that could take lead on matters that affect the surface water reliability of the member water agencies.

Kerry Schmitz, Chair of the Voluntary Agreement Ad Hoc Committee said that there is consensus amongst the committee to have the VA included in the Strategic Planning process to determine what the membership views are as the focus for the committee.

Mr. Schubert exited the meeting.

The committee expects to continue meeting to discuss what this program looks like with ideas from the strategic planning.

Motion/Second Carried (M/S/C) Mr. Greenwood moved, with a second by Mr. Bigley, to direct the Executive Director to evaluate options and report back to the committee and the Board. The motion carried by the unanimous voice vote of all directors present including Ron Greenwood, Marcus Yasutake, Sean Bigley, Michelle Carrey, Brent Smith, Kerry Schmitz and Dan York. Marty Hanneman voted yes via voice vote on the conference phone.

8. EXECUTIVE DIRECTOR'S REPORT

The Water Forum is interested in starting a new Water Forum Agreement. This would be an early negotiation since the current agreement expires in 2030. The reasons behind the early negotiations include the plans of the Water Forum Executive Director to retire in a couple of years and the voluntary agreements may affect the agreement. The negotiations will include coequal objectives, habitat, Folsom storage, flow standard and climate change and how they all fit into the agreement negotiations. Mr. Peifer has been requested to make a list of people who would participate in the main organizing body including five to seven negotiators from the combined water caucus and public caucus. He will participate as a representative of the RWA member agencies. Mr. York would represent the groundwater interests and Darin Reintjes would represent the upstream diverters. Two representatives would represent the Folsom Reservoir Diverters. The proposal needs to be agreed upon by the water caucus.

Staff will be planning out the ACWA Spring Conference and deciding what types of items we would like to accomplish during the conference. Mr. Peifer will be working with members to identify outcomes and develop meetings at the conference.

Mr. Peifer and Mr. Ojakian will be attending the ACWA-DC Conference next week, along with other members from the region. They will be meeting with members of congress, their staff and members of the administration to talk about resiliency and the funding need for the water bank.

Representative Jared Huffman released a piece of legislation called the Future Drought Resiliency Act. Staff provided comments on that legislation which will be circulated to the Executive Committee. Senator Feinstein recently released a new version of SB 1932. Staff may be submitting a comment letter on the new version.

Mr. Peifer has been participating in the Metro Chamber Steering Committee meetings for Cap-to-Cap. Working with Meg Arnold with Valley Vision, the committee is developing a climate change panel for discussions on what we see happening with climate change and possible solutions. It is anticipated that Ben Holton, a professor from UC Davis who has led the Sacramento region on climate initiatives will provide introductory remarks with a panel discussion of four panel members. The panel will be moderated by Mr. Peifer. The purpose of the panel is to align the regions leaders in one direction to get the support needed including funding and alignment on the various activities that we are working on with climate change.

Mr. Peifer participated in an ACWA Federal Affairs Committee meeting last week along with the water management committee and groundwater committee meetings. There is a call for those on the various committees to be the ambassadors and help align the groundwater committee.

Mr. Peifer recently participated with a number of other agency staff from the region in the Bureau of Reclamation Water Users Conference giving a presentation on the water bank and the American River Basin Study. There was a follow up meeting on funding opportunities with the Bureau of Reclamation. Information was received about an annual funding fair held in Denver where anyone can attend to get information on federal grants for projects.

Mr. Peifer and Mr. Swartz met with East Bay MUD recently to discuss their interest in opportunities with entities in the Sacramento Valley that have reliable water supplies. They are interested in increasing their dry year water supplies.

Mr. Peifer, Mr. Swartz and Mr. Ojakian met with DWR. Chris Tjernell, Deputy Director for DWR, has an increasing portfolio of activities and many of the resiliency portfolio functions are falling under his oversight. Staff wanted to let him know what we are doing in the region and looking towards him as a collaborator who we could work with.

Mr. Peifer gave an update on the office flooding. He reported that the owner has replaced drywall, replaced the carpet and painted in the office. A mold test will be performed. Upon clear results, ServPro will move RWA items back into the office. There is still some cabinetry that needs to be replaced in the conference room.

9. DIRECTORS' COMMENTS

Mr. Smith said that the Placer County Water Agency watershed sits at 55 percent of normal for this time of year. Tomorrow is the last day for General Manager Einar Maisch in the office.

Mr. Bigley said that American River contractors will be participating in a reservoir signing ceremony on February 28th.

Mr. York said that with the Sacramento Suburban Water District conjunctive use program, they have been fortunate to take water from Placer County Water Agency and the City of Sacramento. They have recently turned off those supplies, because the watershed projected inflow was not adequate. ACWA regions 2 and 4 will have a joint program at Shasta Dam on March 26th.

Mr. Greenwood reported that Carmichael Water District is continuing their infrastructure work. They have replaced a water storage tank. The search for the new General Manager is in the final stages.

Mr. Yasutake requested that additional information on the RiverArc be presented at future board meetings.

ADJOURNMENT

Chair Schmitz adjourned the meeting at 10:14 a.m.

By:

Chairperson

Attest:

Josette Reina-Luken, Board Secretary / Treasurer