



1. CALL TO ORDER

Chair Schmitz called the meeting of the Board of Directors to order at 9:00 a.m. as a teleconference meeting. Individuals who participated are listed below:

RWA Board Members

Evan Jacobs, California American Water
Ron Greenwood, Carmichael Water District
Cathy Lee, Carmichael Water District
Ray Riehle, Citrus Heights Water District
Marcus Yasutake, City of Folsom
Bruce Houdesheldt, City of Roseville
Sean Bigley, City of Roseville
Michelle Carrey, City of Sacramento
Bill Roberts, City of West Sacramento
Diana Langley, City of Yuba City
John Lenahan, Del Paso Manor Water District
Michael Raffety, El Dorado Irrigation District
Tom Nelson, Elk Grove Water District
Randy Marx, Fair Oaks Water District
Paul Schubert, Golden State Water Company
Robert Hunter, Orange Vale Water Company
Joe Duran, Orange Vale Water Company
Robert Dugan, Placer County Water Agency
Tom Henning, Rancho Murieta Community Services District
Kerry Schmitz, Sacramento County Water Agency
Kevin Thomas, Sacramento Suburban Water District
Dan York, Sacramento Suburban Water District
Dan Rich, San Juan Water District
Greg Zlotnick, San Juan Water District

RWA Associate Members

José Ramirez and Terri Mitchell, Sacramento Regional County Sanitation District ,
Brett Storey, Placer County, Ken Payne, El Dorado Water Agency, and Ansel
Lundberg, Sacramento Municipal Utility District

RWA Affiliate Members

Kelye McKinney, West Yost Associates, Vanessa Nishikawa, Stantec, Alan
Driscoll, Forsgren Associates, Inc., Paul Selsky, Brown and Caldwell and John
Woodling, GEI Consultants

Staff Members

Jim Peifer, Rob Swartz, Ryan Ojakian, Josette Reina-Luken, Amy Talbot, Cecilia Partridge, Monica Garcia and Ryan Bezerra, Legal Counsel

Others in Attendance:

Pam Tobin, Brett Ewart, Dave Underwood, Pauline Roccucci, Tom Nelson, Craig Locke, Andrew MacDonald, Paul Helliker, Brian Sanders, Ed Winkler, Tony Firenzi, Kathleen McPherson, Anne Sanger, Susan Talwar and Julie Freidman

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

- a. Minutes from the May 14, 2020 9 Regular Board meeting

Motion/Second/Carried (M/S/C) Mr. Greenwood moved, with a second by Mr. York, to approve the consent calendar item. Evan Jacobs, California American Water, Ron Greenwood, Carmichael Water District, Roy Riehle, Citrus Heights Water District, Marcus Yasutake, City of Folsom, Bruce Houdesheldt, City of Roseville, Michelle Carrey, City of Sacramento, Bill Roberts, City of West Sacramento, Diana Langley, City of Yuba City, John Lenahan, Del Paso Manor Water District, Michael Raffety, El Dorado Irrigation District, Tom Nelson, Elk Grove Water District, Randy Marx, Fair Oaks Water district, Paul Schubert, Golden State Water Company, Joe Duran, Orange Vale Water Company, Robert Dugan, Placer County Water Agency, Kerry Schmitz, Sacramento County and Dan York, Sacramento Suburban Water District voted yes. Greg Zlotnick, San Juan Water District abstained. The motion carried.

4. FILL VACANCY ON THE EXECUTIVE COMMITTEE

Mr. Peifer said that San Juan Water District has changed their current RWA representative from Marty Hanneman to Dan Rich. Mr. Hanneman is also an Executive Committee member. When there is a vacancy on the Executive Committee, the RWA policies outline the process for replacing that member and confirming the appointment through an election process.

Mr. Bezerra gave information on RWA Policy 200.3 that states when there is a vacancy on the Executive Committee there are two steps to complete. The agency that previously held the seat has the option to nominate a replacement, then there is a simple majority vote by the board of directors to confirm the nomination. If the seat is not filled on the first round, it is followed by the normal rules for electing members of the Executive Committee with multiple rounds as necessary. Policy 200.3 requires that at least two seats on the nine-member Executive Committee be filled by elected officials. Mr. Greenwood currently holds the other elected official

seat. With the departure of Mr. Hanneman, his seat must be filled by an elected official. Under Policy 200.3, you can have no more than one representative from any member agency on the Executive Committee.

Mr. Rich was given two minutes to give a presentation. He said that he started working with San Juan Water District six years ago, when there was a transition to new management within the district and a new comprehensive financial plan was being adopted to build up their reserves. He is an engineer and has been working in the water recycling aspect of water resources for almost 30 years. He has a degree in engineering from UC Davis.

To fill the vacancy on the RWA Executive Committee pursuant to Policy 200.3 Procedures for Selection of the Executive Committee, Mr. Bezerra requested each agency email their vote to him or Ms. Reina-Luken.

Mr. Bezerra reported that the emailed votes were counted and they confirmed the election of Dan Rich as a member of the Executive Committee.

5. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Mr. Peifer said there is an action to approve a Memorandum of Understanding (MOU) between RWA, the Sacramento Groundwater Authority (SGA), and the Sacramento Central Groundwater Authority (SCGA). The three agencies are considering whether RWA staff can provide services to SCGA and what resources will be required in the future in terms of serving the three member agencies. The SCGA is interested in obtaining staffing services from RWA similar to how RWA provides staffing to SGA. The MOU states how an ad hoc committee would be constructed, identifies three members from each of the organizations to participate on the committee and identify proposed staffing services. The MOU identifies that there needs to be either a neutral or positive benefit to all members agencies as we proceed through the process. The committee will include the chair and vice chair and a member that is not on any of the other two organizations. Before we move forward, there needs to be a dialog about the issues we are trying to solve. The SCGA adopted the MOU at their last board meeting, the SGA approved the MOU at their board meeting and the Executive Committee recommended approval of the MOU to the RWA board.

John Woodling, SCGA Interim Executive Director, said that he discussed with Mr. Peifer the approach where each of the three authorities buy into the idea and come up with a scenario where there would be mutual benefit to everyone as the idea is pursued.

M/S/C Mr. Schubert moved, with a second by Mr. Dugan, to approve the Memorandum of Understanding. Evan Jacobs, California American Water, Ron Greenwood, Carmichael Water District, Roy Riehle, Citrus Heights Water District, Marcus Yasutake, City of Folsom, Bruce Houdesheldt, City of Roseville, Michelle Carrey, City of Sacramento, Bill Roberts, City of West Sacramento, Diana Langley, City of Yuba City, John

Lenahan, Del Paso Manor Water District, Michael Raffety, El Dorado Irrigation District, Tom Nelson, Elk Grove Water District, Randy Marx, Fair Oaks Water district, Paul Schubert, Golden State Water Company, Joe Duran, Orange Vale Water Company, Robert Dugan, Placer County Water Agency, Kerry Schmitz, Sacramento County, Dan York, Sacramento Suburban Water District and Dan Rich, San Juan Water District voted yes. The motion carried.

6. FEDERAL AFFAIRS STANDING COMMITTEE UPDATE

Mr. Bigley gave an overview of projects that the RWA Federal Standing Committee has developed. The committee is a diverse group made up of nine RWA member agencies including public utilities, investor owned utilities and water providers that are volunteering their time. The committee has focused their attention on the several recommendations that were provided to the RWA Board via memo in the fall of 2019. We are developing a venue where we can collaborate and coordinate on federal legislation and work on creating tangible results for the region. The committee has been engaged in developing a comprehensive infrastructure mapping tool spreadsheet that includes details of projects from the region. This tool can be used to create messages to audiences like federal and state agencies and congressional members and staff.

The committee has posted the tool, fact sheet, and additional information on the RWA website. The fact sheet summarizes information on potential investment opportunities, federal investment in infrastructure in the Sacramento region, and why it is important. Statistics are included relative to why the federal government should be involved in helping with economic recovery, including benefit to the federal government. We are trying to leverage RWA's proven record with respect to being a good steward of resources. A presentation has been developed to use with the Congressional delegation through virtual meetings with Congressional staff that talks about funding needs with respect to what we are looking for from a national perspective and the investment needed in California. There will likely be significant federal action related to COVID-19 economic recovery and the impacts on the economy and jobs nationwide. There are preliminary discussions in Washington, DC on this effort.

Mr. Peifer said that the presentation has resulted in positive conversations when used as the basis for briefing and educating Congressional offices. We are interested in making sure that our region has access to funding for our projects including reliability, resiliency, support for the groundwater bank, and support for member projects. RWA is prepared to take the lead on the discussion on water projects. Another resource included on the RWA website is a federal legislation tracker that was compiled by the Ferguson Group.

7. LEGISLATIVE AND REGULATORY UPDATE

Mr. Ojakian gave a summary of where the legislative process is with the disruption of COVID-19. The legislature will not be back in session next week and it is

unknown when they will reconvene. Even though the legislative session needs to end by August 31st, the legislature and Governor have some tools to utilize with a possibility to move policy after the end of August. There will likely be some revision to the budget that was passed by the legislature and signed by the governor. Staff are monitoring the safe drinking water bond and the funding source issue that will be addressed when the trailer bill is taken up. A resources bond was expected on the November ballot but that appears unlikely. Staff has been asked to participate in continuing conversations on environmental issues, supplier issues, and water interests.

8. 2020 GROUNDWATER SUBSTITUTION TRANSFERS

Mr. Swartz gave a PowerPoint presentation on the 2020 Pilot Groundwater Substitution Transfer that involves six agencies. There has been discussion on developing a water bank, which requires storage and recovery actions. An analysis was done with respect to what the region could do as part of the Regional Water Reliability Plan. When we refer to groundwater substitution transfers, what is really occurring is an agency with a surface water right is making a one-year temporary transfer of that surface water and is making up for it by using local groundwater. A total of 68 transfer wells are being used, with 25 additional monitoring wells. Each transfer well requires a dedicated monitoring well within two miles. We are required to monitor the groundwater elevations at every well, including transfer wells weekly. From an operational perspective, groundwater substitution transfers are not complicated. When we talk about a water bank, the key is to build system reliability which means that we are going to be moving water from distribution systems to neighboring distribution systems. When we do a groundwater substitution transfer, the six agencies are pumping groundwater from those distribution systems. When a transfer is made to make surface water available, an agency is required to show the state how much groundwater pumping over and above their baseline is available for transfer.

Mr. Swartz was asked to evaluate if it seems safe for Sacramento County Water Agency and Golden State Water Company to be extracting groundwater from the South American Subbasin. Data was collected from these agencies over the past decade to see what their past behaviors have been, so we would have a relative perspective about what it means for a Sacramento County Water Agency to extract an additional 1,500 acre feet in transfer and what that means for Golden State Water Company to extract an additional 2,500 acre feet over the full period of the transfer.

Mr. Peifer commented that Mr. Swartz and member agencies put in a lot of work into the water transfers this year, which strengthens our ability to conduct a future water bank. With the ability to engage member agencies, the RWA can create a water transfer that will help assure our future water reliability.

9. WATER LOSS REGULATION UPDATE

Ms. Talbot gave an update on the water loss regulation. The State Water Board updated their draft water loss regulation, economic models and regulation timeline in April 2020. Our region was strongly represented with the majority of RWA agencies submitting comment letters regarding the updated regulation. RWA submitted a letter on behalf of our region and was also a leader in drafting a coalition letter in partnership with CMUA, ACWA and CA NV AWWA.

Mr. Peifer, Mr. Ojakian and Ms. Talbot have been engaged in several outreach activities to communicate our water loss concerns and priorities to the state and water agencies. They have been trying to elevate the peer review recommendation to State Waterboard staff and board members. Having a peer review of the regulation has been one of the top priorities of numerous comment letters. A series of outreach materials to use to communicate to legislative staff, agency members and board members has been created.

A peer review needs to be initiated from the State Water Board staff to go through their standard process. The coalition provided the State Water Board members and staff with a list of agency peer review priorities, a sample of agency comment letters and suggestions for peer review subject matter experts in the areas of water loss, economics, and modeling.

The comment letters received by the State Water Board cannot be publicly posted on the State Water Board's website and have been updated to a CMUA's website for distribution. Contact Amy Talbot for the link. Mr. Bezerra commented that his understanding is that in 2018 the legislature passed a law that required state documents or documents on state websites be available for people with disabilities. The state has discovered that it is not possible to current framework to do that for things like submitted comment letters, water rights and hearing exhibits. Therefore, nothing can be posted online until the State meets certain accessibility standards.

Ms. Talbot commented that a separate RWA water distribution email list will be created to share water loss regulation updates for anyone who is interested in receiving information and materials.

Mr. Firenzi thanked Ms. Talbot for her technical support in preparation of a template comment letter to individual agency use. Ms. Talbot has been spearheading this effort and has made herself relevant in the process. This has been good for the water loss regulation and for increasing awareness of the RWA.

10. SACRAMENTO REGION WATER UTILITY COLLABORATION/INTEGRATION STUDY

Mr. York gave a Power Point presentation update on the Sacramento Region Water Utility Collaboration Integration Study. The study is an effort by a number of water agencies in the region to try to identify opportunities for collaboration and could be helpful for agencies that are interested in consolidation. Mr. York stated that the options will include a "do nothing" and keep going as normal, and option that would

increase inter-agency cooperation with a high-level focus on governance and organizational design. The third option would be considered organizational changes including consolidation of both agencies.

The agencies participating in the effort agreed to engage a consultant who had experience with this type of effort. Four consultants were interviewed by a group of general managers from each participating agency. Options for collaboration or integration are being evaluated as well as opportunities or challenges that would result from integration efforts. If the agency wants to delve further into the consolidation, there will be additional costs. Sacramento Suburban Water District has offered to be the lead for the study. A meeting is scheduled with the Ad Hoc Committee and the consultant to share updates.

Mr. Peifer thanked Mr. York for the presentation and the discussion regarding the goals of the study. Chair Schmitz suggested that as an organization, RWA is uniquely qualified to help if there are some joint activities that are identified by the various agencies through an RWA subscription program. Ms. Schmitz asked about the opportunities for RWA to have some input or a role in the study with some level of engagement. Mr. York said after consideration the committee should contact RWA because they could play a key role in this. Updates on the study will be given to the RWA Board as it progresses.

11. EXECUTIVE DIRECTOR'S REPORT

Mr. Peifer said that the COVID-19 crisis presents challenges and a very difficult time for everyone. He gave an update to the RWA Board saying that we were awarded a grant in the amount of about \$8.75 million from the Sacramento River funding area and the San Joaquin funding area. The grant will pay for a lot of projects within our membership. He thanked Ms. Talbot and Mr. Swartz for their work on putting the solicitation together and working with member agencies that engaged with us to identify projects needing funding. The Water Efficiency Program won an award for the most creative and effective efforts in campaigns and communications.

Mr. Peifer is scheduling listening sessions with each member agency. The sessions give him an opportunity to engage with the agency and learn what is important to the individual agency. He is available to give presentations to agencies to educate on the resources that RWA has to offer and the benefits with membership.

There have been discussions on the Materials Purchasing Program. Mr. York identified the idea to RWA that would be a similar program to the Chemical Purchasing Program. An Ad Hoc Committee has been formed that includes Brent Smith, Michelle Carrey, Dan York and Tony Barela. If anyone is interested in participating on the committee, they are asked to contact Mr. Peifer.

Mr. Peifer participated in a Public Policy Institute of California (PPIC) meeting recently with other representatives around the state to discuss CVP water transfers.

Mr. Peifer noted the article in the Board Package includes an article by Tom Gray in the Comstock magazine that gave his thoughts on what Fair Oaks Water District is doing and on the COVID-19 situation.

The Water Forum negotiations are moving forward with the educational phase in the future. There are going to be some presentations on foundational issues at negotiating steering committee meetings that everyone is invited to participate in.

Mr. Peifer highlighted that Mr. Ojikian put a lot of work on the Safe Drinking Water Fund Expenditure Plan. Some of the recommendations made by RWA were adopted.

Mr. Peifer had told the Board that Pam Tobin, ACWA Vice Chair, formed “Pam’s Pantry” meetings with RWA members. She uses the meetings to exchange ideas and asks for advice from the meeting participants. This is another example of the RWA members stepping in and helping our members become successful.

12. DIRECTORS’ COMMENTS

Mr. Houdesheldt said that City of Roseville is in preparations for the future with groundwater recovery. He said that today’s meeting was incredible and the tools and data dashboards are wonderful.

Ms. Roccucci mentioned that at the last City of Roseville council meeting there were discussions that the council may become a member. This is another way to build relationships and an opportunity to all work together more cohesively.

Ms. Carrey gave kudos to the water transfer and the staff efforts that have gone into making that possible. She recognized Mr. Swartz and the RWA team that has worked on the water transfer efforts along with staff of the six agencies that are part of the water transfer program. Everyone came together to execute the documents and now we are implementing the water transfer that was just approved by the State agencies. One of the benefits from this effort is the strengthening of the partnerships and relationships between the agencies.

Mr. Raffety reported that El Dorado Irrigation District has a major project in progress with a new water intake at Folsom Lake. , New powerful pumps will be installed with stainless steel tubes and temperature control elements. Partial funding is being provided by the Bureau of Reclamation for the 18-month project.

Mr. Schubert also gave kudos to the water transfer and said he appreciates the leadership. The benefit of the RWA membership on this transfer alone paid back more than a decade of dues, showing the definite benefit of working with our partners.

Chair Schmitz said that Rio Linda/Elverta CWD decided to leave RWA. One of the things that this flagged is that RWA needs to make sure that we are focusing on the

needs of our small agencies. It is easy to focus on the needs and things that are valuable to our large agencies, but we need to include the small agency needs as well. She suggested an informal committee be formed to work on ways to make sure we are doing everything we can to meet the needs of the small agency as well as the medium and large agencies.

Mr. Dugan reported that the Operation Center staff for Placer County Water Agency are putting together a severe power outage plan. They are preparing and planning for five days without power, identifying what facilities are critical in Sacramento County, and what needs to be in place to get through such an event. He said that RWA has done fantastic work on the groundwater transfer. There is a lot of positive energy from RWA, staff, and member agencies who are contributing to make this happen.

Mr. York supported comments from Ms. Carrey and Mr. Schubert on the water transfer. This year has been difficult getting the process approved and the work to move the effort forward.

Mr. Rich thanked the member support in being confirmed to serve on the Executive Committee. He is looking forward to working with everyone.

Adjournment

With no further business to come before the Board, Chair Schmitz adjourned the meeting at 11:18 a.m.

By:

Chairperson

Attest:

Josette Reina-Luken, Board Secretary / Treasurer