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) 847-7589. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Executive Committee may consider any agenda item at any time during the meeting.

Note: Pursuant to the Governor’s Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage Committee members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

RWA Executive Committee Meeting
Wed, Aug 25, 2021 8:30 AM - 10:30 AM (PDT)

Please join my meeting from your computer, tablet or smartphone.
https://global.gotomeeting.com/join/816596541

You can also dial in using your phone.
United States: +1 (571) 317-3122

Access Code: 816-596-541

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT: Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.
3. **CONSENT CALENDAR**  
a. Minutes of the June 23, 2021, Executive Committee meetings  
   **Action:** Approve Consent Calendar Items

4. **SACRAMENTO CENTRAL GROUNDWATER AUTHORITY**  
   Discussion: Jim Peifer, Executive Director

5. **LEGISLATIVE/REGULATORY UPDATE**  
   Information Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager  
   **Action:** Take Positions on State Legislation

6. **SEPTEMBER 9, 2021 RWA BOARD MEETING AGENDA**  
   **Action:** Approve September 9, 2021 proposed RWA Board Meeting agenda

7. **EXECUTIVE DIRECTOR’S REPORT**

8. **DIRECTORS’ COMMENTS**

**ADJOURNMENT**

**Upcoming meetings:**

Executive Committee Meetings: Wednesday, September 22, 2021, at 8:30 a.m. and October 27, 2021, at 8:30 a.m. at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

Regular Board Meeting: Thursday, September 9, 2021, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

RWA Special Board Meeting – SCGA Integration: Tuesday, August 31, 2021, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

The RWA Board Meeting electronic packet is available on the RWA website at [https://rwah2o.org/meetings/board-meetings/](https://rwah2o.org/meetings/board-meetings/) to access and print the packet.
# RWA Board of Directors

## 2021 Chair: Sean Bigley  
## 2021 Vice Chair: Dan York

<table>
<thead>
<tr>
<th>Name</th>
<th>Title/Position</th>
<th>Institution/Location</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>S. Audie Foster</strong></td>
<td>General Manager, California American Water</td>
<td></td>
</tr>
<tr>
<td><strong>Evan Jacobs</strong></td>
<td>Operations Manager, California American Water</td>
<td></td>
</tr>
<tr>
<td><strong>Ron Greenwood</strong></td>
<td>Board Member, Carmichael Water District</td>
<td></td>
</tr>
<tr>
<td><strong>Cathy Lee</strong></td>
<td>General Manager, Carmichael Water District</td>
<td></td>
</tr>
<tr>
<td><strong>David Wheaton</strong></td>
<td>Director, Citrus Heights Water District</td>
<td></td>
</tr>
<tr>
<td><strong>Hilary Straus</strong></td>
<td>General Manager, Citrus Heights Water District</td>
<td></td>
</tr>
<tr>
<td><strong>Raymond Riehle</strong></td>
<td>Director, Citrus Heights Water District (alternate)</td>
<td></td>
</tr>
<tr>
<td><strong>Rebecca Scott</strong></td>
<td>Principal Operations Specialist (alternate)</td>
<td></td>
</tr>
<tr>
<td><strong>Kerri Howell</strong></td>
<td>Councilmember, City of Folsom</td>
<td></td>
</tr>
<tr>
<td><strong>Marcus Yasutake</strong></td>
<td>Environmental/Water Resources Director, City of Folsom</td>
<td></td>
</tr>
<tr>
<td><strong>William Lauritsen</strong></td>
<td>Councilmember, City of Lincoln</td>
<td></td>
</tr>
<tr>
<td><strong>Bruce Houdesheldt</strong></td>
<td>Councilmember, City of Roseville</td>
<td></td>
</tr>
<tr>
<td><strong>Sean Bigley</strong></td>
<td>Assistant Environment Utilities Director, City of Roseville, Chair</td>
<td></td>
</tr>
<tr>
<td><strong>Rich Plecker</strong></td>
<td>Director of Utilities, City of Roseville (alternate)</td>
<td></td>
</tr>
<tr>
<td><strong>Dale Olson</strong></td>
<td>City of Roseville (alternate)</td>
<td></td>
</tr>
<tr>
<td><strong>Pauline Roccucci</strong></td>
<td>Councilmember, City of Roseville (alternate)</td>
<td></td>
</tr>
<tr>
<td><strong>Jeff S. Harris</strong></td>
<td>Councilmember, City of Sacramento</td>
<td></td>
</tr>
<tr>
<td><strong>Michelle Carrey</strong></td>
<td>Supervising Engineer, City of Sacramento</td>
<td></td>
</tr>
<tr>
<td><strong>Bill Busath</strong></td>
<td>Director of Utilities, City of Sacramento (alternate)</td>
<td></td>
</tr>
<tr>
<td><strong>Anne Sanger</strong></td>
<td>Policy and Legislative Specialist, City of Sacramento (alternate)</td>
<td></td>
</tr>
<tr>
<td><strong>Martha Guerrero</strong></td>
<td>Council Member, City of West Sacramento</td>
<td></td>
</tr>
<tr>
<td><strong>Bill Roberts</strong></td>
<td>Director of Public Works and Operations, City of West Sacramento</td>
<td></td>
</tr>
<tr>
<td><strong>Grace Espindola</strong></td>
<td>Councilmember, City of Yuba City</td>
<td></td>
</tr>
<tr>
<td><strong>Diana Langley</strong></td>
<td>Public Works Director/City Manager, City of Yuba City</td>
<td></td>
</tr>
<tr>
<td><strong>Robert Matteoli</strong></td>
<td>Board Member, Del Paso Manor Water District</td>
<td></td>
</tr>
<tr>
<td><strong>Pat Dwyer</strong></td>
<td>Director/Board President, El Dorado Irrigation District</td>
<td></td>
</tr>
<tr>
<td><strong>Jim Abercrombie</strong></td>
<td>General Manager, El Dorado Irrigation District</td>
<td></td>
</tr>
<tr>
<td><strong>Brian Mueller</strong></td>
<td>Engineering Director, El Dorado Irrigation District (alternate)</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>Position</td>
<td>Agency</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-----------------------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Sophia Scherman</td>
<td>Board Chair</td>
<td>Elk Grove Water District</td>
</tr>
<tr>
<td>Bruce Kamilos</td>
<td>Assistant General Manager</td>
<td>Elk Grove Water District</td>
</tr>
<tr>
<td>Elliot Mulberg</td>
<td>Director</td>
<td>Elk Grove Water District</td>
</tr>
<tr>
<td>Randy Marx</td>
<td>Board Member</td>
<td>Fair Oaks Water District</td>
</tr>
<tr>
<td>Tom Gray</td>
<td>General Manager</td>
<td>Fair Oaks Water District</td>
</tr>
<tr>
<td>Paul Schubert</td>
<td>General Manager</td>
<td>Golden State Water Company</td>
</tr>
<tr>
<td>Ernie Gisler</td>
<td>Capital Program Manager</td>
<td>Golden State Water Company</td>
</tr>
<tr>
<td>Robert Hunter</td>
<td>Board Member</td>
<td>Orange Vale Water Company</td>
</tr>
<tr>
<td>Joe Duran</td>
<td>General Manager</td>
<td>Orange Vale Water Company</td>
</tr>
<tr>
<td>Robert Dugan</td>
<td>Board Member</td>
<td>Placer County Water Agency</td>
</tr>
<tr>
<td>Tony Firenzi</td>
<td>Director of Strategic Affairs</td>
<td>Placer County Water Agency</td>
</tr>
<tr>
<td>Andy Fecko</td>
<td>General Manager</td>
<td>Placer County Water Agency (alternate)</td>
</tr>
<tr>
<td>Mike Lee</td>
<td>Board Member</td>
<td>Placer County Water Agency (alternate)</td>
</tr>
<tr>
<td>Les Clark</td>
<td>Director</td>
<td>Rancho Murieta Community Services District</td>
</tr>
<tr>
<td>Tom Hennig</td>
<td>Interim General Manager</td>
<td>Rancho Murieta Community Services District</td>
</tr>
<tr>
<td>Patrick Kennedy</td>
<td>Supervisor</td>
<td>Sacramento County Water Agency</td>
</tr>
<tr>
<td>Kerry Schmitz</td>
<td>Division Chief</td>
<td>Sacramento County Water Agency</td>
</tr>
<tr>
<td>Dave Jones</td>
<td>Board Member</td>
<td>Sacramento Suburban Water District</td>
</tr>
<tr>
<td>Dan York</td>
<td>General Manager</td>
<td>Sacramento Suburban Water District</td>
</tr>
<tr>
<td>Kevin Thomas</td>
<td>Board Member</td>
<td>Sacramento Suburban Water District</td>
</tr>
<tr>
<td>Dan Rich</td>
<td>Director</td>
<td>San Juan Water District</td>
</tr>
<tr>
<td>Greg Zlotnick</td>
<td>Water Resources and Strategic Affairs</td>
<td>San Juan Water District</td>
</tr>
<tr>
<td>Ted Costa</td>
<td>Board President</td>
<td>San Juan Water District (alternate)</td>
</tr>
<tr>
<td>Organization</td>
<td>Representatives</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
<td></td>
</tr>
</tbody>
</table>
| El Dorado County Water Agency                          | **Lori Parlin**, Chair  
Ken Payne, General Manager  
(alternate)                                                                              |
| Placer County                                          | **Ken Grehm**, Director Public Works and Facilities  
Jared Deck, Manager Environmental Engineering |
| Sacramento Municipal Utility District (SMUD)            | **Arlen Orchard**, General Manage/CEO  
Damien Waples, Strategic Account Advisor  
Ansel Lundberg, Energy Commodity Contracts Specialist |
| Sacramento Regional County Sanitation District (SRCSD) | **Christoph Dobson**, Director Policy and Planning  
Terrie Mitchell, Manager Legislative and Regulatory Affairs  
Jose Ramirez, Policy and Planning  
David Ocenosak, Principal Engineer |
<p>| Sacramento Area Flood Control Agency (SAFCA)           | <strong>Richard Johnson</strong>, Executive Director |</p>
<table>
<thead>
<tr>
<th>Organization</th>
<th>Representatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brown &amp; Caldwell</td>
<td>Paul Selsky, Water Supply Planning, Vice president</td>
</tr>
<tr>
<td></td>
<td>LaSandra Edwards, Civil Engineer</td>
</tr>
<tr>
<td></td>
<td>May Huang, Engineer</td>
</tr>
<tr>
<td></td>
<td>David Zuber, Vice President</td>
</tr>
<tr>
<td>Cosumnes CSD</td>
<td>Steve Sims, Park Superintendent</td>
</tr>
<tr>
<td>Forsgren Associates, Inc.</td>
<td>Alan Driscoll, Division Manager</td>
</tr>
<tr>
<td></td>
<td>Sergio Guillen, Division Manager, Sacramento</td>
</tr>
<tr>
<td>GEI Consultants</td>
<td>John Woodling, Vice President, Branch Manager</td>
</tr>
<tr>
<td></td>
<td>Chris Petersen, Principal Hydrogeologist</td>
</tr>
<tr>
<td></td>
<td>Richard Shatz, Principal Hydrogeologist</td>
</tr>
<tr>
<td>HDR, Inc.</td>
<td>Jafar Faghih, Water Resources Engineer</td>
</tr>
<tr>
<td></td>
<td>Ed Winkler, Client Development Lead</td>
</tr>
<tr>
<td>Sacramento Association of Realtors</td>
<td>David Tanner, Chief Executive Officer</td>
</tr>
<tr>
<td></td>
<td>Christopher Ly, Chief Operations Officer</td>
</tr>
<tr>
<td>Stantec</td>
<td>Kari Shively, Vice President</td>
</tr>
<tr>
<td></td>
<td>Vanessa Nishikawa, Principal Water Resources Engineer</td>
</tr>
<tr>
<td></td>
<td>Yung-Hsin Sun, Principal Engineer</td>
</tr>
<tr>
<td></td>
<td>Rebecca Guo, Senior Associate Water Resources Engineer</td>
</tr>
<tr>
<td></td>
<td>Kirsten Pringle, Associate Public Affairs Specialist</td>
</tr>
<tr>
<td></td>
<td>Ibrahim Khadam, Principal Engineer</td>
</tr>
<tr>
<td>West Yost Associates</td>
<td>Charles Duncan, President</td>
</tr>
<tr>
<td></td>
<td>Abigail Madrone, Business Development Director</td>
</tr>
<tr>
<td></td>
<td>Kelye McKinney, Engineering Manager I</td>
</tr>
<tr>
<td></td>
<td>Jim Mulligan, Principal Engineer</td>
</tr>
<tr>
<td>Woodard &amp; Curran (formerly RMC Water and Environment)</td>
<td>Ali Taghavi, Principal</td>
</tr>
<tr>
<td></td>
<td>Jim Graydon, Senior Client Service Manager</td>
</tr>
</tbody>
</table>
AGENDA ITEM 3: CONSENT CALENDAR

All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.

a. Minutes of the June 23, 2021 Executive Committee Meeting

Action: Approve Consent Calendar Items

Attachments:
Minutes of the June 23, 2021 Executive Committee Meeting
1. CALL TO ORDER

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

**Executive Committee Members**
Ron Greenwood, Carmichael Water District  
Sean Bigley, City of Roseville  
Bill Roberts, City of West Sacramento  
Paul Schubert, Golden State Water Company  
Tony Firenzi, Placer County Water Agency  
Kerry Schmitz, Sacramento County Water Agency  
Dan York, Sacramento Suburban Water District

**Staff Members**
Jim Peifer, Ryan Ojakian, Rob Swartz, Michelle Banonis, Amy Talbot, Monica Garcia and Cecilia Partridge

**Others in Attendance**
Brian Sanders, Charles Duncan, Mike Huot, Kevin Thomas, Bob Reisig, Mike Grinstead, Anne Sanger, Andy Fecko, Cathy Lee, Charles Duncan, Kelye McKinney, David Wheaton, Greg Zlotnick, Joe Duran, Pam Tobin, Rob Hunter, José Ramirez, Kevin Thomas, and Paul Helliker

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

Minutes of the April 28, 2021 Executive Committee Meeting

Motion/Second Carried (M/S/C) Mr. Schubert moved, with a second by Mr. Greenwood, to approve the Consent Calendar items. The motion carried by the unanimous voice vote of all directors present.
4. CALPERS 457 PLAN ROTH OPTION

Mr. Peifer said that CalPERS provides an option for employees to contribute to a Roth 457 plan using post-tax contributions into a savings or retirement account. There is no additional cost to RWA to participate, but it must add this component to its CalPERS benefits package for employees to be allowed to contribute. Feedback was requested if this is something that the RWA should sign up for to benefit staff.

After discussion it was agreed that this plan is supported by the Executive Committee.

M/S/C Mr. Schubert moved with a second by Mr. Roberts for the Executive Committee to provide input and direct the Executive Director to authorize the CalPERS 457 Roth option. The motion carried by the unanimous voice vote of all directors present.

5. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Mr. Peifer reported that a meeting of the three authorities was held where Gina Bartlett gave a report on a stakeholder assessment. She provided a roadmap with four proposed phases and an associated timeline. Each phase will be agreed upon before moving on to the next phase. It is expected, if all phases are accepted, that the final phase will be completed next year.

Mr. Peifer encouraged any RWA member with questions or requests for additional information to contact him.

6. LEGISLATIVE/REGULATORY UPDATE

Mr. Ojakian said in the legislative process bills will be heard in their second policy committee by July 14th. A number of higher profile bills are no longer active because each member had bill limits put in place. The Legislature passed a budget on June 15th that included $3.475 billion for drought response and $1 billion to address water arrearages. The specifics of what will be funded in the drought response will be sorted out in a budget trailer bill. Budget trailer bills must be passed before the Legislative session ends on September 10th.

Bills that are no longer moving through the 2021 legislative process are: SB 45 - the resilience bond; SB 223 dealing with water shutoffs; AB 377 which
would recast for water quality requirements; AB 1434 which would have established new indoor water use efficiency requirements; and AB 1500 - the resilience bond.

There is $3.5 billion for drought response, $3.5 billion for climate resilience, and $1 billion to address water arrearages. We do not have guidelines as to how those dollar amounts will be distributed. Amendments to SB 222, the low-income water rate assistance bill, are positive and require a funding source to be identified. We have a support position on AB 897 related to regional climate adaptation planning that is likely part of the $3.5 billion for climate resilience.

7. JULY 8, 2021 RWA BOARD MEETING AGENDA

Mr. Greenwood requested updated information on the SMUD Museum of Science and Curiosity (MOSAC) where RWA will have two exhibits. Ms. Talbot said that designs are nearing completion, exhibit construction will start soon, and RWA and MOSAC staff are meeting regularly. MOSAC is targeting a late 2021 public opening. As part of our sponsorship agreement, RWA will have access to the facilities for private events.

M/S/C Mr. York moved with a second by Mr. Greenwood to Approve the July 8, 2021 Proposed RWA Board Meeting agenda. The motion carried by the unanimous voice vote of all directors present.

8. EXECUTIVE DIRECTOR’S REPORT

Mr. Peifer reported that he, Chair Bigley, and Vice Chair York have started listening tours with RWA member agencies to assure that RWA is meeting member needs, getting their perspectives, and finding ways to add value to their membership. We have a wide range of agencies with different capacities, capabilities, and needs. Communication is key to providing effective RWA services to members.

Letters have gone out to 9,000 post-1914 water right holders to curtail diversions of surface waters. The State Board received 300 responses.

We continue to hold board meetings virtually and look to transition in the months ahead to in-person meetings. It was suggested that we continue virtual meetings to continue the participation of board members who do not frequently engage due to location and travel time. In person meetings will be phased in slowly, perhaps beginning with Executive Committee meetings. It is important to meet certain guidelines and be mindful of the comfort level of meeting attendees.
Mr. Peifer referred to a letter from the Public Policy Institute of California (PPIC) requesting a $10,000 sponsorship for the Water Policy Center. As part of our communications program, RWA partnered with the PPIC and the Nature Conservancy earlier this year to get the word out for the things that we need in terms of funding policy support from the state and federal government and others. RWA members and member consultants agree that we should participate in sponsorship of the PPIC as they are an influencer in California’s water policy. After discussion, it was agreed that the Executive Director should go forward with sponsorship of the PPIC for the upcoming fiscal year and to track the benefit of sponsorship moving forward.

A Sacramento Bee article entitled “How an invisible water source will help Sacramento get through the upcoming drought” submitted by Jim Peifer was included in the packet. Additional articles are being prepared to inform policy makers and significant influencers on the needs of the American River.

It was suggested that communication and education to water customers would improve water efficiency. Additional drought messaging by RWA would help navigate through the drought.

9. DIRECTORS’ COMMENTS

Mr. Greenwood reported conversations between Carmichael Water District and SMUD director Heidi Sanborn regarding working together for a mutually-beneficial partnership to share ideas on energy and water-related issues.

Mr. Roberts said that City of West Sacramento is preparing for staff to begin returning to the office starting the first week of August.

Mr. Schubert said that SCGA passed Prop 218 and set the groundwater fee for fiscal year 2022. Golden State Water Company is using the RWA drought messaging.

Mr. Firenzi said that the City of Rocklin requested Placer County Water Agency (PCWA) give a drought presentation at their Council meeting. The presentation gave information on the water supplies that PCWA has, their deliveries to the lower American River environment, and the drought. The presentation provided context that aligns with the RWA message. Linda Higgins, PCWA Water Efficiency Manager, gave a brief presentation on what customers are being asked to do for conservation.

ADJOURNMENT
Chair Bigley adjourned the meeting at 10:06 a.m.

By:

__________________________________________
Chairperson

Attest:

__________________________________________
AGENDA ITEM 4: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

BACKGROUND:

On June 7th, the SGA, SCGA and RWA Boards met for a joint workshop to hear the findings of Ms. Gina Bartlett, the facilitator who has been assigned by the Department of Water Resources to assist in the resolution of the potential integration of the SCGA and SGA. In addition, Ms. Bartlett presented a process roadmap for further exploration of the integration. A summary of the meeting and a copy of the process roadmap are attached.

The process roadmap lays out four phases:

- **Phase 1:** This phase assesses the issues and encourages questions to be asked of the integration effort. This phase allows for a visioning process to provide for an ideal organization. We are in phase 1.
- **Phase 2:** This phase would be where the governance would be developed for an integrated SGA and SCGA. The SGA and SCGA Boards will need to authorize proceeding to phase 2. The SCGA board has voted in the affirmative to proceed to Phase 2. The SGA board will vote during a special board meeting on September 8th. A no vote by the SGA board would end the process for a potential integration. A yes vote does not commit the Board to integrating the SGA with the SCGA, rather it allows for a potential governance to be developed.
- **Phase 3:** The RWA, SGA and SCGA Boards would need to vote to proceed to phase 3 around February 2022. An affirmative vote would allow for the RWA, SGA and SCGA to evaluate the staffing, resources and funding needed for an integrated SGA and SCGA. A no vote ends the process.
- **Phase 4:** The Board will potentially vote to integrate the SGA and SCGA around May to June 2022. An affirmative vote would approve the governance, staffing and funding.

A number of board members had raised question in the workshop or in regular board meetings. A Frequently Asked Questions and Answers (FAQs) document has been attached to address some of these questions. The San Juan Water District has submitted two documents with questions which they requested be included in the Board packet. The documents are attached. Some of the questions from the SJWD may be addressed by the FAQs but other questions may need additional work, some in future phases, to address the questions.

During the SGA Board meeting on August 12th, Ms. Bartlett asked each of the board members to provide their perspectives on the proposed process and integration. Some board members requested additional information on the potential pros and cons of the merger as well as information on potential pension liabilities.

The purpose of this item is to provide an update on the process.
A question was raised about the potential of the RWA staff to provide staffing services to the SCGA, similar to the SGA without integrating the SGA and SCGA. The FAQs address that question in part. An email from Ms. Isabel Safie to Mr. John Woodling is attached which provides additional information regarding this question.

Attachments:

1. CBI Meeting Summary of the June 7 Joint SGA SCGA RWA Workshop
2. Process Roadmap
3. Frequently Asked Questions
4. San Juan Water District: Issues/Questions Related to Discussion of Potential SGA/SCGA Consolidation DRAFT
5. Supplemental questions from San Juan Water District
6. Workplan
7. Email from Ms. Isabel Safie to Mr. John Woodling regarding SCGA becoming a CalPERS agency

Discussion: Jim Peifer, Executive Director
Tri-Board Workshop RWA – SCGA - SGA

Meeting Summary

Held: June 7, 2021
Prepared by: Consensus Building Institute

Workshop in Brief

The primary purpose of this joint board workshop of the Regional Water Authority, Sacramento County Groundwater Authority, and the Sacrament Groundwater Authority’s (Authorities) was to continue discussions on a potential consolidation of SCGA and SGA. Senior Facilitator and Mediator Gina Bartlett from the Consensus Building Institute has been conducting an issue assessment, and this workshop served as an opportunity for all board members to share issues and concerns to inform the assessment process.

The immediate next steps are for each board to hold its own workshop this summer to prepare SCGA and SGA to decide whether to direct staff to proceed to develop a governance proposal for consolidation that the boards would consider in January 2022 and form an ad hoc committee to participate in discussions.

Next Steps and Considerations

- Consider having RWA participate actively in the ad hoc beginning in Phase 2, governance.
- Provide a memo on the CALPERS issue for staffing.
- Develop a public engagement plan to support this effort.
- Determine if an extension from DWR would be possible.
- CBI will revisit the assessment report to determine what additions should be incorporated.

Background and Introduction

Jim Peifer, SGA and RWA Executive Director
John Woodling, Interim SCGA Executive Director

The executive directors kicked off the workshop, reminding everyone that the foundation of the authorities is the Water Forum Agreement’s groundwater element. The common purpose across authorities is to manage water supply for all users in the basin and to solve water issues in a cost effective manner.

During its strategic planning process, SCGA identified the need for different staffing. Examining these options, the possibilities of consolidating SCGA and SGA and relying on RWA as staff emerged. In 2020, the Authorities entered into a Memorandum of Understanding to explore the possible consolidation of SCGA and SGA. A “3x3” ad hoc committee, made up of three representatives from each authority participated. The
intent was to explore jointly and evaluate independently the potential consolidation. The 3x3 presented several different scenarios for consideration. Efficiencies for shared staff, equipment, accountants, etc. as a result of a potential consolidation were identified as part of the 3x3. The board workshop was planned to continue the investigation.

An impartial facilitator, Gina Bartlett from the Consensus Building Institute, is now available to work with the authorities' boards and staff to explore governance, staffing, and funding associated with the potential consolidation. The California Department of Water Resources is funding CBI's work for up to one year to work as part of its facilitation services support program. Funding will last through June 2022.

The directors clarified that if the consolidation does not work, SCGA would pursue other options for staffing.

**Assessment Findings**

**Presentation**

The assessment was meant to summarize the range of issues, concerns, and ideas of the interested parties as well as process recommendations for moving forward. At the time of the workshop, Ms. Bartlett had interviewed 20 people during 17 interviews. The intent of the workshop was to benefit from discussion among all the board members, which would supplement the initial interviews.

CBI's assessment brief (dated 6/2/21) is available. Ms. Bartlett discussed the key findings articulated by interviewees and invited others to weigh in with other issues and concerns.

**Interview Findings Synopsis**

**Benefits of Consolidation**

- Superior groundwater coordination and management.
- Operational efficiencies and cost savings.
- Unified mission and voice on water at state level.

**Downsides of Consolidation**

- Anticipated curbs on water banking and transfers.

**Issues and Concerns with Consolidating**

- Board / organizational culture.
- Establishing effective governance structure, including board composition.
- Staffing and funding.

**Governance Options**
Discuss Additional Benefits, Downsides, Issues to be Addressed

A substantial portion of the meeting was spent discussing board members issues and concerns, captured here to inform future discussions.

- Water banking is a concern for some; however, the director's organization supports a strong water bank and basin sustainability.

- The regional water bank must get rolling. RWA should manage both basins.

Staff clarified in response to a comment that keeping SCGA and SGA separate and having RWA serve both did not create efficiencies. The SCGA Chair clarified that RWA would not be able to serve both entities due to complications with CALPERS. SCGA would pursue outside staffing if the consolidation does not occur.

Additional directors' comments:
- SCGA and SGA were created for different reasons hence different cultures. These entities are important independently.

- Merging the authorities or bringing them together more closely will create a smoother water future for the region.

- While separate organizations have value, keeping the authorities together is a significant administrative burden that is cumbersome. Bringing SCGA and SGA together creates huge value. The challenge is figuring out how to bring in diverse voices.

- Additional support expressed for consolidation. Balancing the diversity of voices with a smaller board that is less cumbersome than a large board is key.

- Support for consolidation expressed as long as water levels are maintained, and the entity creates a well protection plan. Ag Res represents a diverse group of people with differing viewpoints, but all emphatically commit to sustainability.

- SCGA has a rate study underway that will generate $1.1 mil / year for SCGA operations. The Water Forum white paper estimated costs would be under $1 mil/year for staffing SCGA.

- Not being interviewed for this process accentuates the fear of being excluded even as a large pumper.

- Many who contribute significant funding for management and administration want to be sure to protect those interests.
Governance and finance are the key concerns as well as identifying the benefits to communities.

The facilitator clarified that most interviewees were open to consolidation. She further clarified that feedback on board size (large, small, or small with advisory committee) were mixed and detailed discussion is needed. Interviewees recognize the value of diverse constituent engaged in these issues.

Public Comment
Suzanne Pecci, Former Ag Res Member of the Board: Ms. Pecci appreciates comments of Directors Oneto, Trask, and Thompson. Ag Res is not as well organized so concern expressed that those stakeholders could be “lost in the shuffle.” Ag Res is a large water user and benefits from having a voice on the board. Ms. Pecci is concerned that they may not be listened to on an advisory committee.

CBI Process Recommendations and Immediate Next Steps
The Consensus Building Institute presented process recommendations for moving forward. This outlined a series of discussion topics that would occur in phases, with the boards making decisions at key milestones to proceed to the next phase.

Anticipated Discussion Topics and Phases for Decision-Making
The recommended approach anticipates board decisions to proceed to subsequent phases.

Phase 1
Assessment: issues and questions
Vision for ideal organization
Decision-making timeline

Phase 2 (SCGA, SGA)
Governance structures and options
- Representation
- Voting
- Public Involvement
Criteria for evaluating options

Phase 3 (RWA, SCGA, SGA)
Staffing, funding, cost structure
Package governance, staffing, funding

Phase 4
Board Discussion on Process Recommendations

Board directors offered the following comments:

- The timeframe and structure makes sense although the drought is going to take a lot of attention of stakeholders and may hinder stakeholder involvement.

- The effort should proceed expeditiously even with the drought underway.

- It might be helpful to address funding and staffing sooner – those topics seem late in the timeline.

- The process should clarify what happens if the chairs and vice-chairs change since they will be serving the ad hoc committee. The RWA Chair responded that representation on the ad hoc would be up to the board. (*Note: Staff clarified after the meeting that the RWA Chair designates ad hoc committee members.*)

- Support expressed for board workshops. The Director requested a memo about staffing and PERS and is unsure if employee benefits should be a driver.

- The region rises and falls together; the region and the agencies must move forward cooperatively. Everyone should commit to generating answers.

- RWA should not be ex officio / non-voting member of the ad hoc during Phase 2, governance. RWA should be an active voting member during this phase as well.

- Three members expressed support for RWA being an ex officio member during Phase 2, governance. One highlighted that SCGA and SGA, as independent agencies, should negotiate their own governance. An SGA director joined the former RWA director to express support for RWA being a decision-making member of the Ad Hoc Committee.

- The SCGA is doing a good job right now and conducting positive meetings on the Groundwater Sustainability Plans. Thinking about a potential consolidation makes sense at this time. Having RWA be in the “driver seat” for both agencies makes sense. RWA’s efforts analyzing the data and working on the model are critical; having one entity doing that is critical.

Recommendations to Incorporate into the Process Documents

- Clarify how ad hoc committee member designations will change if/when chairs and vice chairs shift.
Staff Clarifications
Both SCGA and SGA would ultimately need to make recommendations to members of the JPA to make the final decision on governance.

Public Comment
Suzanne Pecci: Staff should consider the need for public involvement. Members of the public are busy reviewing the Groundwater Sustainability Plan, and the public needs to be engaged and contributing to this as well.

Dominic Gutierrez, DWR, would be able to consider the possibility of an extension to CBI’s task order to provide facilitation services. He was uncertain if the timeline could extend beyond June 2022.

Return to Board Comments and Discussion
Additional board member comments:
- SCGA would like to focus on the Groundwater Sustainability Plan. The SCGA board needs to discuss this internally.

- On timing, the boards have been talking about this for a few years. Giving the boards a schedule with milestones is a good thing to do. Support expressed for the path forward.

Staff Clarifications
In September, the SCGA and SGA boards will decide if they want to pursue this and then direct staff and the ad hoc committee to figure out how to structure governance. If either board decides that it is not the time or there is a fatal flaw, then the SCGA will move to other options.

See the Next Steps at the beginning of the document.
Anticipated Discussion Topics and Phases for Decision-Making

The recommended approach anticipates board decisions to proceed to subsequent phases.

Phase 1
Assessment: issues and questions
Vision for ideal organization
Decision-making timeline

Phase 2 (SCGA, SGA)
Governance structures and options
- Representation
- Voting
- Public Involvement
Criteria for evaluating options

Phase 3 (RWA, SCGA, SGA)
Staffing, funding, cost structure
Package governance, staffing, funding

Phase 4
Legal structure and documentation
Approval process
SCGA SGA Consolidation Frequently Asked Questions

What are the benefits of the consolidation?

A consolidation has the potential to reduce costs, increase organizational efficiencies and/or provide more services to the RWA, SCGA and SGA members. It will result in better coordination. It has the promise of creating and retaining institutional knowledge, which is extremely valuable to our region. It could be helpful in succession planning, as some staff that have been with the organization since near its beginning near retirement over the next several years.

Will my agency's dues or fees go up?

It appears that the member agencies fees will not increase as part of the consolidation, but we cannot be sure of that until we understand the governance and staffing arrangements. The analysis performed so far indicates that fees will not increase for RWA or SGA members. SCGA has recognized that it is responsible for fully funding the staffing and administrative expenses that would result from being brought into RWA.

Will I have less access to RWA staff? We are concerned that staff attention will be diverted from work that is important to us.

A consolidation has the potential to increase access to RWA staff. With a merged SCA-SCGA, new technical staff would be brought in to manage normal groundwater management activities. This would potentially free up time for the Manager of Technical Services to work on higher value activities at RWA without sacrificing the workload that the groundwater authorities need to perform under SGMA. Additionally, the new technical staff could be available to RWA on a subscription-basis to assist in activities such as future water transfers under the Sacramento Regional Water Bank or other priority activities that tend to ebb and flow within RWA. This has proven a successful model for RWA in the past.

Does the RWA have capacity to perform the work needed?

No. Staff would not be able to take on an additional organization’s work without additional staff and resources. Additional resources include services such as legal services, auditing services, etc. The addition of the SCGA will require more staff administrative capacity as well as technical capacity.

Can’t RWA just staff SCGA and SGA as separate organizations?

This would be problematic, and may result in reducing benefits to some staff, and cause problems with retention and recruitment. In order for the RWA to staff an independent SCGA, the SCGA would have to apply to become a CalPERS member. According to Counsel, the SCGA would likely be accepted into CalPERS, but would become a “PEPRA” agency.
Current “Classic” employees may receive a diminished pension benefits under this arrangement. It is not clear if this would be allowed.

**How will pension obligations and OPEB be affected?**

In general, more staff will increase pension obligations. However, the RWA revised its benefits policy in 2019 to reduce the post-employment benefits costs of labor, including significantly increasing the vesting time to receive post-employment health benefits. Additionally, any new employees hired to support the current area covered by SCGA would be fully funded by the groundwater users in the SCGA area. Finally, since SCGA is not currently a CalPERS agency, RWA would not inherit any current pension or OPEB obligations of the organization.

**Will Delta issues cause problems for existing SGA members?**

We do not believe this will be a problem. SCGA has been in existence since 2006. During that time, there have been no documented significant issues with the Delta for the organization. Under SGMA, the South American Subbasin (SASb) is largely represented by the Northern Delta GSAs, with which SCGA has a cooperative relationship. Therefore, it does not appear that Delta issues will affect the liability of a consolidated SGA SCGA.

**Will my vote be diluted?**

The details of a consolidated SGA governance are not clear and will not be until the authorities agree to proceed to phase 2. It is possible that a consolidated SGA will have more members, but that does not necessarily result in diluted representation.

**How will my interest be represented on the Board?**

The SGA currently has water purveyor members (public agencies, investor owned and mutual water companies), an agricultural representative, and a self-supplied representative. The SGA does not have seats for conservation landowners, Regional San, or Ag Res representatives. Representation of these interests will need to be considered when developing a revision to the SGA JPA. Ultimately, representation would need to be decided upon by the signatories to the JPA.

**How will the consolidated SGA and SCGA interact with other subbasins?**

Both SGA and SCGA have established relationships with the other GSAs in their respective subbasins. Additionally, DWR expects management under SGMA at the subbasin level, so it would be important to maintain a degree of separation between the North and South American subbasins. During the consolidation evaluation process, we will seek legal guidance on how to preserve the existing relationships and contracting in place in the respective subbasins.
How will this affect groundwater transfers and the banking program?

RWA has long had a desire to operate the Sacramento Regional Water Bank in a seamless fashion in both the North American and South American subbasins. A consolidated SGA SCGA will result in better coordination between the three organizations, and a greater likelihood that the bank could be operated at the combined subbasin level.

What is the process for making decisions?

- Each board will make decisions to proceed at milestones and ultimately have to approve the final set of agreements on governance, staffing, funding, and the legal entity.
- For example, the first decision will be to proceed to phase 2 to develop a governance structure. The second decision will be to proceed to phase 3 to develop funding and staffing plan.

How will the public be involved in the consolidation evaluation process?

- The public can attend board meetings to learn about board member perspectives.
- If the boards decide to proceed to phase 2, staff and the facilitator will develop a public engagement plan.
Some issues that should be more clearly understood/resolved prior to SGA pursuing consolidation discussions with SCGA:

♦ How is SGMA governance of NASb going to be resolved with 4 other entities and integrated with SGA governance? Need to understand this before attaching to SCGA. Our understanding is that SGA will serve as the administrator and facilitator of the NASb 5-GSA collective, and will have the responsibility for organizing and managing monitoring and reporting activities. This workload has yet to be defined (or at least articulated to the SGA Board), and it will affect the staffing bandwidth that would be available to address SCGA issues.

♦ How would NASb SGMA governance be impacted by an SGA/SCGA merger which would then presumably incorporate SASb SGMA governance obligations? It does not seem prudent to mesh the NASb governance and management with the SASb without taking the time to get the NASb situation settled and functioning effectively.

♦ How would SGA be insulated from stakeholder issues, controversies, undesirable results in the SASb, existing or arising in SCGA area, or would a “merger” mean assuming those risks and obligation to address them? If SGA maintains its separate Board of Directors and independent decision making authority, this would presumably only be an issue for workload and priorities for the joint staff, but if there is one Board for a merged SGA and SCGA, this could impact the ability of the Board to effectively address SGA-specific issues.
♦ What is current situation, level of Board consensus, with regard to governance of SCGA, its mission and priorities related to Board relationships and its operations, including among SASb stakeholders; independent of issue of potential “merger” with SGA?

♦ What would a governance structure be of a new organization that would at least maintain SGA authorities and autonomy, and vice-versa with respect to SCGA maintaining control over its basin(s), i.e. one that didn’t merge Boards?

♦ What are implications of consolidation on existing SGA and SCGA contracts with other entities (grants, GSAs, etc.)? Also, how would future agreements under SGMA that would be only applicable to a specific sub-basin be dealt with in a merged organization?

♦ What are implications for Sac Water Bank, particularly north of the river, as it also must be integrated into NASb/GSA management?

♦ Existing Water Accounting Framework is limited to SGA area, but does it need to be updated in light of NASb GSP/SGMA, and how would that be potentially impacted by consolidation?

♦ What is actual “connectivity” of North and South Sub-basins considering separated by the river? Is there any hydraulic connection between the two basins, or interaction between them, given that both have cones of depression and declines in elevation as one moves away from the American River and into the sub-basins?

♦ What is the “health” (current status of “sustainability”) of the South Basin and does that have implications for “merging” organizations?
♦ What are short and long-term implications of connectivity of South Basin to Cosumnes River and the Delta more broadly?

♦ SGA/RWA has invested heavily in Water Bank and advocacy of same, what level of investment has been made by SCGA in facilities/advocacy to improve its management over the same period? What is the implication going forward in terms of level of effort and potential conflict of interest or competition for state/federal financial resources?

♦ How will SGA (and RWA) be insulated from the merger being a drain on current capabilities of staffing, technical support, and financial resources at the outset and into the future?

• What is the staffing burden associated with managing and accounting for the recently adopted SCGA parcel fee? Will SGA be required to adopt a similar funding structure for the NASb if the organizations were merged?

♦ What assurances can be made that SGA (and RWA) dues will not need to be raised to address unknown or unintended downstream impacts of merger?

♦ What are options for staffing relationships if SGA were to “house” SCGA staff and potentially share some admin staff with SCGA rather than “merge” at the governance level? [SGA Board requested formal legal memo regarding this issue, specifically potential PERS constraints that had been raised.]

♦ Other than supposed financial savings (which need to be more explicitly defined rather than assumed a priori), what is the benefit to SGA in taking on oversight (particularly as a merged Board) of the SCGA territory that could not be achieved without such a consolidation, e.g. through cooperative agreements, MOUs, etc.?
Staff has presented limited information regarding PERS issues and constraints on other staffing options of a potential merger/consolidation/housing of SCGA with SGA. However, more detail justifying their conclusions and presentation of alternative path options to their determination of what has essentially been presented as the only available option have not been provided to the SGA Board. During a prior Board discussion there was a request for a legal memo to fill this informational void, but that request was not formalized by an SGA Board action and as such the Executive Director felt he didn’t have actual direction and had no authority to expend funds to seek such a memo from counsel. While that was a reasonable rationale for not pursuing such additional information through the requested legal memo, the void remains.

Response: We understand that legal advice has been provided covering the scope of the questions asked at the Board meeting. SCGA cannot independently become a CalPERS contracting agency in a way that would provide equal benefits to what RWA/SGA staff are currently receiving. At the time of the CalPERS issue for SGA, both Boards were adamant that diminishing employee benefits was not a workable solution.

The staff provided FAQ includes only the one Q&A (below), just scratching the surface of one part of the universe before the SGA Board on these PERS related issues, along with an assurance that because SCGA is not a PERS agency a merger/consolidation/housing would not result in an assumption of any OPEB obligation from SCGA.

Can’t RWA just staff SCGA and SGA as separate organizations?

"This would be problematic, and may result in reducing benefits to some staff, and cause problems with retention and recruitment. In order for the RWA to staff an independent SCGA, the SCGA would have to apply to become a CalPERS member. According to Counsel, the SCGA would likely be accepted into CalPERS, but would become a “PEPRA” agency. Current “Classic” employees may receive a diminished pension benefits under this arrangement. It is not clear if this would be allowed."

This is not a clear explanation of the topic of what implications there would be for retirement benefits for RWA/SGA employees who would be assigned to work on SCGA tasks, if SCGA either remains an independent organization or is merged into SGA. It also assumes the outcome without providing any discussion or identifications of options so the costs and benefits and impacts can actually be weighed by the SGA and RWA Boards.

San Juan offers the following questions for consideration related to the PERS issue which we believe merit discussion and detailed responses as well. These were not included in the other set of questions San Juan developed because the assumption was
that a legal memo setting forth PERS issues and options would be provided based upon the prior conversation during the joint Board meeting.

**How many employees does SCGA have? What retirement benefits does SCGA offer to its employees?**

*Response: SCGA currently has no employees. SCGA contracts for services from Sacramento County and from private consulting firms.*

**Does SCGA contract with other agencies for staff time to perform SCGA duties? What retirement benefits do those personnel have? If those personnel were to become SCGA employees, what retirement benefits would be offered to them?**

*Response: SCGA contracts for services from the County of Sacramento who receive benefits from the County retirement system. There is no plan for those personnel to become SCGA employees.*

**Can SCGA contract with RWA or SGA to provide staff time to perform SCGA duties? If personnel currently employed by another employer but serving under contract to SCGA were to be offered employment by RWA or SGA (should SCGA decide to contract instead with RWA or SGA for its staffing needs), what retirement benefits could/would be offered to them?**

*Response: SCGA could enter into an agreement with RWA for services. However, to the extent that employees worked under the direction of another independent agency, their time would not count as CalPERS service. This is similar to the problem SGA had with respect to past service of employees and led to SGA becoming a CalPERS employer.*

**Do RWA and SGA each directly employ the staff who work for either or both organizations? For any staff who are employed part-time by RWA and part-time by SGA, what retirement benefits are offered to them by each organization?**

*Response: RWA and SGA share some staff and employ some separately. In any case, each employee’s time under RWA and/or SGA is CalPERS covered service.*

**Could RWA/SGA staff provide support to an "independent" SCGA via an interagency agreement whereby SCGA keeps its current Board and JPA agreement?**

*Response: In theory, RWA could provide this service, however, the employees time would not count as CalPERS service.*

**Could RWA contract with current SCGA staff (are any Sac County employees?) to continue to do work for SCGA, via an interagency agreement whereby SCGA
maintains an independent Board, but uses RWA staff, including the contracted former SCGA staff?

Response: Any mechanism whereby an independent SCGA “uses RWA staff” would result in the employees not earning CalPERS service for their time. RWA contracting with current County employees to do SCGA work would provide no real benefit beyond the current SCGA structure.

Other?
### Timeline

<table>
<thead>
<tr>
<th>Summer 2021</th>
<th>Phase 1 GOAL: Assess Issues and Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Consensus Building Institute (CBI) conducts interviews with board members and facilitates Tri-Board discussion session on key issues and future needs</td>
</tr>
<tr>
<td></td>
<td>Boards hold workshops to identify additional issues and questions; Board members brief constituents as needed; Board members prepare for decision</td>
</tr>
<tr>
<td>6/7</td>
<td>Tri-Board discussion on key issues and process recommendations</td>
</tr>
<tr>
<td>7/8</td>
<td>RWA Board Update</td>
</tr>
<tr>
<td>8/11 9am</td>
<td>SCGA Board Workshop</td>
</tr>
<tr>
<td>8/12 9am</td>
<td>SGA Board Workshop</td>
</tr>
<tr>
<td>8/31 9am</td>
<td>RWA Board Workshop</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sept - Oct</th>
<th>SCGA and SGA Decide to Proceed to Phase 2, Develop Governance Options</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The SCGA and SGA Boards would consider directing staff to proceed to Phase 2, to develop a governance proposal for consolidation that the Board would consider in January 2022</td>
</tr>
<tr>
<td></td>
<td>SCGA, SGA, and RWA chair’s would designate ad hoc committee members (chair, vice-chair, and executive director for each agency) to participate in discussions</td>
</tr>
<tr>
<td>8/11 9am</td>
<td>SCGA Board Meeting (Future Meeting Dates: 9/8 at 9am; 10/13)</td>
</tr>
<tr>
<td>9/8 10 am</td>
<td>SGA Board Meeting (9/8 at 10am) (Future meeting: 10/14)</td>
</tr>
<tr>
<td>9/9</td>
<td>RWA Board Intent (action: TBD)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sept - January</th>
<th>Phase 2 GOAL: Develop Proposed Governance Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Joint Meeting: Vision and Mission of the New Entity</td>
</tr>
<tr>
<td></td>
<td>Staff and Ad Hoc explore governance options</td>
</tr>
<tr>
<td></td>
<td>Nov-Dec: Vet options with Boards</td>
</tr>
<tr>
<td></td>
<td>Dec: Staff and Ad Hoc develop and refine preferred option</td>
</tr>
<tr>
<td></td>
<td>Staff and Ad Hoc create recommended governance structure proposal and process roadmap for developing staffing and funding plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>February</th>
<th>Decide on Preliminary Governance Structure Proposal, SCGA and SGA Decide to Proceed to Phase 3, Develop Funding and Staffing Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The SCGA and SGA Boards would consider approving the governance structure and directing staff to develop the funding and staffing plan.</td>
</tr>
<tr>
<td></td>
<td>The RWA Board would direct staff to develop the funding and staffing plan.</td>
</tr>
<tr>
<td>Timeline</td>
<td>Major Activities</td>
</tr>
<tr>
<td>-----------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>2019</td>
<td>SCGA prepares a strategic plan that includes provisions to:</td>
</tr>
<tr>
<td></td>
<td>• “Consider status quo, merger with SGA, or other measures to most effectively and</td>
</tr>
<tr>
<td></td>
<td>efficiently govern”</td>
</tr>
<tr>
<td></td>
<td>• “Create new governance to foster independence, transparency, accountability, and</td>
</tr>
<tr>
<td></td>
<td>cost efficiency as it relates to the long term management of the basin.”</td>
</tr>
<tr>
<td>August 2019</td>
<td>Established “2x2” meetings (Chair and Vice Chair of the authorities) to begin</td>
</tr>
<tr>
<td>December 2019</td>
<td>discussing the potential to have the RWA provide staffing to the SCGA</td>
</tr>
<tr>
<td>March 2020</td>
<td>RWA presents to the SCGA Board on RWA staffing for SGA</td>
</tr>
<tr>
<td>July 2020</td>
<td>Water Forum White Paper presented to the SCGA</td>
</tr>
<tr>
<td>Aug 2020 to Dec 2020</td>
<td>MOU approved and convene “3x3” Committee</td>
</tr>
<tr>
<td>Dec 2020 to Jan 2021</td>
<td>3x3 members discuss proposed staffing for SCGA</td>
</tr>
<tr>
<td></td>
<td>Presentations on Staffing to RWA, SGA and SCGA</td>
</tr>
</tbody>
</table>
John,

My apologies for my extreme oversight of the email below. The end of the year rush began shortly before the Thanksgiving holiday and resulted in the inundation of my email inbox. Workload is under control this week due to most of my client’s going dark this week and I finally have a chance to review outstanding emails. To my dismay, I saw that I inadvertently overlooked your email.

I noted that your board meeting has already taken place and, therefore, my reply is almost certainly late. To the extent that it is still timely or useful to you, enclosed please find the following:

1. Draft legal services agreement
2. CalPERS application (Public Agency Applicant Questionnaire)
3. CalPERS Financial Questionnaire (This is a custom questionnaire based on the profile of the applicant. The attached is a sample from a pending application to give you an idea of the questions that CalPERS focuses on but the financial questionnaire for SCGA may look very different).

In terms of the process to apply for CalPERS membership, the following is a general outline:

1. Prepare CalPERS application and supplements (2-4 weeks) and submit after approval from SCGA
2. CalPERS Review of Eligibility (2-3 months)
3. While 2 is pending, receive and complete financial questionnaire (varies, but generally 1-2 months and runs concurrently with 2)
4. If SCGA is deemed eligible, CalPERS will prepare an actuarial valuation to provide SCGA with its expected contribution rate (90 days after 2 is completed).
   • If SCGA is entering into a new contract (as opposed to taking on portions of an existing contract as was the case with SGA), SCGA will be limited to the PEPRA 2% at 62 retirement formula even for employees that have classic status. Some agencies have worked around this through specific legislation (see Gov. Code §7522.02(f), (g) and 7522.05) but in all those cases the exemption only applied to those employees hired by the JPA from one of its member agencies that is a CalPERS agency within 180 days after the JPA was established.
5. Assuming SCGA wants to move forward, CalPERS will prepare the contracting documents and request census data from SCGA (about 30 days after SCGA indicates it wants to move forward).
6. SCGA must adopt a “Resolution of Intent” and disclose costs of contracting with CalPERS in a public meeting.
7. SCGA must wait at least 2 weeks after #6, the CalPERS contract is approved by the SCGA Board.
8. Contract becomes effective the 1st day of the pay period following SCGA Board approval. SCGA will have the option to include “prior service credit” to capture the period between the contract application date and the effective date.

Please note that if SCGA wishes to move forward with retaining BB&K, we will likely need a waiver from RWA or SGA if your path forward will require: (a) changes/revisions to existing agreements of RWA or SGA or, (b) a new agreement with RWA or SGA.

With respect to the following question:
“In addition, I’d like your thoughts relative to the possibility of SGA revising its joint powers agreement to include the signatories and jurisdictional are of SCGA. Would there be CalPERS hoops to jump through for SGA if we that route.”

Are you suggesting a merger or consolidation such that SGA absorbs SCGA? So long as the new member agencies of SGA are all public agencies, CalPERS will not have an issue with this. This approach would allow employees of SCGA transferring to SGA and retaining classic status to obtain a classic formula (what SGA has in place).

Again, my apologies for the delay.

Wishing you a safe and prosperous New Year.

Isabel Safie  
Partner  
isabel.safie@bbklaw.com  
T: (951) 826-8309 C: (909) 641-1330  
www.BBklaw.com

Shelter-in-place and public health orders issued in multiple counties in California require our offices to be physically closed, effective March 17, 2020. Because all staff are working remotely, all documents (including correspondence, pleadings, and discovery) will be served via e-mail until at least March 31, 2020. Because we may not receive regular mail or other deliveries during this period of time, please e-mail copies of anything you send by regular mail or delivery. Send all e-served documents in your case to the e-mail addresses for any Best Best & Krieger LLP attorney who has appeared in your case, or who has communicated with you by e-mail on your matter.

From: Woodling, John [mailto:jwoodling@geiconsultants.com]  
Sent: Friday, November 20, 2020 8:50 AM  
To: Isabel Safie  
Subject: follow up on Sacramento Central Groundwater Authority

Isabel,

I wanted to follow up on our discussion a few weeks back. I am still planning to go to the SCGA Board on December 9 to get approval to contract BBK to support our CalPERS application efforts. You indicated that you had a brief process outline that would help inform the discussion. Please send that when you get a chance.

In addition, I’d like your thoughts relative to the possibility of SGA revising its joint powers agreement to include the signatories and jurisdictional are of SCGA. Would there be CalPERS hoops to jump through for SGA if we that route.

Thanks.

John K. Woodling, PGe, CEG, CHG  
VP - Branch Manager - Principal Geologist  
916.631.4563 cell: 916.812.9118  
2868 Prospect Park Drive, Suite 400, Rancho Cordova, CA 95670
December 28, 2020

VIA E-MAIL ONLY JWOODLING@GEICONSULTANTS.COM

Re: Draft - Legal Representation Agreement

Dear John:

ABOUT OUR REPRESENTATION

Best Best & Krieger LLP is pleased to have the opportunity to assist Sacramento Central Groundwater Authority through the application process with CalPERS to obtain pension benefit administered by CalPERS for Authority employees. This letter constitutes our agreement setting the terms of our representation.

CONFIDENTIALITY AND ABSENCE OF CONFLICTS

An attorney-client relationship requires mutual trust between the client and the attorney. It is understood that communications exclusively between counsel and the client are confidential and protected by the attorney-client privilege. To also assure mutuality of trust, we have maintained a conflict of interest index. The California Rules of Professional Conduct defines whether a past or present relationship with any party prevents us from representing the Authority. Similarly, the Authority will be included in our list of clients to ensure we comply with the Rules of Professional Conduct.

We have checked the following names against our client index: Sacramento Central Groundwater Authority. Based on that check we can represent the Authority. Please review the list to see if any other persons or entities should be included. If you do not tell us to the contrary, we will assume that this list is complete and accurate. We request that you update this list for us if there are any changes in the future.
YOUR OBLIGATIONS ABOUT FEES AND BILLINGS

Our billing rates for the above-mentioned work are as follows:

<table>
<thead>
<tr>
<th>Timekeeper</th>
<th>Title</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Isabel Safie</td>
<td>Partner</td>
<td>$425</td>
</tr>
<tr>
<td>Allison De Tal</td>
<td>Of Counsel</td>
<td>$350</td>
</tr>
<tr>
<td>Daniella Hernandez</td>
<td>Associate</td>
<td>$275</td>
</tr>
<tr>
<td>Charles Miller</td>
<td>Pension Consultant</td>
<td>$225</td>
</tr>
</tbody>
</table>

The billing rates for others are described in the memorandum attached to this letter which is entitled “Best Best & Krieger LLP’s Billing Policies.” It also describes the other aspects of our firm’s billing policies. You should consider the Billing Policies memorandum part of this agreement as it binds both of us. For that reason, you should read it carefully.

INSURANCE

Best Best & Krieger LLP carries errors and omissions insurance with Lloyd’s of London. After a standard deductible, this insurance provides coverage beyond what is required by the State of California.

NEW MATTERS

When we are engaged by a new client on a particular matter, we are often later asked to work on additional matters. You should know that such new matters will be the subject of a new signed supplement to this Agreement. Similarly, this Agreement does not cover and is not a commitment by either of us that we will undertake any appeals or collection procedures. Any such future work would also have to be agreed upon in a signed supplement.

HOW THIS AGREEMENT MAY BE TERMINATED

The Authority has the right to end our services at any time. If it does so, the Authority will be responsible for the payment of fees and costs accrued but not yet paid, plus reasonable fees and costs in transferring the matter to the Authority or its new counsel. By the same token, we reserve the right to terminate our services to the Authority upon written notice, order of the court, or in accordance with our attached Billing Policies memorandum. This could happen if the Authority fails to pay our fees and costs as agreed, fails to cooperate with us in this matter, or if we determine we cannot continue to represent the Authority for ethical or practical concerns.
CLIENT FILE

If you do not request the return of the Authority file, we will retain the file for five years. After five years, we may have the file destroyed. If you would like the file maintained for more than five years or returned, you must make separate arrangements with us.

THANK YOU

On a personal note, we look forward to a long and valued relationship and appreciate your confidence in selecting us to represent the Authority on the above-described matters. If you have any questions at any time about our services or billings, please do not hesitate to call me.

If this letter meets with your approval, please have it signed and dated, and return a signed copy to us by electronic mail or regular mail. Unless the agreement is signed, dated and returned to us, we will not represent the Authority in any capacity, and we will assume that you have made other arrangements for legal representation.

Very truly yours,

Isabel C. Safie
of BEST BEST & KRIEGER LLP

AGREED AND ACCEPTED:

SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

By: __________________________________________

Dated: ________________________________________
BEST BEST & KRIEGER LLP'S BILLING POLICIES

Our century of experience has shown that the attorney-client relationship works best when there is mutual understanding about fees, expenses, billing and payment terms. Therefore, this statement is intended to explain our billing policies and procedures. Clients are encouraged to discuss with us any questions they have about these policies and procedures. Clients may direct specific questions about a bill to the attorney with whom the client works or to our Accounts Receivable Department. Any specific billing arrangements different from those set forth below will be confirmed in a separate written agreement between the client and the firm.

Fees for Professional Services

Unless a flat fee is set forth in our engagement letter with a client, our fees for the legal work we will undertake will be based in substantial part on time spent by personnel in our office on that client's behalf. In special circumstances which will be discussed with the client and agreed upon in writing, fees will be based upon the novelty or difficulty of the matter, or the time or other special limitations imposed by the client.

Hourly rates are set to reflect the skill and experience of the attorney or other legal personnel rendering services on the client's behalf. Time is accrued on an actual basis for all work. Our attorneys are currently billed at rates from $225 to $750 per hour, and our administrative assistants, law clerks, litigation analysts, research analysts, and paralegals are billed at rates from $140 to $290 per hour. These hourly rates are reviewed annually to accommodate rising firm costs and to reflect changes in attorney status as lawyers attain new levels of legal experience. Any increases resulting from such reviews will be instituted automatically and will apply to each affected client, after advance notice.

Non-Attorney Personnel: BBK may employ the services of non-attorney personnel under the supervision of a BBK attorney in order to perform services called for in the legal services agreement. The most common non-attorney personnel utilized are paralegals. Other types of non-attorney personnel include, but are not limited to, case clerks, IT analysts, and specialty consultants. The client agrees that BBK may use such non-attorney personnel to perform its services when it is reasonably necessary in the judgment of the responsible BBK attorney. Hourly fees for non-attorney personnel will be charged at the rate then in effect for such personnel. A copy of BBK's current rates and titles for non-attorney personnel will be provided upon request. Except for paralegals, BBK will not incur more than $550 in fees for a non-attorney's work on a client matter without first confirming by email or written correspondence with the client the intended use of the non-attorney and the hourly rate for that person.

Fees For Other Services, Costs and Expenses

We attempt to serve all our clients with the most effective support systems available. Therefore, in addition to fees for professional legal services, we also charge separately for some other services and expenses to the extent of their use by individual clients. These charges include but are not limited to, mileage at the current IRS approved rate per mile, extraordinary telephone and document delivery charges, copying charges, computerized research, court filing fees and other court-related expenditures including court reporter and transcription fees. No separate charge is made for secretarial or word processing services; those costs are included within the above hourly rates.

ESI: BBK provides Electronically Stored Information (ESI) services for matters requiring ESI support—typically litigation or threatened litigation matters. BBK shall receive payment for ESI support, if needed, at BBK's then current rates. A copy of BBK's current rates for such services will be provided upon request. BBK shall not incur costs for ESI support on a particular matter without first confirming by email or written correspondence with the client that the client agrees such services are necessary for the matter at hand.

We may need to advance costs and incur expenses on your behalf on an ongoing basis. These items are separate and apart from attorneys' fees and, as they are out-of-pocket charges, we need to have sufficient funds on hand from you to pay them when due. We will advise the client from time to time when we expect items of significant cost to be incurred, and it is required that the client send us advances to cover those costs before they are due.
Advance Deposit Toward Fees And Costs

Because new client matters involve both a substantial undertaking by our firm and the establishment of client credit with our accounting office, we require an advance payment from clients. The amount of this advance deposit is determined on a case-by-case basis discussed first with the client, and is specified in our engagement letter.

Upon receipt, the advance deposit will be deposited into the firm's client trust account. Our monthly billings will reflect such applications of the advance deposit to costs and not to attorney's fees (unless otherwise noted in our accompanying engagement letter). At the end of engagement, we will apply any remaining balance first to costs and then to fees. We also reserve the right to require increases or renewals of these advanced deposits.

By signing the initial engagement letter, each client is agreeing that trust account balances may be withdrawn and applied to costs as they are incurred and to our billings, when we issue our invoice to the client. If we succeed in resolving your matter before the amounts deposited are used, any balance will be promptly refunded.

Monthly Invoices and Payment

Best Best & Krieger LLP provides our clients with monthly invoices for legal services performed and expenses incurred. Invoices are due and payable upon receipt.

Each monthly invoice reflects both professional and other fees for services rendered through the end of the prior month, as well as expenses incurred on the client's behalf that have been processed by the end of the prior month. Processing of some expenses is delayed until the next month and billed thereafter.

Our fees are not contingent upon any aspect of the matter and are due upon receipt. All billings are due and payable within ten days of presentation unless the full amount is covered by the balance of an advance held in our trust account. If a bill is not paid within 30 days, a late charge of one percent per month on the unpaid invoice shall be added to the balance owed, commencing with the next statement and continuing until paid.

It is our policy to treat every question about a bill promptly and fairly. It is also our policy that if a client does not pay an invoice within 60 days of mailing, we assume the client is, for whatever reason, refusing to pay. We reserve the right to terminate our engagement and withdraw as attorney of record whenever our invoices are not paid. If an invoice is 60 days late, however, we may advise the client by letter that the client must pay the invoice within 14 days or the firm will take appropriate steps to withdraw as attorney of record. If the delay is caused by a problem in the invoice, we must rely upon the client to raise that with us during the 14-day period. This same policy applies to fee arrangements which require the client to replenish fee deposits or make deposits for anticipated costs.

From time to time clients have questions about the format of the bill or description of work performed. If you have any such questions, please ask them when you receive the bill so we may address them on a current basis.

Changes in Fee Arrangements and Budgets

It may be necessary under certain circumstances for a client to increase the size of required advances for fees after the commencement of our engagement and depending upon the scope of the work. For example, prior to a protracted trial or hearing, the firm may require a further advance payment to the firm's trust account sufficient to cover expected fees. Any such changes in fee arrangements will be discussed with the client and mutually agreed in writing.

Because of the uncertainties involved, any estimates of anticipated fees that we provide at the request of a client for budgeting purposes, or otherwise, can only be an approximation of potential fees.

BEST BEST & KRIEGER LLP
Public Agency Applicant Questionnaire

Thank you for your interest in the California Public Employees’ Retirement System (CalPERS) benefit programs. Please complete this Public Agency Applicant Questionnaire (Application) as thoroughly as possible and provide supporting documentation for all responses. Your application cannot be reviewed until all requested information has been provided. We ask that you provide clear and complete answers to avoid delays in the review of your Application.

Once you submit your completed Public Agency Applicant Questionnaire, a CalPERS analyst will be assigned to your case and will be available to assist you in the contracting process. Keep in mind this Application is only the first step in the application process and we may require additional information or supporting documentation from you as part of the application process. CalPERS staff will contact you with more specific details on the contracting process after we receive your completed Application and be available to you throughout the process.

Before fully reviewing your application information, we cannot guarantee you will be eligible to contract with CalPERS for participation in the CalPERS benefit plans (CalPERS Plans). This Application is not an offer to contract. Therefore, do not withhold CalPERS retirement contributions from any of your employees in anticipation of eligibility to participate in the CalPERS Plans, nor should you report your employees under any other agency currently participating in the CalPERS Plans.

Agency Contact Information:

Official Agency: ____________________________
Mailing Address: ____________________________
Street Address: ____________________________
City, State, Zip: ____________________________
County: ____________________________

Authorized Agency Representative:

Name: ____________________________
Title: ____________________________
Telephone: ____________________________
E-mail: ____________________________
Please provide complete copies of the Employer’s JPA agreement, Articles of Incorporation, Bylaws, any amendments, and any filings with the Secretary of State, as applicable. Please feel free to provide your answers on additional pages, if necessary.

Public Agency Applicant Questions:

1. Is the entity a City or County?
   □ No.
   □ Yes. If yes, you do not need to answer any additional questions. Please proceed to signing the attached “Employer Certification” on page 8 of this Application along with your supporting documentation (e.g. charter, formation documents).

2. What type of entity is the Employer?
   □ Joint Powers Authority (JPA) □ Non-Profit Corporation, or
   □ Other: If other, please describe:

3. Please list:
   • the current members of the Employer’s governing board or body
   • the date each individual was elected or appointed, and
   • The individual’s current job/title.

<table>
<thead>
<tr>
<th>Current Members of Employer’s Governing Board or Body</th>
<th>Date Each Individual was Elected or Appointed</th>
<th>Current Job/Title</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Please indicate whether the members of the Employer’s governing board or body are
   □ Elected or
   □ Appointed? If appointed, who has the power to appoint members of the Employer’s governing board or body?
5. Does any person or entity have the power to remove members of the Employer’s Governing board or body?

☐ No.

☐ Yes. If yes, please describe in detail and include references to Bylaws, contracts or agreements, or other governing documents:

6. Please list other individuals or entities that have control or voting powers or that have ownership or other interests in the Employer:

   • describe the powers or interests in detail
   • include references to Bylaws, contracts or agreements, or other governing documents.

<table>
<thead>
<tr>
<th>Individuals/Entities</th>
<th>Powers/Interests</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Please list:

   • any entity(ies) or organization(s) that is/are related to or affiliated with the Employer
   • describe the relationship between the Employer and such entity(ies) or organization(s) in detail.
   • include references to Bylaws, contracts or agreements, or other governing documents.

<table>
<thead>
<tr>
<th>Affiliated Entities / Organizations</th>
<th>Relationship</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
8. Does the State (or a City or County or other political subdivision of the State) have fiscal responsibility for the general debts and other liabilities of the Employer?

☐ No.

☐ Yes. If yes, please describe in detail and include references to Bylaws, contracts or agreements, or other governing documents:

9. Please describe in detail:

- All governmental or quasi-governmental powers exercised and functions performed by the Employer. Please make sovereign powers explicit (e.g. police, taxation, eminent domain)
- Include references to statutes, Bylaws, contracts or agreements, or other governing documents relating to the Employer’s powers and functions.

<table>
<thead>
<tr>
<th>Sovereign Powers</th>
<th>Governmental Functions Performed</th>
<th>References Related to Powers/Functions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10. Was the Employer created by a specific enabling statute that prescribes the purposes, powers, duties, or obligations of the Employer?

☐ No.

☐ Yes. If yes, please describe in detail:

11. Does the State (or a City or County or other political subdivision of the State) exercise control over the Employer’s operations or property or have the right to exercise such control?

☐ No.

☐ Yes. If yes, please describe in detail and include references to Bylaws, contracts or agreements, or other governing documents:
12. Are the Employer's employees treated the same as State, City or County employees for purposes other than providing employee benefits? Please describe in detail.

Examples:
- Are the Employer's hiring practices subject to a competitive examination process? If so, please provide an example.
- Are employees subject to civil service law and rules
- Are employees subject to collective bargaining laws (e.g. Meyers-Millas-Brown Act)
- Are the Employer's employees' salaries and benefits subject to collective bargaining? If so, please provide the name of employee organization group(s) who represent the Employer's employees in collective bargaining.
- What grievance procedures and administrative appeals rights are made available by the Employer?

☐ No.
☐ Yes. If yes, please describe in detail:

13. Please provide a detailed description of all sources of revenue or funding, including a description of any non-public sources, received or expected to be received by the Employer to establish or operate the Employer.

- Please include the percentages of total funding coming from all sources.

<table>
<thead>
<tr>
<th>Sources of Revenue/Funding</th>
<th>Percentage of Total Funding (all)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
14. Is the Employer treated as a governmental entity for any other purposes? Please describe in detail.

Examples:

- For federal employment or income tax purposes (such as the authority to issue tax-exempt bonds under Internal Revenue Code section 103(a))? 
- Is the Employer subject to open meeting laws (such as the Brown Act), the California Public Records Act or similar laws?
- Are the Employer’s employees subject to the California Political Reform Act?  
  - Please provide a copy of the Employer’s current Conflict of Interest Code.
- Does the State Attorney General represent the Employer in court under a statute that only permits representation of State entities?
- Has any State or federal court or administrative agency made a formal written determination that the Employer is a governmental entity for any purpose?

☐ No.
☐ Yes. If yes, please describe in detail:

15. Does the Employer currently have employees?

☐ No.
☐ Yes. If yes, please address the questions below:

- If yes, how many? Number of current employees:

- How many employees does the entity expect to have once it is fully operational?

16. Do any of the Employer’s employees perform services for one or more other entities or organizations that are related to or affiliated with the Employer?

☐ No.
☐ Yes. If yes, please describe in detail:
17. Does any other entity perform Human Resources or Payroll functions for the Employer?
   □ No.
   □ Yes. If yes, please describe in detail:

18. Are any of the Employer’s employees currently participating in or reported to CalPERS by or through another entity?
   □ No.
   □ Yes. If yes, please explain the current arrangement and identify any other entity(ies) or organization(s) involved.

Employer Certification

The undersigned hereby agrees and acknowledges that Employer is aware and understands that the participation of its employees and retirees in one or more of the CalPERS benefit plans (the "CalPERS Plans") is subject to, among other things, the determination of Employer’s eligibility to participate in a governmental plan pursuant to the Internal Revenue Code (the "Code"). Employer acknowledges that the Internal Revenue Service (the "IRS") is in the process of drafting regulations under Section 414(d) of the Code and that these regulations, when final, may impact Employer’s eligibility to participate in the CalPERS Plans.

Employer understands that even if CalPERS determines that Employer is eligible to participate in the CalPERS Plans based upon its good faith interpretation of existing IRS guidance, upon publication of final Treasury Regulations pursuant to Section 414(d) of the Code (the “Final Regulations”), it may be determined that Employer would not be eligible to participate in a governmental plan under such Final Regulations. Employer further understands that in the event of such a determination, CalPERS will be obligated to comply with the Final Regulations and, if required, terminate the Employer’s participation in the CalPERS Plans, including cancellation of all benefits for employees and retirees of the Employer (the “Termination”).

By executing this Certification below, the undersigned certifies that all information provided to CalPERS in connection with Employer’s application to contract, including all information provided in this Application, is true and correct. The undersigned agrees to update the information contained in this Application within ten (10) calendar days of the date the undersigned knows or should have known of any error or change to any information provided to CalPERS.

The undersigned certifies that he or she has been duly authorized by Employer to execute this Certification on behalf of Employer.

I, the official named below, acknowledge and declare I have read and understand the Application and Employer Certification. I am duly authorized to make this declaration on behalf of the above-named Employer, and declare the foregoing is true and correct as of the date of execution of this document. I further acknowledge my Employer’s responsibility to provide updates in the event this information is determined to be incorrect or has changed.

Signature: ____________________________
Name: ________________________________
Title: ________________________________
Date: ________________________________

Rev. Date January 2018
Page 8 of 8
Privacy Notice

The privacy of personal information is of the utmost importance to CalPERS. The following information is provided to you in compliance with the Information Practices Act of 1977 and the Federal Privacy Act of 1974.

Information Purpose
The information requested is collected pursuant to the Government Code (sections 20000 et seq.) and will be used for administration of Board duties under the Retirement Law, the Social Security Act, and the Public Employees’ Medical and Hospital Care Act, as the case may be. Submission of the requested information is mandatory. Failure to comply may result in CalPERS being unable to perform its functions regarding your status.

Please do not include information that is not requested.

Social Security Numbers
Social Security numbers are collected on a mandatory and voluntary basis. If this is CalPERS’ first request for disclosure of your Social Security number, then disclosure is mandatory. If your Social Security number has already been provided, disclosure is voluntary. Due to the use of Social Security numbers by other agencies for identification purposes, we may be unable to verify eligibility for benefits without the number.

Social Security numbers are used for the following purposes:
1. Enrollee identification
2. Payroll deduction/state contributions
3. Billing of contracting agencies for employee/employer contributions
4. Reports to CalPERS and other state agencies
5. Coordination of benefits among carriers
6. Resolving member appeals, complaints, or grievances with health plan carriers

Information Disclosure
 Portions of this information may be transferred to other state agencies (such as your employer), physicians, and insurance carriers, but only in strict accordance with current statutes regarding confidentiality.

Your Rights
You have the right to review your membership files maintained by the System. For questions about this notice, our Privacy Policy, or your rights, please write to the CalPERS Privacy Officer at 400 Q Street, Sacramento, CA 95811 or call us at 888 CalPERS (or 888-225-7377).

CalPERS

May 2016
Thank you for your patience. The application is currently under review. As part of the application process, there will be a separate financial review process from the eligibility process. Below is a list of financial questions and documents that needs to address. During this process, we may have follow up questions. Once all the questions have been addressed, a contract analyst will be reaching out to you to provide further information or guidance on the contracting process. Please address the following financial questions and submit the information by email to Michael.Tang@calpers.ca.gov.

Financial Documents:
- Most recent three year audited financial statements and management letters;
- Most recent year-to-date interim financials (income statement, balance sheet, and cash flow statement);
- Year-to-Date December 2019 Actual vs Year-to-Date December 2019 Budget;
- FY20 Projection vs FY20 Budget;
- FY20 budget report;
- Five-year long-range financial plan; and
- Business Plan.

Please provide a breakdown of all revenues by source:

<table>
<thead>
<tr>
<th>Revenues by Source</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please provide a breakdown of all expenses by source:

<table>
<thead>
<tr>
<th>Expenses by Source</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please provide a breakdown of total salaries and benefits by dollars:

<table>
<thead>
<tr>
<th>Salaries and Benefits</th>
<th>FY19 Actual</th>
<th>FY20 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Salaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Salaries and Benefits</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Management Discussion & Analysis

Statement of Activities Discussion:
- Please provide a comprehensive management discussion and analysis of the last three years audited and current interim financials. Also, include in this discussion any material changes from year-to-year for line item revenues, expenses and net position. Please quantify and provide a brief explanation below:

Statement of Net Position Discussion:
- Please provide a comprehensive management discussion and analysis of the last three years audited and current interim financials. Also, include in this discussion any material changes from year-to-year in assets, liabilities and net position. Please quantify and provide a brief explanation below:

Economic Outlook and Annual Budget Forecast:
- Please provide a comprehensive management discussion and analysis of the organization economic outlook and budget forecast for the next three or five years. Please include in this discussion any revenue generating and cost cutting measures to improve the financial position for the organization. Please quantify and provide a brief explanation below:

General Questions:
- Please provide us a brief explanation why the [ ] decided to participate in CalPERS' retirement system. Is the [ ] currently reviewing other options to administer the defined benefits or contribution plan? Please explain.

- Please provide us a high-level overview of the [ ] revenue structure and how the organization is being funded or reimbursed for its operational and capital costs.

- Do the employees currently have a retirement plan, either the defined benefit and/or defined contribution plan? If so, what are the total percentage and amount that the [ ] is contributing to its employees?
• What is the maximum budget that the [Blank] can contribute to the pension obligation?

• Will the [Blank] adopt a new policy to ensure the long-term sustainability of the pension obligations such as a pension fund reserve and 115 trust funds to hedge itself from rising pension expense in the future?

• Please provide a complete list of individuals hired and/or expected to be hired by [Blank] highlighted below. Within the table below, please include vacant positions.

<table>
<thead>
<tr>
<th>#</th>
<th>Title</th>
<th>Employment Status</th>
<th>Salaries</th>
<th>Benefits</th>
<th>Total Salaries and Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Full-Time, Part-Time, Limited Term, Seasonal and Contracted Employees.

• Please provide us the following salaries and benefits breakdown identified below. In this discussion, please include the number of positions.

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual FY17</th>
<th>Actual FY18</th>
<th>Actual FY19</th>
<th>Projection FY20</th>
<th>Projection FY21</th>
<th>Projection FY22</th>
<th>Projection FY23</th>
<th>Projection FY24</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Positions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Salaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Salaries and Benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
AGENDA ITEM 5: LEGISLATIVE/REGULATORY UPDATE

BACKGROUND:

The legislative session ends on September 10th. The primary focus of the Legislature at the end of session remains providing specifics around placeholder dollar amount appropriations made through the approved budget. There may be a possibility for additional funds being appropriated as well. This likely means there will be several trailer bills. In those actions the Legislature will have to provided greater specificity for $730 million on water and drought resilience and $440 million on climate resilience package.

There are a number of bills that RWA has taken a position on. Of the bills still live in the legislative process RWA currently has the following active positions:

AB 315 (Stone D- Scotts Valley)- Limits liability for stream restoration work – Support
AB 322 (Salas D- Bakersfield)- Invest EPIC funds in biomass- Support
AB 361 (R. Rivas D- Hollister)- Revises access to public meetings- Support
AB 418 (Valladares R- Santa Clarita)- Resilience to PSPS events – Support
AB 652 (Friedman D- Glendale)- PFAS prohibition in children’s products- Support
AB 697 (Chau D- Arcadia)- Flexibility in funds for forest health- Support
AB 897 (Mullin D-So. San Francisco)-Regional adaptation planning- Support if amended
AB 1250 (Calderon D- Whittier) - Timelines for CPUC regulated consolidations- Support
SB 222 (Dodd D- Napa) - Low-income rate assistance - Oppose unless amended
SB 323 (Caballero D- Salinas)- Challenge timelines on water/sewer fees- Support
SB 369 (Pan D- Sacramento)- Yolo Bypass multibenefit partnership program- Support

Staff is recommending the Executive Committee take action to update RWA’s position to reflect the current language in the bills on the following bills:

AB 1200 (Ting D- San Francisco) Prohibits PFAS in food packaging and cookware.
SB 222 (Dodd D- Napa) Low-income rate assistance program

Information and Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager

Action: Take Positions on State Legislation
AGENDA ITEM 6: September 9, 2021 RWA Board Meeting Agenda

BACKGROUND:

Action: Approve September 9, 2021 proposed RWA Board Meeting Agenda
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) 847-7589. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Executive Committee may consider any agenda item at any time during the meeting.

Note: Pursuant to the Governor’s Executive Order N-29-20 and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage Committee members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

RWA Board meeting
Thu, Sep 9, 2021 9:00 AM - 11:30 AM (PDT)

Please join my meeting from your computer, tablet or smartphone.
https://global.gotomeeting.com/join/139317565

You can also dial in using your phone.
United States: +1 (872) 240-3412

Access Code: 139-317-565

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT: Members of the public who wish to address the board may do so at this time. Please keep your comments to less than three minutes.
3. **CONSENT CALENDAR:** All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.
   a. Minutes of the July 8, 2021 Board of Directors Meeting
   **Action:** Approve Consent Calendar Items

4. **SACRAMENTO CENTRAL GROUNDWATER AUTHORITY INTEGRATION AND STAFFING**
   Discussion: Jim Peifer, Executive Director
   **Action:** Provide direction

5. **ADOPT RESOLUTION OF SUPPORT FOR ACWA VICE PRESIDENT**
   Discussion: Sean Bigley, Chair
   **Action:** Accept the recommendation from the Chair and Vice Chair for Candidate for ACWA Vice President and Approve a Resolution of Support for the Candidate

6. **LEGISLATIVE/REGULATORY UPDATE**
   Information and Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager

7. **EXECUTIVE DIRECTOR’S REPORT**

8. **DIRECTORS’ COMMENTS**

**ADJOURNMENT**

**Upcoming Meetings:**

Executive Committee Meetings: Wednesday, September 22, 2021, 8:30 a.m. and October 27, 2021, 8:30 a.m. at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

Regular Board Meeting: Thursday, November 4, 2021, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

The RWA Board Meeting electronic packet is available on the RWA website at [https://rwah2o.org/meetings/board-meetings/](https://rwah2o.org/meetings/board-meetings/) to access and print the packet.
AGENDA ITEM 7: EXECUTIVE DIRECTOR’S REPORT

An oral report will be provided
AGENDA ITEM 8: DIRECTORS’ COMMENTS