

**REGIONAL WATER AUTHORITY**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Thursday, March 10, 2022; 9:00 a.m.**

**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 Board of Directors may consider any agenda item at any time during the meeting

RWA Board Meeting  
Thu, Mar 10, 2022 9:00 AM - 11:00 AM (PST)

**Please join my meeting from your computer, tablet or smartphone.**

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- 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. Board Members may request an item be removed for separate consideration.
  - a. Authorize a Teleconference Meeting
  - b. Approve the minutes of January 13, 2022 Board Meeting
  - c. Approve Revised RWA Board Meeting Schedule
  - d. Approve Renewal of RWA Policies 300.4, 300.5, 500.9 and 500.17**Action: Approve Consent Calendar**
- 4. CHAIR'S VISION FOR 2022**  
Discussion: Dan York, Chair
- 5. RESOLUTION NOMINATING PAMELA TOBIN TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY**  
Discussion: Jim Peifer, Executive Director  
**Action: Adopt Resolution No. 2022-01**

**6. REVISIONS TO RWA POLICY 200.3 (PROCEDURES FOR THE SELECTION OF THE EXECUTIVE COMMITTEE)**

Discussion: Dan York, Chair

**Action: Chair to Appoint an Ad Hoc Committee to Propose Revisions to Policy 200.3**

**7. DEVELOPMENT OF FISCAL YEAR 2022 – 2023 BUDGET**

Presentation and Discussion: Josette Reina-Luken, Finance and Administrative Services Manager

**8. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) UPDATE**

Information: Jim Peifer, Executive Director

**9. DROUGHT CONDITIONS UPDATE**

Information: Michelle Banonis, Manager of Strategic Affairs

**10. REINITIATION OF CONSULTATION ON THE COORDINATED LONG-TERM OPERATION OF THE CENTRAL VALLEY PROJECT AND STATE WATER PROJECT**

Information: Michelle Banonis, Manager of Strategic Affairs

**11. LEGISLATIVE/REGULATORY UPDATE**

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

**12. EXECUTIVE DIRECTOR'S REPORT**

**13. DIRECTORS' COMMENTS**

**ADJOURNMENT**

**Next RWA Board of Director's Meeting:**

May 12, 2022, 9:00 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights, the location is subject to change depending on the COVID-19 emergency.

**Next RWA Executive Committee Meeting:**

March 23, 2022, 8:30 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights, the location is subject to change depending on the COVID-19 emergency.

Notification will be emailed when the RWA electronic packet is complete and posted on the RWA website at: <https://www.rwah2o.org/meetings/board-meetings/>.

**RWA Board of Directors**  
**2022 Chair: Dan York**  
**2022 Vice Chair: Tony Firenzi**

***S. Audie Foster, General Manager, California American Water***

***Evan Jacobs, Operations Manager, California American Water***

***Ron Greenwood, Board Member, Carmichael Water District***

***Cathy Lee, General Manager, Carmichael Water District***

***Caryl Sheehan, Director, Citrus Heights Water District***

***Hilary Straus, General Manager, Citrus Heights Water District***

***Raymond Riehle, Director, Citrus Heights Water District (alternate)***

***Rebecca Scott, Principal Operations Specialist (alternate)***

***Kerri Howell, Councilmember, City of Folsom***

***Marcus Yasutake, Environmental/Water Resources Director, City of Folsom***

***William Lauritsen, Councilmember, City of Lincoln***

***Angela Frost, Environmental Services Manager, City of Lincoln***

***Bruce Houdesheldt, Councilmember, City of Roseville***

***Sean Bigley, Assistant Environment Utilities Director, City of Roseville***

***Rich Plecker, Director of Utilities, City of Roseville (alternate)***

***Trevor Joseph, Hydrogeologist, City of Roseville (alternate)***

***Pauline Roccucci, Councilmember, City of Roseville (alternate)***

***Jeff S. Harris, Councilmember, City of Sacramento***

***Brett Ewart, Senior Engineer, City of Sacramento***

***Michelle Carrey, Supervising Engineer, City of Sacramento (alternate)***

***Bill Busath, Director of Utilities, City of Sacramento (alternate)***

***Anne Sanger, Policy and Legislative Specialist, City of Sacramento (alternate)***

***Martha Guerrero, Council Member, City of West Sacramento***

***William Roberts, Director of Public Works and Operations, City of West Sacramento***

***Grace Espindola, Councilmember, City of Yuba City***

***Diana Langley, Public Works Director/City Manager, City of Yuba City***

***Ryan Saunders, Board Member, Del Paso Manor Water District***

***Alan Gardner, General Manager, Del Paso Manor Water District***

***Pat Dwyer, Director/Board President, El Dorado Irrigation District***

***Jim Abercrombie, General Manager, El Dorado Irrigation District***

***Brian Mueller, Engineering Director, El Dorado Irrigation District (alternate)***

\* Names highlighted in red are Executive Committee members

<b><i>Sophia Scherman</i></b> , Board Chair, Elk Grove Water District <b><i>Bruce Kamilos</i></b> , General Manager, Elk Grove Water District <b><i>Elliot Mulberg</i></b> , Director, Elk Grove Water District (alternate)
<b><i>Randy Marx</i></b> , Board Member, Fair Oaks Water District <b><i>Tom Gray</i></b> , General Manager, Fair Oaks Water District
<b><i>Paul Schubert</i></b> , General Manager, Golden State Water Company <b><i>Ernie Gisler</i></b> , Capital Program Manager, Golden State Water Company
<b><i>Robert Hunter</i></b> , Board Member, Orange Vale Water Company <b><i>Joe Duran</i></b> , General Manager, Orange Vale Water Company
<b><i>Robert Dugan</i></b> , Board Member, Placer County Water Agency <b><i>Tony Firenzi</i></b> , Director of Strategic Affairs, Placer County Water Agency, Vice Chair <b><i>Andy Fecko</i></b> , General Manager, Placer County Water Agency (alternate) <b><i>Mike Lee</i></b> , Board Member, Placer County Water Agency (alternate)
<b><i>Tim Maybee</i></b> , Director, Rancho Murieta Community Services District <b><i>Tom Hennig</i></b> , Interim General Manager, Rancho Murieta Community Services District
<b><i>Patrick Kennedy</i></b> , Supervisor, Sacramento County Water Agency <b><i>Kerry Schmitz</i></b> , Division Chief, Water Supply, Sacramento County Water Agency
<b><i>Dave Jones</i></b> , Board Member, Sacramento Suburban Water District <b><i>Dan York</i></b> , General Manager, Sacramento Suburban Water District, Chair <b><i>Kevin Thomas</i></b> , Board Member, Sacramento Suburban Water District (alternate)
<b><i>Dan Rich</i></b> , Director, San Juan Water District <b><i>Greg Zlotnick</i></b> , Water Resources and Strategic Affairs, San Juan Water District <b><i>Ted Costa</i></b> , Board President, San Juan Water District (alternate)

\* Names highlighted in red are Executive Committee members

<b>RWA ASSOCIATES</b>	
<b>Organization</b>	<b>Representatives</b>
El Dorado Water Agency	<b><i>Lori Parlin</i></b> , Chair <b><i>Ken Payne</i></b> , General Manager (alternate)
Placer County	<b><i>Ken Grehm</i></b> , Director Public Works and Facilities <b><i>Jared Deck</i></b> , Manager Environmental Engineering
Sacramento Municipal Utility District (SMUD)	<b><i>Arlen Orchard</i></b> , General Manage/CEO <b><i>Christopher Cole</i></b> , Strategic Account Advisor <b><i>Ansel Lundberg</i></b> , Energy Commodity Contracts Specialist
Sacramento Regional County Sanitation District (SRCSD)	<b><i>Mike Huot</i></b> , Director of Policy and Planning <b><i>Terrie Mitchell</i></b> , Manager Legislative and Regulatory Affairs <b><i>Jose Ramirez</i></b> , Policy and Planning <b><i>David Ocenosak</i></b> , Principal Engineer
Sacramento Area Flood Control Agency (SAFCA)	<b><i>Richard Johnson</i></b> , Executive Director

\* Names highlighted in red are Executive Committee members

<b>RWA AFFILIATE MEMBERS</b>	
<b>Organization</b>	<b>Representatives</b>
<b>Brown &amp; Caldwell</b>	<b><i>Paul Selsky</i></b> , Water Supply Planning, Vice president <b><i>LaSandra Edwards</i></b> , Civil Engineer <b><i>May Huang</i></b> , Engineer <b><i>David Zuber</i></b> , Vice President
<b>GEI Consultants</b>	<b><i>John Woodling</i></b> , Vice President, Branch Manager <b><i>Chris Petersen</i></b> , Principal Hydrogeologist <b><i>Richard Shatz</i></b> , Principal Hydrogeologist
<b>HDR, Inc.</b>	<b><i>Jafar Faghieh</i></b> , Water Resources Engineer <b><i>Ed Winkler</i></b> , Client Development Lead
<b>Sacramento Association of Realtors</b>	<b><i>David Tanner</i></b> , Chief Executive Officer <b><i>Christopher Ly</i></b> , Chief Operations Officer
<b>Stantec</b>	<b><i>Kari Shively</i></b> , Vice President <b><i>Vanessa Nishikawa</i></b> , Principal Water Resources Engineer <b><i>Yung-Hsin Sun</i></b> , Principal Engineer <b><i>Rebecca Guo</i></b> , Senior Associate Water Resources Engineer <b><i>Ibrahim Khadam</i></b> , Principal Engineer
<b>West Yost Associates</b>	<b><i>Charles Duncan</i></b> , President <b><i>Abigail Madrone</i></b> , Business Development Director <b><i>Kelye McKinney</i></b> , Engineering Manager I <b><i>Jim Mulligan</i></b> , Principal Engineer
<b>Woodard &amp; Curran</b>	<b><i>Ali Taghavi</i></b> , Principal <b><i>Jim Graydon</i></b> , Senior Client Service Manager

\* Names highlighted in red are Executive Committee members

## **AGENDA ITEM 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.

### **AGENDA ITEM 3: CONSENT CALENDAR**

All items listed under the Consent Calendar are considered and acted upon by one motion. Board members may request an item be removed for separate consideration. The items to be considered and approved include:

- a)** Authorize a Teleconference Meeting by Passing a Motion by a majority vote under Gov. Code, § 54953, subd. (e)(1)(B) that as a result of the COVID-19 emergency: (i) meeting in person would present imminent risks to the health or safety of attendees; and (ii) the meeting is authorized to be held by teleconference pursuant to Gov. Code, § 54953, subd. (e)(1)(C)
- b)** Approve the minutes of January 13, 2022 Board Meeting
- c)** Approve Revised 2022 RWA Board of Directors Meeting Schedule
- d)** Approve Renewal of RWA Policies 300.4, 300.5, 500.9 and 500.17

#### **Action: Approve Consent Calendar Items**

Attachments:

- 3b. Minutes of the January 13, 2022 Board of Directors Meeting
- 3c. Revised 2022 RWA Board of Directors Meeting Schedule
- 3d. RWA Policies 300.4, 300.5, 500.9 and 500.17



### **AGENDA ITEM 3a.: Authorize a Teleconference Meeting**

#### **BACKGROUND:**

In light of the Governor's declaration that a state of emergency exists due to the incidence and spread of the novel corona virus, and the pandemic caused by the resulting disease COVID-19, the Board should consider whether meeting in person would present imminent risks to the health or safety of meeting attendees.

The Centers for Disease Control indicates that COVID-19 is a highly transmissible virus that is spread when an infected person breathes out droplets and very small particles that contain the virus, and such droplets and particles are breathed in by other people. Conducting meetings by teleconference would directly reduce the risk of transmission among meeting attendees, including members of the public and agency staff, which has the ancillary effect of reducing risk of serious illness and death as well as reducing community spread of the virus. On Tuesday, January 4th, the United States reported a pandemic record of more than 1 million new infections according to data compiled by John Hopkins University. The omicron variant now represents nearly every COVID case sequenced by the Centers for Disease Control and Prevention.

If the authorization to meet by teleconference is not approved by a majority vote, then the meeting will adjourn after this item and the remaining agenda items will be rescheduled to a future in-person meeting.

**AGENDA ITEM 3b.: Minutes of the January 13, 2022 Board of Directors Meeting**

Attachment:

January 13, 2022 Draft Minutes

## **1. CALL TO ORDER**

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

### **RWA Board Members**

S. Audie Foster, California American Water  
Ron Greenwood, Carmichael Water District  
Cathy Lee, Carmichael Water District  
Caryl Sheehan, Citrus Heights Water District  
Hilary Straus, Citrus Heights Water District  
Marcus Yasutake, City of Folsom  
William Lauritsen, City of Lincoln  
Angela Frost, City of Lincoln  
Bruce Houdesheldt, City of Roseville  
Sean Bigley, City of Roseville  
Jeff Harris, City of Sacramento  
Brett Ewart, City of Sacramento  
Bill Roberts, City of West Sacramento  
Grace Espindola, City of Yuba City  
Diana Langley, City of Yuba City  
Ryan Saunders, Del Paso Manor Water District  
Jim Abercrombie, El Dorado Irrigation District  
Sophia Scherman, Elk Grove Water District  
Bruce Kamilos, Elk Grove Water District  
Randy Marx, Fair Oaks Water District  
Tom Gray, Fair Oaks Water District  
Paul Schubert, Golden State Water Company  
Robert Hunter, Orange Vale Water Company  
Joe Duran, Orange Vale Water Company  
Robert Dugan, Placer County Water Agency  
Tony Firenzi, Placer County Water Agency  
Tom Hennig, Rancho Murieta Community Services District  
Patrick Kennedy, Sacramento County Water Agency  
Kerry Schmitz, Sacramento County Water Agency  
Dan York, Sacramento Suburban Water District  
Dan Rich, San Juan Water District  
Greg Zlotnick, San Juan Water District

### **RWA Associate Members**

Jared Deck, Placer County

### **RWA Affiliate Members**

Charles Duncan, West Yost & Associates, John Woodling and Richard Shatz, GEI Consultants

### **Staff Members**

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

### **Others in Attendance:**

Peggy Vande Vooren, Jay Boatwright, Rhonda Hunter, Jeff Nelson, Rebecca Scott, Raymond Riehle, Paul Helliker, Rich Plecker, Pauline Roccucci, Anne Sanger, Michelle Carrey, Andy Fecko, and Paul Siebensohn

## **2. PUBLIC COMMENT**

None

## **3. CONSENT CALENDAR**

- 3a. Authorize a Teleconference Meeting
- 3b. Adopt the proposed RWA Board Meeting Schedule for 2022
- 3c. Approve Minutes of the November 4, 2021 Board of Directors Meeting
- 3d. Approve the 2021 RWA Financial Audit Report
- 3e. Approve the Bureau of Reclamation Memorandum of Agreement
- 3f. Approve Annual review of RWA Investment Policy 500.2 and OPEB strategy
- 3g. Approve 2022 Policy Principles
- 3h. Approve 2022 Federal Affairs Platform

Mr. Kamilos asked for clarification on what the cost sharing percentage and in-kind services was on item 3e, the Bureau of Reclamation Memorandum of Agreement. Mr. Peifer provided an explanation of costs.

Motion/Second/Carried (M/S/C) Mr. Harris moved, with a second by Ms. Espindola, to approve the Consent Calendar Items. Audie Foster, California American Water, Cathy Lee, Carmichael Water District, Hilary Strauss, Citrus Heights Water District, Marcus Yasutake, City of Folsom, William Lauritsen, City of Lincoln, Bruce Houdesheldt, City of Roseville, Jeff Harris, City of Sacramento, Bill Roberts, City of West Sacramento, Grace Espindola, City of Yuba City, Ryan Saunders, Del Paso Manor Water District Jim Abercrombie, El Dorado Irrigation District, Sophia Scherman, Elk Grove Water District, Randy Marx, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Robert Hunter, Orange Vale Water Company, Robert Dugan, Placer County Water Agency, Tom Hennig, Rancho Murieta Community Services District,

Patrick Kennedy, Sacramento County Water Agency, Dan York, Sacramento Suburban Water District and Dan Rich, San Juan Water District voted yes. The motion carried.

#### **4. DISCUSSION ITEMS**

##### **4a. CLOSED SESSION – PUBLIC EMPLOYEE PERFORMANCE EVALUATION AND APPOINTMENT**

Government Code Sections 54954.5(e), 54957(b)(1)  
Title: Executive Director

##### **4b. CLOSED SESSION – CONFERENCE WITH LABOR NEGOTIATORS**

Government Code Sections 54954.5(f), 54957.6  
Agency designated representatives: Sean Bigley and Dan York  
Unrepresented employee: Executive Director

##### **4c. EXECUTIVE DIRECTOR APPOINTMENT AND EMPLOYMENT AGREEMENT**

An alternate employment agreement was suggested that would remove the reference to the 2022 and 2023 salary changes in exhibit A and move up the completion date for the salary survey to June 1, 2022.

M/S/C Mr. Rich moved, with a second by Mr. Greenwood, to receive an alternate employment agreement for the Executive Director. Ron Greenwood, Carmichael Water District, Robert Hunter, Orange Vale Water Company, and Dan Rich, San Juan Water District voted yes. Audie Foster, California American Water, Hilary Strauss, Citrus Heights Water District, Marcus Yasutake, City of Folsom, William Lauritsen, City of Lincoln, Bruce Houdesheldt, City of Roseville, Jeff Harris, City of Sacramento, Bill Roberts, City of West Sacramento, Grace Espindola, City of Yuba City, Ryan Saunders, Del Paso Manor Water District, Jim Abercrombie, El Dorado Irrigation District, Sophia Scherman, Elk Grove Water District, Paul Schubert, Golden State Water Company, Robert Dugan, Placer County Water Agency, Tom Hennig, Rancho Murieta Community Services District, Patrick Kennedy, Sacramento County Water Agency, Dan York, Sacramento Suburban Water District voted no. Randy Marx, Fair Oaks Water District did not respond to the roll call vote. The motion did not pass.

M/S/C Mr. Dugan moved, with a second by Mr. Harris, to receive the Executive Committee recommendation for renewing and amending the Executive Director's employment agreement as proposed and take action to renew and amend the employment agreement. Audie Foster, California American Water, Ron Greenwood, Carmichael Water District, Hilary Strauss, Citrus Heights Water District, Marcus Yasutake, City of Folsom, William Lauritsen, City of Lincoln, Bruce Houdesheldt, City of Roseville, Jeff Harris, City of Sacramento, Bill Roberts, City of West

Sacramento, Grace Espindola, City of Yuba City, Ryan Saunders, Del Paso Manor Water District Jim Abercrombie, El Dorado Irrigation District, Sophia Scherman, Elk Grove Water District, Randy Marx, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Robert Dugan, Placer County Water Agency, Tom Hennig, Rancho Murieta Community Services District, Patrick Kennedy, Sacramento County Water Agency and Dan York, Sacramento Suburban Water District and voted yes. Robert Hunter, Orange Vale Water Company and Dan Rich, San Juan Water District voted no. The motion carried.

#### **4d. ELECT 2022 RWA EXECUTIVE COMMITTEE**

The Board of Directors elected the following members to the 2022 Executive Committee:

- Audie Foster, California American Water
- Ron Greenwood, Carmichael Water District
- Sean Bigley, City of Roseville
- Brett Ewart, City of Sacramento
- William Roberts, City of West Sacramento
- Grace Espindola, City of Yuba City
- Tony Firenzi, Placer County Water Agency
- Kerry Schmitz, Sacramento County
- Dan York, Sacramento Suburban Water District

#### **4e. ELECT 2022 RWA CHAIR AND VICE-CHAIR**

The Board of Directors elected the 2022 Chair and Vice-Chair from the membership of the Executive Committee.

Dan York was elected as the 2022 Chair  
Tony Firenzi was elected as 2022 Vice-Chair

M/S/C Mr. Houdesheldt moved, with a second by Mr. Schubert to approve the election of the RWA Executive Committee and Dan York as Chair and Tony Firenzi as Vice-Chair. The motion carried by the unanimous voice vote of all directors present. Jim Abercrombie, El Dorado Irrigation District and Sophia Scherman, Elk Grove Water District did not respond to the roll call vote. The motion carried.

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

Mr. Peifer asked the members to review the Director's Report that was included in the packet. Please direct any questions to him.

### **6. DIRECTORS' COMMENTS**

Ms. Espindola said she also sits on the Federal Affairs and Communications committees of ACWA and could share communication between committees.

Mr. Dugan gave a water supply update with our American River Snow Sensor Index at the end of the year was about 171% of average. Combined storage upstream is strong.

### **Adjournment**

With no further business to come before the Board, Chair Bigley adjourned the meeting at 12:53 p.m.

By:

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Chairperson

Attest:

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Josette Reina-Luken, Board Secretary / Treasurer

### **AGENDA ITEM 3c.: Revised 2022 RWA Board of Directors Meeting Schedule**

Due to the ACWA-DC conference scheduled in July 2022, the following is a proposed revised 2022 RWA Board of Directors Meeting schedule. All meetings begin at 9:00 am Pacific Standard Time and unless otherwise noted on the agenda, meetings are held at the RWA office location at 5620 Birdcage Street, Suite 180, Citrus Heights, California 95610.

- Thursday, January 13, 2022
- Thursday, March 10, 2022
- Thursday, May 12, 2022
- Thursday, July 7, 2022 - rescheduled from July, 14, 2022 due to ACWA Conference
- Thursday, September 8, 2022
- Thursday, November 10, 2022



### **AGENDA ITEM 3d.: RWA Policy Renewals for 300.4, 300.5, 500.9, and 500.17**

#### **BACKGROUND:**

RWA has several policies and procedures that require the Board to revisit at various frequencies, including three-year and five-year intervals. This item is to address RWA policies that are beyond their renewal date, but do not require any content changes. Staff will bring forth the various policies throughout the upcoming calendar year with suggested changes for the Executive Committee's recommendation for Board consideration and approval with the goal of having completed a comprehensive review of all RWA policies.

During its February 23, 2022 meeting, the Executive Committee reviewed four RWA policies and recommended that the Board renew them with no changes at this time.

#### **Attachments:**

RWA Policy 300.4 - Records Retention Policy

RWA Policy 300.5 - Electronic Mail Management and Retention Policy

RWA Policy 500.9 - Fixed Asset Policy

RWA Policy 500.17 - Telecommunications Allowance Policy

# REGIONAL WATER AUTHORITY

## POLICIES AND PROCEDURES MANUAL

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Policy Type : Operations  
Policy Title : Records Inspection, Retention, Disposal, and  
Storage Policy  
Policy Number : 300.4  
Date Adopted : November 8, 2007  
Date Amended : July 12, 2012

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### **Records Inspection, Retention, Disposal, and Storage Policy**

#### **100.00 Purpose of the Policy**

This document describes the Regional Water Authority's ("RWA") policy concerning records inspection, retention, destruction, and storage.

#### **200.00 Inspection**

##### **200.10 Purpose and Scope**

This section provides criteria for the inspection of records.

##### **200.20 General**

Public records of RWA are open to inspection during normal office hours and every person has a right to inspect these records.

##### **200.30 Definitions**

As used in this section:

- a. "Public Records" includes any writing containing information relating to the conduct of public business prepared, owned, used, or retained by RWA regardless of physical form or characteristics and which is not otherwise exempt from disclosure in accordance with applicable laws.
- b. "Writing" means handwriting, typewriting, printing, photostating, photographing, photocopying, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds or symbols, or combinations thereof, and any record thereby created, regardless of the manner in which the record has been stored. A

Writing does not include a compilation of writings that was not created in the normal course of business.

## **200.40 Exemptions**

Nothing in this section requires disclosure of the following records:

- a. Preliminary drafts, notes, or intra- or inter-agency memoranda not retained by RWA in the ordinary course of business, if the public interest in withholding such records clearly outweighs the public interest in disclosure;
- b. Records pertaining to pending litigation in which RWA is a party or to claims made pursuant to Division 3.6 (Commencing with Section 810) of Title 1 of the Government Code, until such litigation or claim has been finally adjudicated or otherwise settled;
- c. Personnel, medical or similar files, the disclosure of which would constitute an unwarranted invasion of personal privacy;
- d. Geological and geophysical data, plant production data, and similar information relating to utility systems development obtained in confidence from any person;
- e. Test questions, scoring keys, and other examination data used to administer examinations for employment;
- f. The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by RWA relative to the acquisition of property, or to prospective supply and construction contracts, until such time as the property has been acquired or the contract agreement has been obtained. The law of eminent domain will not be affected by this provision;
- g. Records exempted or prohibited from disclosure pursuant to provisions of Federal or State Law, including, but not limited to, provisions of the Evidence Code relating to privilege;
- h. Data, plans, drawings, schematics, manuals and other documents related to the security and protection of members' water supplies;
- i. Private information pertaining to any director, employee or customer of a member agency that is explicitly exempt under Government Code sections 6254 and 6254.16 or that may be exempt because of personal safety or privacy concerns under Government Code section 6255, including without limitation personal identifying information and private

data such as social security numbers, confidential personnel and financial records, and members' water use data;

- j. Other records the disclosure of which is not required by law; and
- k. Computer software developed by or for RWA for internal use and not otherwise made available to the public except by selling, leasing or licensing such software for commercial or non-commercial use. Such proprietary computer software developed by RWA may include computer mapping systems, computer programs, and computer graphics systems.

## **200.50 Additional Public Records**

Notwithstanding the foregoing, the following are public records of RWA:

- a. Every employment contract between RWA and a public official or public employee is a public record.
- b. Documents concerning an open session item of a noticed public meeting that are provided to all or a majority of the Board or a committee less than 72 hours before that meeting.

## **200.60 Justification for Withholding of Records**

RWA will justify withholding a record by demonstrating the record is exempt under the express provisions of Government Code section 6254 (including the records listed above in section 200.40) or by demonstrating that the public interest served by not making the record available clearly outweighs the public interest served by disclosing the record. Written notice of intent to withhold records, stating the reasons for withholding the records and an estimated time for when RWA will furnish disclosable documents, will be provided to the person requesting the record within ten days of the request for inspection (or such later date designated by RWA upon written notice) as required by Government Code sections 6253, subdivision (c) and 6255, subdivision (b).

## **200.70 Copies of Records**

- a. A person may obtain copies of identifiable records, preferably by written request on RWA's request form, although verbal requests are acceptable. The RWA Secretary is the custodian of RWA's records and will provide the requestor with copies of all requested records unless a record is in electronic form or in a specialized format, in which case RWA will provide the most accurate copy possible within the limits of available technology and the requestor's instructions and willingness to pay the appropriate costs to retrieve and reproduce copies of such non-standard records. Nothing in this Policy or in the Public Records Act requires the District to provide copies of electronic documents in their native format

when a paper copy would provide a sufficiently accurate reproduction of the contents of the document and ensure the security and integrity of the original record. Officers, agents and employees of RWA are not required to request records in compliance with this section when acting within the course and scope of employment or when holding office. If RWA is unable to provide requested copies within ten days of the request, it will advise the requestor in writing of the date when the record will be provided.

- b. The charge for plain paper standard black and white letter or legal size photocopies will be \$0.10 per page, which reflects RWA's direct copying costs. Large format documents, maps, color copies and similar specialized documents will be charged at cost, which RWA will determine and advise the requestor of and receive approval from the requestor before copying begins. Payment for all services is required at the time copies are provided, although RWA may require a deposit as provided below in subdivision (c) before beginning copying and/or sending the job to an outside copy service. In cases when RWA sends a job to an outside service, the copy service's actual charges for the job will be passed through to the requestor. A certified copy of each requested record will require an additional payment of \$3.00. No charge will be imposed for research.
- c. The RWA Secretary may require a person who desires to obtain copies of records to deposit an amount equal to the estimated fees for copying prior to receiving the records. The portion of the deposit not required will be refunded. If the deposit is insufficient, RWA may require the requestor to pay any balance of copying charges due before any records are released.

## **200.80 Public Counter Records**

- a. Except for related writings exempt from public disclosure, RWA Secretary will maintain a duplicate copy of the last approved Board meeting minutes and the agenda and written materials distributed to the Board for discussion or consideration at the next scheduled Board meeting. These records will be maintained at the public counter located in RWA's administrative office. Public records discussed during a public meeting but not previously available will be made available before the commencement of discussion at such meeting or as soon thereafter as practicable. Public counter records also include those documents, if any, described in subdivision (b) of Section 200.50 of this Policy.
- b. No charge will be imposed for the use or review of the records described in this section. RWA will, however, impose a copy charge if a copy of a public counter record is requested.

- c. RWA may post on its website copies of certain public counter records, archived Board and Executive Committee meeting agendas and minutes, financial data, and other key Authority documents. Requestors are encouraged to view and obtain copies of available documents by visiting RWA's website at: [www.rwah2o.org](http://www.rwah2o.org).

## **200.90 Recording-Keeping**

RWA's Finance and Administrative Services Officer will maintain a record of requests for inspection that are denied and the reasons for the denial.

## **300.00 Retention, Disposal and Storage**

### **300.10 Purpose and Scope**

This section provides criteria for the retention, destruction, and storage of records.

### **300.20 Records Retention Schedule**

This is RWA's Records Retention Schedule, which was adopted by the Board of Directors by Resolution 07-04 in accordance with Government Code sections 12236 and 60201, subdivision (b)(2), and as may be amended from time to time. As provided by California law, RWA will retain, store and dispose of its records in accordance with this schedule and the requirements and procedures set forth in this policy.

**R = Legally required retention period.**

**Until Converted = until converted to "Other Storage Medium Retention Period."**

<u><b>Title</b></u>	<b>Original Form Minimum</b>	<b>Other Storage Medium<sup>1</sup> Minimum</b>
	<u><b>Retention Period</b></u>	<u><b>Retention Period</b></u>
<b><u>Administration:</u></b>		
Correspondence	3 years	10 years
Policy and Procedures	7 years after cancellation	10 years
Formation/accreditation	Permanent Until Converted	Permanent <b>R</b>

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<sup>1</sup> Microfiche, microfilm, computer disk or other permanent record in compliance with Government Code section 60203 (a) and (b).

Oaths of office/ballots/other official materials related to election or appointment of directors and officers	Term of Office + 7 years <b>R</b>	10 Years
Filings with Secretary of State	Permanent Until Converted	Permanent <b>R</b>
Work Orders/ Time Sheets	3 years	None
Form 700 Statements of Economic Interests	7 years after filing <b>R</b>	None

#### **Board of Directors:**

Agendas	3 years	10 years
Meeting Notices	3 years	10 years
Staff Reports	3 years	10 years
Board meeting minutes	Permanent Until Converted	Permanent <b>R</b>
Ordinances and Resolutions	Permanent	Permanent <b>R</b>
Conflict of Interest Code	Current + 3 years <b>R</b>	10 years
Board policies and procedures	Current + 3 years	10 years

#### **Committees:**

Agendas	3 years	10 years
Meeting notices	3 years	10 years
Minutes	Permanent Until Converted	Permanent <b>R</b>
Reports	3 years	10 years

#### **Contracts:**

Agreements and contracts	7 years following end of contract <b>R</b>	10 years
Requests for proposal and request for qualifications	Contract Termination + 5 years	None
Responses to requests for proposal and requests for qualifications	Contract Termination + 5 years <b>R</b> , but only for two years for all unaccepted proposals	None

#### **Financial:**

<u>Accounts payable</u>	All categories below - Audit + 2 years	7 years
Correspondence		
A/P ledger/distribution journal		
Cash disbursements		
Payroll/stipend payments	<b>R</b>	
Petty cash reports		
Expense reports	<b>R</b>	
Invoices	<b>R</b>	

Purchase orders	R	
Warrants	R	
<u>Accounts Receivable</u>	All categories below - Audit + 2 years	7 years
A/R register		
Aged trial balance		
Invoices		
<u>Audit Reporting</u>	All categories below - Audit + 2 years	7 Years
Correspondence		
Reports		
State Controller's report		
Work papers		
<u>Banking</u>	All categories below - Audit + 2 years	7 years
Correspondence		
Bank confirmations		
Bank reconciliations		
Bank statements		
Canceled and voided		
checks		
Deposit slips		
Signature authorization		
<u>Financial Reporting</u>	All categories below - 2 years	7 years
Correspondence		
Reports and studies		
Charts of accounts		
Treasurer's reports		
Accountant reports		
<u>Ledgers</u>	All categories below - Audit + 2 years	7 years
Account analysis		
Balance sheets		
General ledger		
Journal entries		
<u>Annual Budgets</u>	2 years	7 years
<u>Securities</u>		
Acquisition of securities	Until sold + 4 years	10 years
Annual statements	Until sold + 4 years	10 years
Broker/ bank receipts	4 years	10 years
Periodic statements	4 years	10 years
<u>Personal Property</u>		
Inventory		
Maintenance and inspection	Current + 4 years	None



logs	4 years	None
Computer licenses and documentation	Expiration/obsolescence	None

**Insurance:**

Memoranda of coverage	Expiration + 5 years	10 years
Insurance policies	Expiration + 5 years	10 years
Endorsements	Expiration + 5 years	10 years
Certificates of insurance	Expiration + 5 years	10 years
Coverage opinions	Expiration + 5 years	10 years
Surety/Fidelity Bonds	Expiration + 5 years	10 years

**Legal:**

General correspondence	3 years	10 years
Attorney correspondence	3 years	10 years
Claims and claims records	2 years after close of claim R, but only for two years	10 Years (rejection letters, settlement agreements and releases only)
Minor's claims	2 years from age of 18 R	10 Years (rejection letters, settlement agreements and releases only)
Litigation	2 years after litigation concludes R	10 Years (judgments, settlement agreements and releases only)
Opinions	7 years	10 Years

**Membership:**

Membership records	7 years, Until Converted	10 Years
Program participation agreements	10 Years	10 Years
Appointment resolutions/letters	7 years Until Converted	10 Years

**Personnel:**

Personnel files	Termination + 5 years	10 years
Job descriptions	Current + 2 years	None
Time sheets	Current + 4 years	None
Call reports and logs	Current + 4 years	None
Employment Agreements	Expiration + 4 years R	7 Years
Job advertisements and applications	2 years	None
I-9s and employment eligibility	3 years after hire or 1 year after termination, whichever is later	None

**Real Property:**

Deeds and other documents related to real property interests	Permanent, Until Converted	Permanent <b>R</b>
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**Miscellaneous:**

Other records Board or Executive Director determines to be of significant and lasting historical, administrative, financial, legal or research value	Permanent, Until Converted	Permanent
Records not prepared by or received from a state or federal agency nor required to be maintained for a specified period pursuant to state or federal law	2 years	None
Other records prepared or received pursuant to state or federal law, but not expressly required to be maintained	3 years	10 years
Board meeting tape recordings	After Approval of Minutes by Board or 30 days, whichever is later <b>R</b> , if Authority chooses to record	None

**300.30 Retention of Other Records**

- a. RWA must retain the following records, regardless of any different destruction policy or schedule as to any identified record or records specified in the records retention schedule set forth in section 2.2 above:
  - i. Any record of RWA that is the subject of a pending request made under the California Public Records Act, Government Code sections 6250 through 6276.48, until RWA has either (A) complied with the request or (B) waited at least two years after the record was withheld and written notice denying the request was provided to the requestor; **R**
  - ii. Documents related to public works not accepted by RWA or to which a stop notice claim may be legally presented; **R**
  - iii. Documents related to any non-discharged Authority debt; **R**

- iv. Any document that has not yet fulfilled the administrative, fiscal, or legal purpose for which it was created or received by RWA; and **R**
  - v. Any records required to be retained due to pending litigation, until the judgment is final. **R**
- b. RWA may dispose of the following records at any time, without maintenance of a copy:
- i. Duplicates, the original or a permanent photographic record of which is on file;
  - ii. Rough drafts, notes and working papers prepared or kept by any employee or accumulated in the preparation of a communication, study or other document, unless of a formal nature contributing significantly to the preparation of the document;
  - iii. Shorthand notebooks, telephone messages and inter-departmental notes;
  - iv. E-mails deleted and not maintained as RWA records in accordance with the Board's adopted Electronic Mail Management and Retention Policy, or any amended or successor policy.

### **300.40 Records Storage**

All of the records referenced in this section will be maintained at RWA's Administrative office located at 5620 Birdcage Street, Suite 180, Citrus Heights, California 95610, or such other repository that RWA may designate from time to time. All records requests should be directed to RWA's administrative office at 5620 Birdcage Street, Suite 180, Citrus Heights, California 95610.

### **300.50 Records Disposal**

RWA's Executive Director, or his or her designee, may destroy and discard, by any permanent method that protects the confidentiality of any privileged or confidential information contained therein, any Authority record after the expiration of the applicable retention period described in the above Records Retention Schedule.

### **400.00 SGA Records**

Generally, records of the Sacramento Groundwater Authority ("SGA") are not records of RWA. RWA and SGA are separate public agencies that have their own governing body and JPA agreements providing for their purposes, powers, activities and governance. Except for certain documents related to

shared administrative services, RWA and SGA records are used, owned and retained only by the agency for which they were originally prepared. The fact that RWA and SGA records are stored in the same space and administered by the same staff does not transform a record created for and used and maintained by one agency into a record of the other agency. As a result, neither agency has the legal right or the obligation to disclose the records of the other agency without the consent of that agency. In cases when a member of the public submits a request for public records to RWA that might include SGA records within the scope of the request, staff will consult with the Executive Director and legal counsel to determine the appropriate response and scope of production.

#### **500.00 Policy Review**

This policy shall be reviewed at least once every four years.

# **REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL**

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Policy Type:	Operations
Policy Title:	Electronic Mail Management and Retention Policy
Policy Number:	300.5
Date Adopted:	November 8, 2007
Date Amended:	July 12, 2012

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## **RWA Electronic Mail Management and Retention Policy**

### **I. Purpose**

The Regional Water Authority (“RWA”) provides electronic mail (“e-mail”) to its employees to facilitate the conduct of RWA business. In return for providing e-mail, RWA expects its employees to manage and protect records resulting from their e-mail communications. This policy is adopted by the Board for the purposes of stating the responsibilities of all RWA employees concerning the creation, removal, storage, and retention of e-mails.

RWA e-mail and e-mail systems are intended solely as a means of communicating information. All RWA e-mail users are forbidden from using the RWA e-mail system for the storage and maintenance of RWA records. To ensure the RWA e-mail system functions as intended, it is imperative that all RWA employees and e-mail users regularly delete e-mails from the system as provided in this policy.

This policy supplements and is intended to be carried out in concert with RWA’s Records Inspection, Retention, Disposal, and Storage Policy (“Records Policy”). While not all e-mail communications are RWA records, all e-mail communications are subject to discovery and can be used as electronic evidence in the event of litigation. Unmanaged and unidentified e-mails residing on RWA computers could create expensive and unmanageable problems in the event of litigation and pose a threat to RWA’s ability to properly and coherently document and reconstruct business and decision-making processes.

The Board makes the following findings concerning specific features of RWA’s computer network and related hardware and software that comprise the RWA e-mail system:

1. RWA performs an electronic back-up of its computer network, including the e-mail system, each week. Those back-ups are an electronic recording of the status of RWA’s computer systems at a particular moment in time and cannot accurately capture or reflect all e-mail or other activity that occurred on

RWA's computer network on a specific day. For example, a back-up does not capture items on employees' desktops or in their non-networked drives.

2. RWA maintains a particular computer system back-up for no more than two weeks, after which that back-up is completely overwritten. Such overwriting is necessary for management and security reasons and to aid the recovery of the computer system in case of a complete failure. Because the process is transitory, a back-up is not reliable and cannot constitute RWA records.
3. RWA maintains an e-mail filtering system that is intended to reduce SPAM, Phishing, viruses, and other unwanted cyber-security threats from entering RWA's network. RWA employees are responsible for reviewing summary e-mail lists from the e-mail filter to determine if valid e-mails were captured by the filter and to delete unwanted, unknown or potentially threatening e-mails. The e-mail filtering system automatically and permanently deletes filtered e-mail after a set time period.

## **II. Scope of Policy**

E-mail communications may, in certain circumstances, be considered public records. Therefore, e-mails also may be governed by RWA's Records Policy depending on their use and disposition. In general, e-mail communications fall into three categories:

1. E-mails that document official RWA business, which include without limitation approvals for staff action initiating a business transaction, requests and replies to a request for public information, and direction to employees or consultants. Such e-mail communications generally should be transferred to a paper or electronic medium as appropriate and then filed and retained in accordance with RWA's Records Policy.
2. E-mails that provide general information, such as announcing the date and time of a meeting, responses to professional listserves in which an employee participates, and requests and for information about RWA other than for public records. Such e-mail communications are not considered RWA records that must be managed according to RWA's Records Policy and shall be promptly and routinely deleted from the RWA e-mail system as further specified in this policy. If a RWA employee believes that any e-mail of this type constitutes a RWA official record, such an e-mail or e-mail attachment should be printed or stored on an electronic storage medium, filed in the appropriate file, and retained in accordance with the RWA Records Policy.
3. Electronic documents such as personal e-mail correspondence, informal e-mail communications between RWA employees, and working notes and drafts (unless intentionally saved for an official purpose). Such documents are not RWA records and should be deleted from RWA's computer network

as soon as they are received and read, or are otherwise superseded or subject to deletion under this policy.

RWA's Finance and Administrative Services Officer shall administer this policy, with oversight and ultimate authority over the policy exercised by the Executive Director.

### **III. E-mail Retention and Removal**

Any e-mail communication containing information that documents RWA business must be saved as a paper or electronic document in accordance with the RWA Records Policy. Responsibility for complying with this policy is imposed on each RWA employee. If an employee has any question or concern about retaining an e-mail or attachment or other issues of compliance with this policy, he or she should discuss the issue with the Finance and Administrative Services Officer. If deemed necessary, the Finance and Administrative Services Officer may consult with the Executive Director and legal counsel about any e-mail retention or removal issue.

Employees shall not retain e-mails in their electronic inboxes, sent folder, deleted items folder or any other folder within the RWA e-mail system for more than 60 days from the date the e-mail is received or sent. E-mails that are deemed RWA records under this policy or otherwise have continuing business value to RWA or one of its employees or officers must be stored on an employee's desktop or in another off-network location, or stored on an appropriate paper or electronic medium as prescribed by the RWA Records Policy. General information and personal e-mails and other non-RWA records are required to be permanently deleted from each employee's electronic e-mail boxes. General information and personal e-mails and non-records should be permanently deleted from each employee's e-mail boxes as soon as possible after receipt or transmission, but in no case any later than the following received or sent date: (1) general information e-mails – 60 days; and (2) personal e-mails – 30 days. Each RWA employee is required to review and appropriately delete his or her saved e-mail messages at least once each week. In addition, RWA employees and officers should not keep any RWA-related documents or e-mails generated or stored on home or other non-RWA computers.

When appropriate, e-mail messages should be filed with other RWA records concerning the same subject matter or program to ensure that such e-mails are preserved, stored and disposed of in the same manner as like records. If an e-mail does not relate obviously or directly to an existing RWA subject file or program, an employee should either request that a new records retention category be created or file the e-mail with correspondence.

These rules also apply to any attachments to e-mails, which should be handled in the same manner as described above.

It is the responsibility of each RWA employee to comply with this policy and to manage their e-mails in accordance with it. All employee use of e-mail, including personal use,

is subject to RWA's E-Mail/Internet/Computer Use policies provided in the Employee Handbook, as such policies may be amended or restated from time to time. In accordance with those E-Mail/Internet/Computer Use policies, RWA reserves the right at any time to review employees' e-mail boxes and to purge any e-mails retained there in violation of this policy. RWA also may institute an automatic e-mail deletion protocol if deemed appropriate.

#### **IV. Violation of Policy**

While the Board recognizes that occasional lapses in the use and management of e-mail occur in the press of business, a failure to adhere to this policy also could have serious legal and financial consequences for RWA. Therefore, violations of this policy will be reviewed on a case-by-case basis. In appropriate cases, as determined by the Executive Director or the Board, a violation may result in disciplinary action against an employee, up to and including discharge.



# REGIONAL WATER AUTHORITY

## POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Fixed Asset Policy  
Policy Number : 500.9  
Date Adopted : September 11, 2008  
Date Amended : May 17, 2012

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The purpose of this policy is to establish guidance in identifying, capitalizing, depreciating and accounting for the Regional Water Authority's fixed assets.

A fixed asset is an asset owned by the Authority that 1) is acquired for use in the Authority's operations; 2) possesses physical substance; 3) is long-term in nature (i.e., useful life exceeds 1 year); and 4) is subject to depreciation.

### **Fixed Asset Categories**

Fixed assets shall be segregated into the following categories:

- A. Office furniture and fixtures.
- B. Office equipment which includes but is not limited to computer systems, software, copiers, printers and telephones.
- C. Building and Leasehold improvements.

### **Capitalization Thresholds**

Fixed assets are owned and shared equally with the Sacramento Groundwater Authority as defined in Policy 100.2 "Administrative and Management Services Agreement" unless purchased for exclusive use by the purchasing entity. Fixed assets are eligible for capitalization if they have an estimated useful life of at least one year following the date of acquisition and have a dollar value greater than \$2,500 for each entity. Such criteria shall be applied to individual assets and not to groups of similar assets.

### **Valuation of Fixed Assets**

The value assigned to fixed assets shall be based upon principles promulgated by the Governmental Accounting Standards Board and/or Generally Accepted Accounting Principles. The asset capitalization value is determined as follows:

#### **Purchased Fixed Assets**

The capitalized value of purchased fixed assets shall be determined using the purchase price of the asset.

If the purchase price of an asset is not available or cannot be reasonably determined, an estimated cost may be utilized based upon the best available information.

### **Donated Fixed Assets**

The capitalized value of donated assets shall be determined using the fair market value at the time of donation. If the fair market value of the asset is not available or cannot be reasonably determined, an estimated cost may be determined using the best available information.

### **Capitalizable Costs**

Costs eligible for capitalization under this policy are:

- Purchase price
- Sales tax
- Freight and handling charges
- Insurance costs while in transit
- Assembling and installation charges
- Professional fees of engineers, inspectors, attorneys, consultants, etc., associated with the asset
- Discounts or rebates shall be accounted for as a reduction to the purchase price
- One-time costs necessary to accommodate the equipment in its new location

### **Capitalization of Costs Subsequent to Acquisition**

Additional costs incurred after a fixed asset is placed in use shall be accounted for as follows:

#### **Additions**

An “Addition” is defined as expenditure that either significantly extends the useful life or productivity of the existing fixed asset or creates a new fixed asset. All “Additions” to existing fixed assets should be capitalized as long as the asset meets the capitalization threshold above.

#### **Improvements and Replacements**

“Improvements and Replacements” are defined as expenditures that involve substituting a similar fixed asset, or portion thereof, for an existing one. All “Improvements and Replacements” to existing fixed assets should be capitalized as long as the asset meets the criteria of the capitalization threshold for additions above. If the existing asset’s book value is determinable, then the existing asset should be removed from the books at the time the replacement is recorded. If the existing asset is not separately identifiable, then the replacement should still be capitalized as the existing asset’s book value is assumed to be negligible.

### **Repairs and Maintenance**

“Repairs and Maintenance” costs are defined as expenditures that involve maintaining the asset in good or ordinary repair. All “Repairs and Maintenance” costs should be expensed in the period incurred.

### **Depreciation of Fixed Assets**

Fixed assets shall be depreciated on a straight-line basis beginning the first day of the month following acquisition. Depreciation shall approximate the useful life of the assets.

Guidelines for asset depreciation lives will be:

Office furniture and equipment	5 years
Computer software costs	3 years
Leasehold improvements	Life of the lease
Building Costs	30 years
Field Equipment	3 to 10 years

### **Physical Inventory of Fixed Assets**

A physical inventory of fixed assets shall be performed annually.

The results of the physical inventory shall be reconciled with the Authority’s asset inventory system. Differences will be reported, along with explanations, to the Board of Directors.

### **Disposal of Fixed Assets**

Fixed assets that have become obsolete shall be disposed in accordance with the Authority’s Policy 300.3 “Disposal of Surplus Property.”

### **Policy Review**

This policy shall be reviewed at least every five years.

# REGIONAL WATER AUTHORITY

## POLICIES AND PROCEDURES MANUAL

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Policy Type	:	Fiscal Management
Policy Title	:	Telecommunications Allowance Policy
Policy number	:	500.17
Date Adopted	:	September 12, 2019
Date Amended	:	

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### **Purpose of the Policy**

Regional Water Authority (RWA) employees may need to use a cell phone to conduct RWA or SGA business. The purpose of this policy is to establish the RWA's requirements for issuing cellular phones, and allowances for cellular phone usage.

### **General**

If the RWA requires an employee to be generally accessible via cellular telephone to conduct RWA or SGA related business, or a cell phone is needed to conduct RWA or SGA business, the RWA shall provide either:

- An RWA-issued cellular phone and service plan
- A telecommunication allowance

The Executive Director shall determine if an employee needs to be generally accessible or needs cell phone service to conduct RWA or SGA business.

The Executive Director shall have the discretion to provide an allowance to employees or to authorize the purchase of an RWA cell phone and service plan.

The RWA may publish the cellular telephone number to designated individuals and organizations with whom the employee normally conducts RWA-related business.

The California Public Records applies to all information concerning RWA's activities, whether that information is stored on a cellular telephone owned by RWA under an RWA Cell Phone and Service Plan or on one owned by an employee personally for which the employee receives an allowance from RWA under this policy. (See *City of San Jose v. Superior Court* (2017) 2 Cal.5<sup>th</sup> 608.)

## **RWA Cell Phone and Service Plan**

Should the Executive Director authorize an RWA Cell Phone and Service Plan, the RWA will purchase a phone and service plan. RWA pays for the cell phone up to an amount determined by the Executive Director, based on RWA's reasonable business needs, up to \$680. The amount authorized by the Executive Director includes all phone accessories. The employee can opt for a more expensive phone, but is responsible for paying any amount in excess of the amount the Executive Director authorizes. The RWA pays the monthly service fees for this plan. Replacement cell phones may be needed based on factors such as cell phone obsolescence, or job requirements. The Executive Director shall make the determination if a replacement phone is necessary and, if it is necessary, may authorize a replacement.

Upon employment separation, the employee must turn in the RWA cell phone, or at the Executive Director's discretion, the employee may purchase the phone in accordance with the RWA policy regarding surplus property disposal. The employee shall be entitled to keep the cell phone number.

## **Allowances**

The employee can opt to maintain a personal cell phone for which the RWA will reimburse \$50 monthly for usage. With this option, the employee is responsible for maintaining the data line and the RWA takes no responsibility for it. To obtain reimbursement, the employee need only demonstrate he or she is paying for their own personal cellular voice and data plan.

Upon approval of the telecommunications allowance, the employee shall provide and maintain a personal cellular telephone and service that is available to conduct RWA-related business. The employee's personal cellular telephone is subject to inspection by RWA, and potentially others, because, as discussed above, the California Public Records Act applies to all information related to RWA's activities, including any such information that is stored on an employee's personal cellular telephone.

Allowance amounts are considered income subject to State of California and Federal income tax requirements and shall be reported as such by RWA.

## **Policy Review and Inflation Adjustments**

This policy will be reviewed by the Executive Committee at least every three years, or as necessary. The Executive Director will adjust the amount that RWA will pay for a telephone under an RWA Cell Phone and Service Plan, and the monthly usage allowance for employees' use of their own telephones, consistent with market rates for cellular telephones and cellular voice and data plans, as part of RWA's annual budgeting.

**AGENDA ITEM 4: CHAIR'S VISION FOR 2022**

**BACKGROUND:**

Chair York will discuss his vision for the 2022 term, including a focus on enhancing teamwork and collaboration in the region.

Discussion: Dan York, Chair

**AGENDA ITEM 5: RESOLUTION NOMINATING PAMELA TOBIN TO THE  
EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER  
AGENCIES JOINT POWERS INSURANCE AUTHORITY**

**BACKGROUND:**

The bylaws of Association of California Water Agencies Joint Powers Insurance Authority (ACWA-JPIA) require that in order for one of its Board of Directors to have a seat on its Executive Committee, they must first be nominated by their member agency. As RWA is a current member of ACWA-JPIA and participates in multiple ACWA-JPIA programs, they meet the criteria to nominate Pamela Tobin to the ACWA-JPIA Executive Committee. Ms. Tobin has served on the San Juan Water District Board of Directors, an RWA member agency, since 2004. She has served as ACWA Chair of Region 4 Board in 2018-19 and ACWA Vice President in 2019. In July 2021, RWA passed Resolution 2021-02 supporting Ms. Tobin's nomination as President of ACWA, which she successfully won.

The purpose of this resolution is to nominate Ms. Tobin to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority.

Discussion: Jim Peifer, Executive Director

**Action: Approve Resolution 2022-01**

Attachment:

Resolution 2022-01

**RESOLUTION NO. 2022-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
REGIONAL WATER AUTHORITY  
NOMINATING PAMELA TOBIN TO THE EXECUTIVE COMMITTEE OF  
THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT  
POWERS INSURANCE AUTHORITY**

**WHEREAS**, the Regional Water Authority is a member district of the ACWA JPIA that participates in the JPIA's Liability Program and the other programs: Property, Workers' Compensation, or Employee Benefits; and

**WHEREAS**, the Bylaws of the JPIA provide that in order for a nomination to be made to JPIA's Executive Committee, the member district must place into nomination its member of the JPIA Board of Directors for such open position;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Regional Water Authority that it is a member of the ACWA JPIA Board of Directors, Pamela Tobin be nominated as a candidate for the ACWA JPIA Executive Committee for the election to be held during the JPIA's spring 2022 meeting.

**BE IT FURTHER RESOLVED** that the ACWA JPIA staff is hereby requested, upon receipt of the formal concurrence of three other member districts to affect such nomination.

**BE IT FURTHER RESOLVED** that the Board Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA JPIA at P.O. Box 619082, Roseville, CA 95661-9082.

**ADOPTED** this 10<sup>th</sup> day of March 2022.

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Dan York  
Chair, Board of Directors

ATTEST:

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Josette Reina-Luken  
Board Secretary



## **AGENDA ITEM 6: REVISIONS TO RWA POLICY 200.3 (PROCEDURES FOR THE SELECTION OF THE EXECUTIVE COMMITTEE)**

### **BACKGROUND:**

Several Board members have stated a desire to have the Board of Directors revise Policy 200.3, the procedures for the selection of the Executive Committee.

Concerns and comments received from Board members include: 1) the amount of time it took to select committee members at the January 2022 board meeting; and 2) if the RWA Board is appropriately represented by the committee composition as prescribed under Policy 200.3.

Policy 100.1, section 10 allows the Chair to form an Ad Hoc committee with a specific mission or charter and appoint members to the committee. Chair York will appoint an Ad Hoc committee to make recommendations to the Board to update Policy 200.3.

Discussion: Dan York, Chair

**Action: Chair to Appoint an Ad Hoc Committee to Propose Revisions to Policy 200.3**

Attachment:

RWA Policy 200.3 - Procedures for the Selection of the Executive Committee

# **REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL**

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Policy Type	:	Board of Directors
Policy Title	:	Procedures for Selection of the Executive Committee
Policy Number	:	200.3
Date Adopted	:	November 19, 2001
Date Amended	:	March 10, 2005
Date Amended	:	November 13, 2014

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## **REGIONAL WATER AUTHORITY PROCEDURES FOR SELECTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS AND THE CHAIR AND VICE-CHAIR OF THE EXECUTIVE COMMITTEE AND THE BOARD OF DIRECTORS**

### **Background**

The Joint Exercise of Powers Agreement (“JPA”) under which the Regional Water Authority (“RWA”) was formed and operates provides for the selection of (1) the members of the Executive Committee of the Board of Directors, and (2) the Chair and Vice-Chair of the Board of Directors. (See Articles 10 and 18, respectively, of the JPA.) The Board of Directors will follow the procedures set forth in this document for the selection of the members of the Executive Committee and the Chair and Vice-Chair. This document may be amended at any time by the Board of Directors.

In accordance with Article 8 of the JPA, each Member and Contracting Entity (as defined in Article 3 of the JPA) will have two representatives on the Board of Directors, either of whom may cast a single vote on behalf of his or her Member or Contracting Entity. It will be the responsibility of a Member and Contracting Entity to notify RWA in writing from time to time of (1) its designated representatives to the Board of Directors, including alternates who may act in the absence of a representative, and (2) the priority for voting of its representatives to the Board of Directors of RWA. In the absence of such written notification, the Secretary of RWA will determine that an elected representative of a Member will have voting priority over the Member’s non-elected representative to the Board of Directors, and a Member or Contracting Entity’s senior management staff will have priority over the Member or Contracting Entity’s junior management staff, in the event that the Member or Contracting Entity’s two representatives disagree as to who should cast a vote on behalf of the Member or Contracting Entity concerning a particular matter.

Reference in this document to a majority vote of the Board of Directors will refer to the affirmative vote of a majority of the representatives (one for each Member and Contracting Entity) on the Board of Directors who are entitled to vote on a matter and who are present at the Board meeting during the vote. A seat on the Board of Directors

of RWA will become vacant when a representative of a Member or Contracting Entity no longer meets the qualifications set forth in Article 8 of the JPA, or upon the happening of any of the events set forth in Government Code section 1770.

**I. Procedures for Election of the Executive Committee of the Board of Directors**

1. The Executive Committee will be a standing committee of the Board of Directors of RWA, and will be selected as individuals from the membership of the Board of Directors, except that, no Member or Contracting Entity of RWA will have more than one representative on the Executive Committee.
2. In accordance with the Brown Act (Government Code section 54952), the Executive Committee will comprise less than a quorum of the number of members of the Board of Directors. The Executive Committee of RWA will consist of nine members, subject to the Board of Directors approving a smaller odd-number of members of the Executive Committee to avoid a violation of the Brown Act. These procedures assume that the Executive Committee will comprise nine members.
3. The nine members of the Executive Committee will be selected by the Board of Directors according to the following procedures:
  - a. At least two seats on the Executive Committee will be held by members of the Board of Directors who are members of a governing board of a Member of RWA (as defined in Articles 2 and 3(i) of the JPA).
  - b. At least two seats on the Executive Committee will be held by members of the Board of Directors who are members of management staff of a Member of RWA.
  - c. At least one seat on the Executive Committee will be held by a member of the Board of Directors who represents a City or County Member of RWA.
  - d. At least one seat on the Executive Committee will be held by a member of the Board of Directors who represents a Contracting Entity of RWA (as defined in Article 3(d) of the JPA).
  - e. A majority of the seats on the Executive Committee (i.e., five seats on a nine-member Executive Committee) will be held by members of the Board of Directors who represent a Member of RWA.

- f. The Chair of the Board of Directors will conduct the election of the Executive Committee. The Chair may appoint an elections committee to assist the Chair and the RWA Secretary in preparing and counting ballots. No secret ballot will be used for the election. (See Government Code section 54953(c) of the Brown Act: “No legislative body will take action by secret ballot, whether preliminary or final.”)
- g. For each ballot, the Chair will ask which members of the Board want to be included on that ballot for election for membership on the Executive Committee. A Board member who is not present at the time of the election will not be included as a candidate unless the Board member or the RWA entity that he or she represents has notified the Executive Director that the Board member wishes to be included as a candidate.
- h. Candidates for election to the Executive Committee may prepare and distribute to the members of the Board of Directors a statement of their qualifications. Prior to the vote on a ballot on which a candidate’s name appears, a candidate for election to the Executive Committee will have an opportunity to make an oral presentation of not more than two minutes concerning his or her qualifications to serve on the Executive Committee.
- i. The first election will be to fill two seats on the Executive Committee to be held by members of a governing board of a Member of RWA. The RWA Secretary will prepare a ballot comprising the names of the members of the RWA Board of Directors who are eligible to fill these seats, excluding from the ballot any member of the Board of Directors who has indicated that he or she does not wish to serve on the Executive Committee. The ballot will state: “Vote for two seats,” and it will have on it the name of the Member or Contracting Entity that is casting the ballot. The representatives on the Board of Directors will cast votes on the ballot on behalf of the Member or Contracting Entity that they represent, i.e., each Member and Contracting Entity can return one ballot. In order to be counted as a valid ballot, a ballot must have a vote cast for each seat that is to be voted on, e.g., if there are two seats to be voted on, a ballot will not be counted if it is returned with a vote for one or none of the candidates. No cumulative voting will be allowed, i.e., a Member or Contracting Entity cannot cast two votes on the same ballot for the same candidate. In order to be elected on the first ballot, a candidate must receive no less than a majority of the votes of the Board of Directors who are present at

the time of the vote. The two candidates who receive the highest number of votes will be elected to the Executive Committee. One or more runoff elections will be held among the three remaining candidates (plus ties) who received the highest number of votes if the election does not fill both seats on the ballot. For a runoff election, the candidate who receives the highest number of votes will be elected, even if it represents less than a majority vote of the Board of Directors. If an election on a ballot with only three candidates does not result in the election of a member of the Executive Committee, then the next runoff ballot will include the two candidates who received the highest number of votes on the previous ballot, and (1) the candidate who receives the higher number of votes (even if less than a majority) will be elected; and (2) in case of a tie, a coin flip will determine the winner.

- j. Upon the filling of the first two seats on the Executive Committee, the Chair will call for the election to fill two seats on the Executive Committee to be held by members of management staff of a Member of RWA. The Chair will follow the voting procedures set forth above to fill these seats on the Executive Committee.
- k. The Chair will next call for the election to fill one seat on the Executive Committee to be held by a member of the Board of Directors who represents a City or County Member of RWA, to the extent that this seat has not already been filled. The Chair will follow the voting procedures set forth above to fill this seat on the Executive Committee.
- l. The Chair will next call for the election to fill one seat on the Executive Committee to be held by a member of the Board of Directors who represents a Contracting Entity of RWA. The Chair will follow the voting procedures set forth above to fill this seat on the Executive Committee.
- m. The Chair will next determine whether a majority of the seats on the Executive Committee are held by members of the Board of Directors who represent Members of RWA. (Under the above-referenced procedures, a minimum of four seats on the Executive Committee would have already been filled by representatives of Members of RWA.) If they have not, then the Chair will call for the election for the seat on the Executive Committee needed to result in a majority of the seats being held by members of the Board of Directors who represent Members of RWA. In that case, the Chair will follow the voting procedures set forth above to fill this seat on the Executive committee.

- n. The Chair will next call for the election to fill the remaining seats on the Executive Committee. The Chair will follow the voting procedures set forth above to fill these seats on the Executive Committee.
  - o. In the event that vacancies arise from time to time on the Executive Committee, such vacancies will be filled following these procedures concerning the composition and selection of the Executive Committee.
  - p. There will be no alternate members of the Executive Committee.
4. Prior to January 31 each year, the Board of Directors will elect the members of the Executive Committee for the following year. The members of the Executive Committee will serve a term that commences at the conclusion of the Board meeting during which they were selected, and runs until their successors take office.
  5. The RWA Board of Directors will select from the Executive Committee membership a Chair and Vice-Chair, who will also serve as the Chair and Vice-Chair of the RWA Board of Directors. The procedures for selecting the Chair and the Vice-Chair are set forth below.
  6. Executive Committee meetings will be open to the public (except for authorized closed sessions), noticed and conducted in accordance with applicable law. A majority of all of the members of the Executive Committee (i.e., five members on a nine-member Executive Committee) will (a) constitute a quorum for the purpose of transacting business, and (b) be required for an affirmative vote to take action.
  7. Members of the RWA Board of Directors who are not members of the Executive Committee may attend an Executive Committee meeting only as observers, and they will not participate in the committee meeting, ask questions or sit with the committee members at the Board table. (See subsection (c)(6) of Government Code section 54952.2 and 81 Ops.Cal.Atty.Gen. 156 (1998).)

**II. Procedures for Election of Chair and Vice-Chair of the Executive Committee and the Board of Directors**

1. The Chair and Vice-Chair will be elected by the Board of Directors from the membership of the Executive Committee.
2. The current Chair of the Board of Directors will conduct the election of the

Chair and Vice-Chair of the Executive Committee as separate elections. The Chair may appoint an elections committee to assist the Chair and the RWA Secretary in preparing and counting ballots. No secret ballot will be used for the election. (See Government Code section 54953(c) of the Brown Act.)

3. The Chair will ask which members of the Executive Committee want to be considered at the election for Chair of the Executive Committee. A Board member who is not present at the time of the election will not be included as a candidate unless the Board member or the RWA entity that he or she represents has notified the Executive Director that the Board member wishes to be included as a candidate.
4. Candidates for election as Chair of the Executive Committee may prepare and distribute to the members of the Board of Directors a statement of their qualifications. Prior to the vote, a candidate will have an opportunity to make an oral presentation of not more than two minutes concerning his or her qualifications to serve as Chair.
5. The RWA Secretary will prepare a ballot for Chair comprising the names of the members of the Executive Committee, excluding from the ballot any member of the Executive Committee who has indicated that he or she does not wish to serve as Chair. To the extent applicable, the procedures set forth above for the election of members of the Executive Committee will be followed for the election of the Chair of the Executive Committee, until the Chair has been elected. The candidate who receives the highest number of votes on the first ballot, and at least a majority of the vote of the Board of Directors who are present at the time of the vote, will be elected Chair. One or more runoff elections will be held, if necessary, among the three candidates (plus ties) who received the highest number of votes on the previous ballot. For a runoff election, the candidate who receives the highest number of votes will be elected, even if it represents less than a majority vote of the Board of Directors. If an election on a ballot with only three candidates does not result in the election of the Chair, then the next runoff ballot will include the two candidates who received the highest number of votes on the previous ballot, and (a) the candidate who receives the higher number of votes (even if less than a majority) will be elected; and (2) in case of a tie, a coin flip will determine the winner.
6. The Chair will follow the same procedures for the election of Vice-Chair of the Executive Committee.
7. Prior to January 31 of each year, the Board of Directors will elect the Chair and Vice-Chair of the Executive Committee for the following year. The

Chair and Vice-Chair will serve a term that commences at the conclusion of the Board meeting during which they were selected, and runs until their successors take office.

8. In the event that the Chair does not serve his or her full term, the Vice-Chair will succeed the Chair, and the Board of Directors will elect a Vice-Chair following these procedures.

### **III. Procedures for Filling a Post-Election Vacancy on the Executive Committee**

1. In the event that a vacancy occurs on the Executive Committee the Member or Contracting Entity whose representative held the Executive Committee seat that was vacated may recommend a replacement by sending the Chair of the Board of Directors a letter making that recommendation.
2. The recommended Executive Committee replacement must be one of the two identified representatives on the Board of Directors for that Member or Contracting Entity, provided the nomination is consistent with the RWA JPA and the Executive Committee Election Policy.
3. The recommended replacement to the Executive Committee may begin to serve immediately, but must be approved by a majority vote of the Board of Directors at its next regularly scheduled meeting.
4. In the event that a recommended replacement is not identified or not approved, the Board of Directors will select a member consistent with the procedures identified in Section I. of this policy.



## **AGENDA ITEM 7: DEVELOPMENT OF RWA FISCAL YEAR 2022-2023 BUDGET**

### **BACKGROUND:**

Staff is beginning preparation of the Fiscal Year 2023 (FY2023) RWA budget. The purpose of this item is to provide an overview of the budget development process. This process includes requesting updated retail connections from all RWA members to calculate the annual dues, reviewing RWA's budget policies, discussing any significant changes in budgeted revenues or expenditures, and outlining the budget schedule. A brief status of the current FY2022 budget is summarized below for context.

FY2022 started off in overall higher net and cash positions than the prior year as noted in the FY2021 audit. This was due to multiple advances in subscription programs that have yet to be expended. Although these amounts appear to increase RWA's cash balance, much of these funds are restricted and may only be used for their designated purposes. In RWA's core program, there were savings in the amount of \$81,689 mostly due to reduced operational costs resulting from the pandemic. However, when combined with WEP's year ending program balance, the overall result is a slight surplus of \$33,670 – a 1.78% increase. Recall that the Board approved a reduced transfer to the WEP program from 40% to 20% in FY2021 and this is the net result.

At mid-year for FFY2022, RWA's budget appears over in revenues and under in expenses. However, the mid-year income statement is not inclusive of all revenue and expense items that will be applied by June 30, 2022. Timing of revenues and expenses can skew these numbers.

One of the larger expenses that will appear in the next RWA income statement will be the CalPERS Unfunded Actuarial Liability (UAL) payment. Based on the attached CalPERS UAL statement, the projected balance for RWA (after RWA's February 2022 payment) is \$146,217. RWA's future UAL payment would be reduced by less than \$200 when divided over a four-year period in accordance with RWA Policy 500.15. Staff recommends keeping the current payment of \$36,700 in the FY2023 budget.

During the adoption of the FY2022 budget in May 2021, there was a forecast of RWA member dues increasing approximately 3% in FY2023 and FY2024. There has been significant inflation since the adoption of the budget, and it is uncertain how that may affect dues. Staff will prepare and present the draft budget at the April Executive Committee meeting for a potential recommendation for approval by the RWA Board at the scheduled May Board meeting.

Presentation and Discussion: Josette Reina-Luken, Finance and Administrative Services Manager

Attachments:

Fiscal Year 2022-2023 Budget PowerPoint Presentation  
PERS Unfunded Liability Statement



**Regional Water Authority**  
BUILDING ALLIANCES IN NORTHERN CALIFORNIA



# Regional Water Authority *Fiscal Year 2022-23 Budget*

March 10, 2022



# Overview

- Fiscal Year 2022 Mid-Year Budget Status and Outlook
- Budget Policies
- Budget Assumptions
- Budget Schedule



# Fiscal Year 2022 Mid-Year Budget Status and Outlook

- FY2022 Core Program slightly better than FY2021
- FY2022 Cash balance is higher due to Restricted Funds
- Mid-Year Budget is over on revenues and under in expenses (timing issue)
- New Grant - 2021 Urban Drought Grant
- Remote Office Postponed – Budget Savings
- SGA New Hire Recruitment in Spring – For RWA, Lower Salary Exp and Revenue Reimbursement
- Any savings from FY2022 Budget will roll over to FY2023 Budget

# Budget Policies

- Administrative and Management Service Agreement Policy 100.2:
  - SGA shares 50% in common office/admin costs
  - SGA pays staff and benefit costs for 3.3 FTEs
  - SGA fully reimburses 100% SGA Only Costs
- Administrative 5.7 FTEs for RWA (**out of 9 FTEs**):
  - 50% - Executive Director, Manager of Technical Services, FASM, and Exec. Assistant (**2 FTE**)
  - 80% - Project Research Assistant (**.8 FTE**)
  - 90% - Legislative & Reg. Affairs Manager (**.9 FTE**)
  - 100% - Strategic Affairs and WEP Managers (**2 FTE**)\*
- \* *subscription based funded positions*
- Compensation Policy 400.2: salaries within range plus COLA and merit



# Budget Policies

- RWA Policy 500.1 (Financial Designation/Reserve Policy) –Framework for operating fund and other additional commitments (“designations”):
  1. Operating fund – 4 to 6 months
  2. Membership Dues Stabilization –15%
  3. Subscription Program Stabilization –10%
  4. Powerhouse Science Center –\$175k remaining
  5. Other Funds – sponsorships, special projects, office move, etc.

Remaining cash after operating expenses and designations is non-designated cash balance (discretionary funds)

- RWA Policy 500.15 (Defined Benefit Pension Plan Funding Policy) – commits to pay down over a 4-year period.



# Budget Assumptions

- Revenues and Expenses:
  - ✓ Dues calculated based on new structure
  - ✓ Forecasted 3% Dues Increase in FY2023
  - ✓ Use 3% CPI for Office Expense, 4% for staff COLA, and 5% on Professional Fees
  - ✓ Budget assumes no changes in membership
- Budget Goal:
  - ✓ Balanced Budget by member dues increase & use of budget savings from prior years
  - ✓ Actual budget results may not be achieved



# Budget Assumptions

- Subscription programs support RWA core costs
  - ✓ Approving budget does not approve subscription based programs
  - ✓ For FY2023, WEP Manager Staff and Office Expense reimbursed up to 20% from Core Dues
  - ✓ Strategic Affairs Manager position and related program costs are 100% subscription based
- PERS and OPEB:
  - ✓ Staff pays the full employee share of their pension contributions
  - ✓ SGA pays its own PERS
  - ✓ Staff recommends continuing current level of additional pension funding (\$36,700)
  - ✓ No additional OPEB payments needed



# Budget Schedule

Date	Action
March - April	Work on budget numbers including Subscription Programs
April 27, 2022	Draft budget to the EC
May 12, 2022	Draft budget to RWA Board for possible adoption
May 25, 2022	Budget back to EC if not adopted
June Special Board Meeting	Budget to RWA Board for 2nd attempt for adoption



## Questions and Discussion



**California Public Employees' Retirement System**

**Actuarial Office**

400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744

**888 CalPERS** (or 888-225-7377) | TTY: (877) 249-7442 | [www.calpers.ca.gov](http://www.calpers.ca.gov)

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February 9, 2022

CalPERS ID: 6065061198  
Employer Name: REGIONAL WATER AUTHORITY  
Rate Plan: MISCELLANEOUS PLAN [1719]

Re: Lump Sum Payment to reduce the Unfunded Accrued Liability

Dear Requestor:

As requested, information on the fiscal year 2022-23 employer contribution requirement following your lump sum payment is shown below.

**If you are aware of others interested in this information (e.g., payroll staff, county court employees, port districts), please inform them.**

The information is based on the most recent annual valuation and assumes payment by *February 21, 2022* and no further contractual or financing changes taking effect before June 30, 2022. The Unfunded Accrued Liability (UAL) will be reduced or eliminated by a lump sum payment in the amount of **\$36,700**. The payment will be applied to the Assumption Change 06/30/2017 base(s).

**There will be no change to your FY 2021-22 contributions.**

Valuation as of June 30, 2020	Pre-Payment	Post-Payment
Projected 6/30/2022 Total Unfunded Liability <sup>1</sup>	\$183,780	
Payment on February 21, 2022	\$36,700	
<b>Revised 6/30/2022 Total Unfunded Liability<sup>1</sup></b>		<b>\$146,217</b>
FY 2022-23 Employer Contributions		
Base Total Normal Cost for Formula	17.24%	17.24%
Surcharges for Class 1 Benefit		
a) PRSA 50%	0.74%	0.74%
Phase out of Normal Cost Difference	<u>0.00%</u>	<u>0.00%</u>
Plan's Total Normal Cost	17.98%	17.98%
Formula's Expected Employee Contribution Rate	<u>6.92%</u>	<u>6.92%</u>
Employer Normal Cost Rate	11.06%	11.06%
Payment on Assumption Change 06/30/2017	\$2,860	\$89
Payment on all other bases	<u>\$7,233</u>	<u>\$7,233</u>
Employer Unfunded Liability Payment	\$10,093	\$7,322

The attached schedule of the plan's amortization bases includes the additional discretionary payment(s) listed above.

<sup>1</sup>Calculated amounts were projected from June 30, 2021 to June 30, 2022 based on a discount rate of 6.80% which will be used in the June 30, 2021 valuation, rather than the 7.00% used in the June 30, 2020 valuation.

	Fiscal Year
<b>Required Employer Contribution</b>	<b>2022-23</b>
Employer Normal Cost Rate	11.06%
<i>Plus</i>	
<b>Required Payment on Amortization Bases</b>	
<i>Paid either as</i>	
1) Monthly Payment	\$610.17
<i>Or</i>	
2) Annual Prepayment Option*	\$7,078
<p><i>The total minimum required employer contribution is the <b>sum</b> of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) <b>plus</b> the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).</i></p> <p><i>* Only the UAL portion of the employer contribution can be prepaid (<b>which must be received in full no later than July 31</b>).</i></p>	

To initiate this payment, the enclosed Lump Sum Payment Request must be completed and returned to the CalPERS Fiscal Services Division with payment by Electronic Funds Transfer (EFT) or wire transfer by February 21, 2022. A copy should be sent to us.

If you have questions, please call 888 CalPERS (or 888-225-7377).



MAY SHUANG YU, ASA, MAAA  
Senior Pension Actuary, CalPERS

## **AGENDA ITEM 8: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) UPDATE**

### **BACKGROUND:**

The purpose of this item is to provide updates to the Board of Directors on developments regarding the RWA providing staffing services to the Sacramento Central Groundwater Authority.

At the Sacramento Groundwater Authority's February 10<sup>th</sup> board meeting, the SGA Board voted to "Direct Staff to Proceed to Phase 2 of the Process Roadmap to Develop a Governance Proposal for Sacramento Groundwater Authority – Sacramento Central Groundwater Authority Consolidation."

Information: Jim Peifer, Executive Director

Attachment:

Process Roadmap

## Decision-Making Roadmap:

### SCGA, SGA, and RWA Shared Operations

01/19/22

#### Discussion Topics and Phases for Decision-Making

*The recommended approach anticipates boards' decisions to proceed to subsequent phases and finalizing the whole package in Phase 4.*

##### Phase 1

Assessment: issues and questions

Vision for ideal organization

Decision-making timeline

##### Phase 2

Governance structures and options

- Representation
- Voting
- Public Involvement

Criteria for evaluating options

##### Phase 3

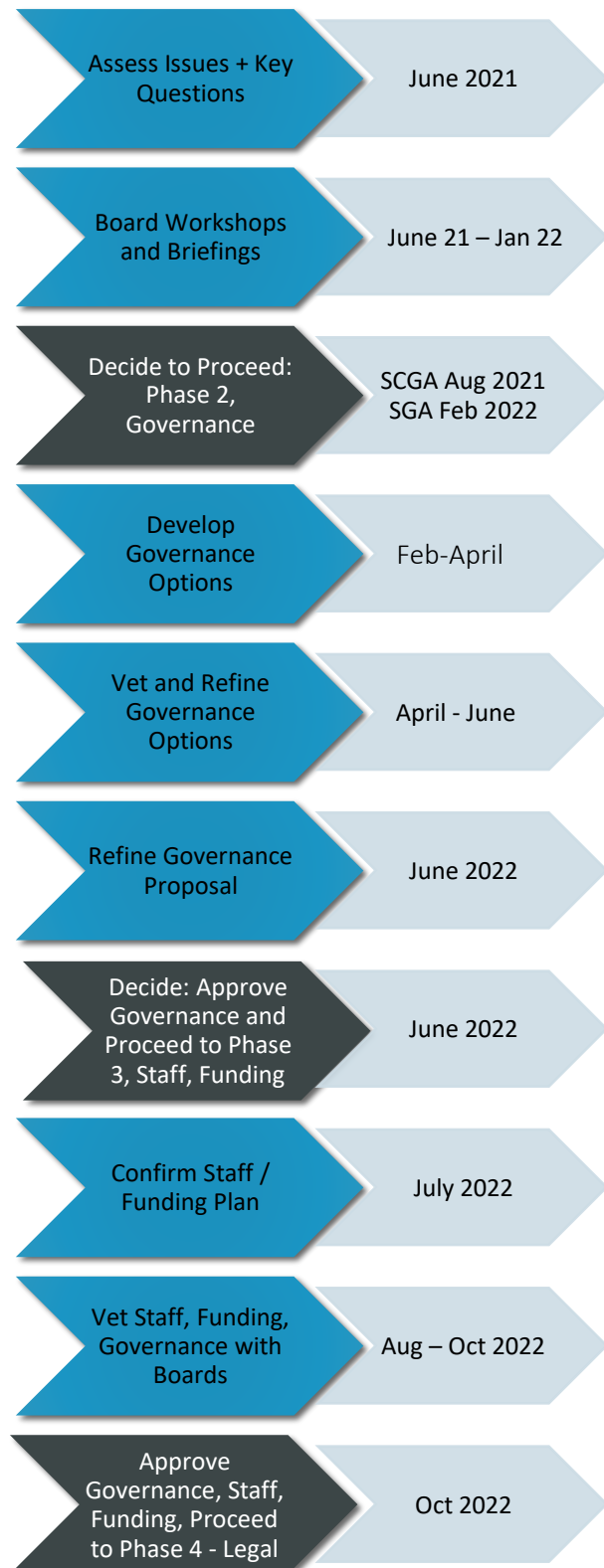
Staffing, funding, cost structure

Package governance, staffing, funding

##### Phase 4

Legal structure and documentation

Approval process



## **AGENDA ITEM 9: DROUGHT CONDITIONS UPDATE**

### **BACKGROUND:**

California received record-setting rainfall in October 2021 due to a strong atmospheric river, and in late December inflow to Folsom Reservoir was high enough that Reclamation started making releases from the reservoir to free up flood storage capacity. However, there has been no appreciable precipitation since these events and California is still in a severe drought. Hydrologic data for the past 120 years in the American River watershed are indicating that 2022's January and February are the driest on record. Overall, Folsom Reservoir is roughly at a median average for storage forecasts, which is faring better than other reservoirs in the Central Valley Project (CVP) and State Water Project (SWP). Reclamation's initial 2022 CVP water supply allocation this year, which was released on February 23, sets the American River Division's municipal and industrial water service and repayment contracts served by Folsom Reservoir at 25 percent of their historical use. Because Folsom is looking slightly better than other reservoirs, such as Shasta and Oroville, it is anticipated that the state and federal water projects will be looking to Folsom to provide water for CVP and SWP obligations throughout the year.

Since the spring of 2021, our region's drought response included conservation and shifting supplies from surface water to groundwater to reduce the impact on the Lower American River. RWA member agencies conserved 8% from July 2021 to January 2022, compared to 2020 production. In 2021, the Sacramento region shifted to using 30 percent more groundwater July through November compared to previous years. This winter, some water providers shifted to using more surface water to let the aquifer recharge. Furthermore, RWA's regional water efficiency program is continuing to promote drought related messaging through radio, television, social media and online advertising.

Given not only the prolonged historical dry conditions over the past months, but also the added anticipation that Folsom will provide water for CVP and SWP obligations throughout the year, water providers should continue to remain vigilant, continue their water use efficiency efforts, and stay apprised of current hydrological conditions.

This report was prepared with assistance from RWA's Water Efficiency Program Manager, Amy Talbot.

Information: Michelle Banonis, Manager of Strategic Affairs

## **AGENDA ITEM 10: REINITIATION OF CONSULTATION ON THE COORDINATED LONG-TERM OPERATION OF THE CENTRAL VALLEY PROJECT AND STATE WATER PROJECT**

### **BACKGROUND:**

The Central Valley Project (CVP) is the federal system in California, operated by the Bureau of Reclamation (Reclamation) that provides primarily water for agriculture, but also some for municipal and industrial purposes. The State Water Project (SWP) is the water supply system, operated by the California Department of Water Resources (DWR), that provides water primarily for municipal purposes, but also for some agricultural purposes. The projects coordinate their operations, with Reclamation and DWR effectively "pooling" their respective water rights to try to meet regulatory responsibilities and provide water to their contractors.

Some of the regulatory requirements the projects must meet are set in Biological Opinions (BiOps) issued by the National Marine Fisheries Service (NMFS) and U.S. Fish and Wildlife Service (USFWS) under the federal Endangered Species Act (ESA). These BiOps set terms intended to limit impacts to endangered species from the operation of the CVP and SWP. As long as the projects meet those terms, they can continue to operate the CVP and SWP without risking a violation of the ESA.

In October 2019, new BiOps were issued, setting some different terms on the coordinated long-term operation (LTO) of the CVP and SWP. Various groups, including the State of California, disputed some of the BiOps' findings and chose to file suits challenging them. Concurrent with the BiOps, Reclamation also prepared an Environmental Impact Statement (EIS) under the National Environmental Policy Act (NEPA); Reclamation approved the findings of the EIS and affirmed the actions provided for in the BiOps through a Record of Decision (ROD) it adopted in February 2020. (Functionally, a ROD is the equivalent to the findings that your agencies must make when they adopt an Environmental Impact Report under the California Environmental Quality Act.)

The next month, in March 2020, the California Department of Fish and Wildlife (CDFW) issued the first-ever Incidental Take Permit (ITP), pursuant to the California Endangered Species Act (CESA), for the operation of the SWP. Previously, DWR had obtained CESA coverage for SWP operations by CDFW making a finding that the BiOps provided sufficient coverage to protect the species listed under CESA. The 2020 ITP included additional regulatory requirement, which resulted in some operational differences from the federal BiOps. Various water users, many CVP water contractors, affected by the ITP have filed litigation challenging it in state court.

### **STATUS:**

In September 2021, Reclamation signaled its intent to engage in the "reinitiation of consultation" on the 2019 BiOps, in response to Presidential Executive Order (EO) 13990, issued on January 20, 2021, which called for "immediate review of agency actions taken between January 20, 2017, and January 20, 2021" and specifically listed the approval of the 2019 BiOps as one of the actions to be reviewed.



Under the ESA, reinitiation requires the agencies to take a fresh look at the science and develop a new BiOp based on the best available data.

The Reclamation letter stated reinitiation was warranted due to “anticipated modifications to the Proposed Action that may cause effects to listed species or designated critical habitats not analyzed” in the 2019 BiOps. The letter further states the intent of the reinitiation effort is to voluntarily reconcile CVP operating criteria with operations of the SWP under CESA, in this case, meaning the SWP-specific ITP. Having the projects operating to the same set of regulatory criteria greatly simplifies coordination of project operations, for obvious reasons.

The American River Division of the CVP had actions that were incorporated in the 2019 BiOps and included important measures such as the Modified Flow Management Standard and temperature management criteria. It is anticipated the federal agencies will need to reevaluate all elements of the prior BiOps, including those on the American River, as well as new or modified operations that were not included in the 2019 BiOps or 2020 ROD. Both CVP and non-CVP water suppliers in the American River region should keep apprised of any possible modifications either 1) related to Folsom Dam, which could result in changes in conditions above the dam or in the Lower American River; or 2) related to system-wide operations, such as those related to Shasta Dam or within the Delta, which could result in added pressure on the American River and Folsom storage to provide water for other federal or state project purposes. Modifications on the American or in other CVP divisions may have the potential to affect local operations for water providers.

## **NEXT STEPS:**

On February 28, 2022, Reclamation released a Notice of Intent (NOI) to prepare an EIS in the Federal Register, which outlined Reclamation's intent to hold virtual public scoping meetings to analyze potential modifications to the operation of the projects. For Sacramento, the meeting will be held from 2:00 to 4:00 p.m. on Tuesday, March 8, 2022, with participation information being posted to [www.usbr.gov/mp/bdo](http://www.usbr.gov/mp/bdo) the day prior to the meeting. RWA member agencies that have an interest in this process should attend this meeting and provide scoping comments to Reclamation.

Reclamation has indicated that it will complete alternatives for the EIS and a "proposed action" in 2022; these elements will later feed into the analyses of the new BiOps that will be developed through the reinitiation effort. A Draft EIS is expected for public review in 2023 and a Final EIS, new BiOps, and Record of Decision are expected in 2024.

Information: Michelle Banonis, Manager of Strategic Affairs

## **AGENDA ITEM 11: LEGISLATIVE/REGULATORY UPDATE**

### **BACKGROUND:**

There have been 2,136 new bills introduced in 2022. There are approximately 65 substantive bills and 50 spot bills that RWA staff are tracking. These bills will be evolving in the legislative process and staff are gathering information and developing strategic approaches on a host of topics including water rights, the Sustainable Groundwater Management Act (SGMA), regulatory authority, water efficiency, and funding among others. To date, RWA has taken a position of support on the following bills:

AB 1724 (Stone D- Scotts Valley)- Requiring microfiltration on washing machines

AB 1817 (Ting D- San Francisco)- Prohibiting PFAS in textiles

AB 1906 (Stone D- Scotts Valley)- Refining reimbursement for voluntary private property stream restoration

AB 1939 (Luz Rivas D- Arleta)- Requiring climate change education in grades 1-6 and 9-12

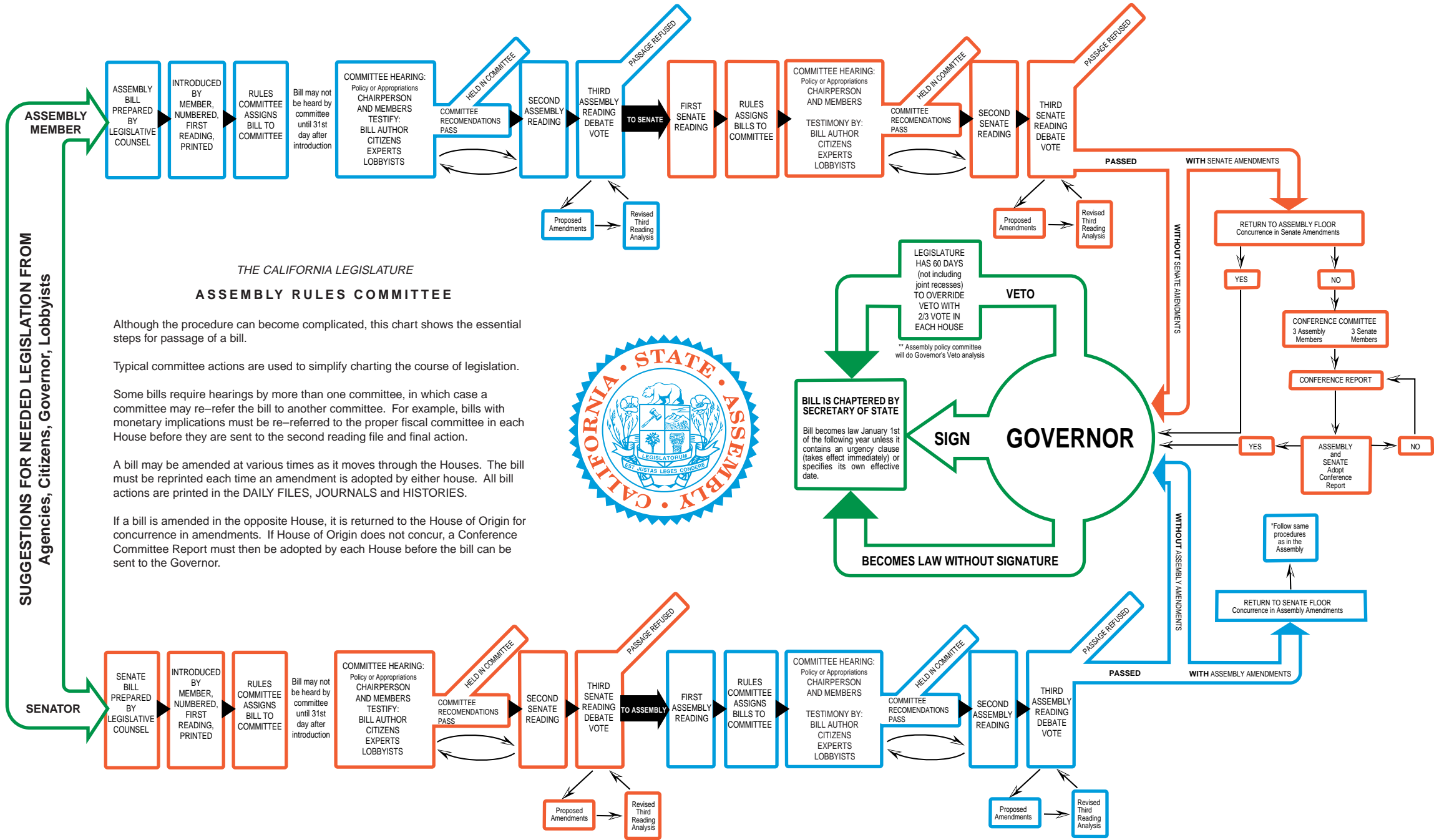
SB 901 (Pan D- Sacramento)- Update flood control management and requirements in West Sacramento.

The budget process has begun, the Legislative Analyst Office (LAO) has put out a report on the \$750 million in drought response in the Governor's January budget. Both the Senate and Assembly budget committees have held hearings on that item.

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

# THE LIFE CYCLE OF LEGISLATION

*From Idea into Law*



## **AGENDA ITEM 12: EXECUTIVE DIRECTOR'S REPORT**

**MARCH 10, 2022**

**TO: RWA BOARD OF DIRECTORS**

**FROM: JIM PEIFER**

**RE: EXECUTIVE DIRECTOR'S REPORT**

**a. Communication and Outreach** – The RWA has been interviewed for a number of print and media stories lately. Links to articles can be found here:

- KCRA interview on the Water Bank  
[Groundwater 'bank' can store twice as much water as Folsom Lake \(kcra.com\)](http://kcra.com)
- ABC 10 interview on the Water Bank  
[California going underground to explore water storage potential | abc10.com](http://abc10.com)
- KCRA interview on the North American Subbasin Groundwater Sustainability Plan  
[NorCal agencies approve plan to reduce climate change risks to water supply \(kcra.com\)](http://kcra.com)
- NPR interview on Weather Whiplash and water management  
[Climate change whiplash could mean more flooding, water-management challenges in California - capradio.org](http://capradio.org)

The Sacramento Bee Editorial Board recently published an editorial supporting the Water Bank: [Support this Sacramento water strategy during CA droughts | The Sacramento Bee \(sacbee.com\)](http://sacbee.com) A copy of the editorial has been included in the packet.

Mr. Ojakian organized and conducted tours for Assembly Member Kevin McCarty and Assembly Member Jim Cooper. Mr. Peifer participated in the tours as well as RWA member agency staff and Water Forum staff.

- b. Water Bank Update** – The RWA sent a letter for Continued Funding Assistance Letter to Bureau of Reclamation under WIIN provisions. Congresswoman Doris Matsui sent a letter supporting the funding request. Both letters are attached.
- c. Hydrologic Conditions** – Ms. Banonis prepared a memo for the RWA Board members that discusses the current hydrologic conditions. A copy is attached.
- d. ECOS** – The Environmental Council of Sacramento (ECOS) sent a letter to the several water agencies seeking cooperation and support for a Turf Replacement Study (see attachment).
- e. Sacramento Grand Jury** – The Sacramento Grand Jury requested RWA to make a presentation to the Grand Jury about RWA services. Mr. Peifer presented on February 24<sup>th</sup> and was received with positive feedback.

- f. **Policy 400.4 Ad Hoc Committee** – the Chair has appointed an Ad Hoc committee to propose revisions to the Board on RWA [Policy 400.4 \(Executive Director Performance Procedure\)](#) and that committee has met twice.
- g. **Financial Reports** – Unaudited RWA financial reports including income statement and quarterly balance are attached through December 31, 2021. Other account balance statements are the most recent available.

### **Attachments**

- 1. Sacramento Bee Opinion Article “If the Sierra Snowbank Vanishes as Feared...”
- 2. Request to Bureau of Reclamation for continued funding assistance with the Sacramento Regional Water Bank Project
- 3. Letter of Support from the Office of Doris Matsui
- 4. Hydrologic Conditions and Considerations for Water Year 2022
- 5. ECOS Letter re: Sacramento Area Turf Replacement Study
- 6. RWA Financial Reports



## OPINION

# *If the Sierra snowpack vanishes as feared, California will need ideas like this for water*

BY THE SACRAMENTO BEE EDITORIAL BOARD  
[opinion@sacbee.com](mailto:opinion@sacbee.com)

Sacramento — which once only had to worry about seasonal floods — now worries each year about delivering water to its citizens in a hotter and drier California.

But there is a way for Sacramento to capture rain and snow, and for the broader region to keep surface reservoirs like Folsom and Oroville lakes nearly full. This same technique could help Sacramento capture enough water to share with neighboring areas in dry years, as well as to store it when we need it most.

It's called groundwater banking. The need for it will only become more urgent as the Sierra snowpack starts to disappear.

According to a recent study by researchers at the Lawrence Berkeley National Laboratory, snowpack in the Sierra Nevada mountains will become increasingly scarce, leading to decades-long stretches without snowfall by the 2050s.

Through groundwater banking, providers can divert water into an underground aquifer that is less dependent on seasonal rainfall and can be stored until it is needed.

State and local experts say major funding is needed for this strategy to take root in Sacramento. The Sacramento Regional Water Authority, a joint powers authority representing nearly two dozen local water providers, is seeking funding to capture rainfall and surface water that is currently lost from the Sierra snowpack and surface water reservoirs. It's a promising plan that deserves consideration from lawmakers as California enters a future shaped by worsening climate change.

Sacramento would be following in the footsteps of others, such as the San Joaquin Valley and San Antonio, Texas, which is the largest city in the U.S. that relies solely on groundwater aquifers for its municipal supply.

An infusion of nearly \$300 million could allow the regional water authority to rehabilitate and install new well systems and also solve some of California's most persistent climate-related challenges.

Roseville is already delivering some bankable water to a small-scale groundwater banking system. Upgraded infrastructure would be able to increase the input from many of the other 20 water purveyors who are part of the regional authority, and help ameliorate snowpack changes impacting our region's supply.

Banking into these aquifers would better capture water runoff from rain and snow that typically ends up in the sea, and withdraw the water when needed, mitigating environmental damage and the strain on consumers when conservation is needed. Capturing the spring melt could stave off the all-but-certain future of more drought-filled summers.

Experts say no solution will completely solve California's worsening water woes. But the Sacramento Regional Water Authority, in coalition with the Sacramento Water Forum, could use groundwater banking to maximize the American River watershed and boost the ecological health of the Sacramento Valley and beyond, aiding more of California's waterways.

Sacramento's groundwater aquifers could be ideal for this strategy since the groundwater aquifers underneath Sacramento are in better condition than many others in the state.

California should maintain its conservation efforts, but conservation alone is not a realistic solution. Infrastructure investments for strategies like groundwater banking can strengthen the connections between water systems and help distribute more water in wet periods while allowing the use of groundwater during dry periods. It is a worthwhile expense to help maintain the flexibility to move between surface water reservoirs like Folsom Lake and underground basins that can hold twice as much to alleviate runoff losses.

Supporting our water districts will not only allow the residents of the Sacramento Valley to withstand future droughts, but also benefit water users throughout the state.

**Regional Water Authority**  
*Building Alliances in Northern California*

5620 Birdcage Street  
Suite 180  
Citrus Heights, CA 95610

Tel: (916) 967-7692  
Fax: (916) 967-7322  
[www.rwah2o.org](http://www.rwah2o.org)

January 24, 2022



Dan York, Chair  
Tony Firenzi, Vice  
Chair

Mr. Ernest Conant  
Regional Director  
Bureau of Reclamation California—Great Basin  
2800 Cottage Way  
Sacramento, CA 95825-1898

Dear Regional Director Conant,

**Members**

California American Water  
Carmichael Water District  
Citrus Heights Water District  
Del Paso Manor Water  
District  
El Dorado Irrigation District  
Elk Grove Water District  
Fair Oaks Water District  
Folsom, City of  
Golden State Water  
Company  
Lincoln, City of  
Orange Vale Water Company  
Placer County Water Agency  
Rancho Murieta Community  
Services District  
Roseville, City of  
Sacramento, City of  
Sacramento County Water  
Agency  
Sacramento Suburban Water  
District  
San Juan Water District  
West Sacramento, City of  
Yuba City, City of

**Associates**

County of Placer  
El Dorado County Water  
Agency  
Sacramento Area Flood  
Control Agency  
Sacramento Municipal Utility  
District  
Sacramento Regional County  
Sanitation District

On behalf of the Sacramento Regional Water Authority (RWA), representing the interests of our two dozen water agencies and associate members, we write to request continued funding assistance of the Sacramento Regional Groundwater Bank (Bank) as Reclamation develops its priorities to address storage projects assistance provided as part of the Infrastructure Investment and Jobs Act (IIJA). Specifically, RWA requests that Reclamation distributes \$30 million in support of the Bank so we can continue to make important progress on this innovative storage facility. Once completed, the Bank will allow our region to reduce demands on surface water supplies, enhancing our shared goal of improving water supply reliability for natural resources and municipal, industrial, and agricultural needs.

Currently, RWA is implementing several initiatives with the direct support provided by Reclamation under the Water Infrastructure Improvements for the Nation Act (WIIN). The WIIN assistance has been central to our region's ability to move expeditiously on this important project that enjoys broad support from the stakeholder community. As part of our next steps, RWA intends to implement projects including construction of improved connections between water systems, installation of new groundwater wells, and steps to improve the region's resiliency through enhanced conjunctive use. The federal assistance appropriated as part of IIJA was explicitly provided to support projects like the Bank and we are hopeful that Reclamation will commit the requested assistance as part of its obligation to distribute IIJA storage funding in a manner that will address multiple storage solutions to alleviate the adverse impacts from climate change.

RWA is a Joint Powers Authority whose members include cities, water and irrigation districts, mutual water companies, investor-owned water utilities and community services districts. One of RWA's greatest strengths is the diversity of its membership united for collective action. The Regional Water Authority is recognized as a leader for its integrated and collaborative approach in assisting its members' effective management of the region's water resources in support of a sustainable environment, healthy communities, a vibrant economy, and water supply reliability and resilience under future climate conditions.

Again, we look forward to working with you on this important project. If you have any questions or would like additional information, please call me at (916) 847-7589.

Sincerely,

A handwritten signature in blue ink, appearing to read 'James Peifer', is written over a horizontal line.

James Peifer  
Executive Director



**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-0506**

February 15, 2022

The Honorable Camille Touton  
Commissioner of Reclamation  
U.S. Department of the Interior  
1849 C Street, NW  
Washington, DC 20240

Dear Commissioner Touton,

I write to express my support for the Sacramento Regional Water Bank (Water Bank), which is seeking \$30 million through the Bureau of Reclamation's water storage funding authorized through the recent Infrastructure Investment and Jobs Act.

The Water Bank, managed by the Sacramento Region Water Authority, is an innovative groundwater storage program that will improve regional water supply reliability in the near-term and into the future. This project, which could be fully operational in the next few years, has a potential storage capacity of 1.8 million-acre feet.

The Sacramento region's unique setting—at the confluence of the Sacramento and American rivers near Folsom Reservoir and overlying the North American and South American groundwater subbasins—is ideal for the Water Bank's development allowing groundwater to be stored in wet years. When groundwater is used as a local source in dry years, surface water is available to support flows for fish and other sensitive species in the lower American River and Sacramento-San Joaquin Delta, among other beneficial uses.

The Water Bank is both environmentally friendly and prepares for the effects of extreme climate change that the Sacramento region is already experiencing. In the past two months, the region reported a historic high of 17.5 feet of snow in December followed by the second driest January on record. To prepare for these increasingly volatile weather patterns, the Federal government must support innovative methods to efficiently capture water as it becomes available.

To date, the Water Bank has already been awarded \$870,000 in WIIN Act funding which has allowed the American River region to move forward with an agreement with Reclamation aimed toward completion of environmental and technical studies which would allow the bank to further expand its water supply capabilities. This supportive partnership with Reclamation will not only help the region's water resources needs, but also provide flexibility in Reclamation CVP operations.

Facing record droughts, the Sacramento Water Bank provides a sustainable, long-term water resource. I look forward to working with you on this essential project. Please do not hesitate to reach out to my office should you have any questions.

Sincerely,



DORIS MATSUI  
Member of Congress

# Hydrologic Conditions and Considerations for Water Year 2022

**Date:** February 9, 2022  
**To:** Regional Water Authority Board of Directors  
**From:** Michelle Banonis, Manager of Strategic Affairs

## Key Take-Aways

- Record rainfall events in the early part of the water year, which began on October 1<sup>st</sup>, have been helpful in the American River Basin, but the lack of precipitation in January and no measurable precipitation being predicted through February is causing uncertainty.
- The Central Valley Project is operated as an integrated system. While the American River hydrology currently looks promising, the rest of the State and Federal water supply system is under stress which may put increased pressure on the American River system.
- RWA member agencies are encouraged to continue implementing water use efficiency and conservation programs until greater certainty regarding water supply conditions is known.

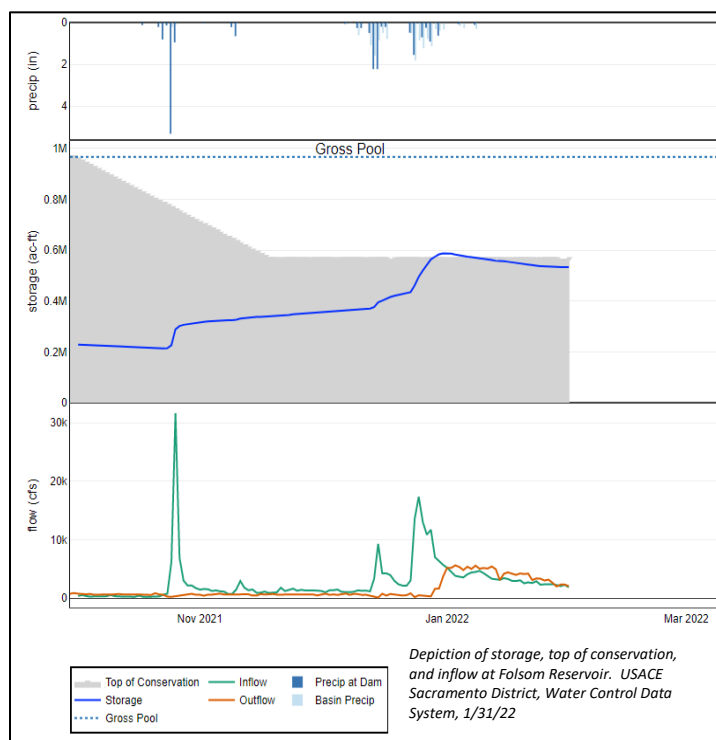
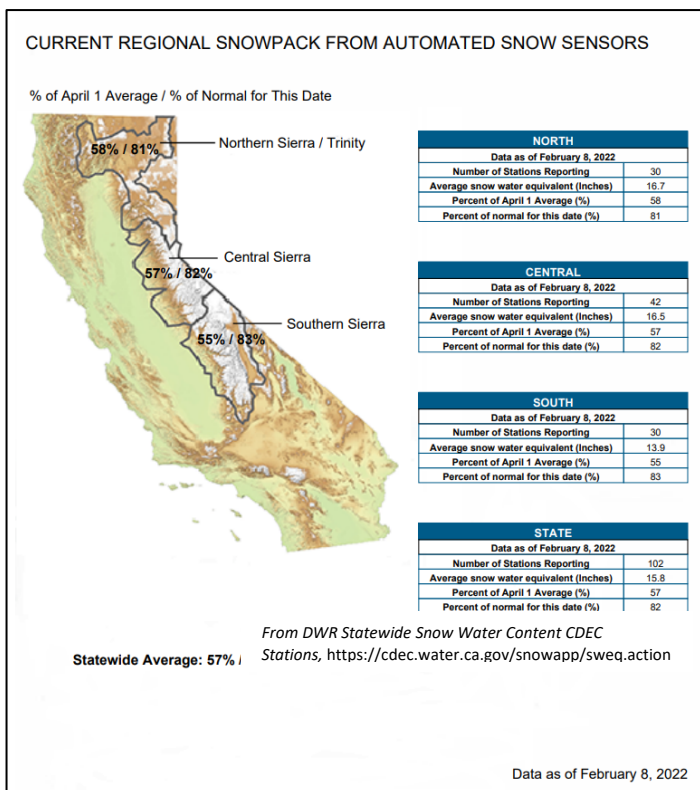
## Background

Water Year (WY) 2021 resulted in a second straight year of extreme weather conditions related to drought and increased temperatures. Early runoff forecasts by the Department of Water Resources (DWR) were over-estimated and anticipated considerably more melting snowpack showing up in streams and storage reservoirs than actually materialized. As the second driest two-year period on record, this resulted in some of the hottest temperatures ever recorded in the Sacramento metropolitan region. Despite regionally coordinated efforts with the Bureau of Reclamation (Reclamation) for the management of Folsom Reservoir storage levels, temperatures in the Lower American River spiked, creating challenging environmental conditions for fish. The Governor issued a drought proclamation in May for the Sacramento-San Joaquin Delta which encouraged conservation and shifting to groundwater, where feasible.

The American River region worked diligently to alleviate drought impacts in 2021. RWA and its members encouraged drought response actions by passing resolutions to request water conservation and shifting to groundwater. Actions by member agencies resulted in a 26 percent water savings in November 2021 as compared with November 2020. Many water providers also shifted to groundwater where appropriate, resulting in 34 percent more groundwater use compared with prior years.

## Current Conditions

WY 2022 has proven highly variable. In late October 2021, California received record-setting rainfall due to a strong atmospheric river – resulting in nearly 10 inches of precipitation in a single day in the upper watershed. This event resulted in significant inflows into Folsom Reservoir and increased water storage by nearly 100 thousand acre-feet (TAF). Additional record rain and snow in December 2021 further added to Folsom Reservoir storage. As of February 8, 2022, snowpack in the Northern Sierra was 81 percent of normal and snowpack in the Central Sierra was 82 percent of normal. Local February 1 snow surveys reported 108 percent of average snowpack in the American River watershed. Dry conditions in January and a dry February forecast, however, have resulted in uncertain water supply conditions.



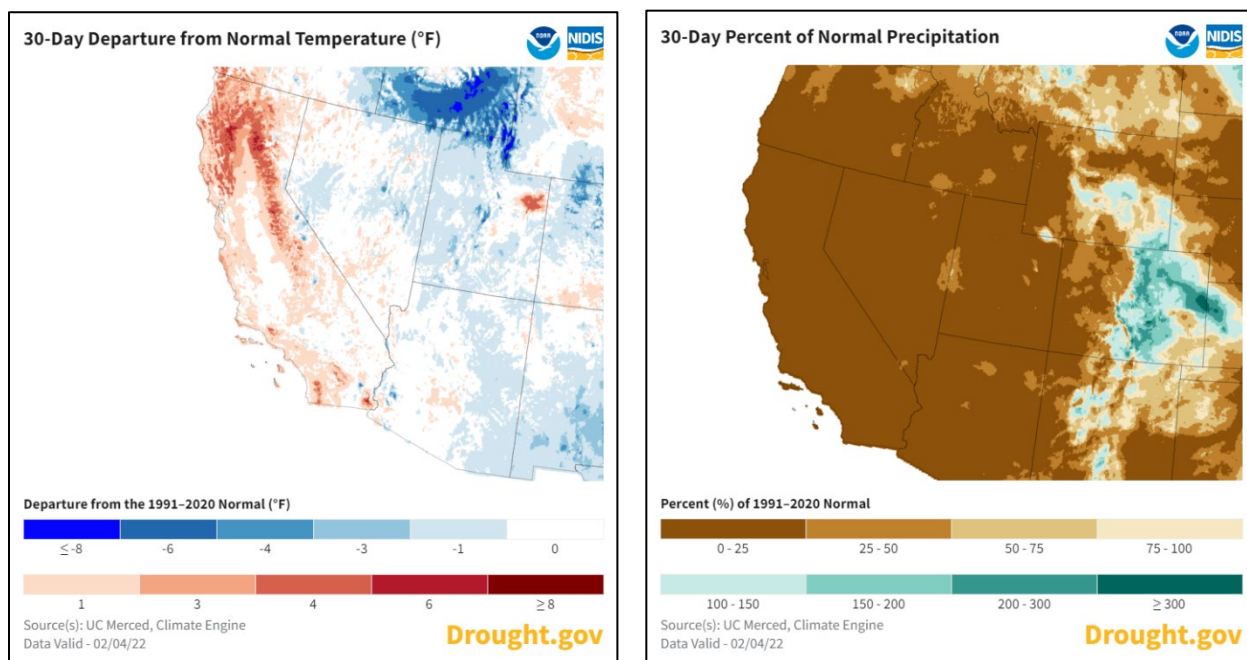
There was so much inflow to Folsom Reservoir from precipitation events, in fact, that storage levels began to encroach beyond the requirements for conservation, or flood protection, set by the U.S. Army Corps of Engineers (Corps) via the Folsom Water Control Manual. Starting on December 28, 2021, Reclamation began making flood control releases from Folsom Dam in order to maintain flood control conservation space. Those releases were tapered from highs of 5,000 cubic feet-per-second (cfs) back down to 2,000 cfs as storage began to move below the required conservation space.

## Uncertainties

Despite the improved conditions at Folsom Reservoir and the prospect of greater snowpack compared to last year, there are many uncertainties that need to be considered.

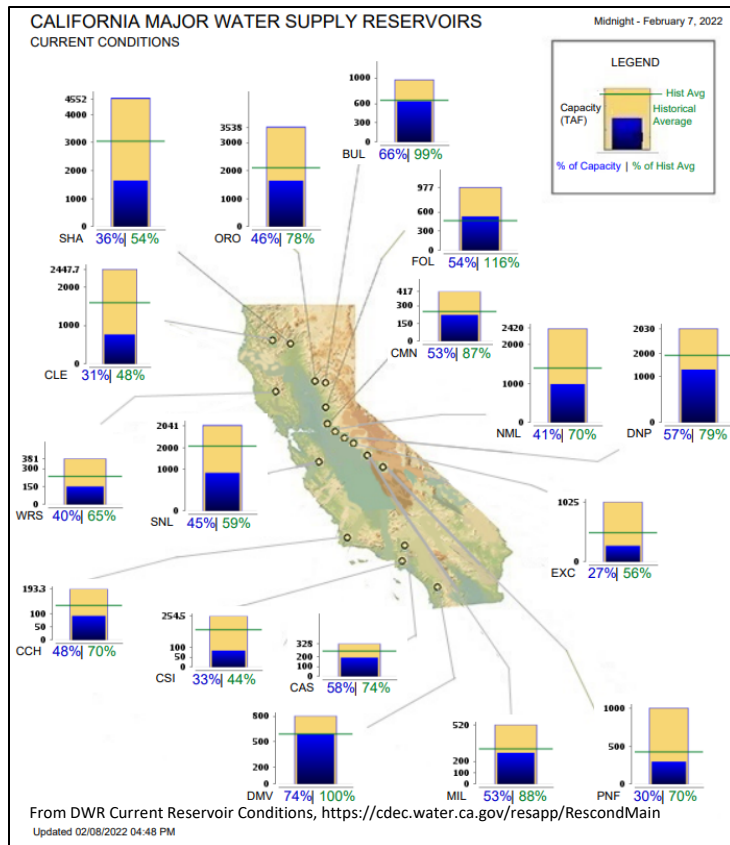
For example, throughout this spring, Reclamation and the Corps will need to be cautious in the event that a warmer storm could emerge, causing snowpack to melt quickly and creating a massive inflow to Folsom Reservoir, possibly creating flood conditions downstream.

In WY 2021, DWR's forecasts predicted significantly more runoff than actually showed up in rivers and reservoirs. In fact, the April forecast predicted more runoff than actually materialized, with much of the snowmelt being absorbed by extremely dry soils or being sublimated due to windy conditions. By May, the snowpack was functionally gone, which was two months earlier than the average end of the snowpack season. While this water year is unlikely to be as severe since soil under the snowpack is currently saturated, continued dry conditions could result in above normal losses again. DWR's January 1, 2022 Water Supply Index (WSI) forecast for the Sacramento and San Joaquin was moved up to a "Below Normal," classification due in large part to increased precipitation late in 2021. However, this classification may change. DWR has acknowledged that California's climate is changing at such a rate that prior historical relationships between temperature, precipitation, and runoff are now more difficult to predict and that historical observations are increasingly more challenging to rely upon.<sup>1</sup>



Creating further uncertainty is the overall lack of any measurable precipitation since the October and December rain and snow events. Current temperatures are also 3 – 6 degrees warmer in the Sierras than the 30-day average, which will further reduce any residual snowpack and may cause increased melting earlier than usual. Continued dry conditions may lead to reduced inflow projections for Folsom.

<sup>1</sup> Water Year 2021: An Extreme Year. DWR. September 2021. [https://water.ca.gov/-/media/DWR-Website/Web-Pages/Water-Basics/Drought/Files/Publications-And-Reports/091521-Water-Year-2021-broch\\_v2.pdf](https://water.ca.gov/-/media/DWR-Website/Web-Pages/Water-Basics/Drought/Files/Publications-And-Reports/091521-Water-Year-2021-broch_v2.pdf)



## Policy Landscape

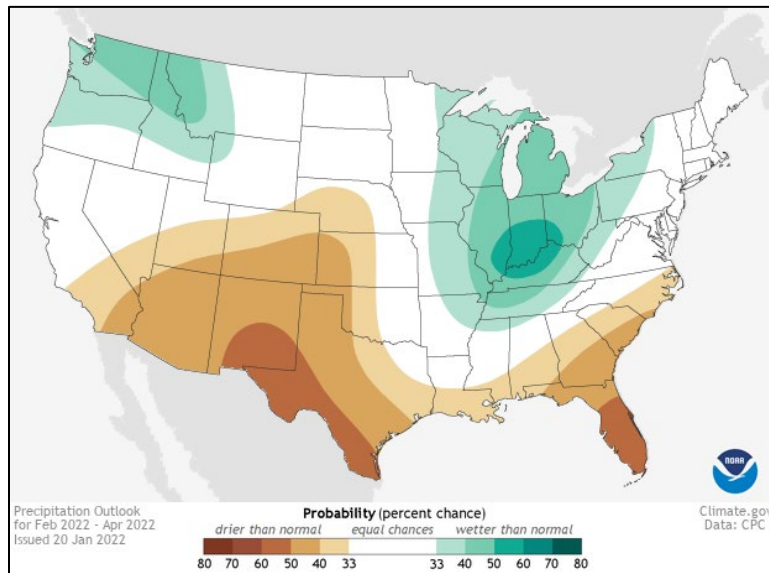
While Folsom Reservoir, until recently, was evacuating flood storage space and upstream snowpack looks encouraging, not all of the rest of the state's water supply looks as promising. Of significant note, Shasta Reservoir is at 54 percent of historical average. Reclamation anticipates that WY 2022 will result in another challenging year for the management of the reservoir. Shasta is needed to maintain a significant cold water pool for Winter-Run Chinook Salmon, a federally-listed endangered species, from May through October. To maintain this important cold water pool, releases from Shasta Reservoir may be limited and additional demands may be placed on Folsom Reservoir. Further, while the SWP allocation is only at 15 percent, conditions at Oroville are not

contributing to those allocations, which are primarily due to higher storage south of the Delta in San Luis Reservoir.

Reclamation and the Sacramento Water Forum executed a Memorandum of Understanding in early 2021 that, among other things, creates an end-of-year planning minimum of 300 TAF of Folsom Reservoir storage in most years. Reclamation has been collaborative this past year to try and keep storage above this minimum, but due to extreme consecutive dry years this was not attainable. Additionally, the Central Valley Project (CVP) is operated functionally as an entire system and each individual reservoir may be operated for out of basin needs and requirements. Reclamation has multiple needs to meet, such as water supply demands, environmental mandates, and water rights requirements. In-Delta or other upstream requirements could put additional pressure on Folsom Reservoir.

Reclamation is anticipated to release the initial determination of whether WY 2022 is a Shasta Critical Year for settlement contracts on or before February 15, 2022, and sometime thereafter, initial CVP allocations will be released. Given the unusual hydrology and storage differences between Shasta and Folsom, it is unclear if the American River basin will be scaled back to the same extent as other north-of-Delta CVP contractors or if another methodology would be used.





## Conclusion

Warmer than average temperatures this year, a lack of precipitation since December, and an unclear likelihood of any additional forthcoming precipitation, could reduce existing snowpack and resultant inflow. While WY 2022 has started off considerably better than WY 2021 for the American River, there is still significant uncertainty around the accuracy of forecasting due to recent, large shifts in climactic conditions. On a statewide scale, not all reservoirs are appearing to fare particularly well.

If Folsom Reservoir and upstream conditions remain favorable and snow melt materializes into favorable storage conditions in Folsom, this could mean that added pressure may be put on the American River to meet broader CVP obligations. RWA member agencies should continue to remain vigilant and monitor conditions as they change. CVP contractors should discuss allocation methodologies with Reclamation and be fully informed on how American River allocations affect and are affected by the overall CVP system. Finally, water providers should continue to err on the side of caution and continue water use efficiency actions until it is clear that the region's water supplies are safeguarded.



# ECOS

ENVIRONMENTAL  
♦ COUNCIL ♦  
OF SACRAMENTO

Post Office Box 1526 | Sacramento, CA 95812-1526

February 14, 2022

Subject: Sacramento Area Turf Replacement Study

To: Sacramento Area RWA Water Agencies

The Environmental Council of Sacramento's Water Committee has begun a project to calculate the potential water savings from conversion of ornamental grasses (turf) to drought-tolerant landscaping in the American River water purveyor area (i.e. Regional Water Authority member agencies). We are interested in your input and participation in this study. This letter describes the study plan. For more information or to participate, please contact Katrina Harrison, PE, ECOS Water Committee member and Project Manager, at [kandchf@gmail.com](mailto:kandchf@gmail.com) or (408) 644-9108.

The Water Committee has met with representatives of the Department of Water Resources (DWR) to share methodologies and inquire about data sources. DWR staff has been helpful but has suggested relying on publicly available datasets. Therefore, Water Committee plans to calculate the area of current ornamental grasses using 2019 or 2020 publicly available fine scale (~1 foot pixel size wherever possible) aerial and infrared imagery. Aerial images include National Agriculture Imagery Program (NAIP), Bing imagery, Planet, and NearMap.

This imagery dataset will be analyzed using the machine learning, or neural net, algorithms of the software program eCognition to determine turf grass area. Land classifications will be digitized in several sample areas, and the computer model will be trained using those areas including calculating the Normalized Difference Vegetation Index (NDVI) as well as a Tree Grass Difference Index. The aerial imagery processing will be validated manually to develop a calculation of the accuracy and estimated error bounds of the analysis.

Following calculation of the area of turf grass, ECOS Water Committee members plan to use California Native Plant Society information on the evapotranspiration and density of different plant palettes - lawn versus drought-tolerant landscaping - to determine the difference in water use. This difference will be multiplied by the area to determine potential water savings.

We appreciate any insight or methodology suggestions you may have. We would like to share our draft results with study participants and will make the final product available to the Water Forum for its consideration in the ongoing Water Forum 2 discussions. If you have an interest in participating, please contact Katrina Harrison at [kandchf@gmail.com](mailto:kandchf@gmail.com) or Ted Rauh at [tnrauh@att.net](mailto:tnrauh@att.net). We would appreciate hearing from you before the end of February so that your input can be included in the study.

Thank you,

KH  
Katrina Harrison, PE  
Project Manager

TR  
Ted Rauh  
Chair, Water Committee

CC:  
Jessica Law, Executive Director, Water Forum  
Jim Peifer, Executive Director, Regional Water Authority



Per California Government Code 6505.5 (e ), RWA reports the following unaudited information:

For the period ending December 2021

Cash in checking account:	\$	429,489
LAIF Balance	\$	3,204,654

For the period of        October 1, 2021 to December 31, 2021

Total cash receipts for the period:	\$	1,199,133
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Total cash disbursements for the period:	\$	992,259
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# REGIONAL WATER AUTHORITY

## Income Statement

Year-to-Date Performance, December 2021

	<i>6 Months Ended December 31, 2021</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
REVENUES				
Annual Assessments	989,827.00	989,827.00	0.00	100.0 %
Affiliate Members Annual	6,000.00	6,000.00	0.00	100.0 %
Associate Membership Annual	57,644.00	57,644.00	0.00	100.0 %
SGA Service Agreement Fees	269,117.59	794,363.00	525,245.41	33.9 %
Program Revenues	0.00	82,650.00	82,650.00	
Holiday Social Revenue	3,080.00	8,200.00	5,120.00	37.6 %
Miscellaneous Revenue	114,425.07	0.00	(114,425.07)	
State Revenues	0.00	109,791.00	109,791.00	
Cash Discounts	90.37	0.00	(90.37)	
Interest on S/T Investments	4,230.00	21,200.00	16,970.00	20.0 %
TOTAL REVENUES	1,444,414.03	2,069,675.00	625,260.97	69.8 %
TOTAL REVENUE	1,444,414.03	2,069,675.00	625,260.97	69.8 %
GROSS PROFIT	1,444,414.03	2,069,675.00	625,260.97	69.8 %
OPERATING EXPENDITURES				
Staff Expenses				
General Salaries	571,056.93	1,229,339.00	658,282.07	46.5 %
Benefits/Taxes	165,299.84	567,978.00	402,678.16	29.1 %
Travel / Meals	2,899.99	42,450.00	39,550.01	6.8 %
Professional Development	180.00	10,000.00	9,820.00	1.8 %
TOTAL Staff Expenses	739,436.76	1,849,767.00	1,110,330.24	40.0 %
Office Expenses				
Rent & Utilities	17,787.00	52,000.00	34,213.00	34.2 %
Insurance	32,797.70	33,000.00	202.30	99.4 %
Office Maintenance	0.00	800.00	800.00	
Telephone	3,549.43	10,000.00	6,450.57	35.5 %
Dues and Subscription	4,153.00	25,000.00	20,847.00	16.6 %
Printing & Supplies	3,051.27	23,900.00	20,848.73	12.8 %
Postage	611.73	3,400.00	2,788.27	18.0 %
Meetings	6,071.10	38,214.00	32,142.90	15.9 %
Computer Equipment/Support	9,786.10	27,000.00	17,213.90	36.2 %
TOTAL Office Expenses	77,807.33	213,314.00	135,506.67	36.5 %

	<i>6 Months Ended December 31, 2021</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
Office Furniture & Equipment				
Office Furniture	0.00	4,000.00	4,000.00	
Computer Upgrades	0.00	6,000.00	6,000.00	
TOTAL Office Furniture & Equipment	0.00	10,000.00	10,000.00	
Professional Fees				
ADP / Banking Charges	1,339.42	3,400.00	2,060.58	39.4 %
Audit Fees	28,700.00	28,700.00	0.00	100.0 %
Legal Fees	22,172.00	72,250.00	50,078.00	30.7 %
GASB 68 reporting fee	700.00	0.00	(700.00)	
Consulting Expenses - General	148,250.47	357,000.00	208,749.53	41.5 %
Powerhouse Science Center Payments	0.00	25,000.00	25,000.00	
TOTAL Professional Fees	201,161.89	486,350.00	285,188.11	41.4 %
Program Fees				
Direct Expenses	1,740.00	0.00	(1,740.00)	
TOTAL Program Fees	1,740.00	0.00	(1,740.00)	
Miscellaneous Expense	111,789.00	0.00	(111,789.00)	
TOTAL OPERATING EXPENDITURES	1,131,934.98	2,559,431.00	1,427,496.02	44.2 %
OPERATING INCOME (LOSS)	312,479.05	(489,756.00)	(802,235.05)	-63.8 %
NET OPERATING INCOME (LOSS)	312,479.05	(489,756.00)	(802,235.05)	-63.8 %
NET INCOME (LOSS) NET OF PROGRAM	312,479.05	(489,756.00)	(802,235.05)	-63.8 %



## CERBT and CEPPT Plan Portal

» [CERBT and CEPPT]: rwah2oorg00

### My Accounts

As of the financial markets most recent close of business (03/03/2022), the total value of your account(s) is **\$1,541,408.50**.

Get Account Data

### Website Contact

#### Contributions to the CERBT AND CEPPT :

Contributions may be submitted using three different transmittal methods:

- Electronic Funds Transfer by Wire Transfer
- Electronic Funds Transfer by ACH Credit Method
- Check

When submitting a contribution, a Contribution Form by transmittal type must be submitted to ensure proper crediting to your OPEB or Pension Contribution Prefunding Account. To obtain a contribution form by the transmittal type, please email [CERBT4U@CalPERS.ca.gov](mailto:CERBT4U@CalPERS.ca.gov) or [CEPPT4U@CalPERS.ca.gov](mailto:CEPPT4U@CalPERS.ca.gov) and a team member will be happy to email you the appropriate form.

**Please note:** Contributions by Wire Transfer or ACH Credit Method in the amount of \$5 million or greater require 72 hour notice prior to sending the contribution.

#### Disbursements from the CERBT and CEPPT:

All requests for disbursements must be in writing using the CERBT Disbursement Request Form or CEPPT Disbursement Request Form and must include a certification that the monies will be used for the purposes of the Prefunding Plan. The requests must be signed by an individual serving in the position authorized by the employer to request disbursements from the Trust(s).

**Please note:** Disbursements \$10,000 or greater require two signatures.

Please email: [CERBT4U@CalPERS.ca.gov](mailto:CERBT4U@CalPERS.ca.gov) or [CEPPT4U@CalPERS.ca.gov](mailto:CEPPT4U@CalPERS.ca.gov) to obtain the Disbursement Request Form(s).

Upon completion of the Disbursement Request form, please mail the original to the following address:

CalPERS  
CERBT/CEPPT  
P.O. Box 1494  
Sacramento, CA 95812-1494

Please email a completed copy of this form to [CERBT4U@CalPERS.ca.gov](mailto:CERBT4U@CalPERS.ca.gov) or

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

March 04, 2022

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

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REGIONAL WATER AUTHORITY

TREASURER  
5620 BIRDCAGE STREET, SUITE 180  
CITRUS HEIGHTS, CA 95610

[Tran Type Definitions](#)

**Account Number:** 90-34-019

February 2022 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	3,206,509.09
Total Withdrawal:	0.00	Ending Balance:	3,206,509.09

## **AGENDA ITEM 13: DIRECTORS' COMMENTS**