

**REGIONAL WATER AUTHORITY**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Thursday, May 12, 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, May 12, 2022 9:00 AM - 12:00 PM (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 March 10, 2022 Board Meeting
- c. Approve new RWA Members
- d. Approve Biological Opinion Support Services Subscription Program
- e. Approve RWA Financial Policy Updates and new COVID-19 Employee Vaccination Policy

**Action: Approve Consent Calendar**

**4. STRATEGIC PLAN REVIEW**

Information and Presentation: Jim Peifer, Executive Director

**Action: Approve Strategic Plan Priorities for Fiscal Year 2022-2023**

**5. FISCAL YEAR 2022 – 2023 BUDGET**

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

**Action: Approve Fiscal Year 2022-2023 Budget**

**6. DROUGHT RESOLUTION**

Discussion: Jim Peifer, Executive Director

**Action: Approve Resolution Number 2022-02**

**7. LEGISLATIVE/REGULATORY UPDATE**

Information: Ryan Ojakian, Legislative and Regulatory Affairs Manager

**8. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) - 3X3 COMMITTEE UPDATE**

Information: Dan York (Chair), Tony Firenzi (Vice Chair), and Kerry Schmitz

**9. EXECUTIVE DIRECTOR'S REPORT**

**10. DIRECTORS' COMMENTS**

**ADJOURNMENT**

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

July 7, 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:**

May 25, 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*

*Raymond Riehle, Director, Citrus Heights Water District*

*Hilary Straus, General Manager, 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)*

*Sophia Scherman, Board Chair, Elk Grove Water District*

*Bruce Kamilos, General Manager, Elk Grove Water District*

\* Names highlighted in red are Executive Committee members

<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 the March 10, 2022 Board Meeting
- c.** Approve new RWA members
- d.** Approve Biological Opinion Support Services Subscription Program
- e.** Approve RWA Financial Policy Updates and new COVID-19 Employee Vaccination Policy

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

Attachments:

- 3b. Minutes of the March 10, 2022 Board Meeting
- 3d. Biological Opinion Support Services Subscription Program Agreement
- 3e. Draft RWA Policies 500.1, 500.5, 500.6, 500.7, 500.8, and 500.18  
New – Draft RWA Policy 400.6 -COVID-19 Employee Vaccination Policy



### **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.

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 March 10, 2022 Board Meeting**

Attachment:

Draft March 10, 2022 Minutes

## **1. CALL TO ORDER**

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

### **RWA Board Members**

Evan Jacobs, California American Water  
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  
Alan Gardner, Del Paso Manor Water District  
Ryan Saunders, Del Paso Manor Water 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  
Patrick Kennedy, Sacramento County Water Agency  
Kerry Schmitz, Sacramento County Water Agency  
Dan York, Sacramento Suburban Water District  
Greg Zlotnick, San Juan Water District

### **RWA Associate Members**

Ansel Lundberg, Sacramento Municipal Utility District and José Ramirez,  
Sacramento Regional County Sanitation District

### **RWA Affiliate Members**

Paul Selsky, Brown & Caldwell and Charles Duncan, West Yost & Associates

### **Staff Members**

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

### **Others in Attendance:**

Rob Roscoe, Jay Boatwright, Rebecca Scott, Raymond Riehle, Paul Helliker, Pauline Roccucci, Anne Sanger, Bob Reisig, Jessica Law, Kevin Thomas, Christine Kohn, Craig Locke and Ligaya Kohargura

## **2. PUBLIC COMMENT**

None

Chair York addressed the recent loss of Forrest Williams and shared his many accomplishments.

## **3. CONSENT CALENDAR**

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

Motion/Second/Carried (M/S/C) Ms. Espindola moved, with a second by Ms. Scherman, to approve the Consent Calendar Items. Evan Jacobs, California American Water, Cathy Lee, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Marcus Yasutake, City of Folsom, Angela Frost, City of Lincoln, Bruce Houdesheldt, City of Roseville, Jeff Harris, City of Sacramento, Bill Roberts, City of West Sacramento, Diana Langley, City of Yuba City, Ryan Saunders, Del Paso Manor Water 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, Patrick Kennedy, Sacramento County Water Agency, Dan York, Sacramento Suburban Water District and Greg Zlotnick, San Juan Water District voted yes. The motion carried.

## **4. CHAIR'S VISION FOR 2022**

Chair York said that his vision for 2022 is to enhance teamwork and collaboration. Motivation to change is a collaborative and teamwork effort between board members recognizing the power of relationships that are the backbone of any successful team. To cultivate a truly collaborative spirit requires mutual trust and

goodwill between our team members that include boards, the community and RWA staff. He said the listening sessions are an excellent communication tool, and he would like to continue the sessions in 2022.

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

Mr. Peifer said that Pam Tobin, ACWA President, is interested in being nominated to run for the ACWA Joint Powers Insurance Authority Executive Committee.

M/S/C Ms. Espindola moved, with a second by Mr. Zlotnick, to adopt Resolution No. 2022-01. Evan Jacobs, California American Water, Cathy Lee, Carmichael Water District, Marcus Yasutake, City of Folsom, Angela Frost, 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, Sophia Scherman, Elk Grove Water District, Randy Marx, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Joe Duran, Orange Vale Water Company, Robert Dugan, Placer County Water Agency, Patrick Kennedy, Sacramento County Water Agency, Dan York, Sacramento Suburban Water District and Greg Zlotnick, San Juan Water District voted yes. Caryl Sheehan, Citrus Heights Water District voted no. The motion carried.

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

Chair York said that the purpose of this review is to look at the process and procedures for electing the Executive Committee. Chair York appointed Kerry Schmitz as Chair, Caryl Sheehan, Marcus Yasutake, Audie Foster and Tony Firenzi to an Ad Hoc Committee to propose revisions to Policy 200.3

Ms. Schmitz said she would like to get member thoughts for an improved process.

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

Ms. Reina-Luken gave a PowerPoint presentation providing an overview of the budget development process, fiscal year 2022 mid-year budget status and outlook, budget policies, budget assumptions and the budget schedule.

Staff will prepare and present the draft budget at the April Executive Committee meeting for possible recommendation for approval by the RWA Board at the May Board meeting.

Mr. Yasutake requested that the Strategic Plan be revisited to identify parts of the plan that are supported by the budget.

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

Mr. Peifer provided an update saying that the Sacramento Groundwater Authority voted to proceed to phase two of the process roadmap as the Sacramento Central Groundwater Authority voted to do last year. A 3x3 committee is being convened to begin working through the process.

## **9. DROUGHT CONDITIONS UPDATE**

Mr. Peifer is interested in a discussion on water conservation in the region. To receive funding for projects, we need to have a resilient water supply and continue water efficiency efforts by conserving water.

Ms. Banonis gave information on the status of the major reservoirs throughout the state and how they meet the environmental objectives and water supply. It is possible that the Bureau of Reclamation and Department of Water Resources will seek a temporary urgency change petition granting an order to ease regulatory restrictions that would normally require more water releases from reservoirs. Last year, RWA member agencies shifted to alternate supplies like groundwater and engaged in a 15% conservation target.

There was discussion on requesting customers to continue to cut back and the different water conservation stages for agencies.

Mr. Peifer said that the RWA Water Efficiency Program Manager will provide content for water conservation messaging.

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

Ms. Banonis gave information on the regulation of surface water supplies being compliant with the Federal and State Endangered Species Acts. The Central Valley Project and State Water Project coordinate their operations by pooling their water rights to meet certain obligations. A biological opinion is an authorization based on scientific findings that agencies like the National Marine Fisheries Service and U.S. Fish and Wildlife Service prepare. A proposed action is being led by the Bureau of Reclamation that includes an analysis on the potential effects and impacts to endangered species. She provided information on California's Endangered Species Act, the Environmental Impact Report, and the National Environmental Policy Act.

## **11. LEGISLATIVE/REGULATORY UPDATE**

Mr. Ojakian gave an update on bills that are related to water rights, water use efficiency, the Sustainable Groundwater Management Act, regulatory authority, Endangered Species Act issues and funding. He described bills that RWA is currently supporting. Specifically, AB 1724 requiring microfiltration on washing

machines, AB 1817 prohibiting PFAS in textiles, AB 1906 refining reimbursement for voluntary private property stream restoration, AB 1939 requiring climate change education in grades 1-6 and 9-12, and SB 901 that updates flood control management and requirements in West Sacramento.

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

Mr. Peifer said that RWA hosted a Coffee Chat with Department of Water Resources Director Karla Nemeth earlier this week.

Recent interviews and media stories include a KCRA interview on the Water Bank, an ABC 10 interview on the Water Bank, a KCRA interview on the North American Subbasin Groundwater Sustainability Plan, an NPR interview on Weather Whiplash and water management and a Sacramento Bee Editorial Board editorial supporting the Water Bank.

RWA staff will be meeting with the Environmental Caucus soon to discuss the groundwater bank and other topics.

Mr. Peifer provided information on his presentation to the Sacramento Grand Jury.

## **13. DIRECTORS' COMMENTS**

Mr. Houdesheldt reported that City of Roseville is at the end of the two-year construction on their West Side Tank project.

Mr. Dugan reported that work continues by the Policy 400.4 Ad Hoc Committee.

## **Adjournment**

With no further business to come before the Board, Chair York adjourned the meeting at 11:11 a.m. The meeting was dedicated and adjourned in honor of Forrest Williams.

By:

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Chairperson

Attest:

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Josette Reina-Luken, Board Secretary / Treasurer

## **AGENDA ITEM 3c.: Approve new RWA members**

### **BACKGROUND:**

RWA has received three new requests for membership at various levels.

- Nevada Irrigation District – Full Membership
- Yuba Water Agency – Associate Membership
- Black and Veatch Corporation – Affiliate Membership

The three organizations collectively would add significant value to the RWA and help the RWA implement its strategic plan objectives. Nevada Irrigation District (NID) water originates as snowmelt found in 70,000 acres of high elevation watershed near the headwaters of the Yuba River, Bear River and Deer Creek. NID water passes through hundreds of miles of canal and pipe to become drinking or irrigation water for 25,000 homes, farms and businesses. The district delivers three billion gallons of high-quality drinking water and enough irrigation water for 30,000 acres of agricultural land. NID produces power and is a leader among Northern California water agencies in the production of clean, renewable hydropower. NID operates seven hydroelectric plants and 9 miles of overhead powerlines that deliver 82 megawatts of clean, renewable energy to the power-grid, enough electricity to power 60,000 homes. NID manages 8 reservoirs in the foothills and Sierra Nevada Mountains that offer recreational opportunities such as hiking, camping, boating, fishing and swimming. NID provides recreational services including public parks, trails, campgrounds and beaches for the community's enjoyment.

NID delivers water for the environment and is a steward of the forested lands, working to maintain healthy forests and improve fire safety. NID works with partners to implement forest thinning, restore mountain meadows, and improve fish habitat. These efforts result in increased water yield, better water quality, and help to reduce wildfire threats. NID's goal is to improve the resiliency and sustainability of the watershed in our care.

Yuba Water Agency is a stand-alone public agency governed by a board of seven elected officials to serve the people of Yuba County. Established by a special act of the California State Legislature in 1959, the agency's primary missions are flood risk reduction, water supply reliability, fish habitat protection and enhancement, hydroelectric generation, and recreation at New Bullards Bar. Yuba Water Agency owns and operates facilities with a capacity of storing approximately one million acre-feet of water and generating more than 400 megawatts of hydropower. Each year, Yuba Water Agency releases more than 300,000 acre-feet of water to eight irrigation districts that convey the water to local farmers and ranchers in Yuba County.

Yuba Water Agency is a leader in water transfers, efficient water management and fisheries restoration, the agency is involved in many collaborative efforts with local, state and federal agencies, and conservation groups.



In 2009, Yuba Water Agency received the Governor's Environmental and Economic Leadership Award (GEELA) for the Lower Yuba River Accord. Presented to the agency by Arnold Schwarzenegger, the GEELA is California's highest and most prestigious environmental honor.

Black and Veatch Inc. (B&V) is an employee-owned corporation comprised with over 9,500 employees located in 110 offices committed to providing critical infrastructure solutions to both public and private entities in the areas of water, power, communications, mining, transportation and manufacturing. With a local office in Rancho Cordova, B&V has already been working with many of RWA's member agencies and associates including City of Folsom, El Dorado Irrigation District, Placer County Water Agency, Regional San, and others throughout the region. Their Affiliate Member request letter is attached.

#### Financial Impact

In accordance with RWA Policy 500.18 and the adopted 2021 RWA Dues structure, these agency memberships would qualify for certain discounts. In the first year of membership, these three agencies combined would increase RWA revenues over \$22,000, and then would steadily increase in the second year, until full membership is reached in the third year, fiscal year 2024-2025, where membership total would exceed over \$40,000 in addition to any future board increases.

Attachment:

Black and Veatch Corporation Membership Request



March 3, 2022

Regional Water Authority  
Attention: Josette Reina-Luken  
5620 Birdcage Street, Suite 180  
Citrus Heights, CA 95610

RE: Regional Water Authority Affiliate Program

Dear Ms. Reina-Luken:

**Black & Veatch** Corporation is interested in applying for membership into Regional Water Authority's Affiliate Program. Below is the additional requested information to apply for membership:

**Geographic Scope**

For more than 100 years, Black & Veatch has committed itself to growing a collaborative team across the globe and providing innovative solutions to the world's most important needs. Black & Veatch is a leading global engineering, consulting, and construction company specializing in infrastructure development in energy, water, telecommunications, management consulting, federal, and environmental markets. With more than 9,500 professionals working out of more than 110 offices worldwide, we have completed projects in more than 100 countries. Our Sacramento area office is located in Rancho Cordova.

**Nature of Organization**

Black & Veatch is an employee-owned corporation.

**Black & Veatch's Mission**

Black & Veatch provides critical infrastructure solutions to both public and private entities in the areas of water, power, communications, transportation, mining, and manufacturing.

Our continued success is due to the Vision, Mission and Core Values we all hold deeply:

- Mission: Building a world of difference through innovation in sustainable infrastructure.
- Vision: We work relentlessly to solve humanity's critical infrastructure challenges.
- Values: Our values start with Safety (Think, Plan, and Act for Zero incidents) and include accountability, collaboration, entrepreneurship, integrity, ownership, and respect.

**Why Black & Veatch Cares about Water Management in the Sacramento Region**

The Sacramento region's water resources (i.e., ground water, surface water, and recycled water) are critical to the quality of life in our local communities and beyond. Managing and ensuring sustainability of our precious Sacramento region's water supply and infrastructures advance lives, lifts communities, and enables prosperity.

The professionals in Black & Veatch's Rancho Cordova office live and work in the Sacramento region. We are innovative thinkers and trusted advisors who deliver excellence – and define commitment – to our local clients. We are local individuals with access to Black & Veatch's global technical resources, and

together we offer the expertise to continually transform today's technology into tomorrow's safe, long-lasting infrastructure.

**How Affiliate Membership is Mutually Beneficial to Black & Veatch and RWA**

Black & Veatch has already been working with many of RWA's member agencies and associates. Our local professionals regularly work with the City of Folsom, El Dorado Irrigation District, Placer County Water Agency, Regional San, and others throughout the region. One example of the water solutions we bring to the region; when Folsom residents started experiencing unusual copper pipe pinhole failures, the City turned to Black & Veatch to identify the primary cause of the copper pipe failures and to develop solutions.

On a regional scale, Black & Veatch has been working with the Sacramento Regional County Station District (Regional San) for several years to design the Echo Water's Biological Nutrient Removal (BNR) Facility. This BNR facility will reduce impacts to the Sacramento River ecosystem, both in the vicinity and downstream, by eliminating nearly all the ammonia and nitrate from Regional San's treated water effluent. After filtration and disinfection, this treated effluent water allows Regional San to provide recycled water to the region and reduce use of groundwater and surface water supplies for irrigation, industrial uses, and environmental restoration.

Black & Veatch will continue to develop tailored infrastructure solutions that meet RWA's members' and associates' needs while providing sustainable benefits. Solutions are provided from the broad line of service expertise available within Black & Veatch, including owner's engineer services, conceptual and preliminary engineering services, engineering design, procurement, construction, financial management, asset management, program management, construction management, environmental, security design and consulting, management consulting and infrastructure planning.

RWA's members and associates are experiencing unprecedented change and opportunity. Black & Veatch is committed to working with our Sacramento Region clients as trusted advisors so that together we may transform the infrastructures that enable a more sustainable and resilient future.

We are excited about the opportunity of becoming an RWA Affiliate member. If you have any questions, please contact me at (916)858-2424, [carlsondj@bv.com](mailto:carlsondj@bv.com).

Very truly yours,

Black & Veatch Corporation



David J. Carlson  
Vice President

## **AGENDA ITEM 3d.: Approve Biological Opinion Support Services (BOSS) Subscription Program**

### **BACKGROUND:**

A number of RWA member agencies have contracts with the Bureau of Reclamation (Reclamation). Reclamation is initiating a process to revise their Biological Opinion (BiOp) for the operation of the Central Valley Project. A revised BiOp may have positive or negative impacts on Reclamation contract holders such as improving or reducing the availability of surface water. The Biological Opinion Support Services subscription program is a new effort to assist these RWA member agencies in a way that collectively allows them to engage with Reclamation and try to ensure they will have continued access to surface water and enjoy their surface water entitlements.

Attachment:

BOSS Subscription Program Agreement

## **REGIONAL WATER AUTHORITY PROGRAM AGREEMENT**

### **BIOLOGICAL OPIONION SERVICES AND SUPPORT**

This Agreement is made and entered into as of the \_\_\_\_<sup>th</sup> day of \_\_\_\_\_, 20\_\_\_\_, by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, and following, and the Members and Contracting Entities of RWA listed in Exhibit 1 to this Agreement, upon their execution of this Agreement (who are collectively referred to in this Agreement as “Participants”), to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the Participants.

### **RECITALS**

A. RWA is a joint powers authority, formed to serve and represent regional water supply interests and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

B. The joint powers agreement (“RWA JPA”) pursuant to which RWA was formed and operates, and as was amended on October 8, 2013, authorizes RWA to enter into a “Project or Program Agreement,” which is defined in the RWA JPA as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA and sharing in the cost and benefits by the parties to the Project or Program Agreement.

C. Article 21 of the RWA JPA states: “The Regional Authority’s projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name.”

D. Article 22 of the RWA JPA states: “Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program, including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

E. RWA and the Participants desire to carry out a program as more fully described below and share in the costs and benefits of the program, as a Project or Program Agreement as provided for in Articles 21 and 22 of the RWA JPA.

F. The Bureau of Reclamation, responsible for the operation of Central Valley Project (CVP) facilities, such as Folsom Reservoir on the American River, has started the reinitiation of consultation on the coordinate long-term operation (ROC on LTO) of the CVP and the State Water Project, pursuant to the federal Endangered Species Act. This effort will result in the development of an Environmental Impact Statement (EIS) and Record of Decision (ROD) pursuant to the National Environmental Policy Act (NEPA), as well as a Biological Assessment (BA) that will support Biological Opinions (BiOps) issued by the National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service.

G. As part of the development of the BA and the BiOps, the Water Infrastructure Improvements for the Nation (WIIN) Act provides that water providers who contract for the delivery of water with Reclamation be included in the development of a new BiOp. This engagement also includes other enforceable arrangements, such as settlement agreements, with Reclamation for the delivery of water. This includes:

- Having the opportunity to submit to and discuss information with U.S. Fish and Wildlife Service (USFWS) and the National Oceanic and Atmospheric Administration (NOAA) for consideration in the development of a biological assessment;
- Be informed of the schedule for preparing a biological assessment;
- Be informed of the schedule for preparing a BiOp;
- Receive a copy of any draft BiOp and have an opportunity to review and comment on the BiOp;
- Having the opportunity to confer with USFWS or NOAA and the applicant about any reasonable and prudent alternatives (RPAs) prior to them being identified; and,
- Be informed of how each component of the RPAs will contribute to conserving species and the scientific justification supporting the RPAs. Further, be informed as to why other proposed alternative actions that would have fewer adverse economic and water supply effects were not adequate as an RPA.

H. Participants to this Program all contract or have agreements for the delivery of water with Reclamation and have a vested need to ensure that their interests are protected throughout the BiOp development process.

In consideration of the promises, terms, conditions and covenants contained herein, the parties to this Agreement hereby agree as follows:

- 1. Recitals Incorporated.** The foregoing recitals are hereby incorporated by reference.
- 2. Defined Terms.** Terms defined in the RWA JPA will have the same meaning in this Agreement.

**3. Description of the Program.** The RWA and the Participants desire to work collaboratively to ensure that information provided in support of the American River region's operations are carried out by qualified technical support staff and that all interests from Participants are reflected through a coordinated effort, called the Biological Opinion Services and Support (BOSS) Program ("Program"). The Program will provide the following:

- A coordinated effort to timely respond to information requests from Participants, Reclamation, or other interested parties.
- Consolidation and rectification of Participant comments on key documents used to support the BiOps, including: white papers, technical documentation, development of alternatives, development of a Proposed Action (PA) for the BA, coordination of EIS scoping comments, Draft and Final EIS comments, the Draft BiOps, etc.
- Attendance at meetings related to the development of regulatory documents to support the BiOps and forthcoming ROD.
- Preparation and facilitation of correspondence to appropriate parties.
- Conducting modeling for hydrologic, habitat, and temperature conditions.
- Analysis and synthesis of technical work.
- Establishment and implementation of a water provider technical team (WPTT) to review and discuss results from various analyses.
- Coordination between the WPTT and the Water Forum to disseminate information, as needed, and ensure a common understanding of any necessary information.
- Advocacy of American River water provider needs with Reclamation, California Department of Water Resources, USFWS, NMFS, California Department of Fish and Wildlife, or other entities to ensure local interests are being represented.
- Ensuring activities occurring outside of the watershed, such as those in-Delta or in other CVP divisions, are considered and impacts to the American River watershed are disclosed appropriately.
- Legal support services as needed.

**4. Program Committee.** The Participants hereby form a Program Committee consisting of one representative (and alternates) designated by each Participant. The Program Committee will meet as necessary from time to time to administer and implement this Agreement on behalf of the Participants. The Program Committee will appoint a Chair and Vice-Chair from among its members. A majority of the total members of the Program Committee will constitute a quorum. Each member of the Program Committee will have one vote, either by its representative or an alternate. To proceed with a vote to take action, a quorum must be present at a meeting, with a majority of the number present required for an affirmative vote. In no event shall the composition of the Program Committee be such that the membership of the Program Committee constitutes a quorum of any RWA legislative body.

**5. Program Staffing and Resources.** RWA will utilize existing staff to implement the

program, primarily the Manager of Strategic Affairs.

**6. Work Products.** Participants shall have full access to the work products of the Program, which will be provided upon execution of each member agency of a nondisclosure agreement.

**7. Sharing in Program Costs and Benefits.** The assessments for each Participant are further described and attached hereto as Exhibit 2 ("Financing Plan"). Each of the Participants shall pay the assessments set forth on Exhibit 2 at the time of entering the Program and pay such other assessments as are adopted by the Program Committee. In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Program will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed this Agreement. The total cost for the Program is estimated as \$861,750. The breakdown of these costs is to be as follows:

- Approximately 45% of RWA staff time over the next year with overhead and expenses, beginning at the time of execution of this Agreement: \$141,750.
- Costs for technical consultants, with contracts to be executed by Bartkiewicz, Kronick, and Shanahan and Placer County Water Agency General Counsel: \$700,000.
- Legal support services provided by Bartkiewicz, Kronick, and Shanahan for needed legal review and support: \$20,000.

Future costs and allocations will be determined through a Work Plan approved by the Program Committee.

**8. Role of RWA.** The RWA will (a) ensure that the interests of Members and Contracting Entities of RWA who do not participate in this Program are not adversely affected in performing this Agreement, (b) provide information to the Participants on the status of implementation of the Program, (c) assist the Program Committee in carrying out its activities under this Agreement, (d) secure consultant support services through a competitive selection process as identified in RWA Policy 300.2, where applicable; and (e) manage consultant support services in completion of the Program.

**9. Authorization to Proceed with the Program.** The Biological Opinion Support and Services Program is authorized to proceed upon the commitment of \$850,000 to fund staff and technical consulting work. Upon execution of this Agreement, the Participants agree to fund their portion of the Program costs in an amount and manner as described in Exhibit 3 ("Financing Plan") to this Agreement.

**10. Term.** This Agreement will remain in effect for so long as any obligations under this Agreement and/or obligations from other sources of funding secured remain outstanding.

**11. Withdrawal.** A Participant may withdraw from this Agreement without requiring termination of this Agreement, effective upon ninety days' notice to RWA and the other Participants,



provided that, the withdrawing Participant will remain responsible for any indebtedness incurred by the Program and allocated to the Participant under this Agreement prior to the effective date of withdrawal. If any surplus funds remain after the withdrawing Participant has met all of its financial obligations under this Agreement, then such funds will be returned to the withdrawing Participant in proportion to the total contribution made by each Participant.

**12. Amendments.** This Agreement may be amended from time to time with the approval of all current Participants and RWA.

**13. Unspent Funds.** In the event that RWA has remaining funds left at the conclusion of the work completed through agreements with BKS and Placer County Water Agency, then those funds shall be distributed back equally to BOSS Participants.

**14. Privileges and Immunities.** All of the privileges and immunities from liability; exemptions from laws, ordinances and rules; and all pension, relief, disability, worker's compensation and other benefits that apply to the activity of officers, agents or employees of RWA or the Participants when performing their respective functions for those agencies will, to the extent permitted by law, apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. It is further understood and agreed by RWA and the Participants that, notwithstanding anything contained herein, the employees of RWA and of each Participant shall continue to be entirely and exclusively under the direction, supervision and control of the employing party.

**15. No Third-Party Beneficiary.** RWA and the Participants understand and agree that this Agreement creates rights and obligations solely between RWA and the Participants and is not intended to benefit any other party. No provision of this Agreement shall in any way inure to the benefit of any third person so as to constitute any such third person as a third-party beneficiary of this Agreement or any of its items of conditions, or otherwise give rise to any cause of action in any person not a party hereto.

**16. Liabilities.** With respect to this Agreement, RWA and the Participants expressly agree that the debts, liabilities and obligations of RWA and of each Participant shall remain the debts, liabilities and obligations of that party alone and shall not be the debts, liabilities and obligations of any other party to this Agreement, except as may be otherwise set forth herein or in an amendment to this Agreement.

**17. Audits and Accounting.** All funds provided under this Agreement shall be separately accounted for and maintained, with books and records of such funding open to inspection by the Participants. Funding under this Agreement shall be subject to and consistent with the audit and accounting procedures set forth in Articles 27 and 28 of the RWA JPA.

**18. General Provisions.** Any notice to be given under this Agreement shall be made by: (a) depositing in any United States Post Office, postage prepaid, and shall be deemed received at the expiration of 72 hours after its deposit; (b) transmission by facsimile copy; (c) transmission by electronic mail; or (d) personal delivery. This Agreement shall be governed by the laws of the State of California. The contact information for each Participant with respect to this section of the

Agreement is set forth in Exhibit 3 (“Notice Information”). This Agreement may be executed by the parties in counterpart and by facsimile or PDF signatures, each of which when executed and delivered shall be an original and all of which together will constitute one and the same document.

**19. Signatories’ Authority.** The signatories to this Agreement represent that they have authority to execute this Agreement and to bind the Participant on whose behalf they execute it.

The foregoing Biological Opinion Services and Support Agreement is hereby agreed to by RWA and the Participants.

Dated:                     , 2022

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Jim Peifer  
Executive Director  
Regional Water Authority

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Dan York  
Board Chair  
Regional Water Authority

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Marcus Yasutake  
City of Folsom

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Andy Fecko  
Placer County Water Agency

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Sean Bigley  
City of Roseville

---

Michael Peterson  
Sacramento County Water Agency

---

Bill Busath  
City of Sacramento

---

Ansel Lundberg  
Sacramento Municipal Utility District

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Jim Abercrombie  
El Dorado Irrigation District

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Dan York  
Sacramento Suburban Water District

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Ken Payne  
El Dorado Water Agency

**List of Agreement Exhibits**

Exhibit 1 – Program Participants

Exhibit 2 – Financing Plan

Exhibit 3 – Notice Information

**EXHIBIT 1**

**PROGRAM PARTICIPANTS**

**REGIONAL WATER AUTHORITY**

**BIOLOGICAL OPINION SERVICES AND SUPPORT PROGRAM**

**Agency (Proposed)**

City of Folsom

City of Roseville

City of Sacramento

El Dorado Irrigation District

El Dorado Water Agency

Placer County Water Agency

Sacramento County Water Agency

Sacramento Municipal Utility District

Sacramento Suburban Water District

## **EXHIBIT 2**

### **FINANCING PLAN**

#### **REGIONAL WATER AUTHORITY**

#### **BIOLOGICAL OPINION SERVICES AND SUPPORT PROGRAM**

The fee for each Participant is shown in the table below. A Participant's fee will not be increased without the approval of that Participant.

**Proposed Fee Table**

<b>Agency</b>	<b>Total Fee</b>
City of Folsom	\$95,750
City of Roseville	\$95,750
City of Sacramento	\$95,750
El Dorado Irrigation District	\$95,750
El Dorado Water Agency	\$95,750
Placer County Water Agency	\$95,750
Sacramento County Water Agency	\$95,750
Sacramento Municipal Utility District	\$95,750
Sacramento Suburban Water District	\$95,750
<b>Total</b>	<b>\$861,750</b>

**EXHIBIT 3**  
**NOTICE INFORMATION**  
**REGIONAL WATER AUTHORITY**  
**BIOLOGICAL OPINION SERVICES AND SUPPORT PROGRAM**

City of Folsom  
Attn: Marcus Yasutake  
50 Natoma Street  
Folsom, CA 95630  
Phone: (916) 461-6161  
Email: [myasutake@folsom.ca.us](mailto:myasutake@folsom.ca.us)

City of Roseville  
Attn: Sean Bigley  
2005 Hilltop Circle  
Roseville, CA 95747  
Phone: (916) 774-5513  
Email: [sbigley@roseville.ca.us](mailto:sbigley@roseville.ca.us)

City of Sacramento  
Attn: Bill Busath  
1395 35th Avenue  
Sacramento, CA 95822  
Phone: (916) 808-1434  
Email: [bbusath@cityofsacramento.org](mailto:bbusath@cityofsacramento.org)

El Dorado Irrigation District  
Attn: Jim Abercrombie  
280 Mosquito Road  
Placerville, CA 95667  
Phone: (530) 622-4513  
Email: [jimabercrombie@eid.org](mailto:jimabercrombie@eid.org)

El Dorado Water Agency  
Attn: Ken Payne  
4330 Golden Center Drive, Suite C  
Placerville, CA 95667  
Phone: (530) 672-6721  
Email: [ken.payne@edcgov.us](mailto:ken.payne@edcgov.us)

Placer County Water Agency  
Attn: Andy Fecko  
144 Ferguson Road  
Auburn, CA 95603  
Phone: (530) 823-4965  
Email: [afecko@pcwa.net](mailto:afecko@pcwa.net)

Sacramento County Water Agency  
Attn: Kerry Schmitz  
827 7th Street, Room 301  
Sacramento, CA 95814  
Phone: (916) 874-4681  
Email: [schmitzk@SacCounty.NET](mailto:schmitzk@SacCounty.NET)

Sacramento Suburban Water District  
Attn: Dan York  
3701 Marconi #100  
Sacramento, CA 95821  
Phone: (916) 679-3973  
Email: [dyork@sswd.org](mailto:dyork@sswd.org)

Sacramento Municipal Utility District  
Attn: Ansel Lundberg  
6301 S Street  
Mail Stop A-404  
Sacramento, CA 95817-1899  
Phone: (916) 732-6919  
Email: [ansel.lundberg@smud.org](mailto:ansel.lundberg@smud.org)

Regional Water Authority  
Attn: James Peifer  
5620 Birdcage Street, Suite 180  
Citrus Heights, CA 95610  
Phone: (916) 967-7692  
Email: [jpeifer@rwah2o.org](mailto:jpeifer@rwah2o.org)

## **AGENDA ITEM 3e.: Approve RWA Financial Policy Updates and new COVID-19 Employee Vaccination Policy**

### **BACKGROUND:**

As part of the ongoing process to conduct a thorough inspection of all RWA policies, staff has reviewed RWA's financial policies (500 series). At the March Board meeting, the RWA Board of Directors adopted financial policies that required interval reviews but had no substantive changes. The remaining financial policies do not require a specified time review as many of them are standing policies. Nonetheless, staff has reviewed the entire 500 series and have no suggested changes to the following policies as listed below. If applicable, policies which are referenced throughout the year during various financial undertakings (annual audit, budget development process, etc.) have been noted.

- Financial Policy 500.2 – Investment Policy – reviewed annually by the EC and Board of Directors
- Financial Policy 500.3 – WEP Fiscal Policy – reviewed and amended on 01-14-2021
- Financial Policy 500.4 – Auditor Rotation – reviewed every 5 years in conjunction with the rotation of auditors
- Financial Policy 500.10 – OPEB Funding Policy – reviewed annually in conjunction with the budget development process
- Financial Policy 500.11 – Budget Policy – reviewed annually in conjunction with the budget development process
- Financial Policy 500.12 – Audit Report Filing Policy – no changes – standing policy
- Financial Policy 500.13 – Business Expense Reimbursement Policy – no changes – standing policy
- Financial Policy 500.14 – Grant Funding Policy – no changes – standing policy
- Financial Policy 500.15 – Pension Plan Funding Policy - reviewed annually in conjunction with the budget development process
- Financial Policy 500.16 – Liability Allocation to Withdrawing Members – no changes – standing policy

Staff has six policies that they would like to recommend minor changes. A copy of each draft policy is attached with corresponding track changes and summarized below.

- Financial Policy 500.1 – Financial Designation – removes the word “maximum” six months financial designation.

Rationale: Designations are reserves and/or restricted funds. For the purpose of the Operating Designation Policy, there has to be a minimum level of reserve of 4 months of operating expense. The target of 4 to 6 months is a staff guideline when



preparing the annual budget. The Board of Directors may approve whatever maximum they are comfortable with depending upon the current financial situation which can fluctuate on a yearly basis.

- Financial Policy 500.5 – Collection and Use of Sponsor Contributions - suggested changes include types of recognition provided to RWA sponsors and application of sponsorship funds at celebratory.

Rationale: Celebratory events, like RWA's 20<sup>th</sup> Anniversary Event, need to be included as part of this policy which relies heavily on sponsorships to cover a majority of event costs.

- Financial Policy 500.6 – Check Signing Authority Policy – increases Executive Director's check signing authority from \$10,000 to \$15,000 for general fund account expenses and increases from \$20,000 to \$30,000 in grant/incentive reimbursement checks without a secondary check signature by the Chair or Vice Chair.

Rationale: As this policy was drafted in 2008, staff is recommending this increase in order to keep pace with inflation as well as reduce the number of monthly documents that the Chair has to execute.

- Financial Policy 500.7 – Journal Entry Approval Policy – suggested changes are aimed to increase efficiency and time of the Executive Director to approve and initial recurring and non-recurring journal entries, like account miscodes, in one list at the end of the month as part of the monthly reconciliation process rather than signing each individual journal entry.

Rationale: These entries are also reviewed by RWA's accounting consultant and auditor as part of the Annual Financial Statement process.

- Financial Policy 500.8 – Purchasing Card Policy – adds Manager of Strategic Affairs position and purchasing limit, imposes Chair required signing of the Executive Director credit card statement only when the monthly balance is above \$500.00 in order to minimize the number of documents that the Chair has to execute.

Rationale: The Executive Director has the authority to approve up to \$5,000 in staff credit card purchases. In conjunction with the check signing policy, the Executive Director should have a limit set for his/her credit card purchase for minimal charges within the travel and meeting budget.

- Financial Policy 500.18 – New Members Discount – clarifies new member discounts do not apply to Affiliate memberships and states new member discount to be prorated to include the following fiscal year in order to have all members on a July billing cycle.

Staff is also recommending approval of a new policy stemming from the pandemic to address employee vaccination status for current and new employees. As RWA prepares to recruit for a new SGA Project Manager, this issue is needed to be addressed now before a candidate is selected and made an offer of employment. Several public agencies have already adopted similar policies regarding employees to be vaccinated including boosters prior to a certain date. Additionally, there is unknown consequences in the future for employers that do not require vaccinations regarding their ability to receive state and federal funds. Staff has reviewed this policy with RWA legal counsel and current RWA employees do not have any conflicts should this policy be adopted. The draft policy is attached.

**Attachments:**

Draft RWA Policies 500.1, 500.5, 500.6, 500.7, 500.8, and 500.18  
New – Draft RWA Policy 400.6 - COVID-19 Employee Vaccination Policy

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Financial Designation/Reserve Policy  
Policy Number : 500.1  
Date Adopted : May 12, 2005  
Date Amended : November 8, 2007  
July 12, 2012  
May 14, 2015  
March 8, 2018

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## FINANCIAL DESIGNATION/RESERVE POLICY

The policy establishes financial designation funds to mitigate current and future risks due to revenue shortfalls and unanticipated expenses, or to designate funds for specific purposes. Designation funds are discretionary funds designated by the Regional Water Authority (RWA) Board of Directors to accomplish financial obligations and objectives of the organization. These balances are a crucial consideration in long-term financial planning. The adequacy of the target designation balance and/or annual contributions will be reviewed annually during the RWA budgeting process and may be revised accordingly as necessary, including but not limited to temporary suspension or reduction of minimum or maximum target balances. The following designation categories are established:

### I. Operating Fund:

- A. Purpose: To ensure cash resources are available to fund daily administration and operations for RWA member services. Additionally, this fund may provide resources for the matching fund component for partnership funding opportunities not previously anticipated during the annual budget process.
- B. Use of Funds: These funds will be used to pay for expenses according to budget and spending authority. This fund may also be used as the matching fund component for partnership opportunities with other local, state or federal organizations that were not anticipated during the budget process. Additionally, this fund will be used to cover the timing lag of invoicing for fees versus receipts of fees. Funds in excess of the maximum target balance may be used to offset future member fees. This

fund will be reviewed on an annual basis to determine the fund's adequacy.

- C. Rationale: RWA has a fiduciary responsibility to maintain adequate cash flow to meet its operating expenses in a timely manner. Additionally, matching funds are sometimes needed on short notice to take advantage of state and/or federal partnership funding opportunities. Government Code Section 53646(b) (3) suggests that an agency should have sufficient cash flow to meet the next six months of budgeted expenses. The next six months of projected cash revenues can be included as a source of cash flow to satisfy this requirement. The Government Finance Officers Association ("GFOA") recommends a baseline of ninety days' worth of working capital (designations) and then adjusts the target based on the particular characteristics of the enterprise fund<sup>1</sup>.
- D. Target Balance: A minimum target balance will be 33% or four months of cash to fund budgeted operating expenses. A ~~maximum~~ target balance will be approximately 50% of annual budgeted operating expenses (approximately six months of operating expenses). Since SGA reimburses RWA for common costs, these estimated reimbursements are deducted from total budgeted operating expenses to determine RWA's net cash requirement for operating expenses. Additionally, non-recurring expenditures are not included in the operating expense calculation to determine the target balance.
- E. Replenishment: Annual replenishment will vary, depending upon other designation requirements and current year expense requirements. As part of the annual operating budget process, the operating fund should be budgeted to comply with the target balance. However, the Board may consider suspending the target balance when evaluating the overall budget on an annual basis.

## II. Membership Fees Stabilization Fund:

- A. Purpose: To mitigate the financial impact of membership non-renewal.
- B. Use of Funds: These funds will be used to supplement operating cash flow in the event a member does not renew. Alternatively, this fund can be used for pro-rated refunds for membership termination (subject to a proper notice period)<sup>2</sup>. This fund will be reviewed on an annual basis to determine the fund's adequacy.

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<sup>1</sup> From GFOA best practices, "Determining the Appropriate Levels of Working Capital in Enterprise Funds", February 2011.

<sup>2</sup> Only current year fees could be subject to potential refunds and would require Executive Committee approval.

- C. Rationale: RWA derives its financial support from membership fees. Membership fees are based upon the assumption that current year members renew in the subsequent year. The membership base is small and could easily be adversely affected by one or two members choosing not to renew membership. This fund could mitigate requiring additional contributions for membership fees in the year of occurrence. It provides RWA and renewing members a one year planning horizon to address the financial impact of these occurrences.
- D. Target Balance: The minimum target balance is approximately 15% of total membership fees (equal to approximately one large agency, one medium agency, and one small agency).
- E. Replenishment: Annual replenishment will vary, depending upon other designation requirements, current year expense requirements and use of this fund.

### III. Subscription Program Revenue Fund:

- A. Purpose: To mitigate the financial impact of uncertain collection of operating fund revenues paid through subscription program funding.
- B. Use of Funds: These funds will be used to supplement operating cash flow in the event subscription program net revenue does not materialize as planned.
- C. Rationale: A portion of RWA's financial support is derived from subscription based programs. Membership fees are based upon some net subscription revenues contributing to the RWA operations. To the extent these net revenues do not materialize as planned, RWA needs additional resources to maintain basic operations.
- D. Target Balance: The minimum target balance of 10% of net subscription program revenues is designated for this fund.
- E. Replenishment: Annual replenishment will vary, depending upon other designation requirements and current year expense requirements.

### IV. Subscription Program Fund:

- A. Purpose: To set aside subscription program operating funds for the purposes of administering the subscription programs. These funds are committed by individual contract obligations between the various participating agencies.

- B. Use of Funds: These funds will be used to administer the specific subscription programs.
- C. Rationale: In administering a subscription program, the program often expands beyond one fiscal year. The unused and unspent funds of an active subscription program are restricted for use within that program by contract.
- D. Target Balance: No target balance needed as these funds will be dependent upon the life cycle and existence of a subscription program.
- E. Replenishment: Replenishment will come from the subscription program agreements as needed.

V. Retirement Benefits Fund:

- A. Purpose: To set aside funds for the purpose of funding the cost of the retirement benefits earned for prior service of retired and current employees.
- B. Use of Funds: These funds will be used specifically for funding payment of retirement benefits.
- C. Rationale: This fund is used to set aside non-recurring contributions for retirement related benefits, such as other post-employment benefits or additional lump sum payments for unfunded pension plan liabilities.
- D. Target Balance: The target balance will be dependent upon the actuarial calculation of any actual liability accrued for unfunded retirement benefits of any kind. The valuation will be dependent upon RWA's timing of funding this liability. RWA may fund the historically determined liability over several years.
- E. Replenishment: Replenishment will come from the RWA membership fees.

VI. Sponsorship Contribution Fund:

- A. Purpose: To help offset the costs of special events such as educational workshops, seminars, the annual holiday social and/or long-term collaborative partnerships and projects<sup>3</sup>.
- B. Use of Funds: Whenever possible, RWA will use all of the funds collected for each special event on the specific event for which those funds were solicited. In the event that not all of the sponsorship funds collected for a specified event are used for the event, any excess funds will be deposited in this fund for use at RWA's next scheduled special event.
- C. Rationale: Sponsorship contributions should be applied toward the costs of hosting and conducting the specific event for which the contributions were solicited. Appropriate costs include: food and non-alcoholic beverages; speaker costs; and miscellaneous event costs such as room rental, audio visual equipment, direct project collaboration costs, long-term partnership costs, etc.
- D. Target Balance: No target balance is required because this fund should be used only when all sponsorship funding for a special event cannot be spent. Excess funds will be used to the next special event.
- E. Replenishment: There is no formal replenishment process for this fund. Contributions for this fund come from private firms, companies and/or public agencies from solicitations for these events.

## VII. Strategic Plan Fund

- A. Purpose: To designate resources needed to achieve multi-year objectives and goals that arise from RWA's strategic plan.<sup>4</sup>
- B. Use of Funds: These funds will be used specifically for launching or expanding programs and projects to achieve strategic plan objectives and goals. Designation of contributions of funds, and use of the funds, will be approved by the Board of Directors during the annual budget process as recommended by the Executive Committee.
- C. Rationale: Over the years, RWA has evolved and provides increased services for its members and influence on regional water issues. As RWA continues to expand services, the cost of these services may require significant increase in membership fees. Since RWA members

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<sup>3</sup> An example would be the Powerhouse Science Center partnership started in fiscal year 2015.

<sup>4</sup> Establishing this fund does not preclude RWA from immediate implementation of strategic plan objectives as part of the annual budget adoption.

adopt annual budgets and have varied fiscal years that may be different than RWA, setting aside incremental resources to implement these additional services will aid the membership in fiscal budgeting and planning with their various governing bodies.

- D. Target Balance: No target balance is required and will depend upon the Board's approval of which strategic objective to fulfill, the timing of when to start it, and the pace at which to implement it. These factors will influence the required cash flow.
- E. Replenishment: Annual replenishment will vary, depending upon the required costs to achieve the strategic objectives, the timing and pace at which to implement them.



# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Collection and Use of Sponsor Contributions  
Policy Number : 500.5  
Date Adopted : November 8, 2007  
Date Amended : September 11, 2008  
September 13, 2012  
May 12, 2016 (reviewed by staff)

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## COLLECTION AND USE OF SPONSOR CONTRIBUTIONS POLICY

### General

From time to time, it is appropriate for the RWA Executive Director to solicit “sponsorship” contributions from private firms, companies and/or public agencies to help offset the costs of special events or activities such as educational workshops, seminars, awards for service to the region, and/or development of educational or informational literature or presentations. The following are policy guidelines for the Executive Director to follow concerning the collection and use of such contributions.

### Collection of Sponsorship Contributions

RWA should make a reasonable effort to include appropriate local firms when soliciting contributions. Such solicitations should not be limited to firms that have done business or are currently under contract to RWA or its members. A solicitation for sponsorships should identify the event or purpose for which the contributions are intended.

At the discretion of the Executive Director, RWA may give credit to sponsors in the form of signage at the event, verbal announcements, printed acknowledgements (i.e. newsletter or press releases), complimentary event tickets and/or website postings. The Executive Director may establish different levels of sponsorship for an event. The Executive Director will provide the same type of credit(s) to all sponsors in the same sponsorship level.

### Use of Sponsorship Contributions

To the extent possible, sponsorship contributions should be applied toward the costs of hosting and conducting the specific event or conducting the activity for which the contributions were solicited, and should be used to provide informational or educational benefits for members or the public at large. Appropriate costs include: food and non-alcoholic beverages when associated with educational events; speaker costs; costs to

develop informational material or presentations; and miscellaneous event costs such as room rental, audio visual equipment, etc. For celebratory events, sponsorships can be used for any costs associated with the specified occasion. Strictly social events shall not be funded from sponsorship contributions.

In the event that a balance of sponsorship contributions remains after a specific event, these funds are to be added to the Sponsorship Contribution Fund, which is described in Part VI of RWA's Financial Designation Reserve Policy.

#### Reporting Requirements

The Executive Director will develop a procedure to ensure receipt of sponsorship donations complies with Fair Political Practices Commission regulations.

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Check Signing Authority Policy  
Policy Number : 500.6  
Date Adopted : March 13, 2008  
Date Amended : March 11, 2010  
July 10, 2014

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## CHECK SIGNING AUTHORITY POLICY

Only persons authorized by the Board of Directors may sign checks or transfer funds from or between depositories. The following persons are authorized to sign checks or transfer funds of RWA:

- RWA Chair
- RWA Vice Chair
- Executive Director
- Finance and Administrative Services Manager
- Manager of Technical Services

### I. General Fund Account

A. For amounts up to \$~~1015~~15,000, **one** of the following signatures is required:

- Executive Director
- Finance and Administrative Services Manager
- Manager of Technical Services

B. For amounts over \$~~1015~~15,000, the following signatures are required:

- The RWA Board Chair, or RWA Vice-Chair, and **one** of the following:
- Executive Director
- Manager of Technical Services
- Finance and Administrative Services Manager

C. For grant/incentive reimbursement checks payable to participants up to \$~~2030~~30,000, one of the following signatures is required:

- Executive Director
- Finance and Administrative Services Manager
- Manager of Technical Services

D. For grant/incentive reimbursement checks payable to participants over \$~~2030~~30,000, the following two signatures are required:

The RWA Board Chair or RWA Vice Chair, and **one** from the following:

- Executive Director
- Manager of Technical Services
- Finance and Administrative Services Manager

E. Payroll and CalPERS standard pension and health benefit electronic payments do not require signatures and can exceed the \$~~40~~15,000 limit per payment. These electronic payments require approval by the Executive Director evidenced by his signature on supporting documentation.

F. The Executive Director should sign checks under the \$~~40~~15,000 limit or \$~~20~~30,000 for grant/incentive reimbursement limit, and cosign checks above these limits whenever feasible. In rare instances, when the Executive Director is unavailable to sign and a check is needed, upon verbal or written approval from the Executive Director the Manager of Technical Services or the Finance and Administrative Services Manager may be authorized to sign a check. This approval should be documented by the Executive Director's signature on the supporting invoice/receipt as soon as practical.

G. The Executive Director receives a reimbursement check for miscellaneous expenses approximately once per month. The RWA Chair reviews and approves the expense reimbursement form prior to a reimbursement check being processed. The Finance and Administrative Services Manager, or the RWA Chair, is authorized to sign this check.

H. A person otherwise authorized by this Policy to sign checks on behalf of RWA is prohibited from signing any check on which he/she or their agency is the payee.

## II. Investment Account(s)

A. For amounts up to \$~~40~~15,000, except transfers between the General Fund Account and LAIF Account as provided in Part III, the following **two** signatures are required:

- Executive Director
- Finance and Administrative Services Manager

B. For amounts over \$~~40~~15,000, except transfers between the General Fund Account and LAIF Account as provided in Part III, the following **two** signatures are required:

- RWA Board Chair
- Executive Director

- |
- C. In the event the Chair is unavailable or is prohibited from signing, the Vice Chair is authorized to sign.

### III. Transfer of Funds

- A. Transfer of funds in either direction between General Fund and LAIF accounts can be executed using electronic or phone procedures by either of the following individuals:
- Executive Director
  - Finance and Administrative Services Manager
- B. All transfers of funds between accounts shall be reviewed by the Executive Director and approval for such transfers evidenced by the Executive Director's signature on the documentation for the transfer.

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Journal Entry Approval Policy  
Policy Number : 500.7  
Date Adopted : March 13, 2008  
Date Amended : September 13, 2012  
May 12, 2016

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## JOURNAL ENTRY APPROVAL POLICY

Journal entries record accounting information into the accounting system general ledger that are not typically processed through the cash receipts or cash disbursement cycle. Journal entries can be classified as recurring and non-recurring. Recurring journal entries are typically routine in nature and can be repeated daily, weekly, monthly, quarterly or annually. Non-recurring journal entries are typically entries that record one-time transactions, correct mistakes into the accounting records, etc. Non-recurring entries are considered to have a higher risk potential and are reviewed by a Certified Professional Accounting consultant during audit preparation.

Responsibility for RWA's day-to-day accounting records, including journal entry processing, support, and posting, is a function of the Finance and Administrative Services Manager. This policy defines when additional approval is required for processing journal entries. All journal entries, recurring or non-recurring, shall be supported by appropriate supporting documentation maintained with the accounting records.

### 1. Recurring Journal Entries

- a. These journal entries would not require explicit approval by the Executive Director.
  - i. Automatically reversing journal entries that reverse a previous months' journal entry, which activity typically occurs in July of a new fiscal year.
  - ii. Recording the monthly amount of cash used or received by the Water Efficiency Program.
  - iii. Record quarterly LAIF interest earnings or other investment earnings.
  - iv. Recording the administrative costs allocation to the subscription based projects, including SGA. (Note: the allocation calculation is subject to approval by the Executive Director.)

- v. Annual depreciation and amortization of fixed assets.
- vi. Payroll and benefits related journal entries. (Note: the actual payroll register is approved by the Executive Director.)
- vii. Reclassification of accounting information to conform to the presentation of the audited financial statements (e.g. reclassifying grants receivable from ordinary receivables for financial statement reporting purposes; reclassifying SGA receivable from ordinary receivables to related party account receivables, etc.).
- viii. Year-end journal entries which adjust cash basis accounting records to accrual based records (i.e. accrual of income or expenses)

~~The Executive Director will review all recurring journal entries made by the Finance and Administrative Services Manager at least quarterly and document such review by noting any comments on and signing the journal entry ledger report reviewed.~~

## 2. Non-recurring Journal Entries:

- a. These journal entries ~~also would~~ require ~~explicit~~ approval by the Executive Director:
  - i. Journal entries which correct errors in posting to accounts
  - ii. Journal entries which reflect transfers of cash between bank and investment accounts
  - iii. Journal entries related to calculating grants and incentives receivable and the related income
  - iv. Journal entries related to grants payable to member agencies
  - v. Journal entries related to subscription program advances
  - vi. Journal entries for fixed asset disposal and/or write offs
  - vii. Recording of non-cash transactions.
  - viii. Recording pension plan accrual, and the related deferred inflows and deferred outflows in compliance with GASB 68

The Executive Director will review all recurring and nonrecurring journal entries made by the Finance and Administrative Services Manager as part of the monthly closing procedures. This review is complete by the Executive Director's initials on the monthly reconciliation report noting any comments to be reviewed by RWA's accounting consultant and certified by the annual audit.

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Purchasing Card Policy  
Policy Number : 500.8  
Date Adopted : September 11, 2008  
Date Amended : January 10, 2013  
May 12, 2016

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## Purpose of the Policy

The purpose of this policy is to establish the Regional Water Authority's (RWA) requirements for procuring materials and trade services on credit through the use of purchasing cards.

## Definitions

**Purchasing Card** means the merchant purchase authorization card issued and administered by the State Department of General Services under the CAL-Card program. No other type of purchasing card will be authorized for RWA purchases.

**Cardholder** means the following RWA employees: the Executive Director, the Finance and Administrative Services Manager, the Manager of Technical Services, the Manager of Strategic Affairs, staff within the Principal, Senior, and Associate Project Manager series and the Executive Assistant.

## Authorized Purposes

RWA Purchasing Cards are provided solely for the purpose of obtaining authorized Authority goods and services. No other uses of RWA Purchasing Cards are permitted. The RWA's Executive Director (or his or her designee) will have oversight of the Purchasing Card program for the RWA.

A Purchasing Card may not be used for personal transactions. Any employee who uses or authorizes the use of the RWA Purchasing Card for unauthorized purposes will be required to immediately reimburse the RWA for the purchase and will be subject to disciplinary action up to and including termination. If the employee cannot repay the unauthorized amount immediately and the RWA is required to use the "VISA Waiver of Liability," the employee will still be required to pay the RWA in full for the purchase.



## Authorized Users and Purchasing Limits

The following RWA employees are authorized Purchasing Card holders, and may make purchases within the dollar limits specified:

<u>Authorized User</u>	<u>Purchasing Limits</u>
Executive Director	\$10,000 per transaction; \$10,000 per month
Finance and Administrative Services Manager	\$5,000 per transaction; \$5,000 per month
Manager of Technical Services	\$5,000 per transaction; \$5,000 per month
<u>Manager of Strategic Affairs</u>	<u>\$5,000 per transaction; \$5,000 per month</u>
Principal and Senior Project Managers	\$5,000 per transaction; \$5,000 per month
Associate Project Manager	\$2,500 per transaction; \$2,500 per month
Executive Assistant	\$1,500 per transaction; \$2,500 per month

Purchasing Card holders are required to: (1) follow all current Authority purchasing procedures and policies when placing orders; (2) document the receipt of goods or services; (3) receive monthly statements from U.S. Bank, review invoices on the statement, attach receipts, shipping orders and other required documentation; and (4) sign the statement of account before forwarding them to the Executive Director each month. If any charges are in dispute, card holder must comply with any RWA or CAL-Card procedures to facilitate processing the dispute.

If a Purchasing Card is lost or stolen, the Purchasing Card holder must report the lost or stolen card to the Executive Director immediately.

Transaction and monthly amounts may be exceeded only with prior written approval of a specific purchase by the Executive ~~Director, but~~Director but may not exceed the Executive Director limits.

## Areas of Responsibilities

The Executive Director has overall responsibility for the Purchasing Card program within the RWA, will ensure that this policy is followed at all times and will provide for training to all Purchasing Card holders as necessary. The Executive Director has the authority to issue cards at his or her discretion.

## Reporting

A detailed listing of all transactions made by the Executive Director will be provided to the RWA Chair to review, consider and approve each month for monthly statements

| above \$500 balance. The Executive Director will review, consider and approve all staff transactions monthly.

### **Policy Review**

This policy will be reviewed by the Executive Committee at least every two years.

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type	:	Fiscal Management
Policy Title	:	New Members Discount
Policy number	:	500.18
Date Adopted	:	May 6, 2021
Date Amended	:	

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## Purpose of the Policy

The RWA may benefit from adding new members. New members may bring in revenue that may result in increasing services or reduce the costs to existing members. Discounts offered to new members, who are interested in becoming full or Associate members, on the first- and second-year dues may incentivize new members to join the RWA. The purpose of this policy is to establish new member discounts on core RWA member dues at full or Associate member levels.

## General

These ~~New~~ new members will be offered a 50 percent discount on their first-year dues and a 25 percent discount on their second-year dues prorated to include the next fiscal year cycle beginning on July 1. The new member must commit to remaining in the RWA for three years. The discount does not apply to former RWA members or Affiliate members.

## Other Provisions

The provisions in Article 15 in Policy 100.1 (AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT REGIONAL WATER AUTHORITY) continue to apply to new members.

## Policy Review

This policy will be reviewed by the Executive Committee at least every five years, or as necessary.

# REGIONAL WATER AUTHORITY

## POLICIES AND PROCEDURES MANUAL

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Policy Type	:	Human Resources
Policy Title	:	COVID-19 Employee Vaccination Policy
Policy number	:	400.6
Date Adopted	:	Draft – May 12, 2022
Date Amended	:	

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### **Purpose of the Policy**

The Regional Water Authority (RWA) has a duty to provide and maintain a workplace that is free of known hazards. Federal and state agencies have determined that COVID-19 presents a significant risk of substantial harm and a direct threat to the health and safety of the workplace. The RWA Board of Directors is adopting this policy to safeguard the health of our employees, board members, and their families; our partners, contractors, and visitors; and the community at-large from infectious disease, such as COVID-19, that may be reduced by vaccinations. This policy will comply with all applicable laws and is based on the guidance from the Centers for Disease Control and Prevention, the Equal Employment Opportunity Commission, the Department of Fair Employment and Housing, and local health authorities, as applicable.

### **General**

On this policy's adoption date, all current RWA employees are required to be fully vaccinated unless RWA provides a reasonable accommodation as detailed below. Employees are considered "fully vaccinated" two weeks after completing primary vaccination with a COVID-19 vaccine, with, if applicable, at least the minimum recommended interval between doses.<sup>1</sup>

All employees are required to report their vaccination status and to provide proof of vaccination. Employees must provide truthful and accurate information about their COVID-19 vaccination status, and, if applicable, their testing results. Employees not in compliance with this policy will be subject to discipline.

All newly-hired employees must be fully vaccinated for COVID-19 before starting work unless RWA provides a reasonable accommodation as detailed below. An applicant's vaccination status will be reviewed as part of the post-offer, pre-employment process.

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<sup>1</sup> . For example, this includes two weeks after a second dose in a two-dose series, such as the Pfizer or Moderna vaccines, two weeks after a single-dose vaccine, such as the Johnson & Johnson vaccine, or two weeks after the second dose of any combination of two doses of different COVID-19 vaccines as part of one primary vaccination series.

RWA will pay employees' cost of COVID-19 vaccinations, which are currently free. Vaccinations should be run through the employee's health insurance and be submitted for reimbursement where applicable. All employees will be paid for time taken to receive COVID-19 vaccinations. Employees should coordinate with their supervisor to schedule appropriate time to comply with this policy.

### **Policy Exceptions and Reasonable Accommodations**

Employees may request an exception from this mandatory vaccination policy if the vaccine is medically contraindicated for them or medical necessity requires a delay in vaccination. An employee or applicant may also request a reasonable accommodation from this policy related to a disability or sincerely-held religious beliefs or practices. An employee must submit a written request for accommodation to the Executive Director. RWA will engage in the interactive process with the employee or applicant and provide a reasonable accommodation. Reasonable accommodations will be granted where they do not cause undue hardship or pose a direct threat to the health and safety of others.

## AGENDA ITEM 4: STRATEGIC PLAN REVIEW

### **BACKGROUND:**

The purpose of this item is to review the progress of the RWA Strategic Plan and to approve the RWA priorities for Fiscal Year 2022-2023. This item requests that the Board consider and approve the proposed priorities for RWA staff in the coming fiscal year.

Attached to this staff report is a matrix of the Strategic Plan objectives and sub-objectives. The matrix includes several columns as follows:

- Status: this indicates how the sub-objective is progressing with a colored circle or dot. A green dot suggests it is progressing well, yellow suggests it is lagging, red suggests it is not proceeding and gray means it is an objective that is being deferred.
- Member Volunteer Labor: This column indicates if there is an expectation of volunteer labor from member agencies.
- Core or Subscription: This column indicates if a sub-objective is a core program or subscription program.
- **Proposed Priority: This is the staff proposed priority that the Board of Directors will affirm or modify.**
- Consultant or Other Resources: This column indicates if consulting services will be needed to execute the sub-objective.
- Timing of Major Initiatives: Some sub-objectives result in the production of an item (Example: producing an environmental document for the Water Bank.) Other sub-objectives are continuously performed, referred to as “evergreen” for the purpose of prioritization (Example: legislative advocacy). The column will include information on the timing of certain items.





It should be noted that the Strategic Plan is a five-year plan, and it will take time to complete all of the objectives.

Discussion: Jim Peifer, Executive Director

**Action: Approve Strategic Plan Priorities for Fiscal Year 2022-2023**

Strategic Plan Objectives Prioritization  
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Legend:

- Proceeding well: 
- Proceeding slower: 
- Not moving forward: 
- Deferred: 
- Sub = Subscription Program

Strategic Plan Objectives Prioritization  
Version 5/5/2022

PLANNING GOAL:

Continuously improve regional water management planning that is comprehensive in scope and contributes to more effective regional water resources management.




Objective A. Complete development of the Sacramento Regional Water Bank to improve water supply reliability and resilience.	Status	Member Vol. Labor	Core or Sub.	Proposed Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Establish a funding program to complete work to establish the Regional Water Bank.			Sub.		Yes	Complete
2) Engage with state, federal, and local stakeholders to gain Regional Water Bank acceptance, approval, and support.			Sub.	High	Yes	Late 2021 to 2023
3) Engage with potential Regional Water Bank partners.			Sub.	Med.	Yes	
4) Establish governance to manage the Regional Water Bank.			Sub.	High	Yes	2022 to 2023
5) Complete an environmental analysis to support Regional Water Bank operations.			Sub.	High	Yes	Calendar Year 2023



Strategic Plan Objectives Prioritization  
Version 5/5/2022

PLANNING GOAL:





Continuously improve regional water management planning that is comprehensive in scope and contributes to more effective regional water resources management.

Objective B. Evaluate and respond to impacts on the region's water suppliers and operations.	Status	Member Vol. Labor	Core or Sub.	Proposed Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Continue to evaluate and plan for adapting to climate change.			Both	Med.	Yes	
2) Promote the application of forecast informed reservoir operations that enhance water supplies while maintaining flood protection.			Core	Low	No	Related to Communications: Op Ed being prepared
3) Maintain a regional integrated groundwater/surface water model, in coordination with groundwater sustainability agencies, to support regional planning and groundwater management.			Sub.	Med.	Yes	Ongoing (model completed)

Strategic Plan Objectives Prioritization  
Version 5/5/2022

PLANNING GOAL:



Continuously improve regional water management planning that is comprehensive in scope and contributes to more effective regional water resources management.

Objective C. Lead and support planning efforts that benefit water agencies.	Status	Member Vol. Labor	Core or Sub.	Proposed Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Evaluate opportunities to provide coordinated responses for sections of Urban Water Management Plans on behalf of agencies.			Core	Low	Maybe	Completed in 2021
2) Track next generation of regional planning requirements (e.g. Integrated Regional Water Management Plan or other requirements that may result from the Governor's Water Resilience Portfolio) and respond as necessary.			Core	Med	Maybe	Move forward when next bond is developed
3) Participate with other regional organizations (Sacramento Area Council of Governments (SACOG), Capital Region Climate Readiness Collaborative, etc.) on planning for and responding to climate change.			Core	Med.	No	
4) Participate with the Water Forum on efforts that improve water supply reliability and ecosystem health.			Core	High	Maybe	Currently being performed (WF 2.0 Negotiations)

Strategic Plan Objectives Prioritization  
Version 5/5/2022

PLANNING GOAL:






Continuously improve regional water management planning that is comprehensive in scope and contributes to more effective regional water resources management.

Objective D. Plan for the sustainability of RWA and its members.	Status	Member Vol. Labor	Core or Sub.	Proposed Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Evaluate RWA staffing, operations, and financing models for opportunities to improve long-term organizational sustainability.			Sub.	High	Yes	
2) Develop a Young Professionals Program.		Yes	Core	Low	No	Discussion needed - Consider removing from Strategic Plan

Strategic Plan Objectives Prioritization  
Version 5/5/2022

IMPLEMENTATION GOAL:






Lead successful water management strategies, as well as develop and undertake related beneficial programs on behalf of the region.

Objective A. Support the securing of funding and assist in resourcing projects and programs that are regional priorities.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Position, secure and manage funding for the Regional Water Reliability Plan (RWRP), Integrated Regional Water Management (IRWM) Plan, Water Bank, and Water Efficiency Programs and Projects.			Sub.	High	Yes	Ongoing
2) Support and pursue funding opportunities for members and partner agencies that benefit the region.			Sub.	High	Yes	
3) Support programs that benefit from economies of scale in the areas of research, studies, planning, implementation, purchasing and resource sharing (e.g. Regional Aquifer Storage and Recovery (ASR) Information Study, Meter Asset Management and Chemical Purchasing Program).			Sub.	High	Yes	
4) Administer funding and financing for major endeavors such as the Water Quality Control Plan, Delta Initiatives and Water Bank.			Sub.	Low		
5) Advocate for and support the financing of regional infrastructure to improve water reliability and resilience.			Core/ Sub.	High	No	

Strategic Plan Objectives Prioritization  
Version 5/5/2022

IMPLEMENTATION GOAL:






Lead successful water management strategies, as well as develop and undertake related beneficial programs on behalf of the region.

Objective B. Support members' efforts to improve water reliability and resilience.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Continue to partner with the Water Forum to ensure the health of the Lower American River as a critical component to improving water supply reliability.			Core	High	No	
2) Maintain the Regional Water Reliability Plan (RWRP) database and update the RWRP as needed.			Core	High	Yes	
3) Maintain the American River Basin Integrated Regional Water Management Plan (IRWMP) database and update the IRWMP as needed.			Core	High	Yes	
4) Support intra- and interregional water transfers.			Sub.	High		
5) Evaluate combining the American River Basin IRWM with appropriate portions of the Cosumnes, American, Bear, and Yuba (CABY) IRWM.		Yes	Sub.	Med.	Yes	Next planning study for an IRWM funding round (post 2021)

Strategic Plan Objectives Prioritization  
Version 5/5/2022

IMPLEMENTATION GOAL:




Lead successful water management strategies, as well as develop and undertake related beneficial programs on behalf of the region.

Objective B. Support members' efforts to improve water reliability and resilience.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
6) Support the region's efforts on Delta initiatives and water supply regulatory initiatives such as the Water Quality Control Plan, Voluntary Agreements and the Biological Opinions of the Central Valley Project and State Water Project.		Yes	Sub.	High	?	
7) Support compliance with the Sustainable Groundwater Management Act (SGMA) within the Region.						
a. Provide services and support, as needed, for planning and implementation.			Core	High	Likely Yes	NASb GSP Completed
b. Facilitate collaboration between subbasins.			Core	High	No	
c. Align interests with RWA, Sacramento Groundwater Authority, Sacramento Central Groundwater Authority and others as appropriate.			Core	High	?	2022
8) Support the planning and construction of regional infrastructure to improve water reliability and resilience.		Yes	Core	High	Likely no for FY 2022-23	

IMPLEMENTATION GOAL:

Lead successful water management strategies, as well as develop and undertake related beneficial programs on behalf of the region.







Strategic Plan Objectives Prioritization  
Version 5/5/2022

Objective C. Support members' water use efficiency efforts to comply with applicable state and local requirements.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Continue to implement a regional water efficiency program that supports member agencies' compliance with state and local water efficiency and water loss requirements through cost-effective efforts/programs/initiatives.			Sub.	High	Yes	
2) Participate in statewide efforts related to water efficiency legislation and regulatory requirements to maintain a positive perception of the region and protect member agency interests.			Core	High	Yes	
3) Track individual member agency water use and related metrics to communicate regional water efficiency progress to the state, other regions and interested stakeholders.			Core	Low	No	

Strategic Plan Objectives Prioritization  
Version 5/5/2022

COMMUNICATIONS GOAL:

Based on shared values, communicate with one voice on issues of regional significance to strengthen relationships, elevate regional visibility and influence, and advance the collective interests of the region.





Objective A. Provide a forum for education, discussion and outreach on water issues affecting the region.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Assess modes for preferred internal member communication such as meetings, in-person presentations, email updates, newsletters, blogs, social media, etc.			Core		Yes	Completed
2) Distribute relevant information to members.			Core	High	Yes	
3) Create a venue for members to regularly brief each other on current and emerging issues, planned messages and responses, and coordinate on topics and issues of regional significance.		Yes	Core	Med.	Yes	
4) Provide educational opportunities for members through speakers and experts.		Yes	Core	Med.	Yes	
5) Update members regularly on the status and progress of RWA's services and programs.			Core	High	Yes	
6) Educate legislators, policy makers, and the public on the challenges to and benefits of uninterrupted high-quality water services and investments necessary for its continued delivery.			Core	High	Yes	



Strategic Plan Objectives Prioritization  
Version 5/5/2022

COMMUNICATIONS GOAL:

Based on shared values, communicate with one voice on issues of regional significance to strengthen relationships, elevate regional visibility and influence, and advance the collective interests of the region.

Objective B. With one voice, raise RWA's profile and credibility through outreach efforts to targeted audiences.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Be a champion for the Region by being a single, coordinated voice on regional matters.		Yes	Core	High	Yes	
2) Identify and cultivate RWA ambassadors/spokespersons to communicate significant topics and policy issues.		Yes	Core	Med.	Yes	
3) Inform key interested parties such as the media, federal, state and local officials, and the public about water management successes (e.g. Water reliability and resilience improvements) and key issues (e.g. regulatory, water accessibility, safety and affordability).			Core/ Sub.	High	Yes	
4) Foster consistent and cohesive regional messaging including:						
a) Prioritizing anticipated issues and opportunities for target audiences, along with tools, materials and activities to help RWA members communicate with a consistent voice.			Core	High	Yes	




Strategic Plan Objectives Prioritization  
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b) Developing talking points, position papers and outreach materials on key issues.			Core	High	Yes	
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Version 5/5/2022

COMMUNICATIONS GOAL:





Based on shared values, communicate with one voice on issues of regional significance to strengthen relationships, elevate regional visibility and influence, and advance the collective interests of the region.

Objective C. Cultivate relationships to advance RWA members' interests.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Work with other organizations with water interests (e.g. Northern California Water Association, Association of California Water Agencies, Sacramento Area Council of Governments, Sacramento Area Flood Control Agency and land use agencies).		Yes	Core	Med.	Yes	
2) Coordinate and partner with water suppliers and other stakeholders to further leverage advocacy, research initiatives and/or economies of scale related to water management.		Yes	Core	High	Yes	
3) Work with business organizations (e.g. Metro Chamber and local chambers.)			Core	Low	Yes	

Strategic Plan Objectives Prioritization  
Version 5/5/2022

COMMUNICATIONS GOAL:





Based on shared values, communicate with one voice on issues of regional significance to strengthen relationships, elevate regional visibility and influence, and advance the collective interests of the region.

Objective C. Cultivate relationships to advance RWA members' interests.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
4) Work with state and federal agencies that influence or manage resources related to regional water reliability and resilience (e.g. United States Bureau of Reclamation, California Department of Water Resources, State Water Resource Control Board, and other resource agencies.)		Yes	Core/ Sub.	High	No	
5) Work with the Water Forum Successor Effort on behalf of the member agencies that are signatory to the Water Forum Agreement. Support includes:						
a) Ensuring RWA member interests are represented in the re-negotiation process including governance and succession planning.		Yes	Core	Med.	Likely No	Ongoing
b) Ensuring RWA member interests are represented in the Water Forum Successor Effort.		Yes	Core	Med.	No	
c) Participating in the Coordinating Committee and Water Caucus.		Yes	Core	Med.	No	

Strategic Plan Objectives Prioritization  
Version 5/5/2022

ADVOCACY GOAL:



Advocate for members and the region's needs and interests to positively influence legislative and regulatory policies and actions.

Objective A. Engage relevant local, state and federal representatives, to seek support for RWA's legislative agenda to further the region's collective goals and objectives.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Annually update RWA policy principles and federal legislative platforms to effectively advocate for the region.		Yes	Core	High	Yes	Completed for 2022
2) Maintain and track significant water-related state and federal legislation on important policies and funding opportunities and make the information regularly and readily available electronically to members.			Core	High	Yes	
3) Advocate for positions on state and federal legislation and programs consistent with the adopted RWA policy principles and platforms.			Core	High	Yes	
4) Monitor and actively engage on actions of the Association of California Water Agencies (ACWA) State Legislative and Federal Affairs Committees and coordinate with other organizations.		Yes	Core	Med.	No	

Strategic Plan Objectives Prioritization  
Version 5/5/2022

ADVOCACY GOAL:




Advocate for members and the region's needs and interests to positively influence legislative and regulatory policies and actions.

Objective A. Engage relevant local, state and federal representatives, to seek support for RWA's legislative agenda to further the region's collective goals and objectives.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
5) Protect member agencies' interests and work with state and federal organizations on the development of policies related to the equitable access to water.			Core	Med.	No	
6) Coordinate with external organizations, as appropriate, including but not limited to, American Water Works Association (AWWA), Association of California Water Agencies (ACWA), California Special Districts Association (CSDA), Northern California Water Association (NCWA), National Water Resources Association (NWRA), California Water Foundation, California Municipal Utilities Association (CMUA), and the Metro Chamber, and California Water Association (CWA).		Yes	Core	High	No	

Strategic Plan Objectives Prioritization  
Version 5/5/2022

ADVOCACY GOAL:



Advocate for members and the region's needs and interests to positively influence legislative and regulatory policies and actions.

Objective A. Engage relevant local, state and federal representatives, to seek support for RWA's legislative agenda to further the region's collective goals and objectives.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
7) Coordinate and partner with environmental non-governmental organizations (NGOs) and environmental justice NGOs throughout the state to advance RWA's interests.			Core	Med.	No	
8) Present regular updates from RWA lobbyist efforts and recalibrate priorities as necessary.			Core	Med.	No	
9) Maintain a volunteer standing committee as a forum for coordination, collaboration, education and vetting on federal policy areas of regional interest and evaluate the effectiveness of the standing committee in FY2021/2022.		Yes	Core	High	Yes	Evaluate in 2022

Strategic Plan Objectives Prioritization  
Version 5/5/2022

ADVOCACY GOAL:

Advocate for members and the region's needs and interests to positively influence legislative and regulatory policies and actions.






Objective B. Evaluate, comment and advocate on state and federal water regulatory issues that may impact the region and its water reliability and resilience (e.g. WQCP, PFAS, Chrome VI).	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Track, evaluate and respond to water quality, water conservation and efficiency, water affordability, resilience, SGMA and other regulatory issues that may affect members.			Core	High	Yes	
2) Lead and participate in efforts with other organizations aligned with RWA positions and interests as appropriate.		Yes	Core	High	No	



Strategic Plan Objectives Prioritization  
Version 5/5/2022

ADVOCACY GOAL:



Advocate for members and the region's needs and interests to positively influence legislative and regulatory policies and actions.

Objective C. Assist in the preservation of water rights and entitlements of RWA members, maintain area of origin protections, and protect and ensure water reliability and resilience.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
1) Educate the public and decision makers and promote our region's contribution to the Delta.			Core	Med.	Yes	
2) Advocate to maintain the water rights priority system.			Core	High	No	
3) Continue to support efforts for expanding conjunctive use operations as a means of protecting water rights (e.g., exercising more surface water rights and contracts in wetter years).			Core	Med.	No	
4) Support a Water Forum lower American River Modified Flow Management Standard that is consistent with the Water Forum co-equal goals.			Core	Med.	No	
5) Leverage proximity to the Capitol to engage and be a resource to legislators on issues important to the region and promote RWA's reliability and resilience successes.			Core	High	No	

Strategic Plan Objectives Prioritization  
Version 5/5/2022

ADVOCACY GOAL:

Advocate for members and the region's needs and interests to positively influence legislative and regulatory policies and actions.

Objective C. Assist in the preservation of water rights and entitlements of RWA members, maintain area of origin protections, and protect and ensure water reliability and resilience.	Status	Member Volunteer Labor	Core or Sub.	Priority	Consultant and Other Resources	Timing of Major Initiatives
6) Work with the State to help implement the portions of the Governor's Water Resilience Portfolio where it aligns with and benefits our region's interest.			Core	Med.	No	
7) Promote the region's collaborative efforts to comprehensively manage its water resources through an innovative <i>Supershed</i> approach to be resilient to fire, flood, and drought, and which serves our region and creates value to the state.			Core	Med.	No	

## **AGENDA ITEM 5: FISCAL YEAR 2022-2023 BUDGET DISCUSSION ITEMS**

### **BACKGROUND:**

Each year the Executive Committee (EC) reviews and makes a recommendation for adoption of the budget by the Regional Water Authority (RWA) Board. Board members may recall that there was an overall 0% dues increase in Fiscal Year 2021-2022.

The EC discussed some budget variables of the proposed Fiscal Year 2022-2023 budget ("FY23 Budget") including Associate dues, expected rate of returns for OPEB trust, water efficiency program (WEP) transfer, rental expense, and budget layout. The RWA Board met on March 10, 2022 to review the current year budget outlook and review some of the key expense areas. The Board requested that the budget link certain expenses to RWA's Strategic Plan. Staff prepared the draft FY23 Budget as instructed and presented it to the EC for recommendation to the Board on April 27, 2022 which was unanimously approved.

In addition to the above requested objectives, RWA must account annually for increased expenses in its operating budget in the categories of staffing and benefits, office expense, professional services, and any one-time expenditures (such as an Anniversary event, office relocation, Strategic Plan consultants, salary surveys, etc.). Staff recommends dues be adjusted by 3.7% for the Fiscal Year 2022-2023 budget to cover these expenses. While year over year inflation is approximately 9% (as of March, using the RWA's measure of inflation<sup>1</sup>), the proposed budget is offset by some FY 2021-2022 budget savings, subscription program revenue and the addition of potential new RWA members (pending Board approval).

The budget reflects the reimbursement from the Sacramento Groundwater Authority for its share of staff and office expense, the remaining operating expense, unfunded pension liability expense, and potential office relocation. WEP will draw down its cash reserves/fund balance in addition to receiving a 20% RWA transfer which will allow for a 0% increase in WEP dues. Additionally, three subscription programs are being proposed to cover the cost of the Manager of Strategic Affairs position including Major Projects Management Services (MPMS), Resilience, and a new subscription program, Biological Opinion Support Services (BOSS). Revenues collected from the aforementioned programs were collected in February 2021. Due to the pandemic and lower actual costs compared to budgeted costs, these revenues are expected to cover the program expenses through June 30, 2022. As of July 1, the fees for these three programs will be reallocated based on their subscription program needs.

### **Strategic Plan Alignment**

The FY23 budget supports the following RWA Strategic Plan Objectives:

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<sup>1</sup> United States Department of Labor's Consumer Price Index (CPI) for All Western Small Cities (population under 2.5 million)

Budget allocations that facilitate completion of the Planning Goal include program revenues and expenses associated with Phase 1 and Phase 2 of the Sacramento Regional Water Bank. All of the funds for this initiative are to improve water supply, reliability, and resilience. Member contributions have been collected in advance (exceeding \$1 million) and pose to be a major program area where staff will be focusing time in the upcoming fiscal year. As a compliment to the Water Bank, MPMS and Resilience subscription programs respond to impacts on the region's water suppliers and operations at the state and federal level.

RWA's internal planning includes this budget document and forecast along with meeting designation policies to ensure the sustainability of the RWA organization and its members. In order to ensure that RWA continues to attract and retain talented employees, RWA will undertake a salary survey this year (\$30,000 estimated budget), continue to provide additional payments to its PERS unfunded liability (\$36,700 annual payment), and investigate options for a potential office relocation to accommodate RWA's expanding staff.

Additionally, RWA's technology infrastructure will be upgrading its security protocols to minimize any cyberthreats (additional \$6,000 per year in computer support) and looking at options to host hybrid virtual/in-person board meetings to allow for greater ease of member participation.

The Implementation Goal of the Strategic Plan is built upon staff's ability to carry out the securing of funds and assisting in resourcing projects and programs of regional priorities that specifically improve water reliability and resilience. It is important to note that 70% of RWA's total expense budget is to fund staff salaries and benefits which work together to execute all of the outlined Strategic Plan goal areas over the next three years.

Additional programs that support members' efforts in this category include carrying out Integrated Regional Water Management (IRWM) plan, Resilience, and MPMS programs. Water Use Efficiency compliance with applicable state and local requirements for conservation efforts is provided by the WEP subscription program budget.

Advocacy Goal provides members with staff and contractor support (RWA Lobbyist contract expense of \$125,000 annually) to positively influence legislative and regulatory policies and actions.

Communication Goal supports all of the above listed goal by providing outreach, education materials, and cultivates relationships. Specific budget line items include public outreach of \$130,000 in contractor support and \$25,000 in dues, subscriptions, and sponsorships to align RWA interests with its regional partners.

Certain expenses, such as legal services (\$75,000) do not fit neatly into one goal. Instead, that expense supports all of the strategic plan goals.

## **Outlook for FY2024 and beyond**

In looking out to the future, RWA can anticipate a consistent increase in dues at 4.5% annually over the next two years to meet increased expenses and maintain compliance with all budget policies. Future budget projections include a \$50,000 assumption on subscription program revenues to offset salary costs. The farther out in the future, the more difficult it is to estimate projections. However, RWA's history shows that this number increases over time, so this assumption is conservatively estimated given that the availability of grants which can fluctuate year to year.

Designation amounts and restricted fund balances also change over time as funds are expended. It is expected that all non-restricted cash will be depleted as of FY22. Although RWA will still have more than the minimum requirement of four months in its Operating Fund designation, RWA will not have the same cash fluidity as it has experienced in prior years should unplanned expenditures arise. Future projections assume that the RWA and SGA staffing and administrative cost share agreement will remain the same. There are three new RWA memberships included in the FY23 budget subject to Board approval with the applicable discounts and terms applied. Any additional membership changes could have a significant financial impact on RWA's future budget years. As with all budgets, RWA's budget projections are built on the current information available and/or estimates. Therefore, budget results cannot be certain.

## **Executive Committee Recommendation**

As previously mentioned, the EC unanimously agreed to recommend the Proposed Fiscal Year 2022-2023 Budget to the Board of Directors for approval/adoption.

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

## **Action: Approve Fiscal Year 2022 – 2023 Budget**

Attachments:

Summary Budget Overview  
Draft Fiscal Year 2022 – 2023 Budget  
Fiscal Year 2022 – 2023 PowerPoint Presentation

## Summary Budget Overview

### Revenues

A 3.7% increase on general membership and associate membership fees is proposed. Originally a 3% increase was forecasted when the Board adopted the FY 21/22 budget in May 2021. The slight increase is the difference of escalating costs after adding three additional RWA member dues (1 general member, 1 associate member and 1 affiliate member). Additionally, RWA's FY22 year-end budget projections have improved due to operational budget savings in the first half of the fiscal year as a result of reduced spending stemming from the pandemic.

The amount of available cash projected at year end FY22 may appear to be even larger than expected. However, these funds have been restricted in the designation section of RWA's budget since they are dedicated for various projects, grants, and member subscription programs in FY23 and in future budget years. Some of these projects include Water Bank, Water Efficiency Program, Bonneville Grant Foundation, Powerhouse Science Center, etc.

Prior year budget savings will also assist towards the unfunded pension liability payments, possible office relocation, and increased communications in FY23 and beyond.

Associate membership fees are at 3.7% increase in FY23 same as RWA full members and projected to increase a maximum of 4.5% per year in future budget years. No increases to affiliate fees are planned.

SGA service fees represent 50% sharable costs according to the Administrative Services Agreement and exclude the Water Efficiency Program staffing. SGA does pay for 20% of the Project Research Assistant position, 10% of the Legislative and Regulatory Program Manager position, 100% of one, full-time Program Manager (position to begin at the end of FY22/beginning FY23). As RWA is the employer of all staff, SGA positions, even those that are dedicated solely to SGA, are budgeted within RWA but then reimbursed by SGA service fees.

WEP Program provides approximately 8% of the needed RWA Core revenues and reflects income earned from providing staffing and office support to the WEP program.

Other subscription program and grant revenues provide approximately 16% of needed RWA Core revenues and reflect income earned from providing staffing and office support to subscription-based programs. These revenues are not always known at the time when the budget is being developed and can have a positive impact on RWA's net income.

Other revenues represent interest income, holiday social revenues, and purchasing rebates and are stated as miscellaneous income.

## Expenses

The core program budgets for all staffing positions including salary and benefits.

Shared staffing costs for four administrative staff positions are allocated 50/50 to SGA and RWA (2 FTE each RWA and SGA). For FY23, the Legislative and Regulatory Program Manager is 90% funded by RWA (.9 FTE); the Water Efficiency Program Manager is funded 100% by WEP (1 FTE); and the Project Research Assistant is funded 80% by WEP and various RWA projects (.8 FTE), the Strategic Affairs Manager is fully paid for by subscription program fees (1 FTE), resulting in 5.7 FTEs for RWA. When added to the 3.8 FTEs for SGA; total of 9.0 staff members.

Staff salaries are within ranges assigned by the compensation survey and reflect a possible 4% increase for merit if eligible plus an assumption of 4% for a cost-of-living allowance (COLA) and a similar combined increase in the out years. Beginning in FY19, staff is paying the full employee share of their pension contributions.

Benefit costs also include projected increases for retiree health care and PERS retirement benefits. Benefits expense line item also include estimates for Other Post Employment Benefit (OPEB) costs for active and future retirees.

RWA continues to plan for additional CalPERS pension payments for the unfunded liability. The planned additional payment in FY23 is \$36,700.

Despite actual declining office cost expenses for FY22, the budget uses an escalator based upon previous budget numbers so as not to budget based on uncommon circumstances. For FY23 and beyond, these costs are estimated at a maximum of 3% annual increases unless specific increases have been identified.

Professional fees include audit, accounting, and actuarial analysis fees due to the reporting requirement for GASB 68 and GASB 75, increase in public relations, human resources assistance, increase in legal costs, IRWM consulting costs, and 100% of the state's water advocacy consulting fees. Although the prior year actual expenses may not have used the entire allotted budget, budget amounts are based on foreseen increased usage.

Other includes office furniture purchases related to the hiring of additional staff.

Core project expenses include costs a placeholder associated with the IRWM expenses at \$15,000 per year to provide for needed improvements to the database system and Powerhouse Science Center/MOSAC partnership at approximately \$25,000 per year through FY 2030.

## **Revenues net of Expenses**

Fiscal Year 2023 reflects expenses in excess of revenues by \$142,388, which is a deficit. However, FY22 improved projected budget results in combination with additional revenues from new members and a 3.7% increase in dues will offset the deficit and still allow for RWA to be compliant with all budget policies.

## **Designations/Restrictions**

The operating designation for FY23 is 4.7 months which is within the target of between 4 to 6 months of the operating fund (using the method of netting SGA reimbursements), which is compliant to RWA's budget policy. Funds in excess of the Operating Fund Designation revert to undesignated (non-restricted) cash which can later be applied towards future year expenses. The Powerhouse Science Center ("PSC")/MOSAC designation represents the difference in collection of fees for this project versus the payments made per the PSC contract. The restrictions for the WEP subscription programs reflect a decrease in approximately \$8,244 over subscription-based expenses after completion of the Bonneville grant program of \$242,000.

## **Subscription Programs**

Subscription-based programs are subject to approval by the individual participants. Adopting the fiscal year 2022-2023 budget does not approve the subscription-based programs. The revenues are included for total estimated purposes and to reflect the expected contribution towards RWA for staffing and office costs. Grant and subscription program revenues for staff administration, labeled as Staff Reimbursements, are projected for Prop 1, 2021 Urban Drought Grant, Regional Water Bank, and annual water transfers.

Grant and subscription program expenses, labeled "Pass-Thru", represent the direct consulting and third-party costs for these programs. These programs typically collect fees in advance of expenses and often straddle multiple fiscal years prior to completion. The funds are held in restriction as unearned revenues until the expenses are incurred. These advances are tracked for budgeting purposes and included under the designation section at the bottom of RWA's budget sheet.

Other subscription programs that fund staff positions and programmatic costs in its entirety include WEP and Major Projects, Resilience, and BOSS programs. These fees are recognized as incurred. For FY23, a total of 20% of WEP's staffing and office expenses (approximately \$55,000) will be paid for by RWA core dues as reimbursement for time that the WEP Manager spends on non-WEP related activities. With this transfer, WEP projects expenses in excess of revenues by approximately \$8,244 which will be paid from WEP reserves. Major Projects, Resilience, and BOSS programs cover 100% of the Manager of Strategic Affairs salary with a cost share of 45/10/45 percent respectively. All other funds collected are for programmatic purposes as approved by the subscription members.





**2022 - 2023 FYE Budget Summary**  
**Projected Fee Increase: 3.7%**  
**Combined Core & Subscription Program Budget**

	Approved FY22	Projected FY22	Proposed FY23	Change from Prior Year	Comments
<b>Revenues</b>					
Dues	\$ 1,053,470	\$ 1,051,442	\$ 1,126,909	\$ 75,467	3.7% rate increase; new dues structure adopted in FY2022 includes new members
SGA Service Fee	\$ 794,363	\$ 633,937	\$ 857,842	\$ 223,905	Based upon shared costs and additional SGA position
Other	\$ 29,400	\$ 17,580	\$ 20,300	\$ 2,720	Interest, holiday social, other reimbursements
Subscription Program	\$ 405,979	\$ 403,001	\$ 615,474	\$ 212,473	Water Efficiency Program, Major Projects/Resilience Program, Regional Water Bank, Prop 84, Prop 1 IRWM, 2014 Drought, 2021 Urban Drought, water transfers and WEP grants
Total Revenues	\$ 2,283,212	\$ 2,105,960	\$ 2,620,525	\$ 514,565	
<b>Expenses</b>					
Staff and Benefits	\$ 1,849,767	\$ 1,673,396	\$ 2,036,013	\$ 362,617	All staff costs, including additional pension plan liability payment
Office	\$ 213,314	\$ 180,074	\$ 178,200	\$ (1,874)	General 3% cost increases assumed and some specific cost increases
Professional Fees	\$ 451,350	\$ 407,920	\$ 488,700	\$ 80,780	Audit, PR, accounting, legal, actuary, human resources, water advocacy
Other expenses	\$ 10,000	\$ -	\$ 20,000	\$ 20,000	Office equipment
Core Project Expenses	\$ 35,000	\$ 25,000	\$ 40,000	\$ 15,000	IRWM and Powerhouse Science Center
Total Expenses	\$ 2,559,431	\$ 2,286,390	\$ 2,762,913	\$ 476,523	
<b>Revenues net of Expenses</b>	\$ (276,219)	\$ (180,430)	\$ (142,388)	\$ 38,042	
<b>Cash, beginning</b>	\$ 2,051,233	\$ 2,330,200	\$ 2,149,770	\$ (180,430)	
Source (Use) of Funds	\$ (276,219)	\$ (180,430)	\$ (142,388)	\$ 38,042	
<b>Cash, ending</b>	\$ 1,775,014	\$ 2,149,770	\$ 2,007,382	\$ (142,388)	
<b>DESIGNATIONS/RESTRICTIONS/ADVANCES</b>				Increase (decrease) in Cash	
<i>Designations</i>					
Operating Fund	\$ 663,193	\$ 707,166	\$ 729,271	\$ 22,105	
Membership Dues Fund	\$ 157,100	\$ 156,800	\$ 168,100	\$ 11,300	
Subscription Program Stabilization	\$ 21,354	\$ 32,906	\$ 52,357	\$ 19,452	
Powerhouse Science Center	\$ 111,053	\$ 180,000	\$ 155,000	\$ (25,000)	
Office Relocation	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)	
RWA Restricted Program/Advances	\$ 246,000	\$ 246,000	\$ 346,000	\$ 100,000	
WEP Restricted Program/Advances	\$ 551,333	\$ 806,898	\$ 556,654	\$ (250,244)	
Non-designated cash	\$ 4,981	\$ -	\$ -	\$ -	
<b>Subtotal core cash</b>	\$ 1,775,014	\$ 2,149,770	\$ 2,007,382	\$ (142,387)	
No. of months cash pays for operations	<u>4.6</u>	<u>5.2</u>	<u>4.7</u>		



## 2022 - 2023 FYE Budget Summary

Projected Fee Increase 3.7%

### Major Assumptions - Combined Core & Subscription Program Budget

#### Revenues

- 1) Fee Increase on General Dues - see attachment for fees by agency. 3.7%
- 2) SGA Service Fees represents 50% cost sharing excluding staffing allocated to WEP, Major projects/Resilience, 90% of legislative program manager, 80% of the Project Assistant, and RWA only costs.
- 3) WEP represents approximately 8% towards Core operations which provides for WEP Manager, 60% of the Project Assistant, and admin support.
- 4) Subscription Program/Grants - Staff Reimbursements which contribute approximately \$50,000 towards Core operations and represent fees earned by RWA for providing staff consulting services and allocated office costs to the subscription programs. These revenues come from Regional Water Bank Prop 84, Prop 1, Drought grants, USBR Interties, water transfers and WEP grants. These subscriptions based programs are subject to approval by the program participants. Pass thru revenues and expenses are included for total cash flow estimate purposes.
- 5) Subscription Program revenues for Major Projects/Resilience programs support the Strategic Affairs Manager position and allocated program costs.
- 6) Adopting the fiscal year 2022-2023 budget does not approve any of the subscription based programs.

#### Expenses

- 1) Staffing costs include the WEP, Major Projects/Resilience, and SGA program staff.
- 2) Staff is allocated 50/50 to SGA and RWA, excluding the WEP Manager, Manager of Strategic Affairs, the Project Assistant and water advocacy staff. The Project Assistant splits time between SGA, WEP and RWA subscription projects. With the addition of a Program Manager for SGA and SGA's 10% contribution towards RWA's Legislative Manager position, RWA has 5.7 FTEs and SGA has 3.3 FTEs.
- 3) Staffing costs are projected within the salary ranges in accordance with RWA policy. Since FY19, employees pay their entire employee PERS cost.
- 4) Staffing expenses include additional annual payments to pay the unfunded PERS pension liability over a four year period.
- 5) For FY23, the WEP will receive a 20% Core transfer of the WEP manager and office expense to offset time spent on non-WEP related activities.
- 6) Office costs generally assume a maximum of 3% increases unless specific increases have been identified, such as the office lease.
- 7) Professional fees include audit, actuarial, PR, accounting, legal, human resources, regional water issues and general consulting.
- 8) Other includes office furniture and computer equipment purchases.
- 9) Core Project Expenses includes Powerhouse Science Center expense and IRWM placeholder for consulting fees.
- 10) Subscription Pass Thru represents the direct consulting and expenses for these subscription programs as well as the staff and office costs for these programs. Costs have been included in the program budget only to show the cash flow effect on these programs but removed from the Summary Table



## **2022 - 2023 FYE Budget Summary**

**Projected Fee Increase 3.7%**

**Major Assumptions - Combined Core & Subscription Program Budget**

### **Revenues in excess of Expenses//Expenses in excess of Revenues**

- 1) Core expenses are expected to exceed revenues by approximately \$142,388. The difference will be paid from the Powerhouse Science Center Fund at \$25,000 with the remainder being paid from prior year savings.
- 2) The WEP program projects expenses in excess of revenues by approximately \$8,244. The difference will be paid from WEP reserves.

### **Designations/Restrictions**

- 1) The Operating fund is projected to be 4.7 months at the end of FY2023 with a 3.7% increase
- 2) In FY21/22, a designation has been set aside for a possible office relocation in FY22/23.
- 3) The designations and restrictions are broken out by type and subtotaled by core and subscription services. The total change in cash from Projected FY21/22 to Proposed FY22/23 by subtotal reflect the departmental effect on each designation and restriction group.
- 4) Unrestricted cash is the remaining balance after all restricted and designated funds have been made. For the most part, this amount represents the residual amount leftover after rounding the Operation fund to the nearest tenth.

### **FY24 and beyond**

- 1) RWA dues have been projected at 4.5%. These estimates assume approx. \$50,000 annual staff reimbursements from program/grants which can fluctuate from year to year.
- 2) The unfunded pension plan liability additional annual payments is based upon RWA's policy. These annual payments can expect to fluctuate significantly, positive or negative, due to the shorter time frame for paying down this liability.
- 3) RWA can expect to incur additional integrated water management costs which are forecasted to be approximately \$15K per year.
- 4) The budget assumes that the current membership remains stable.
- 5) Budget estimated numbers are based on current information. Therefore, budget results cannot be assured.

% increase in fees:

3.7%

4.5%

4.5%

**RWA PROPOSED FY2022-2023 BUDGET PROJECTION**

**2-Year Projection**

	<b>RWA FY 22 Approved Budget</b>	<b>RWA Total FY 22 Projected</b>	<b>RWA FY 23 Proposed Budget</b>	<b>RWA Projected FY 24 Budget</b>	<b>RWA Projected FY 25 Budget</b>	<b>Notes</b>
<b>ANNUAL REVENUES</b>						
<b>OPERATING REVENUES</b>						
General Assessments/Dues	\$ 989,826	\$ 985,598	\$ 1,052,415	\$ 1,109,250	\$ 1,171,300	Assumes a 3.7% increase in RWA general fees + 1 new member
Associate Membership Dues	\$ 57,644	\$ 59,844	\$ 68,494	\$ 73,576	\$ 79,887	There are five associate members + 1 new member
Affiliate Membership Dues	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	There are eight affiliate members.
SGA Service Agreement Fee	\$ 794,363	\$ 633,937	\$ 857,842	\$ 907,038	\$ 947,503	Fees from Sacramento Groundwater Authority (SGA)
WEP Subscription Program	\$ 213,538	\$ 246,405	\$ 208,574	\$ 216,917	\$ 225,594	Fees from Water Efficiency Program
Subscription Program/Grant - Staff Reimbursement	\$ 109,791	\$ 73,946	\$ 91,900	\$ 44,580	\$ 50,000	Staff time reimbursements from Program Budget
Subscription Program - Major Projects/Resilience	\$ 82,650	\$ 82,650	\$ 315,000	\$ 319,500	\$ 330,000	Fees supporting Manager of Strategic Affairs costs
Misc. Revenues	\$ 8,200	\$ 5,580	\$ 7,800	\$ 8,200	\$ 8,600	Holiday Social payments and cash discounts
Interest Income	\$ 21,200	\$ 12,000	\$ 12,500	\$ 14,500	\$ 15,000	RWA Local Agency Investment Fund (LAIF) account
<b>TOTAL REVENUE</b>	<b>\$ 2,283,212</b>	<b>\$ 2,105,960</b>	<b>\$ 2,620,525</b>	<b>\$ 2,699,561</b>	<b>\$ 2,833,884</b>	
<b>ANNUAL EXPENSES</b>						
<b>STAFF EXPENSES (General):</b>						
Staff Salaries/Wages - 100%	\$ 1,229,339	\$ 1,158,024	\$ 1,426,985	\$ 1,504,303	\$ 1,578,597	For nine full time positions (RWA 5.7 FTE; SGA 3.3 FTE)
Benefits	\$ 432,931	\$ 352,030	\$ 404,469	\$ 436,236	\$ 454,475	PERS, medical, vision, dental, disability, OPEB and workers' comp
Pension Plan Unfunded Liability	\$ 36,700	\$ 36,700	\$ 36,700	\$ 36,700	\$ 36,700	Installment payment; unfunded pension liability divided by four years
Payroll Taxes	\$ 98,347	\$ 92,642	\$ 114,159	\$ 120,344	\$ 126,288	Payroll taxes for nine staff members
Travel/Meals/Conferences	\$ 42,450	\$ 30,000	\$ 43,700	\$ 45,000	\$ 46,300	Travel and Conferences
Professional Development/Training	\$ 10,000	\$ 4,000	\$ 10,000	\$ 10,500	\$ 11,000	License renewals, training and professional development classes
<b>TOTAL GENERAL STAFF EXPENSES</b>	<b>\$ 1,849,767</b>	<b>\$ 1,673,396</b>	<b>\$ 2,036,013</b>	<b>\$ 2,153,083</b>	<b>\$ 2,253,360</b>	
<b>OFFICE EXPENSES:</b>						
Rent & Utilities Contract	\$ 52,000	\$ 35,600	\$ 35,600	\$ 57,200	\$ 57,200	Office lease at \$1.10 per sq/ft. Current lease expires in 08/2023
General Liability Insurance	\$ 33,000	\$ 32,000	\$ 33,000	\$ 39,150	\$ 40,325	Property, Liability, and Auto through ACWA JPIA
Office Maintenance	\$ 800	\$ 2,750	\$ 1,000	\$ 1,000	\$ 1,000	Office maintenance as needed
Postage and Postal Meter	\$ 3,400	\$ 1,200	\$ 3,600	\$ 3,800	\$ 4,000	Cost of meter rental and postage
Internet/web hosting	\$ 10,000	\$ 9,000	\$ 10,000	\$ 10,000	\$ 10,000	Conference call service, web hosting, and internet service costs
Meetings & RWA 20th Anniversary	\$ 38,214	\$ 45,124	\$ 14,000	\$ 14,250	\$ 14,500	Meeting charges including food/refreshments incl. Holiday Social
Printing/Supplies	\$ 23,900	\$ 5,000	\$ 23,000	\$ 24,000	\$ 25,000	Printing, copier maintenance and lease costs, associated supplies
Dues, Subscriptions and Sponsorships	\$ 25,000	\$ 23,500	\$ 25,000	\$ 25,750	\$ 26,525	ACWA, AWWA, CSDA, PPIC, Sac Metro Chamber, WEF, etc.
Computer hardware/software	\$ 6,000	\$ 5,600	\$ 6,000	\$ 6,200	\$ 6,500	Acquisition of new and replacement hardware/software
Computer maintenance	\$ 21,000	\$ 20,300	\$ 27,000	\$ 27,000	\$ 27,000	Phone and computer maintenance and consulting service
<b>TOTAL OFFICE EXPENSE</b>	<b>\$ 213,314</b>	<b>\$ 180,074</b>	<b>\$ 178,200</b>	<b>\$ 208,350</b>	<b>\$ 212,050</b>	
<b>PROFESSIONAL FEES</b>						
RWA Legal	\$ 72,250	\$ 54,000	\$ 75,000	\$ 78,750	\$ 82,000	Legal expenses in support of RWA activities
RWA/SGA Audit	\$ 28,700	\$ 29,220	\$ 30,800	\$ 40,000	\$ 40,000	Audit fees are set by the awarded proposal thru FY2023
ADP Payroll Services/banking	\$ 3,400	\$ 3,200	\$ 3,600	\$ 3,800	\$ 4,000	Payroll service costs for nine staff and banking fees
RWA Lobbyist Services	\$ 125,000	\$ 120,000	\$ 125,000	\$ 127,500	\$ 130,000	Lobbying Services for RWA Core Membership

% increase in fees:

3.7%

4.5%

4.5%

**RWA PROPOSED FY2022-2023 BUDGET PROJECTION**

**2-Year Projection**

	RWA FY 22 Approved Budget	RWA Total FY 22 Projected	RWA FY 23 Proposed Budget	RWA Projected FY 24 Budget	RWA Projected FY 25 Budget	Notes
RWA Public Outreach Services	\$ 120,000	\$ 120,000	\$ 130,000	\$ 132,000	\$ 135,000	Communication consultant expense for RWA Core Membership
Budget/Audit Support Services	\$ 65,000	\$ 47,000	\$ 67,600	\$ 68,000	\$ 68,500	Accounting consultant to support annual financial audit (shared expense)
Actuarial Services	\$ 8,500	\$ 8,500	\$ 4,200	\$ 8,900	\$ 4,500	Actuary consultant to produce biennial forecasts (shared expense)
Human Resources Services	\$ 5,000	\$ 5,000	\$ 12,500	\$ 15,000	\$ 15,000	Expense for recruitments, onboarding, and guidance (shared expense)
Salary Survey	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ -	5-Year Salary Survey (shared expense straddles over two fiscal years)
General Consulting Services	\$ 23,500	\$ 6,000	\$ 25,000	\$ 26,000	\$ 27,000	For response and as needed service requests (shared expense)
<b>TOTAL PROFESSIONAL FEES</b>	<b>\$ 451,350</b>	<b>\$ 407,920</b>	<b>\$ 488,700</b>	<b>\$ 499,950</b>	<b>\$ 506,000</b>	
<b>OTHER EXPENSES</b>						
Office furniture & Fixed Assets - Net	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ 3,750	Furniture and Office Equipment
Office Move	\$ -		\$ 20,000	\$ 20,000	\$ -	Amount for Office Move (50% to be SGA reimbursed)
New Server		\$ -	\$ -		\$ 15,000	Server Replacement per Fixed Asset Policy
<b>TOTAL Other Expenses</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 30,000</b>	<b>\$ 18,750</b>	
<b>CORE PROJECT EXPENSES</b>						
IRWM	\$ 10,000	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	Optisystem upgrade and IRWM unplanned costs
Powerhouse Science Center	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	Annual payment Powerhouse Science Center exhibit at MOSAC
<b>Total Core Project Expenses</b>	<b>\$ 35,000</b>	<b>\$ 25,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	
<b>TOTAL EXPENSES</b>	<b>\$ 2,559,431</b>	<b>\$ 2,286,390</b>	<b>\$ 2,762,913</b>	<b>\$ 2,931,383</b>	<b>\$ 3,030,159</b>	
<b>Net Income (Loss) - Total</b>	<b>\$ (276,219)</b>	<b>\$ (180,430)</b>	<b>\$ (142,388)</b>	<b>\$ (231,822)</b>	<b>\$ (196,275)</b>	Difference between total funds received versus total expenses
<b>CALCULATED CASH RESERVES</b>						
<b>CASH available, Beginning</b>	<b>\$ 2,051,233</b>	<b>\$ 2,330,200</b>	<b>\$ 2,149,770</b>	<b>\$ 2,007,382</b>	<b>\$ 1,775,560</b>	Beginning balance from FY21 Annual Financial Statement
<b>SOURCE (USE) OF FUNDS</b>	<b>\$ (276,219)</b>	<b>\$ (180,430)</b>	<b>\$ (142,388)</b>	<b>\$ (231,822)</b>	<b>\$ (196,275)</b>	Roll forward based on projected cash and future expenditures
<b>CASH available, Ending</b>	<b>\$ 1,775,014</b>	<b>\$ 2,149,770</b>	<b>\$ 2,007,382</b>	<b>\$ 1,775,560</b>	<b>\$ 1,579,285</b>	RWA's estimated year ending cash balance
<b>DESIGNATIONS</b>						
<b>Operating Fund (4 to 6 months)</b>	<b>\$ 663,193</b>	<b>\$ 707,166</b>	<b>\$ 729,271</b>	<b>\$ 717,397</b>	<b>\$ 691,079</b>	RWA Designations are set per RWA Policy 500.1
<b>Membership Dues Stabilization @ 15%</b>	<b>\$ 157,100</b>	<b>\$ 156,800</b>	<b>\$ 168,100</b>	<b>\$ 177,424</b>	<b>\$ 186,077</b>	RWA Designations are set per RWA Policy 500.1
<b>Subscription Progr. Stabilization @ 10%</b>	<b>\$ 21,354</b>	<b>\$ 32,906</b>	<b>\$ 52,357</b>	<b>\$ 53,642</b>	<b>\$ 55,559</b>	RWA Designations are set per RWA Policy 500.1
<b>Powerhouse Science Center Fund</b>	<b>\$ 111,053</b>	<b>\$ 180,000</b>	<b>\$ 155,000</b>	<b>\$ 130,000</b>	<b>\$ 105,000</b>	Designation for future payments - 15 years total through 2030
<b>Office Relocation</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	See Office Move
<b>RWA Restricted/Program Advances</b>	<b>\$ 246,000</b>	<b>\$ 246,000</b>	<b>\$ 346,000</b>	<b>\$ 220,000</b>	<b>\$ 150,000</b>	Restricted funds for RWA Program Advances
<b>WEP Restricted/Program Advances</b>	<b>\$ 551,333</b>	<b>\$ 806,898</b>	<b>\$ 556,654</b>	<b>\$ 477,098</b>	<b>\$ 391,569</b>	Restricted funds for Water Efficiency Program
<b>Non-restricted Cash</b>	<b>\$ 4,981</b>					Non-restricted Funds
<b>Total Cash in bank</b>	<b>\$ 1,775,014</b>	<b>\$ 2,149,770</b>	<b>\$ 2,007,382</b>	<b>\$ 1,775,560</b>	<b>\$ 1,579,285</b>	
<b># of months core + non-designated cash cover exp</b>	<b>4.6</b>	<b>5.2</b>	<b>4.7</b>	<b>4.4</b>	<b>4.1</b>	

# Regional Water Authority

## Program Summary Budget

Fiscal Year 2022-2025

GRANTS & PROJECTS	FY22 Adopted	FY22 Projected	FY23 Proposed	Notes	FY24 Forecasted	FY25 Forecasted
<b>Revenues (Pass thru)</b>						
2014 Drought Grant RWA Reimburse from DWR	\$ 237,024	\$ 1,058,157	\$ -	1	\$ -	\$ -
2014 Drought Grant WEP Reimburse from DWR		\$ 59,810	\$ -	1	\$ -	\$ -
2015 IRWM Grant Pass Through (RWA R3)	\$ 65,700	\$ -	\$ -	2	\$ -	\$ -
2015 IRWM Grant Pass Through (WEP R3)	\$ 66,604	\$ 89,450	\$ -	2	\$ -	\$ -
Rachio Controllor Program - (WEP R3)	\$ -	\$ 65,264	\$ -	3	\$ -	\$ -
Prop 1 Round 1 RWA PT	\$ 1,864,500	\$ 791,692	\$ 2,314,786	4	\$ 1,206,696	\$ -
Prop 1 Round 1 WEP PT	\$ 1,222,000	\$ 134,849	\$ 596,352	4	\$ -	\$ -
Bonneville Grant	\$ 242,000		\$ 242,000	6	\$ -	\$ -
Regional Water Bank Phase 1	\$ 313,247		\$ 313,247	8	\$ -	\$ -
Regional Water Bank Phase 2	\$ 850,000	\$ 27,500	\$ 110,000	8	\$ 220,000	\$ 150,000
<b>Total Revenues Collected</b>	<b>\$ 3,697,828</b>	<b>\$ 2,199,222</b>	<b>\$ 3,153,138</b>	<b>9</b>	<b>\$ 1,206,696</b>	<b>\$ -</b>
<b>Expenses (Pass thru)</b>						
2014 Drought Grant RWA Reimburse from DWR	\$ 237,024	\$ 1,058,157		1	\$ -	\$ -
2014 Drought Grant WEP Reimburse from DWR		\$ 59,810		1	\$ -	\$ -
2015 IRWM Grant Pass Through (RWA R3)	\$ 65,700	\$ -		2	\$ -	\$ -
2015 IRWM Grant Pass Through (WEP R3)	\$ 66,604	\$ 89,450		2	\$ -	\$ -
Rachio Controllor Program - (WEP R3)	\$ -	\$ 65,264	\$ -	3	\$ -	\$ -
Prop 1 Round 1 PT	\$ 1,864,500	\$ 791,692	\$ 2,314,786	4	\$ 1,206,696	\$ -
Prop 1 Round 1 WEP PT	\$ 1,222,000	\$ 134,849	\$ 596,352	4	\$ -	\$ -
Bonneville Grant	\$ 242,000		\$ 242,000	6	\$ -	\$ -
Regional Water Bank Phase 1	\$ 313,247		\$ 313,247	8	\$ -	\$ -
Regional Water Bank Phase 2	\$ 850,000	\$ 27,500	\$ 110,000	8	\$ 220,000	\$ 150,000
<b>Total Expenses Disbursed</b>	<b>\$ 3,697,828</b>	<b>\$ 2,199,222</b>	<b>\$ 3,153,138</b>	<b>9</b>	<b>\$ 1,206,696</b>	<b>\$ -</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>

STAFF TIME REIMBURSEMENTS	FY22 Adopted	FY22 Projected	FY23 Proposed	Notes	Forecasted FY24	Forecasted FY25
<b>Grants &amp; Projects Reimbursements</b>						
2015 IRWM Grant Management Fees (RWA R3)	\$ 11,871	\$ 3,129	\$ -	2	\$ -	\$ -
Prop 1 Round 1 RWA PM	\$ 36,397	\$ 36,397	\$ 20,000	4	\$ 10,000	\$ -
2021 Urban Drought Grant	\$ -	\$ 4,160	\$ 9,580	5	\$ 9,580	\$ -
USBR Interties	\$ 3,150	\$ 2,550	\$ -	7	\$ -	\$ -
Regional Water Bank Phase 1	\$ 4,000	\$ 4,510	\$ 4,920	8	\$ -	\$ -
Regional Water Bank Phase 2	\$ 20,000	\$ 10,250	\$ 16,400	8	\$ -	\$ -
2021 Water Transfer	\$ 18,420	\$ 9,080	\$ -	10	\$ -	\$ -
2022 Water Transfer	\$ -	\$ -	\$ 35,000	10	\$ -	\$ -
Placeholder for future years not yet forecasted	\$ -	\$ -	\$ -		\$ 25,000	\$ 50,000
<b>RWA Staff Time Reimbursement</b>	<b>\$ 93,838</b>	<b>\$ 70,076</b>	<b>\$ 85,900</b>	<b>11</b>	<b>\$ 44,580</b>	<b>\$ 50,000</b>
<b>WATER EFFICIENCY PROGRAM (WEP)</b>						
2014 Drought Grant Management Fees (WEP)	\$ 10,953	\$ 1,350	\$ -	1	\$ -	\$ -
2015 IRWM Grant Management Fees (WEP R3)	\$ -	\$ 2,520	\$ -	2	\$ -	\$ -
Prop 1 Round 1 WEP PM	\$ -	\$ -	\$ -	4	\$ 5,000	\$ -
Bonneville Grant	\$ 5,000	\$ -	\$ 6,000	6	\$ -	\$ -
Water Efficiency Program Admin. Fees (Cat.1)	\$ 448,110	\$ 462,919	\$ 448,110	12	\$ 466,034	\$ 484,676
Water Efficiency Grant Revenues (Cat. 2)	\$ 250,000	\$ 171,223	\$ 192,714	13	\$ 100,500	\$ 100,500
RWA Transfer to WEP (based on 20%)	\$ -	\$ -	\$ 60,000	14	\$ 60,500	\$ 65,350
<b>Total WEP Revenues</b>	<b>\$ 714,063</b>	<b>\$ 638,012</b>	<b>\$ 706,824</b>		<b>\$ 632,034</b>	<b>\$ 650,526</b>
WEP Expenses:						
Water Efficiency Program Admin. (Cat.1)	\$ 505,705	\$ 517,708	\$ 588,068	12	\$ 611,591	\$ 636,054
Water Efficiency Grant Payments (Cat. 2)	\$ 250,000	\$ 105,830	\$ 127,000	13	\$ 100,000	\$ 100,000
<b>Total WEP Expenses</b>	<b>\$ 755,705</b>	<b>\$ 623,538</b>	<b>\$ 715,068</b>		<b>\$ 711,591</b>	<b>\$ 736,054</b>
<b>WEP Net Income (Loss)</b>	<b>\$ (41,642)</b>	<b>\$ 14,474</b>	<b>\$ (8,244)</b>	<b>15</b>	<b>\$ (79,556)</b>	<b>\$ (85,529)</b>
<b>STRATEGIC AFFAIRS (SA) PROGRAMS</b>						
Major Projects Subscription Program	\$ 41,325	\$ -	\$ 168,000	16	\$ 174,720	\$ 181,709
Resilience Subscription Program	\$ 41,325	\$ -	\$ 147,000	17	\$ 152,880	\$ 158,995
<b>Total SA Revenues</b>	<b>\$ 82,650</b>	<b>\$ -</b>	<b>\$ 315,000</b>		<b>\$ 327,600</b>	<b>\$ 340,704</b>
SA Expenses						
Major Projects Subscription Program	\$ 41,325	\$ -	\$ 168,000	16	\$ 174,720	\$ 181,709
Resilience Subscription Program	\$ 41,325	\$ -	\$ 147,000	17	\$ 152,880	\$ 158,995
<b>Total SA Expenses</b>	<b>\$ 82,650</b>	<b>\$ -</b>	<b>\$ 315,000</b>		<b>\$ 327,600</b>	<b>\$ 340,704</b>
<b>SA Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>18</b>	<b>\$ -</b>	<b>\$ -</b>



**RWA**  
**FY 2022-2023 BUDGET PROJECTION NOTES**  
**PROGRAM ONLY**

- 1 RWA received a \$9.765 million award from Department of Water Resources (DWR) 2014 Integrated Regional Water Management Drought Grant funded through Proposition 84. The grant partially funds 17 projects by 12 different agencies that will help the region maintain water supply during a drought. The DWR funding agreement was completed in July 2015 and the grant is expected to be completed in FY20 with up to 3 years of post-project performance monitoring required.
- 2 RWA was awarded the IRWM grant and collected fees for program management. This IRWM grant through DWR developed and executed a funding agreement for the \$1.757 million grant award from the 2015 Proposition 84 Integrated Regional Water Management Implementation Grant to support four priority projects in the region, including a regional water efficiency grant.
- 3 In partnership with Bay Area Water Supply & Conservation Agency, Rachio will assist with the implementation of RWA's Regional Smart Controller Water Program for all member agencies. Funds will be collected from agencies in advance and then returned upon reimbursement from DWR grant in FY21.
- 4 On November 4, 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 authorized \$510 million in Integrated Regional Water Management (IRWM) funding. Funds are allocated to 12 hydrologic region-based Funding Areas including the Sacramento Region including a WEP project.
- 5 In 2021, the Department of Water Resources (DWR) awarded over \$4 million in grant funding to RWA and two of its members for projects that advance drought and climate resiliency. Funded projects include planning for the Sacramento Regional Water Bank, groundwater wells for the Fair Oaks Water District and Orange Vale Water Company, and grant administration.
- 6 This grant, executed in 2021, will upgrade the landscape areas of commercial, industrial, institutional (CII) properties in the riparian zone and surrounding watershed of the North American River Subbasin which drains to the Lower American River through a variety of interventions including conversion of turfgrass to native and low water use plant material (including trees), installation of high efficiency irrigation equipment, and the creation of site-specific landscape budgets.
- 7 In FY18, RWA assisted San Juan Water District and Sacramento County Water Agency in securing a \$300K Reclamation grant to construct interties to assist during drought conditions. SJWD is the grant recipient. RWA will assist in managing the grant on behalf of the agencies. Funds for RWA staff support are being collected in FY19 and will be expended in FY19 and FY20.
- 8 The Regional Reliability Plan was a subscription project launched in FY17 to fund consultant support to develop the plan, which will include an update to the RWA Integrated Regional Water Management Plan. In FY20, the project transitioned to the Regional Water Bank, Phase 1 and in FY21, the beginning of Regional Water Bank Phase 2.



**RWA**  
**FY 2022-2023 BUDGET PROJECTION NOTES**  
**PROGRAM ONLY**

- 9 Anticipated total pass through revenues to be received by grantor and disbursed to member agencies through RWA. Net result of revenues minus expenses should be zero.
- 10 Each year, depending on drought conditions, RWA member agencies may conduct water transfer actions in/outside of the region. When working within the RWA membership composition, staff may assist in completing these transactions. Revenues indicated for these year(s) are to account for reimbursement of these services.
- 11 Anticipated total revenues to be received as a result of billing staff time reimbursements to grants and projects. This amount will be used as an offset to salary expense.
- 12 Anticipated revenues and direct costs for the program from the Water Efficiency (WEP) Program for Category I. WEP budget still under development.
- 13 WEP Category II revenue and expenses are projected for the SRCSD incentives program and other misc. reimbursements and expenses related to WEP member programs.
- 14 Represents the amount of RWA Core Program transfer to WEP for reimbursement of staff time spent on non-WEP related activities.
- 15 Represents the cumulative funds in excess of revenues for the Water Efficiency Program. Starting in FY15, \$5K per year for 10 years is being allocated from WEP Cat 1 to Powerhouse Science Center.
- 16 Anticipated revenues and direct costs for the Strategic Affairs program from the Major Projects subscription agreement.
- 17 Anticipated revenues and direct costs for the Strategic Affairs program from the Resilience subscription agreement.

## RWA FY2022-2023 DUES

	2021 Retail Connections	First 3,000 Connections	3,001-7,000 Connections		Proposed FY23 Dues	Current FY22 Dues	Difference
Small agencies		<b>\$2.28</b>	<b>\$1.14</b>				
<b>Del Paso Manor WD</b>	1,801	\$ 4,106			\$ 4,106	\$ 3,962	\$ 144
<b>Rancho Murrieta CSD</b>	2,732	\$ 6,229			\$ 6,229	\$ 5,991	\$ 238
<b>Orange Vale WC</b>	5,690	\$ 6,840	\$ 3,067		\$ 9,907	\$ 9,554	\$ 353
		Up to 30,000 Connections					
Medium agencies		<b>\$2.28</b>					
<b>Nevada Irrigation District</b>	19,600	\$ 17,875			\$ 17,875	NA	NA
<b>Carmichael WD</b>	11,828	\$ 26,968			\$ 26,968	\$ 25,747	\$ 1,221
<b>Elk Grove WD</b>	13,154	\$ 29,991			\$ 29,991	\$ 28,937	\$ 1,055
<b>Fair Oaks WD</b>	14,390	\$ 32,809			\$ 32,809	\$ 31,658	\$ 1,151
<b>City of West Sacramento (1)</b>	15,558	\$ 35,472			\$ 31,925	\$ 30,526	\$ 1,399
<b>Golden State WC</b>	17,114	\$ 39,020			\$ 39,020	\$ 37,613	\$ 1,407
<b>City of Lincoln</b>	20,815	\$ 47,458			\$ 47,458	\$ 43,254	\$ 4,204
<b>Yuba City (1)</b>	19,300	\$ 44,004			\$ 39,604	\$ 38,056	\$ 1,548
<b>Citrus Heights WD</b>	20,224	\$ 46,111			\$ 46,111	\$ 43,980	\$ 2,131
<b>City of Folsom</b>	23,183	\$ 52,857			\$ 52,857	\$ 48,990	\$ 3,868
		Up to 30,000 Connections	Up to 40,000	Up to 50,000	Up to 60,000	Over 60,000	
Large agencies		<b>\$2.28</b>	<b>\$1.14</b>	<b>\$0.57</b>	<b>\$0.29</b>	<b>\$0.07</b>	
<b>San Juan WD (2)</b>	10,721	\$ 68,400					\$ 2,400
<b>Placer County WA</b>	39,072	\$ 68,400	\$ 10,342				\$ 3,314
<b>El Dorado ID</b>	43,045	\$ 68,400	\$ 11,400	\$ 1,736			\$ 3,224
<b>City of Roseville</b>	46,906	\$ 68,400	\$ 11,400	\$ 3,936			\$ 3,284
<b>Sacramento Suburban WD</b>	47,102	\$ 68,400	\$ 11,400	\$ 4,048			\$ 3,233
<b>Sacramento County WA</b>	59,622	\$ 68,400	\$ 11,400	\$ 5,700	\$ 2,742		\$ 3,464
<b>CA American Water</b>	66,634	\$ 68,400	\$ 11,400	\$ 5,700	\$ 2,850	\$ 464	\$ 3,564
<b>City of Sacramento</b>	144,089	\$ 68,400	\$ 11,400	\$ 5,700	\$ 2,850	\$ 5,886	\$ 3,512
	642,580	\$ 936,945	\$ 81,810	\$ 26,821	\$ 8,442	\$ 5,886	\$ 1,052,415
							\$ 989,826

(1) Agency is outside of core American River Basin region, so it receives a 10% discount on its dues after they are calculated based on # of connections.

(2) San Juan Water District *Wholesale* is a community services district that provides drinking water to 160,000 people in portions of Sacramento and Placer Counties so it is treated as the minimum size of a large member agency.

RWA Associate Members	FY2023	FY2022
El Dorado Water Agency	\$ 6,056	\$ 5,840
Placer County	\$ 15,637	\$ 14,492
Sacramento Area Flood Control Agency	\$ 8,636	\$ 8,328
Sacramento Municipal Utilities District	\$ 15,028	\$ 14,492
Sac Regional Comm. Services (SRCSD)	\$ 15,637	\$ 14,492
New Member w/discount	\$ 7,500	\$ 2,200
<b>ASSOCIATE MEMBER TOTAL</b>	<b>\$ 68,494</b>	<b>\$ 59,844</b>



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



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

May 12, 2022



# Overview

- Proposed Dues
- Budget Assumptions
- FY22/23 Revenues
- FY22/23 Expenses
- Unfunded Pension Plan Funding
- FY22/23 Budget Results
- Strategic Plan Alignment
- Budget Outlook
- Timeline
- Questions and Discussion

# Proposed Dues

- Using the new rate structure adopted in 2021, retail connection fee base increases from \$2.20/connection to \$2.28/connection and then decreases with volume
- FY21/22 Budget was a 0% increase year for all RWA programs and forecasted a 3% increase in FY22/23
- Actual increase is 3.7% for FY22/23 for RWA and Associate members
- No changes to:
  - ✓ Affiliate Members
  - ✓ WEP Dues
- Stabilization designation increase



# Budget Assumptions

- SGA shares 50% in common office/admin costs
  - SGA pays for 50% of Administrative staff (equiv. of 2 FTEs), 20% of Project Assistant time, 10% of Legislative and Regulatory Manager and 1 new Program Manager
  - SGA pays its own PERS
- Administrative 5.7 FTEs for RWA (of 9.0 FTE)
  - Compensation in accordance with RWA Policy 400.2
    - using 4% COLA assumption
- Approving budget does not approve subscription-based programs.
  - Subscription programs support RWA core staff costs
  - WEP transfer for FY22/23 is 20%
  - Stabilization designation increase



# FY22/23 Revenues

- Member Dues – includes three new members
- SGA Reimbursements – increase due to additional staffing and annual increase in shared expenses
- Subscription Program Revenues:
  - WEP Subscription Program – revenues covers WEP PM staffing + overhead charges to the program
  - Staff Reimbursements – Program Management Fees charged to various Programs and Grants
  - Major Projects and Resilience Program – funds Strategic Manager position
  - New BiOps subscription program that will also fund Strategic Manager position
- Misc. and Interest Income – Interest is slowly increasing but not like previous years
- Total FY22/23 Revenues = \$2,620,525







## FY22/23 Expenses

- Expenses are adjusted from FY21/22 budgeted amounts
- Staffing Expense – higher due to additional staff members and COLA. Offset by SGA and subscription programs
- Office Expense – higher due to annual increase, rent and utilities decrease for office space pending committee direction, and IT security upgrades
- Professional Fees – higher due to annual increase and additional funding for public outreach and communication services (Strategic Plan support)
- Other expenses – potential expense for office relocation
- Core Project expenses – IRWM (Opti-system upgrades) and Powerhouse Science Center/MOSAC payment
- Total FY22/23 Expenses = \$2,762,913







# RWA's Unfunded Pension Plan & OPEB Funding

- RWA Policy 500.15 – pay unfunded liability over 4 year rolling period
- CalPERS January 2022 letter estimates 6.30.22 balance at \$146,217 (post FY21/22 payment)
- FY22/23 budget uses a 6.5% discount rate for funding calculations (subject to change in the out years based on CalPERS updated CERBT discount rate)
- Based on policy guidelines, staff recommends keeping current level of funding \$36,700 for budgetary purposes
- No additional RWA payments for OPEB funding is needed

# FY22/23 Budget Results

- FY22/23 Budget Result is a planned deficit of (\$142,388)
- FY21/22 Projected Budget Result is improved by approx. \$96k as compared to Approved Budget due to savings in operational costs:
  - ❖ Office Expense - \$33k mostly from rent savings
  - ❖ Prof Services - \$43k in Legal & Budget/Audit support
  - ❖ Other and Core Expense - \$20k in IRWM & furniture
- Remaining shortfall will be offset by available cash balance and Powerhouse Science Center designation
- Possibility for FY22/23 expenses to be higher due to salary survey results, inflation, office relocation or expansion, and/or upgrade of conference room to host hybrid meetings

# Strategic Plan Alignment

Strategic Plan Goal	Associated Budget Item
Planning Goal	Regional Water Bank - \$1,000,500 Major Projects Program - \$161,750 Resilience Program - \$31,500
Implementation Goal	Staff and Benefits - \$1,918,892 Water Efficiency Program - \$588,068 IRWM - \$15,000 Salary Survey - \$15,000 PERS Unfunded Liability - \$36,700 Office Move - \$20,000 IT Upgrades - \$6,000
Advocacy Goal	Lobbyist Consultant - \$125,000 Legal - \$75,000
Communication Goal	Public Outreach Consultant - \$125,000 Dues, Subscriptions, & Sponsor - \$25,000 Powerhouse Science Center - \$25,000

# Strategic Plan Alignment

- Over 82% of operating budget connected to RWA Strategic Plan:
  - \$1,945,613 in staffing and salary costs to implement Strategic Plan (70%)
  - \$342,000 in direct costs (12.5%) can be linked to a Strategic Plan Goal
- Remaining operating budget of \$474,600 is either overhead and regulatory costs or as needed consulting services
- Subscription Programs support RWA goals in a total amount of \$1,806,818 for Water Bank, WEP, Major Projects, Resilience, and Powerhouse Science Center





## Budget Outlook

- FY23/24 and FY24/25 forecast membership dues increase annually by 4.5% subject to budget performance
- Future years are compliant with the Operating Designation Policy parameters
- All non-restricted cash is depleted
- Currently, there are no new programs or grants forecasted beyond FY23/24 – \$50k plug in future years.
- Any changes in current membership could have significant financial impact on future budgets
- Budget numbers are based on estimates - actual budget results may not be achieved

# Timeline

Date	Action
May 12, 2022	Draft budget to RWA Board for possible adoption
May 25, 2022	Budget back to EC if not adopted
Special June Meeting	Budget to RWA Board for adoption



## Questions and Discussion

## **AGENDA ITEM 6: DROUGHT RESOLUTION**

### **BACKGROUND:**

In 2021, the RWA Board approved two resolutions in response to the drought and the Governor's executive orders. RWA resolution 2021-03, called upon its member agencies to consider actions that will result in further reductions in surface water diversions from the American River Watershed. This includes asking customers to voluntarily reduce water use by up to 15 percent and additional shifting from using surface water to groundwater, where feasible.

Water supply conditions are favorable in the American River Watershed, Yuba River Watershed, and to some degree, the Feather River Watershed, but drought conditions are still occurring statewide. Storage in Shasta reservoir is 47 percent of historical average on May 5, 2022. Folsom Reservoir and Oroville Reservoir are operated as a parts of integrated water projects.

The purpose of this resolution is to renew the calls for customers to conserve 15 percent, to direct staff to continue to provide resources to address the impacts of the continuing drought, and to call on water providers to shift sources as needed and feasible to improve groundwater or surface water supplies.

### **Action: Approve Resolution Number 2022-02**

Presentation and Information: Jim Peifer, Executive Director

#### **Attachments:**

Draft Resolution 2022-02  
Resolution 2021-01  
Resolution 2021-03



**RESOLUTION 2022-02**  
**A Resolution of the Regional Water Authority**  
**Regarding Statewide Drought Conditions in 2022**

**WHEREAS**, the Regional Water Authority's (RWA) mission includes protecting and enhancing the reliability, availability, affordability, and quality of water resources; and

**WHEREAS**, on May 10, 2021, the Governor issued a proclamation of a State of Emergency to mitigate the effects of drought conditions in the Sacramento-San Joaquin Delta Watershed counties including El Dorado, Placer, Sacramento, Sutter, and Yolo counties; and

**WHEREAS**, on May 13, 2021, the RWA Board adopted Resolution 2021-01, which called for the consideration of actions that would result in reduction of surface water diversions from the American River watershed to protect the environment of the lower American River and to preserve local water supplies should dry conditions persist; and

**WHEREAS**, on July 15, 2021, the RWA subsequently adopted Resolution 2021-03 which called upon its member agencies to consider actions that will result in further reductions in surface water diversions from the American River watershed to protect the environment of the lower American River and to preserve local water supplies should dry conditions persist.

**WHEREAS**, Resolution 2021-03 called for actions include asking customers to voluntarily reduce their water use by a minimum of 15 percent, and acknowledged that individual member agencies may encourage additional conservation and RWA will support those agencies; and

**WHEREAS**, in water year 2022, water supply conditions are favorable in the American River watershed, but drought conditions persist statewide; and

**WHEREAS**, after the October and December storms in 2021, certain RWA member agencies switched to using more surface water allowing approximately 500 acre-feet to 1,000 acre-feet of water to be stored per week in the groundwater basin during the winter and early spring months of 2022, thereby creating additional water supply resilience for the region's economy and environment; and

**WHEREAS**, hydrologic conditions leading into water year 2023 are uncertain, in which continued dry conditions may lead to water shortages and extreme stress to fisheries; and

**WHEREAS**, on July 8, 2021, the Governor issued an Executive Order calling for voluntary conservation efforts of 15 percent by all Californians by taking commonsense measures with both indoor and outdoor water use; and

**WHEREAS**, on March 28, 2022, the Governor issued an Executive Order requiring certain actions to ensure water purveyors continue to have access to water, and

**WHEREAS**, the drought has caused significant impacts to farming and caused water shortages in some communities within the State of California.

**THEREFORE, BE IT RESOLVED**, RWA renews its call upon on its member agencies to consider asking their customers to voluntarily reduce their water use by a minimum of 15 percent, and

**BE IT FURTHER RESOLVED**, RWA acknowledges that individual member agencies may encourage additional conservation and RWA will support those agencies, and

**BE IT FURTHER RESOLVED**, that some of the RWA member agencies have mandated greater levels of conservation from their customers and the Board requests RWA staff to assist those agencies, and

**BE IT FURTHER RESOLVED**, that the Board directs RWA staff to facilitate a drought coordination group, with a meeting frequency as appropriate, should Folsom reservoir be projected to contain less than 150,000 acre-feet of water, and

**BE IT FURTHER RESOLVED**, RWA encourages its member agencies consider diverting surface water if and when it is plentiful to allow for recharge of groundwater basins, where feasible; and to shift to using groundwater where feasible, if surface water is not plentiful, and

**BE IT FURTHER RESOLVED**, the Board directs staff to provide resources to its member agencies to assist its member agencies in communicating how customers can reduce their demand for water, and

**BE IT FURTHER RESOLVED**, the Board directs staff to increase its communication to the public on the need to use water efficiently and ways to reduce demand, and

**BE IT FURTHER RESOLVED**, all other prior actions from RWA Resolution 2021-03 shall remain in full effect.

**PASSED AND ADOPTED** at a meeting of the Authority held on May 12, 2022.

## **RESOLUTION 2021-01**

### **A Resolution of the Regional Water Authority Regarding Response to Dry Conditions in 2021**

**WHEREAS**, the Regional Water Authority's (RWA) mission includes protecting and enhancing the reliability, availability, affordability, and quality of water resources; and

**WHEREAS**, on May 10, 2021, the Governor issued a proclamation of a State of Emergency to mitigate the effects of drought conditions in the Sacramento-San Joaquin Delta Watershed counties including El Dorado, Placer, Sacramento, Sutter and Yolo counties; and

**WHEREAS**, the current hydrological situation in California is dire, with 2021 being the driest year since 1977, and the driest year since regulations governing Delta outflow requirements were enacted; and

**WHEREAS**, because of the hydrological conditions, the fishery on the Lower American River is expected to be under stress this summer and fall due to changes in flow and water temperature; and

**WHEREAS**, hydrologic conditions for 2022 are uncertain and should dry conditions continue, such a situation will exacerbate fishery conditions and lead to potential water shortages; and

**WHEREAS**, the Sacramento Region embraces the Water Forum Agreement and the partnerships it has developed for regional stewardship of the American River over several decades; and

**WHEREAS**, due to decades of proactive, long-term, integrated planning and investment in water supply reliability, the Sacramento Region water supply has been secure and reliable. These investments include building groundwater infrastructure that can both extract and recharge water as a means to meet water customers' consumptive needs while also reducing surface water demand off the American River during dry conditions; and

**WHEREAS**, the Sacramento Region's water customers have significantly reduced water use since the 2012 – 2016 drought; and

**WHEREAS**, given the hydrological conditions within the State of California and its impacts to both people and the environment, the Sacramento Region affirms its commitment to the environment by taking responsible actions to conserve water and

make operational changes to lessen the impacts of dry conditions on the people we serve and the American River and its fishery; and

**WHEREAS,** a number of the RWA members are regulated by the California Public Utilities Commission (CPUC); and

**WHEREAS,** This Resolution is advisory to the RWA member agencies, since RWA member agencies may need authorization from their governing board or council or the CPUC to take actions recommended in this Resolution; and

**THEREFORE, BE IT RESOLVED,** RWA immediately calls on its member agencies to consider actions that will result in reductions in surface water diversions from the American River watershed to protect the environment of the lower American River during the current conditions and to preserve local water supplies should dry conditions persist. These actions may include, as appropriate: request customers to voluntarily reduce their water use by 10 percent; shifting of diversions from the lower American River to the Sacramento River; and/or shifting from using surface water to groundwater as a supply source as part of the region's plan for sustainability; and

**BE IT FURTHER RESOLVED,** certain RWA member agencies have significantly reduced customer demands since the last drought and those demands have not significantly recovered, and, therefore, those agencies should be recognized in meeting the call to reduce water use; and

**BE IT FURTHER RESOLVED,** the RWA requests its member agencies provide assistance to RWA member agencies that require assistance in meeting their water supply needs; and

**BE IT FURTHER RESOLVED,** RWA will work closely with the Water Forum to monitor fishery conditions on the Lower American River, inform its member agencies, and adjust messaging accordingly; and

**BE IT FURTHER RESOLVED,** RWA will continue to support the Water Forum and the Bureau of Reclamation by working collaboratively and providing input to inform decisions related to operations at Folsom Reservoir, such as storing conserved water and making beneficial flow releases; and

**BE IT FURTHER RESOLVED,** RWA will take expedited and enhanced actions to communicate about water efficiency, and where needed, water conservation, for the benefit of the Sacramento Region's water customers and the health of the Lower American River; and

**BE IT FURTHER RESOLVED,** RWA will seek partnerships with Sacramento's media market to enhance regional communication and messaging; and

**BE IT FURTHER RESOLVED,** RWA member agencies agree that RWA staff in concert with Water Forum staff should lead on communicating with the media regarding dry year conditions; and

**BE IT FURTHER RESOLVED,** RWA member agencies will continue their efforts in coordinating through RWA to clearly and consistently communicate actions that member agencies' customers can take in the Sacramento Region to conserve water; and

**BE IT FURTHER RESOLVED,** RWA's Executive Director is authorized to proactively communicate with the public consistent with this resolution for timely, consistent, and clear communications. This includes mobilizing existing resources and may include future requests to the RWA Board of Directors for additional funding, as needed; and

**BE IT FURTHER RESOLVED,** RWA encourages member agencies to provide direct and in-kind communications support to amplify the Sacramento Region's messaging, as managed by RWA; and

**BE IT FURTHER RESOLVED,** RWA will take expedited actions to advocate for State and Federal actions and funding that support its member agencies' efforts to conserve water and take other urgent water supply reliability actions, including building water reliability infrastructure within the Sacramento Region; and

**BE IT FURTHER RESOLVED,** RWA will support efforts to enhance dry year operations to the extent practicable and to minimize regional impacts in coordination with State and Federal partners; and

**BE IT FURTHER RESOLVED,** RWA will undertake expedited and enhanced efforts to work with the Water Forum and its members to find additional ways to promote greater water efficiency, water conservation, and water supply reliability; and

**BE IT FURTHER RESOLVED,** RWA member agencies regulated by the CPUC will manage customer demands in accordance with the requirements of the CPUC; and

**BE IT FURTHER RESOLVED,** the RWA Executive Director is authorized, in coordination with the RWA Board Chair, to call a Special RWA Board meeting to revise this resolution and the actions therein, to adaptively manage through dry conditions as needed.

**PASSED AND ADOPTED** at a meeting of the Authority held on May 13, 2021.

**RESOLUTION 2021-03**  
**A Resolution of the Regional Water Authority**  
**Regarding Extreme Drought Conditions in 2021**

**WHEREAS**, the Regional Water Authority's (RWA) mission includes protecting and enhancing the reliability, availability, affordability, and quality of water resources; and

**WHEREAS**, on May 10, 2021, the Governor issued a proclamation of a State of Emergency to mitigate the effects of drought conditions in the Sacramento-San Joaquin Delta Watershed counties including El Dorado, Placer, Sacramento, Sutter, and Yolo counties; and

**WHEREAS**, on May 13, 2021, the RWA Board adopted Resolution 2021-01, which called for the consideration of actions that would result in reduction of surface water diversions from the American River watershed to protect the environment of the lower American River and to preserve local water supplies should dry conditions persist; and

**WHEREAS**, the actions of RWA Resolution 2021-01 called for voluntary reductions of water use by 10 percent, shifting diversions from the lower American River to the Sacramento River, and/or shifting from using surface water to groundwater as a supply source as part of the region's plan for sustainability; and

**WHEREAS**, the projected inflow from upstream sources into waterways and surface storage has been less than projected and has resulted in less water in reservoirs than anticipated; and

**WHEREAS**, high air temperatures and dry conditions have further created additional water temperature stress on lower American River ecosystems; and

**WHEREAS**, Folsom Reservoir, being a primary source of water for several RWA member agencies in the region, is vulnerable to worsening drought conditions; and

**WHEREAS**, hydrologic conditions leading into water year 2022 are uncertain, in which continued dry conditions may lead to water shortages and extreme stress to fisheries; and

**WHEREAS**, shifting to groundwater during this year's drought, while encouraged, should also be managed carefully to ensure adequate water supplies for our communities in the event that water year 2022 is also dry; and

**WHEREAS**, RWA member agencies have taken steps since RWA Resolution 2021-01 to voluntarily conserve between 10 and 20 percent, shift to alternate water sources, share water resources throughout the region, and make releases to support the fishery of the lower American River; and

**WHEREAS**, on July 8, 2021, the Governor issued an Executive Order calling for voluntary conservation efforts of 15 percent by all Californians by taking commonsense measures with both indoor and outdoor water use; and

**THEREFORE, BE IT RESOLVED**, RWA immediately calls upon on its member agencies to consider actions that will result in further reductions in surface water diversions from the American River watershed to protect the environment of the lower American River and to preserve local water supplies should dry conditions persist. These actions include asking customers to voluntarily reduce their water use by a minimum of 15 percent, and may consider additional shifting from using surface water to groundwater, where feasible, as a supply source as part of the region's plan for sustainability; and

**BE IT FURTHER RESOLVED**, RWA acknowledges that individual member agencies may encourage additional conservation and RWA will support those agencies; and

**BE IT FURTHER RESOLVED**, all other prior actions from RWA Resolution 2021-01 shall remain in full effect.

**PASSED AND ADOPTED** at a meeting of the Authority held on July 15, 2021.

## **AGENDA ITEM 7: LEGISLATIVE/REGULATORY UPDATE**

### **BACKGROUND:**

Policy committee hearings in the first house have concluded. RWA currently has a position on 27 live bills. RWA has a support or support if amended on 21 of those 27 bills. The six bills that RWA has an oppose or oppose unless amended position on are:

AB 1931 (L. Rivas D- Arleta) Would significantly expand lead service line replacement and requirements on water agencies that could be in conflict with federal requirements. - Oppose

AB 2201 (Bennett D- Ventura) Would require the permitting agency for new or altered groundwater extraction facilities in high and medium priority basins to get written verification from a GSA that the new or altered well would be consistent with a GSP, not decrease sustainability, and would not likely lead to impacts on domestic wells or cause subsidence. – Oppose Unless Amended

AB 2639 (Quirk D- Fremont) Would require the State Water Board to adopt both phases of the Bay Delta Water Quality Control Plan (BDWQCP) by the end of 2023. If the State Water Board does not adopt the BDWQCP then they are prohibited from issuing new water rights for surface water storage in the Bay Delta watershed. – Oppose Unless Amended

AB 2895 (Arambula D- Fresno) Would revise and recast the water transfer process – Oppose Unless Amended

SB 1124 (Archuleta D- Pico Rivera) Would require the establishment of a public health goal and a primary MCL for Manganese – Oppose Unless Amended

SB 1157 (Hertzberg D- Van Nuys) Would lower the indoor water use efficiency portion of the water use efficiency objective from 52.5 GPCD in 2025 to 47 GPCD and from 50 GPCD in 2030 to 42 GPCD. – Oppose Unless Amended

The state budget process continues to develop. The current projections estimate a \$68 billion surplus. A portion of that surplus is expected to go to funding one time infrastructure expenditures. The Governor's May revise is expected out the week of May 9<sup>th</sup>. In January the Governor's budget proposed \$750 million for water. It is expected that the May revise will increase the proposed expenditures on water. The Senate released a conceptual budget in April that proposed \$7.5 billion for water including \$1.5 billion for regional water resilience, highlighting conjunctive use among that. At the time of this writing, the Assembly had not yet come forward with a proposal. However, within the Assembly budget process, RWA has been successful in having members from the region submit a \$16.7 million direct appropriation.

Information: Ryan Ojakian, Legislative and Regulatory Affairs Manager



**AGENDA ITEM 8: SACRAMENTO CENTRAL GROUNDWATER AUTHORITY (SCGA) –  
3 X 3 COMMITTEE UPDATE**

**BACKGROUND:**

The purpose of this item is to provide the Board updates on the discussions occurring within the 3x3 committee.

Information: Dan York, Chair, Tony Firenzi, Vice Chair and Kerry Schmitz, 3x3 committee member

## **AGENDA ITEM 9: EXECUTIVE DIRECTOR'S REPORT**

**MAY 12, 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.
- CBS interview on the water supply conditions:  
<https://sacramento.cbslocal.com/2022/04/26/recent-wet-weather-has-led-to-rising-folsom-lake-level-but-will-it-last/>
  - Mr. Peifer, Ms. Talbot and Mr. Ojakian attended the spring ACWA conference. Mr. Peifer gave a presentation on the potential for groundwater storage in the Sacramento Valley and the Water Bank. Ms. Talbot met with DeeDee D'Adamo from the SWRCB.
  - Ms. Banonis attended the Metro Chamber's annual Cap to Cap program in Washington DC.
- b. Water Bank Update** – Staff continues to work with funding partners to move forward on study components needed to achieve federal recognition of the Sacramento Regional Water Bank. The Bureau of Reclamation (Reclamation) recently selected Stantec as its contractor to perform modeling tasks for the Water Management Options Pilot Study (WMOPS). Reclamation is providing funding support for this project, which will help integrate the region's groundwater model with the state and federal operations model (CalSIM3). This will in turn support an evaluation of water bank operations. Staff is working with the Department of Water Resources on the 2021 grant agreement to accept funding to help with water bank planning. Meetings to commence with the technical work are expected in May.
- c. State Budget Request** – Staff is working with Assembly Members Cooley, Cooper and McCarty to fund projects that were not funded from the recent Multibenefit grants. See attached request from the Assembly delegation.
- d. SGA staff recruitment** – A recruitment is being conducted to hire a new SGA staff member. See attached brochure.
- e. WUE Report** – The regional Water Efficiency Program has officially launched our drought-focused "Stress Lawns, Save Trees" campaign. Messaging will be distributed throughout the region via billboards, television, radio, online and social media in both English and Spanish. Grant funding will be used this year to double the typical media

buy budget and will expand the distribution of our drought messaging to customers. The Program will also be conducting several English and Spanish focus groups and a public opinion survey over the next several months to engage customers on a variety of topics including tree care, drought response perspectives, and preferred water efficiency actions. The high school and middle school Water Spots public service announcement contest featuring this year's theme of "When in Drought..." is wrapping up. Winners will be announced on May 20<sup>th</sup> with the grand prize video playing in movie theaters throughout the summer. The Program will be releasing an indoor fixture saturation study request for proposals (100% grant funded) in June to assess the remaining potential for upgrading high water use indoor fixtures (toilets, showerheads, etc.) in single and multifamily properties. Suppliers will have the option to contribute additional local funds to receive a more detailed assessment for their service area.

- f. Cost for hybrid meetings** – The Executive Committee has requested staff develop options for conducting hybrid meetings. While more work needs to be conducted, staff has begun the process and requested a quote from the RWA's information technology consultant. The consultant's proposed cost is on the order of \$4,000. Staff is examining other agencies hybrid hardware and software to become better informed on hybrid meetings.
- g. Financial Reports** – Unaudited RWA financial reports including income statement and quarterly balance are attached through March 31, 2022. Other account balance statements are the most recent available.

## **Attachments**

1. RWA State Assembly Budget Request Letter
2. SGA staff recruitment brochure
3. Financial Reports

STATE CAPITOL  
P.O. BOX 942849  
SACRAMENTO, CA 94249-0008  
(916) 319-2008  
FAX (916) 319-2108

DISTRICT OFFICE  
2729 PROSPECT PARK DRIVE, SUITE 130  
RANCHO CORDOVA, CA 95670  
(916) 464-1910  
FAX (916) 464-1915

E-MAIL  
Assemblyman.Cooley@assembly.ca.gov

# Assembly California Legislature



COMMITTEES  
CHAIR: RULES  
GOVERNMENTAL ORGANIZATION  
INSURANCE  
PUBLIC EMPLOYEES, RETIREMENT,  
AND SOCIAL SECURITY  
ALFRED E. ALQUIST SEISMIC  
SAFETY COMMISSION

March 31, 2022

The Honorable Phil Ting  
Chair Assembly Budget Committee  
Capitol Office, 1021 O Street, Suite 8239  
P.O. Box 94289, Sacramento, CA 94249-0019

***Re: State Budget Request: \$16.7 million for water infrastructure projects in Sacramento Region to promote climate resiliency.***

Dear Chair Ting:

The undersigned Sacramento Area Assemblymembers respectfully request a one-time state budget appropriation of \$16.7 million to fund multi-benefit water infrastructure projects. After years of study and planning paid for by local water agencies, these projects are construction-ready, will leverage existing backbone infrastructure and build on proven efforts to adapt to climate change, the loss of snowpack, and more extreme “whiplash” between wet and dry conditions.

State investment in these projects is necessary to accelerate the Sacramento Region’s comprehensive plan to build a more climate resilient water system by significantly expanding the use of below-ground water in a region-wide water bank (“Sacramento Regional Water Bank”). As one of California’s source watersheds, building climate resilience in the Sacramento Region will benefit communities and the environment throughout the state as we collectively grapple with the impacts of climate change on our water resources.

Specifically, we are asking for \$14.2 million of funding that would be directed to individual water agencies to move the following projects forward:

- \$4.2 million for Highland Well Project (Citrus Heights)
- \$5 million for Fairbairn Water Treatment Plant Groundwater Well Improvement (Sacramento)
- \$5 million for Elk Grove Water District Well for enhanced conjunctive use (Elk Grove)

In addition, we are requesting \$2.5 million to conduct environmental planning for water infrastructure projects that will augment the Water Bank and reduce diversions from the lower American River providing environmental benefits.

- \$1.5 million for “RiverArc,” which will provide surface water from the Sacramento River for banking while benefitting the delicate ecosystem of the lower American River by reduced diversions (Sacramento).
- \$1 million for environmental planning and engineering work for a non-potable irrigation system to offset existing non-potable water demands, which will directly reduce diversions from Folsom reservoir (Folsom).

By advancing the development of the Sacramento Regional Water Bank, these projects will enhance the regional approach to water management and allow the region to expand its ability to store groundwater during wet times and shift to groundwater (and away from more environmentally sensitive and climate change impacted sources) during dry times. The Water Bank currently has the ability to store and manage up 60,000 acre-feet of water annually. The requested state funding will expand banking capacity. The total available capacity in the Water Bank today is twice the size of Folsom Reservoir. Studies demonstrate that this groundwater basin is sustainably managed and, according to the state Department of Water Resources, has seen increasing groundwater levels over the past two decades resulting from our proactive management, despite the megadrought.

With more severe effects of climate change increasing, we must increase the pace and scale of these kinds of proven multi-benefit projects. We are proud to submit this request for the residents of our respective districts, which will strengthen the resiliency of our water management systems for residents throughout California.

Thank you for your consideration of this state budget request.

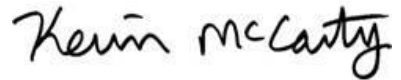
Sincerely,



Ken Cooley  
Assemblyman, 8<sup>th</sup> District



Jim Cooper  
Assemblymember, 9<sup>th</sup> District



Kevin McCarty  
Assemblymember, 7<sup>th</sup> District



***Join a recognized leader in groundwater management!***

**The Sacramento Groundwater Authority (SGA) is  
recruiting for an  
*Associate/Senior Project Manager - Groundwater***

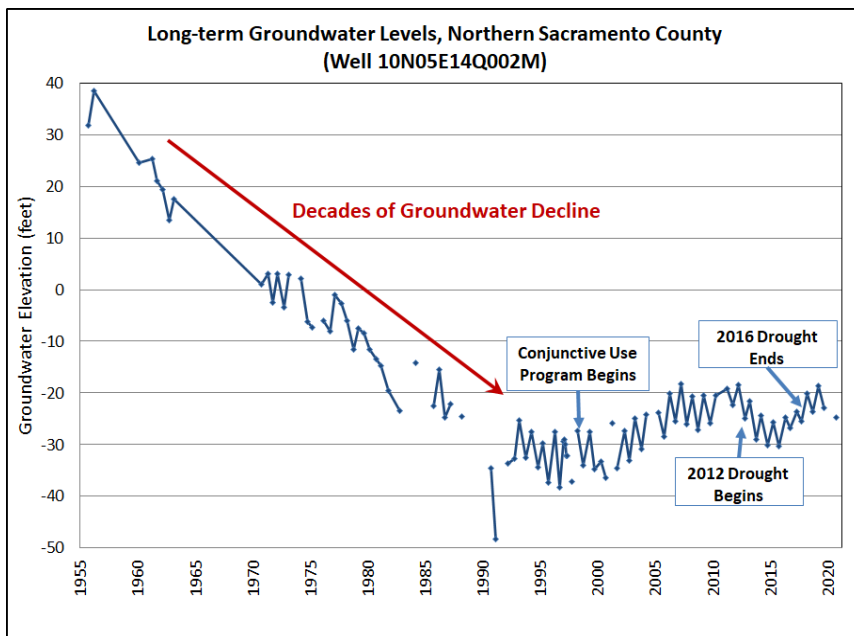
**The Organization**

Established in 1998, SGA is overseen by a broadly represented sixteen member Board of Directors. When the Sustainable Groundwater Management Act (SGMA) of 2014 was enacted, SGA was recognized as a model for the type of organization that SGMA wanted to establish throughout California's groundwater basins. SGMA requirements and a changing climate have created the need for SGA to add a permanent staff position to accomplish our mission.

**The Position: Associate/Senior Project Manager**

The SGA is seeking a highly motivated individual with a passion for sustainable water resource management to support our region's community and environment. Responsibilities include assisting with the management and implementation of SGA projects and programs, including the North American Subbasin Groundwater Sustainability Plan; collection and analysis of complex data; preparing grant applications and managing grants; managing budgets, contracts, and consultants; providing technical support to SGA management.

Placement within this ladder classification is dependent upon the candidate's qualifications and experience.



**Sacramento Groundwater Authority**  
*Managing Groundwater Resources  
in Northern Sacramento County*

**Our office is located at:**  
**5620 Birdcage Street, Suite 180**  
**Citrus Heights, California 95610**



## Education and Experience

Equivalent to a Bachelor's degree from an accredited college or university with major course work in hydrogeology, water resources planning, engineering geology, civil engineering or related field, and

### For Associate Program Manager:

Entry/Journey level (0-5 years) experience in water/groundwater resources planning/management.

### For Senior Program Manager:

5 years experience in water resource planning/management with 2 years managing projects. A Master's degree in a water/groundwater resources-related field is highly desirable.

## Compensation

The annual salary range for this position is:

Associate Project Manager \$82,512 - \$99,024

Senior Project Manager \$116,268 - \$139,512

## Plus a comprehensive benefits package including:

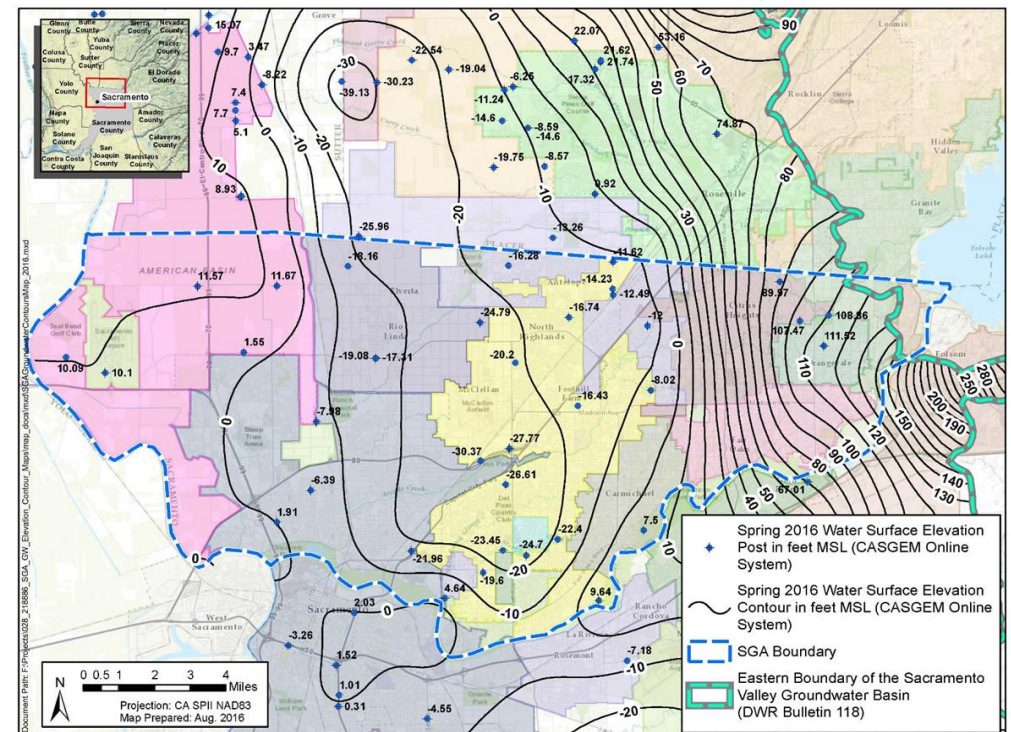
- Choice of PERS Medical Plans for you and dependents, the cost of which is paid by the agency or in-lieu payment for medical opt-out option
- Dental and Vision Services Plan for you and dependents
- Short and Long Term Disability Insurance
- CalPERS retirement
  - o Classic Members 2% @ 55 or New Members 2% @ 62
- Annual Leave: Vacation ranging from 12-25 days dependent on years employed; Sick leave 96 hours; and 13 holidays
- Remote hybrid work schedule available

## To Apply

If you are interested in this outstanding opportunity, please visit <https://www.sgah2o.org> to learn more about SGA and instructions on how to apply. Position is open until filled; first review of applications will be May 23, 2022. Qualified candidates will be contacted shortly thereafter for an interview.

For questions, please contact RWA Finance and Administrative Service Manager at (916) 967-7692.

Be advised that the Sacramento Groundwater Authority is required to implement COVID-19 workplace safety measures, including a vaccine mandate. If you are not currently vaccinated, you will need to be vaccinated prior to your start date unless you have a qualified medical or religious exemption.







## CERBT and CEPPT Plan Portal

» [CERBT and CEPPT]: rwah2oorg00

### My Accounts

As of the financial markets most recent close of business (05/04/2022), the total value of your account(s) is **\$1,493,615.00**.

Get Account Data

### Website Contact

#### Contributions to the CERBT AND CEPPT :

Contributions to the CERBT and CEPPT may be initiated through myCalPERS.

Contributions may be submitted using four different transmittal methods.

- Electronic Funds Transfer by ACH Debit Method\*
- Electronic Funds Transfer by ACH Credit Method
- Electronic Funds Transfer by Wire Transfer
- Check

\* CalPERS preferred contribution method.

For more information on this process, please see the [Prefunding Programs' myCalPERS Contributions Guide](#). The Prefunding Programs team is happy to walk you through the contribution process. If you have any questions or would like to set up a walk through, please email [CERBT4U@CalPERS.ca.gov](mailto:CERBT4U@CalPERS.ca.gov) or [CEPPT4U@CalPERS.ca.gov](mailto:CEPPT4U@CalPERS.ca.gov)

**Please note:** Contributions by Wire Transfer 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

# California State Treasurer

## Fiona Ma, CPA



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

May 05, 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

April 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
4/15/2022	4/14/2022	QRD	1702245	N/A	SYSTEM	2,526.81
4/22/2022	4/22/2022	RW	1703402	1663686	JOSETTE REINA-LUKEN	-100,000.00
4/28/2022	4/28/2022	RW	1703726	1663996	JOSETTE REINA-LUKEN	-100,000.00

### Account Summary

Total Deposit:	2,526.81	Beginning Balance:	3,206,509.09
Total Withdrawal:	-200,000.00	Ending Balance:	3,009,035.90



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

For the period ending March 2022

Cash in checking account:	\$	290,083
LAIF Balance	\$	3,009,036

For the period of January 1, 2022 to March 31, 2022

Total cash receipts for the period:	\$	701,556
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Total cash disbursements for the period:	\$	939,666
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# ***REGIONAL WATER AUTHORITY***

## ***Income Statement***

***March 2022***

	<b><i>9 Months Ended March 31, 2022</i></b>	<b><i>Annual Budget</i></b>	<b><i>Unused</i></b>	<b><i>% Used</i></b>
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	5,580.00	8,200.00	2,620.00	68.0 %
Miscellaneous Revenue	111,925.07	0.00	(111,925.07)	
State Revenues	0.00	109,791.00	109,791.00	
Cash Discounts	297.16	0.00	(297.16)	
Interest on S/T Investments	6,085.08	21,200.00	15,114.92	28.7 %
TOTAL REVENUES	1,446,475.90	2,069,675.00	623,199.10	69.9 %
 TOTAL REVENUE	 1,446,475.90	 2,069,675.00	 623,199.10	 69.9 %
 GROSS PROFIT	 1,446,475.90	 2,069,675.00	 623,199.10	 69.9 %
OPERATING EXPENDITURES				
Staff Expenses				
General Salaries	905,642.51	1,229,339.00	323,696.49	73.7 %
Benefits/Taxes	295,020.95	567,978.00	272,957.05	51.9 %
Travel / Meals	14,646.56	42,450.00	27,803.44	34.5 %
Professional Development	707.88	10,000.00	9,292.12	7.1 %
TOTAL Staff Expenses	1,216,017.90	1,849,767.00	633,749.10	65.7 %
Office Expenses				
Rent & Utilities	26,680.50	52,000.00	25,319.50	51.3 %
Insurance	32,797.70	33,000.00	202.30	99.4 %
Office Maintenance	0.00	800.00	800.00	
Telephone	5,909.72	10,000.00	4,090.28	59.1 %
Dues and Subscription	14,535.87	25,000.00	10,464.13	58.1 %
Printing & Supplies	5,663.75	23,900.00	18,236.25	23.7 %
Postage	622.01	3,400.00	2,777.99	18.3 %
Meetings	6,677.80	38,214.00	31,536.20	17.5 %
Computer Equipment/Support	19,476.23	27,000.00	7,523.77	72.1 %
TOTAL Office Expenses	112,363.58	213,314.00	100,950.42	52.7 %

	<i>9 Months Ended March 31, 2022</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	2,005.38	3,400.00	1,394.62	59.0 %
Audit Fees	28,700.00	28,700.00	0.00	100.0 %
Legal Fees	34,733.25	72,250.00	37,516.75	48.1 %
GASB 68 reporting fee	700.00	0.00	(700.00)	
Consulting Expenses - General	180,195.47	357,000.00	176,804.53	50.5 %
Powerhouse Science Center Payments	0.00	25,000.00	25,000.00	
TOTAL Professional Fees	246,334.10	486,350.00	240,015.90	50.6 %
Miscellaneous Expense	111,789.00	0.00	(111,789.00)	
TOTAL OPERATING EXPENDITURES	1,686,504.58	2,559,431.00	872,926.42	65.9 %
OPERATING INCOME (LOSS)	(240,028.68)	(489,756.00)	(249,727.32)	49.0 %
NET OPERATING INCOME (LOSS)	(240,028.68)	(489,756.00)	(249,727.32)	49.0 %
NET INCOME (LOSS) NET OF PROGRAM	(240,028.68)	(489,756.00)	(249,727.32)	49.0 %

## **AGENDA ITEM 10: DIRECTORS' COMMENTS**