

REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, July 7, 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, Jul 7, 2022 9:00 AM - 12:00 PM (PDT)

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

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Access Code: 974-129-709

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. AUTHORIZE A TELECONFERENCE MEETING

Action: Pass a Motion to Authorize a Teleconference Meeting

4. PRESENTATIONS:

4a. Environmental Protection Agency Award to RWA Water Efficiency Program

4b. RWA Board of Directors Orientation

5. CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Government Code §§ 54954.5(e), 54957(b)(1)

Title: Executive Director

6. 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.

6a. Approve the minutes of May 12, 2022 Board Meeting

6b. Approve draft RWA Policy 500.19 – Water Efficiency Reserve Policy

6c. Approve No Changes to RWA Operations Policies 300.1, 300.2, and 300.3

Action: Approve Consent Calendar

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:

September 8, 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:

July 27, 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

Chuck Poole, Water Facilities Supervisor, 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 Rocucci, 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

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

* Names highlighted in red are Executive Committee members

RWA ASSOCIATES

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

* Names highlighted in red are Executive Committee members

RWA AFFILIATE MEMBERS

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

Action: Pass a Motion to Authorize a Teleconference Meeting

AGENDA ITEM 4: PRESENTATIONS

4a. Environmental Protection Agency Award to RWA Water Efficiency Program

4b. RWA Board of Directors Orientation

AGENDA ITEM 4a.: Environmental Protection Agency Award to RWA Water Efficiency Program

BACKGROUND:

On October 7, 2021, The U.S. Environmental Protection Agency (EPA) honored the Regional Water Authority (RWA) with the national 2021 WaterSense® Partner of the Year Award for its dedication to helping consumers and businesses save water, even with the challenges presented by the COVID-19 pandemic in 2020.

The 2020 Water Efficiency Program (WEP) promoted WaterSense's monthly themes for Fix a Leak Week, water-smart landscaping, Sprinkler Spruce-Up, and saving water at home. To make it easier for local providers to incorporate WaterSense into their outreach efforts, the WEP created an online shareable library of customized WaterSense tools, including campaign materials and social media posts. Additionally, the WEP found several creative ways to engage residents during the pandemic. Through the Water Spots Video contest, local middle school and high school students created public service announcements (PSAs) centered around a "Be a leak detective" theme. The contest received 90 video submissions, and the winning PSA was played on six movie screens at a local drive-in theater and viewed by over 140,000 people. To reach a younger audience, RWA funded several exhibits, which include examples of WaterSense labeled products, in the newly opened Museum of Science and Curiosity (MOSAC). Finally, the WEP partnered with WaterSense manufacturer partner Rachio in 2020 to offer an instant rebate for Rachio's WaterSense labeled irrigation controllers.

Due to the ongoing COVID situation, USEPA offered virtual award presentations to all award winners. Veronica Blette, Chief, WaterSense Branch, USEPA, will present RWA with its Partner of the Year Award at the July 7th RWA Board meeting. This is the second WaterSense Award for RWA, which in 2016 earned a WaterSense® Excellence in Education and Outreach Award for its outstanding efforts to educate Sacramento-area residents about water efficiency and the WaterSense brand.

WaterSense is a voluntary partnership program sponsored by EPA that provides labels for water-efficient products and homes, as well as resources for helping consumers learn ways to save water. Since the program started in 2006, WaterSense labeled products have helped consumers and businesses save 5.3 trillion gallons of water—enough water to supply all households in the United States with water for 200 days. In addition to water savings, WaterSense has helped reduce the amount of energy needed to heat, pump, and treat water by 603 billion kilowatt hours and save \$108 billion in water and energy bills.

Discussion: Jim Peifer, Executive Director and Amy Talbot, Water Efficiency Program Manager

AGENDA ITEM 4b.: RWA Board of Directors Orientation

BACKGROUND:

Jim - Please insert verbiage or PPT.

*Note that Board of Director members are required ANNUALLY to:

- Review and Approve Financial and Investment Policies
- Complete and Submit a Form 700 Economic Interests Form
- Submit proof of completion for Sexual Harassment Prevention and Board Ethics Training per ACWA JPIA

Discussion: Jim Peifer, Executive Director

AGENDA ITEM 5: CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Government Code §§ 54954.5(e), 54957(b)(1)

Title: Executive Director

AGENDA ITEM 6: 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:

- 6a. Approve the minutes of the May 12, 2022 Board Meeting
- 6b. Approve the draft RWA Policy 500.19 – Water Efficiency Reserve Policy
- 6c. Approve No Changes to RWA Operations Policies 300.1, 300.2, and 300.3

Action: Approve Consent Calendar

Attachments:

- 6a. Minutes of the May 12, 2022 Board Meeting
- 6b. Draft RWA Policy 500.19 – Water Efficiency Reserve Policy
- 6c. RWA Policy 300.1 – Executive Director Authority
 - RWA Policy 300.2 – Professional Services Policy
 - RWA Policy 300.3 – Surplus Property Disposal

AGENDA ITEM 6a.: Minutes of the May 12, 2022 Board Meeting



1. CALL TO ORDER

Chair Firenzi 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

Audie Foster, California American Water
Cathy Lee, Carmichael Water District
Caryl Sheehan, Citrus Heights Water District
Hilary Straus, Citrus Heights Water District
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
Jim Abercrombie, El Dorado Irrigation District
Sophia Scherman, Elk Grove Water District
Bruce Kamilos, Elk Grove 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
Dave Jones, Sacramento Suburban Water District
Kevin Thomas, Sacramento Suburban Water District
Dan Rich, San Juan Water District

Staff Members

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

Others in Attendance:

Ricky Peck, Greg Jones, Adam Robin, Pauline Roccucci, Anne Sanger, Jay Boatwright, and Chris Petersen.

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

3a. Authorize a Teleconference Meeting

3b. Approve Minutes of the March 10, 2022, Board of Directors Meeting

3c. Approve Revised RWA Board Meeting Schedule

3d. Approve Biological Opinion Support Services Subscription Program

3e. Approve RWA Financial Policy Updates and new COVID-19 Employee Vaccination Policy

Motion/Second/Carried (M/S/C) Mr. Houdesheldt moved, with a second by Ms. Espindola, to approve the Consent Calendar Items. Audie Foster, California American Water, Cathy Lee, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Bruce Houdesheldt, City of Roseville, Jeff Harris, City of Sacramento, Bill Roberts, City of West Sacramento, Grace Espindola, City of Yuba City, Alan Gardner, Del Paso Manor Water District, Jim Abercrombie, El Dorado Irrigation District, Bruce Kamilos, Elk Grove Water District, Tom Gray, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Robert Hunter, Orange Vale Water Company, Tony Firenzi, Placer County Water Agency, Patrick Kennedy, Sacramento County Water Agency, Dave Jones, Suburban Water District and Dan Rich, San Juan Water District voted yes. The motion carried.

Angela Frost entered the meeting.

4. STRATEGIC PLAN REVIEW

Mr. Peifer discussed RWA's mission and vision. He stated the mission is to serve, represent and align the interests of the regional water providers and stakeholders for the purpose of improving water supply reliability, availability, quality, and affordability. RWA is recognized as a leader for its integrated and collaborative approach in assisting its members in effective management of the region's water resources, in support of a sustainable environment, healthy communities, a vibrant economy, and water supply reliability and resilience under future climate conditions.

Mr. Peifer presented a matrix displaying objectives and sub-objectives of the RWA Strategic Plan. The matrix reflects the progress the RWA has made on the

strategic plan and the proposed RWA strategic plan priorities for the Fiscal Year 2022-2023.

M/S/C Ms. Espindola moved, with a second by Mr. Harris, to approve the Approve Strategic Plan Priorities for Fiscal Year 2022-2023. Audie Foster, California American Water, Cathy Lee, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, 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, Alan Gardner, Del Paso Manor Water District, Jim Abercrombie, El Dorado Irrigation District, Sophia Scherman, Elk Grove Water District, Tom Gray, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Robert Hunter, Orange Vale Water Company, Tony Firenzi, Placer County Water Agency, Patrick Kennedy, Sacramento County Water Agency, Dave Jones, Suburban Water District and Dan Rich, San Juan Water District voted yes. The motion carried.

5. FISCAL YEAR 2022 – 2023 BUDGET

Ms. Reina-Luken gave a presentation providing an overview of the budget development process that included the status of fiscal year 2022- 2023 (FY23) budget, budget policies, budget assumptions and the outlook for FY24 and beyond. Ms. Reina-Luken reported 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. The FY23 budget supports the RWA Strategic Plan Objectives.

M/S/C Mr. Schubert moved, with a second by Mr. Dugan, to approve Fiscal Year 2022-2023 Budget. Audie Foster, California American Water, Cathy Lee, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Angela Frost, City of Lincoln, Bruce Houdesheldt, City of Roseville, Jeff Harris, City of Sacramento, Bill Roberts, City of West Sacramento, Alan Gardner, Del Paso Manor Water District, Jim Abercrombie, El Dorado Irrigation District, Sophia Scherman, Elk Grove Water District, Tom Gray, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Robert Dugan, Placer County Water Agency, Patrick Kennedy, Sacramento County Water Agency, Dave Jones, Suburban Water District and Dan Rich, San Juan Water District voted yes. Robert Hunter, Orange Vale Water Company abstained. The motion carried.

6. DROUGHT RESOLUTION

Mr. Peifer said that Resolution 2022-02 is to renew the call for RWA member agencies to call on their customers to conserve 15 percent. The resolution directs 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, to improve groundwater storage.

M/S/C Mr. Schubert moved, with a second by Ms. Lee, to approve resolution Number 2022-02. Audie Foster, California American Water, Cathy Lee, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Angela Frost, City of Lincoln, Bruce Houdesheldt, City of Roseville, Brett Ewart, City of Sacramento, Grace Espindola, City of Yuba City, Alan Gardner, Del Paso Manor Water District, Jim Abercrombie, El Dorado Irrigation District, Sophia Scherman, Elk Grove Water District, Tom Gray, 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, Dave Jones, Suburban Water District and Dan Rich, San Juan Water District voted yes. The motion carried.

7. LEGISLATIVE/REGULATORY UPDATE

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. There are six bills that RWA has an oppose or oppose unless amended position on. AB 1931 has an oppose position, AB 2201, AB 2639, AB 2895, SB 1124, and SB 1157 have an oppose unless amended position.

Mr. Ojakian reported that the state budget process continues to develop with the current projections estimated at \$68 billion surplus. RWA was active on the assembly in getting a budget request in for a direct appropriation for 16.7 million dollars. This amount would be a direct appropriation that would help advance the water bank. Mr. Ojakian stated RWA will continue to remain engaged with the assembly on how to advance that request.

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

Ms. Schmitz reported the Ad Hoc Committee is tasked with evaluating the idea of consolidating SGA and SCGA. The Committee is working with a vision statement, which is about sustainable groundwater management being cost effective, collaborative and governing with representation from water districts as well as stakeholders in the North American and South American subbasins. The Committee is looking at governance options and will be collaborating with the SGA and SCGA.

9. EXECUTIVE DIRECTOR'S REPORT

Mr. Peifer, Ms. Talbot, and Mr. Ojakian attended the spring ACWA conference. 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. Staff prepared brochures to convince other Stakeholders in the state the need for investments in resilient water facilities and groundwater storage.

Mr. Peifer reported that staff has been looking into holding hybrid meetings. RWA received a quote from their IT Consultant, Group One, for \$4,000. Staff will be researching other agencies that have a hybrid set up.

DIRECTORS' COMMENTS

Mr. Houdesheldt, City of Roseville, thanked RWA staff for a great agenda packet, which included comprehensive reports that were full of information yet concise.

Mr. Bigley, City of Roseville, gave a brief update on initial success in Washington, DC. The Water Resources Development Act is under development. Great news was received from Senator Padilla's Office that he was successfully able to place a \$21 million authorization in the Act for a Roseville and PCWA joint conveyance project.

Mr. Dugan, Placer County Water Agency, reported he has been collaborating with Senator Padilla's Office and is impressed with the Senator's staff for showing the same level of professionalism, research, and sophistication that was seen from Senator Feinstein. He said Senator Padilla seems to be hearing our message for our region as it relates to us, hydrologically up from the Delta, specifically up the American River.

Mr. Kennedy, Sacramento County Water, informed the staff that Sacramento Area Council of Governments recently held a great hybrid meeting and suggested the RWA staff reach out to look at their model.

ADJOURNMENT

With no further business to come before the Board, Chair Firenzi adjourned the meeting at 11:16 a.m.

By:

Chairperson

Attest:

Josette Reina-Luken, Board Secretary / Treasurer

AGENDA ITEM 6b.: Draft RWA Policy 500.19 – Water Efficiency Reserve Policy

BACKGROUND:

This policy establishes a Water Efficiency Program (WEP) level of reserve funds to mitigate current and future risks due to revenue shortfalls, unanticipated expenses, and expense fluctuations resulting from grant implementation and management. An adequate level of reserves is necessary to effectively administer both the rWEP and its associated grants. The reserve balance will be reviewed annually during the WEP budgeting process and may be revised as needed.

This policy has been reviewed and approved by the WEP's Regional Water Efficiency Program Advisory Committee, which is comprised of staff from all participating agencies, at their May 10, 2022 meeting.

Attachment:

Draft RWA Policy 500.19 – Water Efficiency Reserve Policy

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Fiscal Management
Policy Title : Water Efficiency Program Reserve Policy
Policy Number : 500.19
Date Adopted : July 7, 2022
Date Amended :

WATER EFFICIENCY PROGRAM RESERVE POLICY

This policy establishes the Water Efficiency Program (WEP) level of reserve funds to mitigate current and future risks due to revenue shortfalls, unanticipated expenses and expense fluctuations due to grant implementation/management. These funds are a crucial consideration in long-term financial planning. An adequate level of reserves is necessary to effectively administer both WEP's regional programs and its associated grants. The reserve balance will be reviewed annually during the WEP budgeting process and may be revised as necessary, including but not limited to temporary suspension or reduction of indicated minimum target balance.

- I. Water Efficiency Program Reserve Fund
 - A. Purpose: To ensure resources to support WEP's ability to effectively administer grant programs, respond to drought emergencies, adapt to changing regulations and establish reserve funding in the event of unexpected program revenue loss.
 - B. Use of Funds: These funds will be used specifically for the purpose(s) stated above. Designation and/or use of the funds, will be approved by the Regional Water Efficiency Program Advisory Committee (RWE PAC).
 - C. Rationale: Over the last several decades years, WEP has developed into a multifaceted complex program, requiring the establishment of a stabilization fund to ensure all faucets of the program continue to run effectively, are financially supported and can respond to changing supply or programmatic conditions in a timely manner.
 - D. Target Balance: The target balance for WEP reserve is \$300,000 (\$150,000 for grant administration cash flow, \$100,000 for program

reserve, and \$50,000 for drought response/program design). The target balance will be annually indexed with inflation to ensure the intended level of support is maintained over time. If the net target balance is exceeded (above a 10% buffer), the WEP Manager will designate overage towards supporting programs and/or reducing program supplier dues. Corrective action may be taken in the same fiscal year or planned for the next fiscal year, as approved by the RWE PAC.

- E. Replenishment: The RWE PAC and/or the RWA Board have the option to approve a program dues increase or identify another revenue source to replenish the stabilization fund to the target balance level.

AGENDA ITEM 6c.: RWA Operations Policies 300.1, 300.2, and 300.3

BACKGROUND:

In a continued effort to complete a review of all RWA Policies, staff reviewed the remaining RWA Operations Policies in the 300 series with the Executive Committee on June 22, 2022 to see if there are any needed changes. Previously, the RWA Board of Directors reviewed RWA Policy 300.4 and 300.5 at the March 10, 2022 Board meeting, which required review at an interval every four years. These remaining policies either do not contain a mandatory review date or have not yet reached their mandatory review date; RWA Professional Services Policy 300.2 requires review every 5 years and was last amended by the RWA Board of Directors in January 2019. The Executive Committee and staff agree that there are no recommended changes to be made at this time.

Attachments:

RWA Policy 300.1 – Executive Director Authority
RWA Policy 300.2 – Professional Services Policy
RWA Policy 300.3 – Surplus Property Disposal

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Operations
Policy Title : Authority Delegated to the Executive Director
Policy Number : 300.1
Date Adopted : September 12, 2002
Date Amended : March 8, 2012

AUTHORITY DELEGATED TO THE EXECUTIVE DIRECTOR

General Authority

The Executive Director will be the chief administrative officer of the RWA, will serve at the pleasure of the Board of Directors, and will be responsible to the Board for the proper and efficient administration of the RWA pursuant to the provisions of the RWA Joint Powers Agreement, or any resolution or policy directive of the Board.

Specific Authority

The Executive Director will be authorized to:

- Plan, organize and direct all RWA activities, under policy direction from the Executive Committee and the Board of Directors;
- Appoint and remove all RWA employees (subject to compensation and benefits that are authorized within the RWA-approved budget), all of whom will serve at the pleasure of the Executive Director, except as is otherwise provided by law, by the RWA Joint Powers Agreement or directive of the Executive Committee or the Board of Directors;
- Enter into contracts on behalf of RWA pursuant to the provisions of Policy 300.2, Professional Services Selecting and Contracting; or directive of the Executive Committee or the Board of Directors;
- Prepare the RWA budget for consideration for approval by the Executive Committee and the Board of Directors;
- Pay RWA bills that are within the RWA-approved budget and are consistent with the terms of RWA-approved contracts;

- Administer and make payments under contracts that have been approved by RWA, consistent with the terms of the contracts;
- Administer and make payments under Project or Program Agreements under Article 22 of the RWA Joint Powers Agreement that have been approved by the Executive Committee; and
- Prepare agendas for meetings of the Executive Committee and the Board of Directors.

Duties

The Executive Director will do the following:

- Maintain liaison and relationships among JPA members and federal, state and local agencies;
- Report to the RWA Board of Directors and Executive Committee at scheduled meetings, and make recommendations to the Board on matters related to policy and the implementation of adopted policies;
- Prepare agendas for Board and committee meetings, and oversee preparation of minutes of Board and committee meeting;
- Develop personnel policies as they relate to administrative, managerial and technical staffs of the RWA;
- Develop and maintain financial policies for consideration and approval by the Executive Committee and the Board of Directors to ensure that financial policies and operations comply with applicable state, federal and local government requirements;
- Oversee implementation of adopted policies and actions of the Executive Committee and Board of Directors; and
- Serve as Executive Director of the Sacramento Groundwater Authority (SGA), and manage the operations of SGA pursuant to the terms and conditions of the cost-sharing agreement between RWA and SGA.

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Operations
Policy Title : Professional Services Selection and Contracting Policy
Policy Number : 300.2
Date Adopted : September 24, 2003
Date Amended : March 8, 2012
 March 13, 2014
 March 26, 2014
 May 15, 2014
 January 23, 2019

PROFESSIONAL SERVICES SELECTION AND CONTRACTING POLICY

The procurement of consulting and professional services for the Regional Water Authority will be on the basis of documented competence and qualifications for the types of services to be performed, and at a fair, competitive and reasonable price.

For the purposes of this policy, the term “consulting and professional services” means any specialized services performed by firms or persons who are qualified, by education, experience, licenses or certification in a particular field. Types of services may include, but are not limited to: engineering, information technology, financial, public relations, legal, and human resources.

I. General Procedures

Generally, consulting and professional services that would cost \$50,000 or less will be obtained pursuant to a selection process determined by the Executive Director. Consulting and professional services that would cost more than \$50,000 will generally be obtained through a competitive process by issuance of a Request for Proposals or a Request for Qualifications, as determined by the Executive Director, and a contract for such services will be subject to: (1) approval of the Executive Committee, and (2) for a contract for services that would cost more than \$150,000, approval of the Board of Directors.

The Executive Director will recommend to the Executive Committee and, where applicable, the Board of Directors, selection based on documented competence and qualifications for the types of services to be performed, and at a fair, competitive and reasonable price, and not based solely on the lowest-cost proposal submitted.

With each recommendation for a contract exceeding \$50,000, the Executive Director will provide to the Executive Committee and, where applicable, the Board of Directors, a written description of the selection process. The description will include: (1) a copy of the solicitation; (2) a list of firms invited; (3) a description of the method used to identify

the invited firms and the selection criteria used; (4) a summary and ranking of each proposal received, including the proposed fees and costs, and scope of work to be performed; and (5) a list of the members of the selection committee.

II. Procedures for Specific Situations

A. Recurring Work

1. If RWA contracts with a consultant for work of a recurring nature to be performed over two or more years (e.g., auditing, accounting or technical writing services), the Executive Director will determine the total estimated cost of the work over the life of the contract and, based on that cost estimate, will follow the applicable contracting procedure in Part I of this Policy when making the contract.
2. Other than requesting annual appropriations in the budget for funding work under a recurring contract, the Executive Director will not be required to request additional approvals from the Executive Committee or the Board in the second and following years.
3. Recurring contracts will generally not have a term longer than five years, however, contracts may have an indefinite term with validation every 5 years by the Executive Committee. If, upon review, the Executive Director believes that it would be beneficial to RWA to extend a recurring contract for an additional term, the Executive Director will prepare a report to the Executive Committee or Board, as appropriate, justifying the extension and requesting such approval from the appropriate body.

B. Extended or Successive Contracts

1. If a consultant is working under an approved contract for specified work, the amount of the contract for the same or related work can be increased above the approved amount without further Board or Executive Committee approval if the increase is within the authorized amount for consulting services provided in the current year's budget, provided that a subsequent increase in the contract amount does not exceed \$50,000.
2. For contracts originally in the amount of \$50,000 or less, the Executive Director may waive this policy up to the amount of \$100,000, provided that the waiver involves the extension of an existing contract or execution of a successive contract with the same consultant and subject to the availability of funds.
3. A waiver will be effective only upon a written determination by the Executive Director that: (a) the consultant satisfactorily performed the previous stage of a project, has acquired extensive background and working knowledge of the work to be performed, and is a highly-recognized or only authority in the field or area of work to be performed; (b) it would be more cost- and time-efficient for RWA to enter into the extended or successive contract than to issue a solicitation for a

new contract; and (c) the need for a higher contract amount and increased work was not foreseeable at the time that the original contract was executed. The Executive Director will report the contract extension to the Executive Committee at its next meeting.

4. The Executive Director will report on expenditures of the budgeted amount to the Board or Executive Committee, as appropriate.
5. Any proposal to increase the amount of a consultant's contract above the amount authorized in an annual budget will be subject to Board or Executive Committee approval in accordance with the procedures in Part I.

C. Subscription Programs

1. Once a consultant contract for a subscription program has been authorized by the executive committee or Board in accordance with the Part I general procedures, the committee established by the project agreement will have the authority to approve an increase in the amount of a consultant contract for project-related work.
2. The increased contract amount will not become effective until the Executive Director determines and certifies that the increase will not affect or become a debt, liability or obligation of non-participating RWA members. The Executive Director will report the project committee's decision to the Board or Executive Committee, as appropriate.

D. Third Party Goods or Services Under an Existing Contract

1. A consultant under contract may recommend that RWA obtain goods or services from third parties through the consultant, rather than by separate contract (for example, a media buy for a public awareness campaign being conducted by a consultant). Subject to the below conditions, obtaining such third party goods and services will be deemed a separate agreement subject to the monetary contracting limits.
2. Before obtaining third party goods or services through an existing consultant contract, the Executive Director will determine in writing that the good or services are necessary for RWA's purposes; the goods are of sufficient quality or the services will be provided by persons or entities with the requisite qualifications and experience; are offered at a fair, competitive and reasonable price; and that there is a business justification for obtaining the goods or services through the consultant rather than directly from the provider.
3. The Executive Director will report such a "pass-through" procurement of third party goods or services at the next meeting of the Board or Executive Committee, as appropriate, when such goods or services cost in excess of \$50,000.

E. Multi-party procurement of Goods or Services

RWA may periodically wish to procure goods or services under an agreement with other public agencies or other organizations. RWA participation in such procurements is subject to the requirements of this policy.

1. The dollar amounts of RWA's share of a procurement shall be used to evaluate compliance with the approval authorities in Section I and requirements in Section I and II.B. above.
2. Other conditions of the policy may be waived only if the procurement complies with the policies and procedures of another agency adopted according to applicable law.

III. Alternate Selection Process

Regardless of the amount or of any other limitations provided in this policy, the Executive Committee may at any time approve an alternate selection process in cases where a consulting firm has satisfactorily performed the previous stage of a project, has acquired extensive background and working knowledge of the work to be performed, is a highly-recognized authority in the field or area of work to be performed or is the only-known available highly-recognized authority, and the alternative process is in the best interests of RWA.

IV. Conflict of Interest

In the event the Executive Director has a conflict of interest in selection and contracting, the Executive Committee will require the Manager of Technical Services or Finance and Administrative Services Manager to participate in place of the Executive Director, and report directly to the Executive Committee on the matter. In the event no qualified employee can participate, the Executive Committee will manage the matter directly.

IV. Policy Review

This Policy shall be reviewed at least once every five years.

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Operations
Policy Title : Disposal of Surplus Property
Policy Number : 300.3
Date Adopted : July 10, 2003
Date Amended : September 13, 2012

POLICY FOR DISPOSAL OF SURPLUS PROPERTY

The Board of Directors of the Authority delegates to the Executive Committee the authority to dispose of surplus property of the Authority.

Surplus property of the Authority will be disposed of in the most economical and practical manner in the best interest of the Authority, as determined by the Executive Committee. Board members, the Executive Director, and employees (or the spouse or dependent of any of the above) of the Authority are not eligible to obtain surplus property at the time of disposition by the Authority.

Personal property with an estimated value of \$4,000 or less may be disposed of as surplus with the approval of the Executive Director on terms that are in the best interest of the Authority, as determined by the Executive Director. Surplus property whose value is negligible due to age, obsolescence, deterioration or wear may be disposed of for no consideration, provided that, surplus property will not be disposed of for no consideration to other than a qualified government agency or non-discriminatory, tax exempt non-profit organization qualified under Internal Revenue Code section 501(c)(3), without the approval of the Executive Committee. If the Executive Director is unable to donate an item of surplus property to a qualified government agency or tax exempt organization (or other entity authorized by the Executive Committee), the Executive Director may recycle or dispose of such item at a legally-authorized disposal site.

Personal property with an estimated value of greater than \$4,000 may be disposed of as surplus property with the approval of the Executive Committee on terms that are in the best interest of the Authority, as determined by the Executive Committee, or as determined by the Executive Director upon delegation of that authority by the Executive Committee.

If the Authority acquires any real property that is later determined to be surplus, any qualifying real property will be disposed of in accordance with the requirements and procedures provided in Government Code section 54220 and following.

The Executive Director will maintain written documentation of the disposal of all surplus property, including a description of the surplus property disposed of and the terms of disposition. All revenue received from the disposal of surplus property will be deposited in the Authority's Operating Reserve Account, unless directed otherwise by the Executive Committee.

AGENDA ITEM 7: LEGISLATIVE/REGULATORY UPDATE

BACKGROUND:

Since the board last met, the point at which bills must pass out of their respective house of origin has passed and policy committee hearings in the second house have concluded. The Legislature is on “summer recess” for the month of July. Actions on some of the more notable bills include:

SB 222 (Dodd D-Napa) would establish a state-run water rate assistance program upon funding. RWA’s current position is support. The bill is on the Assembly floor and was not taken up at the end of last session. The bill was amended June 23rd significantly altering the bill. The bill will not be taken up until August, and it is not known at this time if these amendments would trigger the bill being pulled back to committee. The statewide associations are very engaged on the bill and the sponsor has indicated a willingness to take amendments.

SB 1157 (Hertzberg D- Van Nuys) would lower the indoor water use efficiency standards, require additional state studies on impacts of the standard on affordability, and create a new variance process. RWA currently has an Oppose Unless Amended. Several statewide associations have gone neutral on the bill. The bill now includes further studies on the impacts of lowering the indoor standard on affordability and a new set of variances for adverse impacts from the new standards.

SB 1205 (Allen D- Santa Monica) would require the Water Board to include climate change when issuing new water rights. RWA’s current position is support if amended. The bill was amended in Assembly Water Parks and Wildlife in the last week of June and the statewide associations have maintained a support if amended position on the bill.

AB 1931 (Luz Rivas D- Arleta) would require the replacement of all lead service lines as defined or an alternate compliance method. RWA currently has an oppose position on the bill. The bill is being rewritten by amendments in Senate Environmental Quality. At this stage those amendments are conceptual, but do address some of the significant concerns about requiring agencies to replace lead lines on the customer side of the meter.

AB 2201 (Bennett D- Ventura) would add new requirements to the well permitting process. RWA currently has a support position on the bill. The bill has been amended to track with the approach taken in Sacramento County on individual well analysis on surrounding domestic wells and on subsidence. There are further amendments coming to the bill to address permitting on existing wells that are not expanding capacity. There are also amendments being discussed around CEQA, subsidence analysis, liability of a GSA and engineer report, and limiting the bill to only critically overdraft basins. It is expected the bill will be amended significantly in Senate appropriations.

AB 2639 (Quirk D- Fremont) would have prohibited the issuance of a new water right for surface water storage until the Water Board adopted a new Bay Delta Water Quality Control Plan. RWA had an Oppose Unless Amended Position on the bill. The bill died on the Assembly floor.

AB 2895 (Arambula D- Fresno) would establish a second water transfer process. RWA currently has a neutral position on the bill. Earlier in the process the bill would have significantly altered the existing transfer process. The bill now maintains the existing transfer process though it modernizes the public notification aspect of that process and creates a secondary process.

The state budget continues to develop. On June 29th and June 30th, the Legislature approved an updated budget and several trailer bills. The big-ticket item on resources has yet to be determined. The budget contains \$21 billion for resources including drought and wildfire among other issues. There is approximately \$13 billion that will be specified. The action to designate those funds is expected to happen in early to mid-August. Some member requests have been funded. There is an expectation that additional member requests may occur in August. RWA's \$16.7 million request has yet to be acted on.

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 members

AGENDA ITEM 9: EXECUTIVE DIRECTOR'S REPORT

JULY 7, 2022

TO: RWA BOARD OF DIRECTORS

FROM: JIM PEIFER

RE: EXECUTIVE DIRECTOR'S REPORT

- a. Communication and Outreach –**
- b. Water Bank Update –**
- c. Grants Update –**
- d. Hybrid Meeting Update –**
- e. Financial Reports –** Unaudited RWA financial reports including income statement and quarterly balance through June 30, 2022 are still in the process of being reconciled. Other account balance statements are the most recent available.

Attachments

1. Financial Reports

California State Treasurer
Fiona Ma, CPA



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

June 23, 2022

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

REGIONAL WATER AUTHORITY

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

[Tran Type Definitions](#)

Account Number: 90-34-019

May 2022 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,009,035.90
Total Withdrawal:	0.00	Ending Balance:	3,009,035.90



CERBT and CEPPT Plan Portal

» [CERBT and CEPPT]: rwah2oorg00

My Accounts

As of the financial markets most recent close of business (06/22/2022), the total value of your account(s) is **\$1,373,012.30**.

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 or 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 or 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

AGENDA ITEM 10: DIRECTORS' COMMENTS