

**REGIONAL WATER AUTHORITY**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Thursday, September 8, 2022; 9:00 a.m.**

**AMENDED 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) 967-7692. 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.

**Notice:** The Board meeting will be held in the RWA Board Room and virtually. The Board Room will be open for Board members and members of the public. Board members are encouraged to attend in person but are not required to do so.

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

Join Zoom Meeting

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**You can also dial in using your phone.**

**United States: +1 (669) 900 6833**

**Meeting ID: 862 3269 1277 Passcode: 007871**

**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.

3a. Authorize a Teleconference Meeting

3b. Approve the minutes of July 7, 2022 Board Meeting

3c. Approve Revised RWA Board Meeting Schedule

3d. Approve RWA Policy 500.19 – Water Efficiency Reserve

**Action: Approve Consent Calendar**

**4. RWA HIGHLIGHTS**

Information and Presentation: Jim Peifer, Executive Director

**5. SACRAMENTO REGIONAL WATER BANK PROGRAM UPDATE**

Information and Presentation: Rob Swartz, Manager of Technical Services

**6. WATER LOSS REGULATION UPDATE**

Information and Presentation: Amy Talbot, Water Efficiency Program Manager

**7. RWA POLICY 400.4 REVISIONS – EXECUTIVE DIRECTOR PERFORMANCE REVIEW EVALUATION**

Discussion: Tony Firenzi, Vice Chair

**Action: Approve Revisions to RWA Policy 400.4**

**8. LEGISLATIVE/REGULATORY UPDATE**

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

**9. SPACE PLANNING UPDATE**

Discussion: Jim Peifer, Executive Director

**10. EXECUTIVE DIRECTOR'S REPORT**

**11. DIRECTORS' COMMENTS**

**ADJOURNMENT**

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

September 29, 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.

November 10, 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:**

September 28, 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*

*Chuck Poole, Water Facilities Supervisor, City of Lincoln*

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

\* Names highlighted in red are Executive Committee members

## RWA ASSOCIATES

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

\* Names highlighted in red are Executive Committee members

## **RWA AFFILIATE MEMBERS**

<b>Organization</b>	<b>Representatives</b>
<b>Black &amp; Veatch</b>	<i>David Carlson</i> , Vice president
<b>Brown &amp; Caldwell</b>	<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
<b>GEI Consultants</b>	<i>John Woodling</i> , Vice President, Branch Manager <i>Chris Petersen</i> , Principal Hydrogeologist <i>Richard Shatz</i> , Principal Hydrogeologist
<b>HDR, Inc.</b>	<i>Jafar Faghieh</i> , Water Resources Engineer <i>Ed Winkler</i> , Client Development Lead
<b>Sacramento Association of Realtors</b>	<i>David Tanner</i> , Chief Executive Officer <i>Christopher Ly</i> , Chief Operations Officer
<b>Stantec</b>	<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
<b>West Yost Associates</b>	<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
<b>Woodard &amp; Curran</b>	<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: 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:

3a. 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).

3b. Approve the minutes of the July 7, 2022 Board Meeting

3c. Approve Revised RWA Board Meeting Schedule

3d. Approve RWA Policy 500.19 – Water Efficiency Reserve

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

Attachments:

3b. Minutes of the July 7, 2022 Board Meeting

3d. RWA Policy 500.19 – Water Efficiency Reserve



## **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.

**Action: Pass a Motion to Authorize a Teleconference Meeting**

**AGENDA ITEM 3b.: MINUTES OF THE JULY 7, 2022 BOARD MEETING**

Attachment:

Draft July 7, 2022 Minutes



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

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RWA Board Meeting  
Draft Minutes  
July 7, 2022

**1. CALL TO ORDER**

Chair York called the meeting of the Board of Directors to order at 9:02 a.m. as a teleconference meeting. Individuals who participated are listed below:

**RWA Board Members**

Evan Jacobs, California American Water  
Ron Greenwood, Carmichael Water District  
Cathy Lee, Carmichael Water District  
Rebecca Scott, Citrus Heights Water District  
Caryl Sheehan, Citrus Heights Water District  
Marcus Yasutake, City of Folsom  
Chuck Poole, City of Lincoln  
Bruce Houdesheldt, City of Roseville  
Sean Bigley, City of Roseville  
Brett Ewart, City of Sacramento  
Bill Roberts, City of West Sacramento  
Grace Espindola, City of Yuba City  
Diana Langley, City of Yuba City  
Grace Espindola, City of Yuba City  
Alan Gardner, Del Paso Manor Water District  
Jim Abercrombie, El Dorado Irrigation District  
Randy Marx, Fair Oaks Water District  
Tom Gray, Fair Oaks Water District  
Paul Schubert, Golden State Water Company  
Greg Jones, Nevada Irrigation District  
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  
Kevin Thomas, Sacramento Suburban Water District  
Dan York, Sacramento Suburban Water District  
Greg Zlotnick, San Juan Water District

**RWA Associate Members**

Ansel Lundberg, SMUD, José Ramirez, SRCSD

**RWA Affiliate Members**

John Woodling and Chris Petersen, GEI Consultants, Vanessa Nishikawa, Stantec

### **Staff Members**

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

### **Others in Attendance:**

Veronica Blette, Anne Sanger, Brian Sanders, Chris Hunley, Jay Boatright, Jeff Nelson, Pauline Roccucci, Mark Emmerson, Paul Helliker, Pauline Espinoza and Trevor Kent

## **2. PUBLIC COMMENT**

None

## **3. AUTHORIZE A TELECONFERENCE MEETING**

Motion/Second/Carried (M/S/C) Zlotnick moved, with a second by Greenwood, to authorize a Teleconference Meeting. Evan Jacobs, California American Water, Ron Greenwood, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Marcus Yasutake, City of Folsom, Chuck Poole, City of Lincoln, Bruce Houdesheldt, City of Roseville, Brett Ewart, City of Sacramento, William Roberts, City of West Sacramento, Alan Gardner, Del Paso Manor Water District, Jim Abercrombie, El Dorado Irrigation District, Tom Gray, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Greg Jones, Nevada Irrigation District, Robert Hunter, Orange Vale Water Company, Tony Firenzi, Placer County Water Agency, Kerry Schmitz, Sacramento County Water Agency, Dan York, Sacramento Suburban Water District, Greg Zlotnick, San Juan Water District (18) voted yes. The motion carried.

## **4. PRESENTATIONS**

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

Veronica Blette, Chief, WaterSense Branch, USEPA, presented the RWA's Water Efficiency Program (WEP) with its Partner of the Year Award. This is the second WaterSense Award for WEP, 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. Ms. Blette reported that they have over 2100 partnerships across the country and 300 in California saving consumers and businesses 6.4 trillion gallons of water since 2006. 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.

Amy Talbot gave an update on the 2020 Water Efficiency Program (WEP). The program promoted WaterSense's monthly themes for Fix a Leak Week, water-smart landscaping, Sprinkler Spruce-Up, and saving water at home. 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. 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.

#### 4b. RWA Board of Directors Orientation

Mr. Peifer made a brief presentation to RWA Board members, which included the role of the Executive Committee and the Chair as well as expectations for the Board members.

Grace Espindola entered the meeting

### 5. **CLOSED SESSION**

#### PUBLIC EMPLOYEE PERFORMANCE EVALUATION

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

Nothing to report currently.

### 6. **CONSENT CALENDAR**

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

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

(6b. **REMOVED FROM MEETING**)

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

M/S/C Mr. Houdesheldt moved, with a second by Mr. Dugan, to approve the Consent Calendar Items; minutes of May 12, 2022 and no changes to RWA Operations Policies 300.1, 300.2, and 300.3. Audie Foster, California American Water, Ron Greenwood, Carmichael Water District, Caryl Sheehan, Citrus Heights Water District, Marcus Yasutake, City of Folsom, Chuck Poole, City of Lincoln, Bruce Houdesheldt, City of Roseville, Brett Ewart, City of Sacramento, William Roberts, City of West Sacramento, Grace Espindola, City of Yuba City, Alan Gardner, Del Paso Manor Water District, Tom Gray, Fair Oaks Water District, Paul Schubert, Golden State Water Company, Greg Jones, Nevada Irrigation District, Robert Hunter, Orange Vale Water Company, Robert Dugan, Placer County Water Agency, Kerry Schmitz, Sacramento County Water Agency, Dan York, Sacramento Suburban Water District, Greg Zlotnick, San Juan Water District (18) voted yes. The motion carried.

### 7. **LEGISLATIVE/REGULATORY UPDATE**

Mr. Ojakian reported on the following bills and informed the Board that Legislature is on "summer recess" for the month of July.

SB 222 (Dodd D-Napa) would establish a state-run water rate assistance program upon funding. RWA's current position is support.

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.

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

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.

AB 2201 (Bennett D- Ventura) would add new requirements to the well permitting process. RWA currently has a support position on the bill. 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 maintain the existing water transfer process as is and establish a second voluntary water transfer process. RWA currently has a neutral position on the bill.

In late June the Legislature approved an updated budget and several trailer bills. The budget contains \$21 billion for resources including drought and wildfire among other issues. There is approximately \$13 billion that is still to 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.

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

Mr. Peifer reported that at the 3x3 July 5, 2022 meeting, the Ad Hoc Committee concluded its activities with this statement for its boards:

***“Considering all of the input from the SGA and SCGA Boards, the 3x3 Ad Hoc Committee was unable to develop consensus around a governance proposal that would broadly satisfy the interests of all SGA and SCGA members and be likely to gain support from the JPA signatories.”***

Mr. Firenzi had noted that he participated on the 3x3 committee and provided his own personal perspective that the merger of the two organizations was a missed opportunity, and he was disappointed. Ms. Schmitz noted that she served on the 3x3 committee and said she too was disappointed in the outcome. Mr. York thanked the participants on the committee for their diligent work throughout the process and expressed his opinion on whether this was a missed opportunity. He said maybe we didn't go far enough and if this evolves in the future, maybe there is a different approach on how we conduct the analysis.

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

Mr. Peifer gave a brief update on the Water Bank and reported that a kickoff meeting was held with the Bureau of Reclamation on June 21st for the Water Management Options Pilot Study (WMOPS). This study will help develop and analyze operations related to storing Central Valley Project water in the Sacramento Regional Water Bank.

Mr. Peifer reported staff is working on upgrades to allow for hybrid meetings in the RWA conference room. Mr. Peifer said the RWA will be transitioning to Zoom for teleconference meetings in the meantime.

## **10. DIRECTORS' COMMENTS**

Mr. Greenwood reported that Carmichael Water District gets 70% to 80% of their water supply from the American River. They have rights on the river that they hoped would stay with them but he received a call back this morning notifying CWD that they have to curtail any water use off the American River which is effective immediately. He stated that this is an example of how far and deep this drought is going.

Ms. Roccucci is looking forward to meeting in person for September's meeting.

Mr. Ewart reported that the city's water transfer, along with some of the other participants in the region, was approved by the waterboard. He complimented the RWA staff and said that this would not have been possible without the support services through a contract with RWA. He said Rob Swartz has been vital in making this a successful program for all the participants.

Ms. Espindola reported that last week she took four different trade unions on a tour to the site's reservoir. The city received a \$750,000 a grant from the United States Bureau of Reclamation to help build a second ground water in Yuba City and it will go towards other water projects in our city. Ms. Espindola said she is looking forward to going to Washington next week and seeing members in person.

Alan Gardner said as he listened to the restriction from the American River, it is unfortunate the pipe between Carmichael Water District and Del Paso Manor Water District was never built because they might have been able to help Carmichael out.

Mr. Jones reported as one of the newest board members to RWA, he appreciates being a part of the RWA Board and thanked Mr. Peifer for everything he and his staff have done to introduce them into the RWA process and ideas. He is excited to be part of this organization. Nevada Irrigation District is embarking upon a multi-month planning for water process. It is their long-term future projection on supply versus demand needs in the sphere of influence within the Nevada Irrigation District. They are looking at the long-term trajectory of 50 plus years of future source climate change, land use, planning, development, opportunities, and how it is going to affect their future supply, and what the demands may be. It is going to take another 18 months to complete.

Mr. Dugan reported PCWA is currently partnering with the South Sutter and EID in efforts related to fish upstream, which affects everything downstream. He said he shares the frustration about an opportunity lost today regarding the SGA – SCGA governance proposal, but he does not want that to get in the way of what is possible in the future.

Mr. Zlotnick said he echoed Mr. Ewart's comments regarding the invaluable contribution that Rob Swartz has made to the transfer this year and they are pleased they were able to contract with RWA to do that. He said he wanted Mr. Greenwood to know San Juan Water District has been in contact early this morning with Reclamation to try to get the approval to move Carmichael Water District the 12-acre feet of water per day that they would allow in the past. They are working on it as they did not expect this to happen, considering the health of Folsom Reservoir. They are trying to get that approval as quickly as they can so Carmichael Water District can start diverting as they did before.

Dan York said he echoed the comments on the water transfer and agreed with Mr. Ewart and Mr. Zlotnick's high recognition of the invaluable efforts that the RWA staff, Ms. Banonis and Mr. Swartz, have put in to make this project succeed.

## **ADJOURNMENT**

With no further business to come before the Board, Chair York adjourned the meeting at 10:53 a.m.

By:

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Chairperson

Attest:

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Josette Reina-Luken, Board Secretary / Treasurer



### **AGENDA ITEM 3c.: APPROVE REVISED RWA BOARD MEETING SCHEDULE**

This item is to request a second, regular Board of Directors meeting be added to the month of September in order to consider approval of recommendations from Executive Committee for adjustments to the Executive Director compensation.

Following is the proposed schedule of meetings for the remainder of 2022.

All meetings begin at 9:00 am Pacific Standard Time and unless otherwise noted on the agenda, meetings are held at the RWA office location at 5620 Birdcage Street, Suite 180, Citrus Heights, California 95610.

- **Thursday, September 29, 2022 - new**
- Thursday, November 10, 2022

## **AGENDA ITEM 3d.: RWA POLICY 500.19 – WATER EFFICIENCY RESERVE**

### **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/management. An adequate level of reserves is necessary to effectively administer both the regional Water Efficiency Program and its associated grants with a combined annual budget ranging from \$580,000 to \$1,500,000 (depending on available grant funding). 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 suppliers. The Executive Committee reviewed and recommended this policy for RWA Board of Directors' approval at the July 7, 2022 Board meeting, but was revised as there were some questions about the policy wording specific to reserve levels, inflation increases, etc. The revised version of this draft policy is attached with track changes to reflect the changes. At the August 24, 2022 meeting, the Executive Committee voted unanimously to recommend approval of RWA Policy 500.19 to the RWA Board of Directors.

**Action: Approve RWA Policy 500.19 - Water Efficiency Reserve**

Attachment:

Draft RWA Policy 500.19 – Water Efficiency Program Reserve

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : Fiscal Management  
Policy Title : Water Efficiency Program Reserve Policy  
Policy Number : 500.19  
Date Adopted : September 8, 2022  
Date Amended :

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## WATER EFFICIENCY PROGRAM RESERVE POLICY

The policy establishes 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 administering both the regional Water Efficiency Program 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 the RWA Water Efficiency Program (Program)'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 (RWEPAC).
  - C. Rationale: Over the last several decades years, the Water Efficiency Program 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 \$150,000 for grant administration cash flow, 17% of Water Efficiency Program annual budget for program reserve, and \$50,000 for drought response/program design. If the net target balance is exceeded (above a 10% buffer), the Water Efficiency Program Manager will designate overage towards supporting programs and/or reducing program supplier dues after consultation with program participants. Corrective action may be taken in the same fiscal year or planned for the next fiscal year, as approved by the RWEPAC.
  - E. Replenishment: The RWEPAC 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 4: RWA HIGHLIGHTS**

### **BACKGROUND:**

This agenda item is for the Executive Director to review RWA Highlights including successes, achievements and progress towards RWA's Strategic Plan Objectives and Goals.

Information and Presentation: Jim Peifer, Executive Director

## **AGENDA ITEM 5: SACRAMENTO REGIONAL WATER BANK PROGRAM UPDATE**

### **BACKGROUND:**

In May 2019, RWA completed a Regional Water Reliability Plan (RWRP), which identified vulnerabilities of our region's water resources and potential actions to reduce those vulnerabilities. The primary recommendation of the RWRP was to establish a Regional Water Bank as a means of expanding conjunctive use of surface water and groundwater to adapt to future climate conditions.

Since June 2019, RWA has been working on the development of the Water Bank through subscription programs in two phases. The scope, schedule, and budget of the Water Bank planning have evolved through time, but both program phases remain active. Staff will provide the Board with an overview of the need for the Water Bank and the current plan to complete development in 2024.

On August 31<sup>st</sup>, 2022, the Water Bank Phase 2 Program Committee met and received an overview of the of the current scope, schedule, and budget. As the scope has changed, the budget has also increased. Consistent with RWA Policy 300.2(C)(1), the program committee approved the use of the existing consulting team (Stantec, Woodard & Curran, IN Communications) in an amount above those authorized in the Water Bank Phase 2 Program Agreement. In accordance with RWA Policy 300.2.1(C) (2), the Executive Director has determined that the necessary funds are available and that the increase will not affect or become a debt, liability, or obligation of non-participating RWA members.

Information and Presentation: Rob Swartz, Manager of Technical Services

## **AGENDA ITEM 6: WATER LOSS REGULATION UPDATE**

### **BACKGROUND:**

Staff will present an update on the water loss regulation associated with Senate Bill 555 (2015) and Senate Bill 606/Assembly Bill 1668 (2018). The regulation develops system specific water loss targets for all urban water suppliers based on a State Water Board developed economic model and includes additional reporting requirements. This has been an ongoing process for the last 5 years and is nearing final approval by the State Water Board. Staff expects the 2nd formal comment period to begin in the immediate future with a 15-day timeframe. Staff has been participating in a water loss coalition with ACWA, CMUA, CWA and CA NV AWWA for the last few years and will be preparing a RWA comment letter which will include coalition comments and concerns.

For more information:

[https://www.waterboards.ca.gov/water\\_issues/programs/conservation\\_portal/water\\_loss\\_control.html](https://www.waterboards.ca.gov/water_issues/programs/conservation_portal/water_loss_control.html)

Information and Presentation: Amy Talbot Water Efficiency Program Manager

Attachment:

Water Loss PowerPoint Presentation

# Remaining Concerns

1. BCR < 1 suppliers
2. Small systems/Multiple water loss targets
3. Consolidations
4. Reporting requirements
5. Economic model

# Next Steps

- Continue meetings with SWB staff and coalition
- Expect release of updated regulation any time
- Formal Comment Period - 15-day
- Comment letters
- Check your system target – there were changes
- Submit updated baseline and model inputs to SWB



## **AGENDA ITEM 7: RWA POLICY 400.4 REVISIONS – EXECUTIVE DIRECTOR PERFORMANCE REVIEW EVALUATION**

### **BACKGROUND:**

At the July 27, 2022 Executive Committee (EC) meeting, Policy 400.4 Ad Hoc Committee Chair, Robert Dugan, presented policy revisions and a new evaluation form for the EC's consideration and approval. After much discussion and edits, the final draft with all requested changes was presented at the August 24, 2022 EC meeting where a minor change was made; removal of timeframes listed under section "Setting Priorities for the Following Year". The EC unanimously approved the final draft and recommended that it be forwarded to the RWA Board of Directors for approval.

Ad hoc committee members that contributed to this effort include individuals from both RWA and Sacramento Groundwater Authority (SGA): Robert Dugan (Committee Chair), Brett Ewart, Caryl Sheehan, Marcus Yasutake, Sean Bigley, and RWA Chair, Dan York.

Discussion: Tony Firenzi, Vice Chair

**Action: Approve Revisions to RWA Policy 400.4**

Attachments:

Draft RWA Policy 400.4 Executive Director Performance Evaluation Procedure  
Draft RWA Policy 400.4 RWA and SGA Executive Director Evaluation Form

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type	Human Resources
Policy Title :	Executive Director Performance Evaluation Procedure
Policy Number :	400.4
Date Adopted :	July 27, 2005
Date Amended :	November 8, 2012
	Draft Date: August 26, 2022

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## Purpose of Evaluation

The five purposes of the performance evaluation are:

1. To review performance for the Executive Director over the past year based on skill sets and implementation of strategic plan priorities.
2. To give the feedback on the Executive Director's performance and to identify areas of strength and where improvement may be needed.
3. To strengthen the relationship among the Executive Director, the Regional Water Authority (RWA) Board of Directors and the Sacramento Groundwater Authority (SGA) Board of Directors.
4. To provide a basis for adjusting compensation and other contract terms and conditions.
5. To establish priorities for the Executive Director for the coming fiscal year.

## Frequency

Performance Evaluation of the Executive Director will be performed annually or on a schedule otherwise determined by the RWA and SGA Chairs.

Annualized performance period shall be from April 1 through March 31. Performance review process shall be March 31 through June, with final Executive Committee Action at the June Meeting.

## Who is Involved

The RWA Chair will select an Evaluation Committee composed of four or six members with an equal number of members drawn from the RWA Executive Committee and SGA Board of Directors. Members of the Evaluation Committee may not be from the same agency. Whenever feasible **or appropriate**, the Chair of the RWA will chair the Evaluation Committee and the Chair of the SGA will serve on the Evaluation Committee. Whenever feasible the respective vice chairs of RWA and SGA are encouraged to participate in the process. **At least one member of the committee of shall be an elected official from a different member agency.**

*Note:* The Executive Director is an employee of the RWA, with which the SGA contracts for management, administrative and staff services.

## **Confidentiality**

Consistent with Government Code sections 6254(c), 54957 and 54963, and common law privacy protections, Board members and other individuals involved with the evaluation process will maintain the confidentiality of all privileged and/or confidential evaluation materials and discussions.

## **Evaluation Procedure**

The evaluation procedure will typically include the following chronological steps. Days indicated are approximate. The schedule for evaluating the Executive Director's performance will be established jointly by the Evaluation Committee Chair and the Executive Director. For the final step to be completed at the July RWA Board of Directors meeting, the process will need to be initiated no later than May 1.

### **1. Evaluation Procedure Initiation (Day 1) Action by Evaluation Committee and Executive Director**

A preliminary meeting will be held with the Evaluation Committee and the Executive Director to:

- Review the RWA Strategic Plan and SGA Groundwater Sustainability Plan and the related priorities set for the year, acknowledging some may have changed during the year.
- Review the Executive Director's evaluation from the prior year.
- Review and concur on the content of the evaluation form, evaluation procedures and performance criteria and performance evaluation instructions.
- Set a schedule for completing the evaluation process.

### **2. Distribution of Evaluation Forms (No Later than Day 7) Action by Evaluation Committee Chair**

The Evaluation Committee Chair will send evaluation forms with the agreed upon performance evaluation instructions to the Executive Director and members of the RWA and SGA Boards of Directors. The instructions will require that the completed evaluation forms be returned to the Evaluation Committee Chair within two weeks.

### **3. Return of Evaluation Forms (No Later than Day 21) Action by Evaluation Committee & RWA Executive Committee Members**

- The Executive Director will complete a self-assessment using the evaluation form and return a copy to the Evaluation Committee Chair.
- Members of the RWA and SGA Boards of Directors will complete the

- evaluation form and return a copy to the Evaluation Committee Chair.
- Only one evaluation form should be returned to the Chair of the Evaluation Committee by each member agency.
  - All evaluations returned will require appropriate identification for consideration as valid input. Anonymous submissions will not be included in the process. It may be necessary for members of the Evaluation Committee to reach out to members who have submitted evaluations to clarify input received.

**4. Meeting to Review Assessments and Draft Performance Report (No Later than Day 28)  
Action by Evaluation Committee**

The Evaluation Committee will meet to review and discuss the assessments, the Executive Director's self-assessment and any input solicited or provided from others. The Evaluation Committee will prepare a draft "Performance Report," which will represent a summary of the results of the evaluations and any other valid input obtained.

**5. Evaluation Committee Meeting including Executive Director (No Later than Day 35)  
Action by Evaluation Committee and Executive Director**

- The Evaluation Committee will conduct an interview with the Executive Director to discuss the input received, and the draft Performance Report.
- Members of the Evaluation Committee and the Executive Director, at their discretion, may provide information regarding proposed adjustments to compensation and other contract terms and conditions.
- The Evaluation Committee and the Executive Director shall discuss priorities from the strategic plan set by the RWA and SGA Boards of Directors and priorities of the Groundwater Sustainability Plan that will require focused attention in the coming year. Note: The Executive Director will facilitate an annual process to identify the Board established RWA strategic plan priorities prior to the evaluation process.
- The Evaluation Committee and Executive Director will have initial discussions on any proposed adjustments to the Executive Director's compensation and contract terms and conditions.

**6. Follow-Up Meeting of Evaluation Committee (No Later than Day 42)  
Action by Evaluation Committee**

Following the interview, the Evaluation Committee will convene or correspond to prepare the final draft Performance Report as appropriate, and to discuss and provide written recommendations for adjustments, if any, to the Executive Director's compensation and other contract terms and conditions including priorities from the strategic plan for the coming year.

**7. Distribution of Final Draft Performance Report to RWA Executive Committee  
Action by Evaluation Committee Chair**

The final draft Performance Report will be delivered by the Evaluation Committee Chair to the members of the RWA Executive Committee not less than four working days prior to the meeting at which it will be discussed. The Evaluation Committee shall also deliver written recommendations for adjustments to the Executive Director's compensation or contract terms and conditions, if any.

**8. RWA Executive Committee  
Action by RWA Executive Committee, Evaluation Committee, and Executive Director**

In closed session at a noticed regular meeting, the Evaluation Committee Chair will present the draft Performance Report to the RWA Executive Committee. Attendance and participation by all members of the Evaluation Committee is encouraged. At the discretion of the RWA Executive Committee, the Executive Director may be asked to participate in portions of the closed session. The RWA Executive Committee will consider approval (or approval with appropriate amendments) of the final Performance Report.

During the closed session, the Evaluation Committee and Executive Committee may also discuss any recommendations for adjusting the Executive Director's compensation or contract terms and conditions proposed by the Evaluation Committee. The RWA Executive Committee may choose to ratify or amend the recommendations of the Evaluation Committee before forwarding final recommendations for adjusting the Executive Director's compensation or contract terms and conditions to the RWA Board of Directors for consideration.

**9. RWA Board of Directors  
Action by Evaluation Committee and RWA Board of Directors**

In closed session at a noticed regular meeting, the Evaluation Committee Chair will present an update on the final Performance Report to the RWA Board of Directors. Attendance and participation by all members of the Evaluation Committee is encouraged. At the discretion of the RWA Executive Committee, the Executive Director may be asked to participate in portions of the closed session. The Evaluation Committee and RWA Board of Directors may also discuss the Executive Committee's recommendations for adjusting the Executive Director's compensation or contract terms and conditions, if any.

Upon conclusion of the closed session, the RWA Board of Directors will reconvene in open session and discuss adjustments to the Executive Director's compensation or contract terms and conditions, if any. The RWA Board of Directors may choose to reject, ratify, or amend the recommendations of the RWA Executive Committee.

## Setting Priorities for the Following Year

The Executive Director Shall lead the following procedure to set priorities for the coming year:

1. The Executive Director shall solicit input on the strategic plan and/or other priorities from the members.
2. The input from members shall be reviewed by the Executive Director, staff and the Executive Committee.
3. The Executive Director shall propose strategic plan and/or other priorities to the Executive Committee.
4. The Executive Committee should propose the priorities to the Board for adoption.

## Executive Director Bonus Policy

This policy governs the award of an annual, discretionary bonus to the Executive Director if a discretionary bonus is authorized by a written employment agreement between the Executive Director and RWA.

If the written employment agreement contains a term with parameters for the bonus amount, then the agreement shall control. If the written employment agreement does not contain such a term, then the Executive Director's bonus, if any, shall not exceed 10% of the Executive Director's salary on the effective date of the bonus.

When the RWA Board of Directors determines the eligibility for a discretionary bonus, the Board shall consider if the Executive Director has met organizational expectations "**MEETS EXPECTATIONS**" in the following areas:

1. Core Competencies
2. Job Knowledge and Competence
3. Implementation of the RWA Strategic Plan
4. Engagement on SGA Priorities

When the RWA Board of Directors determines the amount of a discretionary bonus, the Board shall consider the following factors:

1. The overall fiscal health of the RWA Budget. The Bonus itself shall not be funded through debt or reserves.
2. Unique performance demonstrated or rated performance that "**EXCEEDS EXPECTATIONS**" or is "**SUPERIOR**".
3. Overall Membership Stability.

## RWA and SGA Executive Director Performance Evaluation Form

Employee Name: \_\_\_\_\_ Date: \_\_\_\_\_


Review Period: April 2, 20XX – March 31, 20XX

Evaluating Agency Name: \_\_\_\_\_ RWA or SGA? \_\_\_\_\_

Submitted By: Name: \_\_\_\_\_ Title: \_\_\_\_\_

- This evaluation shall be for the period outlined above.
- RWA members shall evaluate the Executive Director on items I, II, and III below
- SGA members shall evaluate the Executive Director on items I, II, and IV below
- As agency representatives fill out the questionnaire, you are reminded to be constructive in your input consistent with the RWA Adopted Core Values.

### RWA CORE VALUES

The Five "I" s 

- |                   |                                                                                                                                                                                                                                                    |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>INTEGRITY</b>  | <b>We are respectful and transparent in internal and external interactions.</b><br>✓ <i>Our actions are consistent with our stated intentions.</i>                                                                                                 |
| <b>INNOVATIVE</b> | <b>We are visionary and strategic in our approach to anticipating and meeting challenges.</b><br>✓ <i>We address changing circumstances proactively, cost-effectively, and with technical sophistication.</i>                                      |
| <b>INFORMED</b>   | <b>We are a trusted and reliable source of information.</b><br>✓ <i>We stay current and maintain an understanding of relevant issues, evaluating and communicating how they may affect members and the region</i>                                  |
| <b>INCLUSIVE</b>  | <b>We encourage open participation and equitable treatment amongst and by our members and other stakeholders.</b><br>✓ <i>We leverage our members' collective strength to best serve the region.</i>                                               |
| <b>IMPACTFUL</b>  | <b>We accomplish meaningful outcomes for the benefit of our members, the region, and future generations.</b><br>✓ <i>We communicate collective positions in a manner that both strengthens, and is strengthened by, the voices of our members.</i> |

### **Grading Scale**

The following rating scale guide is being provided to assist in assigning the most appropriate measurement of the employee's performance factors.

Clarification of SGC/RWA

- 1 = UNACCEPTABLE** - Performance is below minimum requirements to meet job expectations. Immediate improvement required to maintain employment.
- 2 = NEEDS IMPROVEMENT** – Performance is acceptable, but improvement is needed to fully meet expectations of position.
- 3 = MEETS EXPECTATIONS** – Able to perform 100% of job duties satisfactorily. Normal guidance, direction, and engagement by board leadership is provided.
- 4 = EXCEEDS EXPECTATIONS** – Frequently exceeds job requirements; all planned objectives were achieved above the established standards and accomplishments were made in unexpected areas as well.
- 5 = SUPERIOR** – Consistently exceeds job performance and expectations.

**A rating of 3 reflects solid performance on a performance objective that meets the expectations of members. If your rating is a 1 or a 2, please provide specific comment on where you would like to see improvements.**

## RWA and SGA Executive Director Performance Evaluation Form

If your rating is a 4 or a 5, please provide comment on the specific performance objective.

### **I. Core Competencies**

**A. How well does the Executive Director contribute to a positive overall culture?**

Rating: 1 2 3 4 5

Comments:

**B. How well does the Executive Director demonstrate the values of the organization? (See the RWA adopted five values below)**

Rating: 1 2 3 4 5

Comments:

**C. How well does the Executive Director demonstrate respect for the work of others?**

Rating: 1 2 3 4 5

Comments:

**D. How well does the Executive Director show Initiative, identify threats and seek opportunities to further the organization's goals?**

Rating: 1 2 3 4 5

Comments:

**E. How well does the Executive Director demonstrate integrity in overall work?**

Rating: 1 2 3 4 5

Comments:

### **II. Job Knowledge and Competence:**

**A. How well does the Executive Director understand the requirements of the job and shows understanding of scope of the job?**

Rating: 1 2 3 4 5

Comments:

**B. How well does the Executive Director actively support the organization's objectives and policies?**

Rating: 1 2 3 4 5

Comments:

**C. How well does the Executive Director manage the day day-to-day operation of the organization including management of the organization; administrative tasks; administer policies and implement procedures; maintain appropriate supervision of the staff/contractors?**

Rating: 1 2 3 4 5

Comments:

**D. How well does the Executive Director demonstrate fiscal discipline and exert appropriate controls on costs and budgeting?**

Rating: 1 2 3 4 5



**RWA and SGA Executive Director Performance Evaluation Form**

Comments:

**E. How receptive is the Executive Director to feedback from Board and peers?**

Rating: 1 2 3 4 5

Comments:

**F. How well does the Executive Director keep the Board adequately informed?**

Rating: 1 2 3 4 5

Comments:

**SUPPLEMENTAL FOR RWA EVALUATION ONLY:**

**Provide a ranking for the Executive Director for each of the following goals:**

**III. Specific actions to implement the RWA Strategic Plan**

**A. Planning Goal**

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

Rating: 1 2 3 4 5

Comments:

**B. Implementation Goal**

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

Rating: 1 2 3 4 5

Comments:

**C. Communication 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.

Rating: 1 2 3 4 5

Comments:

**D. Advocacy Goal**

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

Rating: 1 2 3 4 5

Comments:

**E. Other priorities identified by the Executive Director and the RWA Board during the prior year's annual review process.**

Rating: 1 2 3 4 5

Comments:

**RWA and SGA Executive Director Performance Evaluation Form**

**SUPPLEMENTAL FOR SGA EVALUATION ONLY:**

**Provide a ranking for the Executive Director for each of the following goals:**

**IV. Specific Actions Based on SGA Priorities**

**A. How well is the Executive Director implementing the Groundwater Sustainability Plan?**

Rating: 1 2 3 4 5

Comments:

**B. How well does the Executive Director implement the Policies established by the SGA?**

Rating: 1 2 3 4 5

Comments:

**C. How well does the Executive Director advance other priorities identified by the Executive Director and the SGA Board during the prior year's annual review process?**

Rating: 1 2 3 4 5

Comments:

## **AGENDA ITEM 8: LEGISLATIVE/REGULATORY UPDATE**

### **BACKGROUND:**

Since the board last met the legislative session has concluded. The highlights at the end of session are a final budget for the 2022-23 fiscal year was passed and all legislative action on bills was concluded.

The budget notably contained \$159.5 million for watershed climate resilience grants, with an additional \$160 million projected funding to come over the following three years (total \$329.5 million). The budget included \$116 million for sustainable groundwater management implementation (SGMA), and significant funding to the Natural Resources agency that can support the Voluntary Agreements. This board item will include a presentation on the specifics of the final budget.

The RWA closely tracked 24 bills at the end of session. Two bills that the RWA had an oppose or oppose unless amended position passed the legislature. Notably, over the course of the legislative year 4 bills that the RWA opposed or opposed unless amended either died or were amended to address concerns. Additionally, of the bills tracked the RWA was supportive of 12 bills. Details on some of the higher profile bills are below. The Governor has until September 30<sup>th</sup> to act on all bills that passed the Legislature:

SB 222 (Dodd D-Napa) would establish a state-run water rate assistance program upon funding. The RWA position is oppose unless amended. The bill was improved through several amendments at the end of session, but still has problematic provisions that would require water agencies to be the “backstop” for enrollment and eligibility verification in the instance where there is no state coverage. There is hope that for RWA agencies there will be state coverage. The bill passed the Legislature and is headed to the Governor.

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. The RWA position is oppose unless amended. The bill failed when initially brought up on the Assembly floor, but gained passage through the Legislature in the final hours of the session.

SB 1205 (Allen D- Santa Monica) would require the Water Board to include climate change when issuing new water rights. The RWA position is watch. The bill was amended at the end of session to specify that the bill would not expand the Water Board authority on existing water rights applications. The bill passed the Legislature and is headed to the Governor.

AB 2142 (Gabriel D- Encino) would from 2022-2027 exempt turf rebates from state taxable income. The RWA position is support. The bill passed the Legislature and is headed to the Governor.

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

## **AGENDA ITEM 9: SPACE PLANNING UPDATE**

### **BACKGROUND:**

On August 31, 2022, RWA's Ad Hoc Space Planning Committee met to discuss potential alternatives to the RWA and SGA office space and location. As Board members may know, the lease on the Birdcage office space runs to August 2023. The RWA has outgrown its current office space. Two staff members are working from home on a permanent basis due to the lack of available office space.

The Ad Hoc committee discussed several items including:

1. **Obtain the services of a commercial real estate broker** – The committee decided that the services of a commercial real estate broker are needed. Brokers should be interviewed, and a finalist should be selected to assist finding a space to accommodate the needs of the RWA and SGA.
2. **Does the RWA need a large conference room?** – The existing Birdcage office has a conference room that can hold up to 65 people. Foregoing a large conference room might save money, but that might be offset if the office is located elsewhere. It is possible that RWA members could lend or lease their conference rooms to the RWA for board meetings. The ad hoc committee thought Board input should be sought to address this question.
3. **Are there vacant offices in the existing Birdcage office space that can be used to expand?** – There tends to be high turnover at the Birdcage office building, but the office directly next to the RWA office does not become vacant frequently. There are some challenges to the existing site that staff discussed with the committee and the committee felt the Board should understand the challenges. Challenges include:
  - Ongoing issues with the office building management including a lack of onsite property management,
  - Spotty janitorial services,
  - Removal of garbage dumpsters,
  - Security issues (occasional unlocked doors, theft, and a perception of an unsafe environment especially outdoors after dark),
  - Neighboring clientele/tenants occupying the building space that are not in keeping with a government agency (examples: occasional odors in the building of burning marijuana and cigarette smoke, potential rental of space to a client that will conduct COVID testing in the parking lot),
  - Potential challenges to recruitment and retention.

Discussion: Jim Peifer, Executive Director

**AGENDA ITEM 10: EXECUTIVE DIRECTOR'S REPORT**

**SEPTEMBER 8, 2022**

**TO: RWA BOARD OF DIRECTORS**

**FROM: JIM PEIFER**

**RE: EXECUTIVE DIRECTOR'S REPORT**

- a. American River Basin Study** – The U.S. Bureau of Reclamation released a study on August 31<sup>st</sup>, that identifies future climate and hydrology projections and outlines gaps between water supplies and projected urban and agricultural demands in the American River Basin.

The study, which was developed in partnership with local water providers, including the RWA, describes regional vulnerabilities and strategies for adaptation designed to address climate vulnerabilities in the American River watershed, which stretches from Sacramento to the foothills. The full report is available at <https://www.usbr.gov/watersmart/bsp/arbs/>.

- b. Legal Expenses** – Legal expenses are trending higher than expected. The be clear, the services from your legal counsel are necessary and excellent. A driver of expenses, which is beyond the control of Counsel and the Executive Director, is addressing the removal of a member from a Common Interest Agreement (CIA) associated with the Major Projects Management Services Subscription Program. Other contributing but necessary drivers include advising the Chair and Executive Committee on the Executive Director's annual performance review and assisting ad hoc committees on proposed RWA policy changes. The various ad hoc committees work will largely be completed in the near future and the Executive Director's review is nearly completed. However, the CIA removal matter may potentially contribute to elevated legal expenses for the foreseeable future.
- c. Communication and Outreach** – Garden Comm (formerly the national Garden Writers Association) announced its 2022 Media Awards and the "[Garden Smart](#)" publication won the Silver Award (top honors) for Best Garden Marketing publication. Ms. Debbie Arrington prepared this publication for the RWA Water Use Efficiency program. Sacramento Bee readers may remember that Ms. Arrington was the home and garden reporter for the Sacramento Bee. It should be noted that this is a national award in a tough category. Every garden company has a marketing publication and many of those publications are submitted.

An article titled "Groundwater beneath Sacramento Valley offers hope in dry times" was published in Maven's Notebook. The article was written by Mr. David Guy from the Northern California Water Association and Mr. Peifer. The purpose of the article was to bring attention to the potential for subsurface storage in the Sacramento Valley.

The Water Bank was mentioned in a recent Sacramento Bee article written by Dale Kasler titled "[California has been in a megadrought for more than a decade, scientists say. When will it end?](#)"

Mr. Ryan Ojakian and Mr. Trevor Joseph from the City of Roseville discussed how groundwater may be banked in our region on a [video produced by the Sacramento Bee](#).

Mr. Peifer recently attended the ACWA DC Conference and the National Water Resources Association Western Water Seminar.

- d. **Rob Swartz Retirement** – Mr. Swartz, RWA and SGA's longest-serving employee, has informed me that he is retiring from public service to relocate to California's central coast. This gives Rob the opportunity to address the health needs of his family, while being able to work with a non-profit foundation to continue with his passion for groundwater sustainability planning. Mr. Swartz has served with us since 2003 and is a large part of the success of both the RWA and SGA.

As Board Members may understand, the loss of a senior level employee that has nearly two decades of experience will result in a significant loss of institutional knowledge. Mr. Swartz has assured me that he will ease the transition as much as possible and will be accessible beyond his departure and into the future. The RWA and SGA will undoubtedly need to contact Mr. Swartz occasionally for his advice and counsel.

Rob's planned last day in the office is October 14<sup>th</sup>.

We are moving forward immediately with recruiting a replacement. A [solicitation has been issued](#) and we are advertising on various association job postings as well as BC Water Jobs.

- e. **Financial Reports** – Unaudited RWA financial reports including income statement and quarterly balance through June 30, 2022 are attached. 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

September 01, 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

August 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
8/10/2022	8/9/2022	RD	1711613	1671927	JOSETTE REINA-LUKEN	500,000.00
8/25/2022	8/24/2022	RD	1712403	1672694	JOSETTE REINA-LUKEN	300,000.00

**Account Summary**

Total Deposit:	800,000.00	Beginning Balance:	2,755,735.24
Total Withdrawal:	0.00	Ending Balance:	3,555,735.24





## CERBT and CEPPT Plan Portal

» [CERBT and CEPPT]: rwah2oorg00

### My Accounts

As of the financial markets most recent close of business (08/30/2022), the total value of your account(s) is **\$1,386,506.40**.

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



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

For the period ending June 2022

Cash in checking account:	\$	172,333
LAIF Balance	\$	2,909,036

For the period of April 1, 2022 to June 30, 2022

Total cash receipts for the period:	\$	842,498
-------------------------------------	----	---------

Total cash disbursements for the period:	\$	867,218
------------------------------------------	----	---------

# REGIONAL WATER AUTHORITY

## Income Statement

Year-to-Date Performance, June 2022

	<i>12 Months Ended June 30, 2022</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
REVENUES				
Annual Assessments	1,008,477.00	989,826.00	(18,651.00)	101.9 %
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	488,601.69	794,363.00	305,761.31	61.5 %
OPEB	39,960.48	0.00	(39,960.48)	
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	553.56	0.00	(553.56)	
Interest on S/T Investments	14,311.23	21,200.00	6,888.77	67.5 %
TOTAL REVENUES	1,733,053.03	2,069,674.00	336,620.97	83.7 %
Adjustments				
Fees Adjustments	(3,750.00)	0.00	3,750.00	
TOTAL Adjustments	(3,750.00)	0.00	3,750.00	
TOTAL REVENUE	1,729,303.03	2,069,674.00	340,370.97	83.6 %
GROSS PROFIT	1,729,303.03	2,069,674.00	340,370.97	83.6 %
OPERATING EXPENDITURES				
Staff Expenses				
General Salaries	1,181,891.97	1,229,339.00	47,447.03	96.1 %
Benefits/Taxes	414,308.22	567,978.00	153,669.78	72.9 %
Travel / Meals	20,594.49	42,450.00	21,855.51	48.5 %
Professional Development	707.88	10,000.00	9,292.12	7.1 %
TOTAL Staff Expenses	1,617,502.56	1,849,767.00	232,264.44	87.4 %
Office Expenses				
Rent & Utilities	35,574.00	52,000.00	16,426.00	68.4 %
Insurance	32,797.70	33,000.00	202.30	99.4 %
Office Maintenance	0.00	800.00	800.00	
Telephone	8,325.07	10,000.00	1,674.93	83.3 %
Dues and Subscription	28,220.86	25,000.00	(3,220.86)	112.9 %
Printing & Supplies	8,779.10	23,900.00	15,120.90	36.7 %
Postage	1,129.33	3,400.00	2,270.67	33.2 %

	<i>12 Months Ended June 30, 2022</i>	<i>Annual Budget</i>	<i>Unused</i>	<i>% Used</i>
Meetings	7,916.28	38,214.00	30,297.72	20.7 %
Computer Equipment/Support	29,189.62	27,000.00	(2,189.62)	108.1 %
TOTAL Office Expenses	151,931.96	213,314.00	61,382.04	71.2 %
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	2,541.27	3,400.00	858.73	74.7 %
Audit Fees	28,700.00	28,700.00	0.00	100.0 %
Legal Fees	56,792.75	72,250.00	15,457.25	78.6 %
GASB 68 reporting fee	700.00	0.00	(700.00)	
Consulting Expenses - General	311,793.02	357,000.00	45,206.98	87.3 %
Powerhouse Science Center Payments	20,000.00	25,000.00	5,000.00	80.0 %
TOTAL Professional Fees	420,527.04	486,350.00	65,822.96	86.5 %
Miscellaneous Expense	111,789.00	0.00	(111,789.00)	
TOTAL OPERATING EXPENDITURES	2,301,750.56	2,559,431.00	257,680.44	89.9 %
OPERATING INCOME (LOSS)	(572,447.53)	(489,757.00)	82,690.53	116.9 %
NET OPERATING INCOME (LOSS)	(572,447.53)	(489,757.00)	82,690.53	116.9 %
NET INCOME (LOSS) NET OF PROGRAM	(572,447.53)	(489,757.00)	82,690.53	116.9 %

**AGENDA ITEM 11: DIRECTORS' COMMENTS**