

**1. CALL TO ORDER**

Chair Firenzi called the regularly scheduled meeting of the Board of Directors to order at 9:00 a.m. at City of Roseville - Corporation Yard, 2005 Hilltop Circle, Roseville, CA 95747. A quorum was established of 18 participating members present in person. Individuals who were present are listed below:

**RWA Board Members**

S. Audie Foster, California American Water  
Ron Greenwood, Carmichael Water District  
Caryl Sheehan, Citrus Heights Water District  
YK Chalamcherla, City of Folsom  
Marcus Yasutake, City of Folsom  
Matthew Medill, City of Lincoln  
Pauline Roccucci, City of Roseville  
Sean Bigley, City of Roseville  
Lisa Kaplan, City of Sacramento  
Brett Ewart, City of Sacramento  
William Roberts, City of West Sacramento  
Diana Langley, City of Yuba City  
Gwynne Pratt, Del Paso Manor Water District  
Tom Nelson, Elk Grove Water District  
Bruce Kamilos, Elk Grove Water District  
Tom Gray, Fair Oaks Water District  
Michael Saunders, Georgetown Divide Public Utility District  
Paul Schubert, Golden State Water Company  
Tony Firenzi, Placer County Water Agency  
Michael Grinstead, Sacramento County Water Agency  
Bob Wichert, Sacramento Suburban Water District  
Jay Boatwright, Sacramento Suburban Water District  
Dan York, Sacramento Suburban Water District  
Ted Costa, San Juan Water District  
Greg Zlotnick, San Juan Water District  
Paul Helliker, San Juan Water District

**RWA Associate Members**

None

**RWA Affiliate Members**

Vanessa Nishikawa, Stantec

**RWA Staff Members**

Jim Peifer, Josette Reina-Luken, Trevor Joseph, Ryan Ojakian, Michelle Banonis, Amy Talbot; Ashley Flores, Monica Garcia, and Andrew Ramos, legal counsel.

**Others in Attendance:**

Katherine Willis, City of Yuba City; Brian Sanders, City of Sacramento; Ryan Bezerra; Jace Nunes, Citrus Heights Water District; Mark Smith; Chris N.; Travis Franklin, Elk Grove Water District; Kirsten Peer, Placer County Water Agency; Brittney Moore, Citrus Heights Water District; Soyla Fernandez; Joe Duran, Orange Vale Water Company; Jim; Ross Branch, Placer County Water Agency; Sarah Boudreau, City of Roseville; Anne Sanger, City of Sacramento; Adam Robin, Yuba Water Agency; Evan Jacobs, California American Water; Terrie Mitchell, Sacramento Regional County Sanitary District; Dan Kelly, Placer County Water Agency; Brian Hensley, Citrus Heights Water District; Jessica Law, Water Forum; Tony Barela, San Juan Water District; and Craig Locke, Sacramento Suburban Water.

**2. PUBLIC COMMENT**

None.

**3. CONSENT CALENDAR**

Executive Director Peifer requested a correction to the draft minutes of the Special Board Meeting on April 12, 2023. The amended motion needs to be amended to read as: “of approving the list of projects and include projects from member agencies that meet the criteria to be included on the list with a deadline of Friday, close of business was taken.”

**A motion was made to approve the Consent Calendar, as amended.**

Motion/Second/Carried Mr. Schubert moved, with a second by Mr. Gray

S. Audie Foster, California American Water; Ron Greenwood, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; YK Chalamcherla, City of Folsom; Matthew Medill, City of Lincoln; Pauline Roccucci, City of Roseville; Lisa Kaplan, City of Sacramento; William Roberts, City of West Sacramento; Diana Langley, City of Yuba City; Gwynne Pratt, Del Paso Manor Water District; Tom Nelson, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Tony Firenzi, Placer County Water Agency; Michael Grinstead,

Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; and Ted Costa, San Juan Water District; voted yes. The motion passed.

Ayes- 18  
Noes- 0  
Abstained- 0  
Absent- 4

#### **4. INFORMATION/PRESENTATION: VIRTUAL MEETING PROTCOLS**

Chair Firenzi presented this discussion item to the Board of Directors to review the current use of the Zoom link for public participation.

He opened the policy discussion explaining there has been demonstrated confusion about board member use of the virtual public participation option. Recently, Board Directors that were in attendance virtually had to exit a meeting once the Board went into closed session. Chair Firenzi recommending removing the virtual public participation option to lessen such confusion.

Chair Firenzi and Andrew Ramos also discussed several scenarios where the virtual public participation might cause issues of disruption to the meeting proceedings.

Regarding in-person board meetings, the sentiment of the Board was to have the board members attend board meetings in person, but allowing for instances when virtual access is necessary for just cause as provided for under the Brown Act.

**Direction was provided to staff to continue providing virtual access for the public and present a report at a future meeting with clear direction and recommendation regarding providing how to RWA will continue to provide virtual public access.**

#### **5. FY 2023-24 BUDGET**

Ms. Reina-Luken presented this action item for the Board of Directors to receive a presentation and recommend approval of the proposed FY 2023/24 Budget to the RWA Board of Directors.

The presentation provided an overview of those critical budget issues including potential increase in annual dues for board, associate and affiliate members, and budget expense category increases such as estimated cost of living allowance, office relocation, and PERS side payment to future unfunded liability. A zero percent (0%) increase on general membership and associate membership fees is proposed for Fiscal Year 2023-2024 (FY24). Staff salaries are within ranges assigned by the compensation survey and reflect a possible 44% increase for merit if eligible plus an assumption of 33% for a cost-of-living allowance (COLA) and a similar combined increase in the out years. Funds in excess of the Operating Fund Designation revert

to undesignated (non-restricted) cash which can later be applied towards future year expenses. The Powerhouse Science Center (“PSC”)/MOSAC designation represents the difference in collection of fees for this project versus the payments made per the PSC contract. The restrictions for the RWA subscription programs including WEP, CIMS, and RWA member-based grant programs including the Biological Opinion Support Services and Sacramento Regional Water Bank programs reflect a decrease in approximately \$259,438 from the prior year reflecting a spend down and/or completion of specific programs like the completion of the Bonneville grant program (\$242,000).

The presentation also included a discussion of potential budget transfers to staff subscription programs and the corresponding cash designations which restrict funds for specific purposes in accordance with RWA financial policies. There are two RWA subscription programs that fund staff positions and programmatic costs in its entirety including WEP and CIMS programs. For FY24, a total of 30% of WEP’s staffing and office expenses will be paid for by RWA core dues as reimbursement for time that the WEP Manager spends on non-WEP related activities. For CIMS, a 10% transfer for the Manager of Strategic Affairs for time spent on non-CIMS related activities. With this transfer, WEP projects expenses in excess of revenues by approximately \$47,360 which will be paid from WEP reserves. The CIMS program covers 100% of the Manager of Strategic Affairs salary and all programmatic and administrative costs after the 10% RWA Core Transfer.

Ms. Reina-Luken also explained how the planned deficit unrestricted cash will be depleted next year. The RWA’s Operating Designation Policy is in place that provides support if we do need to pivot for unknown costs.

**A motion to approve the budget for Fiscal Year 2023/2024.**

Motion/Second/Carried Mr. Schubert moved, with a second by Mr. Costa.

S. Audie Foster, California American Water; Ron Greenwood, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; YK Chalamcherla, City of Folsom; Matthew Medill, City of Lincoln; Pauline Roccucci, City of Roseville; Lisa Kaplan, City of Sacramento; William Roberts, City of West Sacramento; Diana Langley, City of Yuba City; Gwynne Pratt, Del Paso Manor Water District; Tom Nelson, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Tony Firenzi, Placer County Water Agency; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; and Ted Costa, San Juan Water District; voted yes. The motion passed.

Ayes- 18  
Noes- 0  
Abstained- 0  
Absent- 4

**6. INFORMATION/PRESENTATION: UPDATE ON FUNDING AGREEMENT BETWEEN THE STATE OF CALIFORNIA NATURAL RESOURCES AGENCY AND DEPARTMENT OF WATER RESOURCES AND RWA FOR VOLUNTARY AGREEMENT EARLY IMPLEMENTATION FOR THE AMERICAN RIVER**

Ms. Banonis presented this information item to the Board of Directors to provide a program update specifically regarding the VA Infrastructure Funding agreement. The draft agreement went back to DWR for review the week of May 1, 2023. The biggest change to the agreement is the payment structure. Funding will not be provided up front, instead it will be a direct reimbursement mechanism.

We will also be working towards a term addressing an instance where a VA project is not approved by the State's Water Resources Control Board. What happens in the event that this occurs; we need to identify what the state's commitment and RWA's commitments will be.

Internally we need to work on the terms of potential sub agreements between funding agencies and RWA. Intertributary Agreements defines risk sharing, understanding the terms and mechanisms of these agreements. Director Ewart continues to work on risk sharing on allocations of money, water and pertaining to contributors of groundwater.

Director Bigley continues to work with the Ad hoc committee scheduling a series of meetings to work through a lot of these topics.

Ms. Banonis reported that we will continue to engage locally and with the state. We are on track to approve the agreement within this fiscal year.

Executive Director Peifer reported that the RWA has experience with and is very comfortable with the updated mechanism of funding by reimbursement. He also noted that a Special Board Meeting may be scheduled to approve the agreement before the end of the fiscal year.

**7. OPPORTUNITY FOR PUBLIC TO ADDRESS CLOSED SESSION MATTERS**

None.

**8. CLOSED SESSION – BEGAN AT 10:30 A.M.**

**8.1** Public Employee Performance Evaluation Pursuant to Government Code Section 54957  
Title: Executive Director

**8.2** Closed session regarding labor negotiations (Gov. Code, § 54957.6.) Agency Representative(s): Directors Firenzi and Ewart  
Unrepresented employee: Executive Director

**9. RETURN TO OPEN SESSION AT 11:54 A.M.- ANNOUNCEMENT OF REPORTABLE ACTION IN CLOSED SESSION**

No reportable action was taken on 8.1 and 8.2.

Ron Greenwood, Carmichael Water District; Diana Langley, City of Yuba City; and Josette Reina-Luken exited the meeting at 11:50 a.m.

**10. CONSIDER APPROVAL OF ADJUSTMENT TO EXECUTIVE DIRECTOR COMPENSATION**

Chair Firenzi presented this action item to consider the approval of the adjustment to the Executive Director's compensation. The Brown Act requires that a summary is presented of the changes recommended by the Evaluation Committee and the Executive Committee and now considered by the Board of Directors at this meeting.

The recommended changes are as follows:

- (1) Effective July 1, 2023 to increase the Executive Director's salary of eight (8%) percent this adjustment is inclusive of the merit increase required of the employment agreement, no discretionary bonus; and
- (2) Effective July 1, 2024 to increase the Executive Director's salary of seven (7%) percent this adjustment is inclusive of the merit increase required of the employment agreement, no discretionary bonus.

**A motion to approve the recommended changes to the Executive Director's salary.**

Motion/Second/Carried Mr. Grinstead moved, with a second by Mr. Schubert.

S. Audie Foster, California American Water; Caryl Sheehan, Citrus Heights Water District; YK Chalamcherla, City of Folsom; Matthew Medill, City of Lincoln; Pauline Roccucci, City of Roseville; Lisa Kaplan, City of Sacramento; William Roberts, City of West Sacramento; Gwynne Pratt, Del Paso Manor Water District; Tom Nelson, Elk Grove Water District; Tom Gray, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Tony Firenzi, Placer County Water Agency; Michael Grinstead, Sacramento County Water Agency; Bob Wichert, Sacramento Suburban Water District; voted yes. Ted Costa, San Juan Water District; voted no. The motion passed.

Ayes- 15  
Noes- 1  
Abstained- 0  
Absent- 6

**11. EXECUTIVE DIRECTOR'S REPORT**

Executive Director Peifer thanked the Board for the salary increase. He also reported that he is working with Director Bigley to provide an opportunity for Leadership Development Training Services for public employees in the region, more details to come.

**12. DIRECTORS' COMMENTS**

Director Foster reported that CA American Water will be participating in the Public Works Showcase at the City of Citrus Height.

Director Bigley reported that the City continues to recharge since January under the Bureau of Water Reclamation's Section 215 Water Contract for recharge operations.

Director Roberts reported City of West Sacramento is celebrating Public Works Week.

Director Saunders thanked everyone for the endorsement for ACWA Vice President.

Director Schubert reported that Golden State Water Company is currently going through their required rate review.

Director Wichert also reported that Sacramento Suburban Water District is also taking advantage of Section 215 water for recharge.

Director Costa reported that San Juan Water District just installed a new top on their treatment plant.

**ADJOURNMENT**

With no further business to come before the Board, Chair Firenzi adjourned the meeting at 12:03 p.m.

By:

  
\_\_\_\_\_  
Anthony Firenzi, Chair

Attest:

  
\_\_\_\_\_  
Ashley Flores, Secretary