



**REGIONAL WATER AUTHORITY  
MEETING OF THE BOARD OF DIRECTORS**

**Thursday, March 14, 2024 at 9:00 a.m.**

**Sacramento Suburban Water District  
7800 Antelope North Rd, Antelope, CA 95843  
(916) 967-7692**

**IMPORTANT NOTICE REGARDING VIRTUAL PUBLIC PARTICIPATION:**

The Regional Water Authority currently provides in person as well as virtual public participation via the Zoom link below until further notice. 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.

**Join the meeting from your computer, tablet or smartphone**

Join Zoom Meeting

<https://us06web.zoom.us/j/89073814270>

Meeting ID: 890 7381 4270

Dial by your location

- +1 669 444 9171 US
- +1 669 900 6833 US (San Jose)

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.

**AGENDA**

**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.

**3.1** Approve the draft meeting minutes of January 18, 2024, RWA Board Meeting

**3.2** Receive Memorandum on Proposed Practices to Address the Improvement of Internal Controls and Approve Revisions to Policy 500.8 (Purchasing Card Policy) and Policy 500.13 (Business Expense Reimbursement Policy) as presented

**3.3** Approve Resolution No. 2024-01 approving the DWR Urban Community Drought Relief Grant Agreement

**3.4** Approve Robert Wichert to fill the vacancy on the Executive Committee

**3.5** Approve Resolution 2024-2 opposing Initiative 1935 (previously Initiative 21-0042A1)

**3.6** Direct staff to submit WIIN Act Funding workplan and associated applications to the U. S. Bureau of Reclamation

**Action: Approve Consent Calendar items as presented**

**4. INTRODUCTION TO THE REGIONAL WATER AUTHORITY**

Presenter: Jim Peifer, Executive Director

**5. FISCAL YEAR 2024/2025 STRATEGIC PLAN PRIORITIES**

Presenter: Jim Peifer, Executive Director

**Action: Approve 2024/2025 Strategic Plan Priorities**

**6. WATERSHED RESILIENCE PILOT PROGRAM**

Presenter: Trevor Joseph, Manager of Technical Services

**Action: Approve Resolution 2024-03 authorizing the Executive Director to enter into a Watershed Resilience Pilot Project agreement with the Department of Water Resources.**

**7. SACRAMENTO REGIONAL WATER BANK UPDATE**

Presenter: Trevor Joseph, Manager of Technical Services

**8. EXECUTIVE DIRECTOR'S REPORT**

**9. DIRECTORS' COMMENTS**

## **ADJOURNMENT**

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

May 16, 2024, 9:00 a.m. at a location to be determined. The location is subject to change.

### **Next RWA Executive Committee Meeting:**

March 26, 2024, 1:30 p.m. at the RWA Office, 2295 Gateway Oaks, Suite 100 Sacramento, CA 95833.

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/>.

Posted on March 8, 2024

---

James Peifer, Executive Director



Topic: Public Comment  
Type: New Business  
Item For: Information/Discussion  
Purpose: [Policy 200.1, Rule 11](#)

---

|               |                                 |            |                      |
|---------------|---------------------------------|------------|----------------------|
| SUBMITTED BY: | Ashley Flores, CMC<br>Secretary | PRESENTER: | Brett Ewart<br>Chair |
|---------------|---------------------------------|------------|----------------------|

---

**EXECUTIVE SUMMARY**

This is an information item to provide an opportunity for the Regional Water Authority Board of Directors to recognize or hear from visitors that may be attending the meeting or to allow members of the public to address the Board of Directors on matters that are not on the agenda.

As noted on the agenda, members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.

**STAFF RECOMMENDED ACTION**

None. This item is for information only.

**BACKGROUND**

Public agencies are required by law to provide an opportunity for the public to address the RWA Board of Directors matters that are not on the agenda.



Topic: Meeting Minutes  
Type: Consent Calendar  
Item For: Action; Motion to Approve  
Purpose: Policy 200.1, Rule 14

---

|               |                                 |            |                                  |
|---------------|---------------------------------|------------|----------------------------------|
| SUBMITTED BY: | Ashley Flores, CMC<br>Secretary | PRESENTER: | Jim Peifer<br>Executive Director |
|---------------|---------------------------------|------------|----------------------------------|

---

**EXECUTIVE SUMMARY**

This is an action item for the Regional Water Authority Board of Directors to review and consider approving the draft Minutes of the regular Regional Water Authority Board Meeting of January 18, 2024.

**STAFF RECOMMENDED ACTION**

A motion to approve the Minutes, as presented or amended.

**BACKGROUND**

The draft Minutes of the above referenced meetings are included with this Agenda. The Minutes reflect the RWA Policy 200.1 to document actions taken at the meetings.

The Executive Director may list on the agenda a "consent calendar", which will consist of routine matters on which there is generally no opposition or need for discussion. Examples of consent calendar items might include approval of minutes, financial reports and routine resolutions. Any matter may be removed from the consent calendar and placed on the regular calendar at the request of any member of the Board. The entire consent calendar may be approved by a single motion made, seconded and approved by the Board.

**FINDING/CONCLUSION**

Staff believes the draft of the presented Minutes correctly reflect the information shared and actions taken by the Board of Directors.

**ATTACHMENTS**

Attachment 1- Draft Meeting Minutes of the Regional Water Authority Board Meeting of January 18, 2024



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

---

RWA Board Meeting  
Draft Minutes  
January 18, 2024

## 1. CALL TO ORDER

Chair Ewart called the meeting of the Board of Directors to order at 9:05 a.m. at the City of Roseville Environmental Utilities Department, 2005 Hilltop Circle, Roseville, CA 95747. A quorum was established of 14 participating members present in person. Technical difficulties resulted in Chair Ewart calling for a recess at 9:11 a.m. Chair Ewart called the meeting back into order at 9:20 a.m. Individuals who participated are listed below:

### **RWA Board Members**

Cathy Lee, Carmichael Water District  
Caryl Sheehan, Citrus Heights Water District  
Rebecca Scott, Citrus Heights Water District  
Marcus Yasutake, City of Folsom  
Chris Nelson, City of Lincoln  
Scott Alvord, City of Roseville  
Sean Bigley, City of Roseville  
Lisa Kaplan, City of Sacramento  
Brett Ewart, City of Sacramento  
Gwynne Pratt, Del Paso Manor Water District  
Bruce Kamilos, Elk Grove Water District  
Chris Peterson, Fair Oaks Water District  
Tom Gray, Fair Oaks Water District  
Nicholas Schneider, Georgetown Divide Public Utility District  
Michael Saunders, Georgetown Divide Public Utility District  
Paul Schubert, Golden State Water Company  
Robert Dugan, Placer County Water Agency  
Tony Firenzi, Placer County Water Agency  
Robert Wichert, Sacramento Suburban Water District  
Dan York, Sacramento Suburban Water District  
Greg Zlotnick, San Juan Water District  
Wade Kirchner, City of Yuba City  
Ben Moody, City of Yuba City

### **RWA Associate Members**

None

### **RWA Affiliate Members**

None

### **Staff Members**

Jim Peifer, Ryan Ojakian, Tom Hoffart, Trevor Joseph, Michelle Banonis, Monica Garcia, Amy Talbot, and Andrew Ramos, legal counsel.

### **Others in Attendance**

Ron Greenwood, Carmichael Water District; Paul Helliker, San Juan Water District, Jay Boatwright, Sacramento Suburban Water District.

## **2. PUBLIC COMMENT**

None.

Director Pratt entered at 9:15 am

*Director Zlotnick pulled Consent Item 3.5.*

## **3. CONSENT CALENDAR**

- 3.1** Approve the draft meeting minutes of November 9, 2023, RWA Board Meeting.
- 3.2** Appoint Tom Hoffart as acting Board Secretary of the Regional Water Authority
- 3.3** Appoint Tom Hoffart as the Treasurer of the Regional Water Authority
- 3.4** Accept Fiscal Year 2022/2023 RWA Financial Audit Report
- 3.5** Approve the 2024 Policy Principles
- 3.6** Approve the 2024 Federal Affairs Platform
- 3.7** Authorize the Executive Director to enter into an agreement with West Yost Associates for services to support the ARTESIAN Agreement
- 3.8** Approve Staff Cost of Living Adjustments in accordance with Policy 400.2

**A motion was made to approve Consent Items 3.1, 3.2, 3.3, 3.4, 3.6, 3.7 and 3.8 as presented.**

Motion/Second/Carried Director Kamilos moved, with a second by Director Schubert

Cathy Lee, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Scott Alvord, City of Roseville; Brett Ewart, City of Sacramento; Wade Kirchner, City of Yuba City; Gwynne Pratt, Del Paso Manor Water District; Bruce Kamilos, Elk Grove Water District, Chris Peterson, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Robert Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes. Motion passes.

Ayes            15

Noes 0  
Abstained 0  
Absent 7

### 3.5 Approve the 2024 Policy Principles

Director Zlotnick requested that “Provide priority focus on” be changed to “Support” in one of the policy principles within the “Ensure a Diverse, Resilient, and Reliable Water Supply” priority issue. Director Zlotnick additionally requested various other non-substantive changes.

**A motion was made to change “provide priority focus on” to “Support” within the “Ensure a Diverse, Resilient, and Reliable Water Supply” priority issue and approve the 2024 Policy Principles**

Motion/Second/Carried Director Zlotnick moved, with a second by Director Gray

Cathy Lee, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Scott Alvord, City of Roseville; Brett Ewart, City of Sacramento; Wade Kirchner, City of Yuba City; Gwynne Pratt, Del Paso Manor Water District; Bruce Kamilos, Elk Grove Water District, Chris Peterson, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Robert Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes. Motion passes.

Ayes 15  
Noes 0  
Abstained 0  
Absent 7

### 4. 2024 RWA BOARD ELECTIONS OFFICERS AND EXECUTIVE COMMITTEE

**A motion to approve 2024 RWA Vice Chair and Executive Committee Members.**

Motion/Second/Carried Director Schubert moved, with a second by Director Lee

Cathy Lee, Carmichael Water District; Caryl Sheehan, Citrus Heights Water District; Marcus Yasutake, City of Folsom; Chris Nelson, City of Lincoln; Scott Alvord, City of Roseville; Brett Ewart, City of Sacramento; Wade Kirchner, City of Yuba City; Gwynne Pratt, Del Paso Manor Water District; Bruce Kamilos, Elk Grove Water District, Chris Peterson, Fair Oaks Water District; Michael Saunders, Georgetown Divide Public Utility District; Paul Schubert, Golden State Water Company; Robert Dugan, Placer County Water Agency; Robert Wichert, Sacramento Suburban Water District; Greg Zlotnick, San Juan Water District; voted yes. Motion passes.



|           |    |
|-----------|----|
| Ayes      | 15 |
| Noes      | 0  |
| Abstained | 0  |
| Absent    | 7  |

**5. INFORMATION: VOLUNTEARY AGREEMENT UPDATE**

Ms. Banonis gave a report on the progress of the Voluntary Agreements.

**6. INFORMATION: WATER USE EFFICIENCY PROGRAM**

Ms. Talbot gave a presentation on the RWA Water Use Efficiency Program.

**7. CLOSED SESSION**

7.1 Closed session regarding labor negotiations (Gov. Code, § 54957.6)  
Agency Representative: RWA Chair and Vice Chair  
Unrepresented employee: Executive Director

Chair Ewart called for the closed session at 10:58 a.m.

Chair Ewart called the meeting back into order at 11:28 a.m.

**8. RETURN TO OPEN SESSION – ANNOUNCEMENT OF REPORTABLE ACTION IN CLOSED SESSION**

Chair Ewart reported that he will be forming an Ad Hoc Committee to propose revisions to Policy 400.1 and 400.2.

**9. EXECUTIVE DIRECTOR’S REPORT**

Executive Director Peifer requested that members fill out the strategic plan priority survey.

**10. DIRECTORS’ COMMENTS**

Director Sheehan noted that work is progressing in Citrus Heights Water District Well No. 8, that an advisory committee has met for their 2030 water planning, and that Citrus Heights Water District has benefited from the grant funding from the RWA Water Use Efficiency Program.

Director Nelson commented on the recent recruitment for a Water Use Efficiency specialist and thank Ms. Talbot for her help.

Director Kamilos reported that Mr. Joseph made a presentation to the Elk Grove Water District Board of Directors, and they voted to participate in phase 2 of the Water Bank.

Director Saunders thanked the Board for their support to be elected to the Executive Committee and reported on Georgetown Divide PUD's \$1.2 Million wildfire resilience grant.

Director Wichert requested that a Water Bank Presentation be made at the next Board meeting.

Director Dugan commented that the RWA staff is working hard for the members and thanked the staff.

Chair Ewart reported that the City of Sacramento is kicking off a Water Use Efficiency Master Plan and wished everyone a happy new year.

## **ADJOURNMENT**

With no further business to come before the Board, Chair Ewart adjourned the meeting at 11:44 a.m.

By:

---

Brett Ewart, Chair

Attest:

---

Tom Hoffart, Board Secretary



Topic: Audit Report Resolution  
Type: New Business  
Item For: Action  
Purpose: Response to Audit Report – Management Letter

---

|               |   |            |   |
|---------------|---|------------|---|
| SUBMITTED BY: | Tom Hoffart<br>Finance and Administrative<br>Services Manager | PRESENTER: | Tom Hoffart<br>Finance and Administrative<br>Services Manager |
|---------------|---|------------|---|

---

**EXECUTIVE SUMMARY**

This item is for the Board of Directors to receive a memorandum on the proposed response to the management letter and to consider and approve revisions to Policy 500.8 (Purchasing Card Policy) and Policy 500.13 (Business Expense Reimbursement Policy).

**STAFF RECOMMENDED ACTION**

Receive memorandum and to make a motion to approve revisions to Policy 500.8 (Purchasing Card Policy) and Policy 500.13 (Business Expense Reimbursement Policy) as presented.

**BACKGROUND**

Richardson & Company, LLP issued a Management Letter dated December 13, 2023 as part of the fiscal year 2022/2023 audit, which included recommendations to strengthen internal controls and other practices. Staff has provided a memorandum outlining corrective actions for each recommendation, and have proposed revisions of Policy 500.8 (Purchasing Card Policy) and 500.13 (Business Expense Reimbursement Policy) in accordance with the recommendations.

**ATTACHMENTS**

- Attachment 1 – Memorandum
- Attachment 2 – Proposed Revisions to Policy 500.8 (Purchasing Card Policy)
- Attachment 3 – Proposed Revisions to Policy 500.13 (Business Expense Reimbursement Policy)

## MEMORANDUM

To: RWA Board of Directors  
SGA Board of Directors

From: Jim Peifer, Executive Director

Date: January 22, 2024

**Subject: Proposed practices to address recommendations from Richardson and Company, LLP**

Richardson & Company, LLP (Richardson) is the auditor for the Sacramento Groundwater Authority and the Regional Water Authority. As part of the annual audit, Richardson made suggestions to strengthen the internal controls and other practices as part of their management letter dated December 13, 2023. This memorandum restates the recommendations and identifies the practice to address the recommendation.

### Richardson Recommendation on improving Internal Controls:

Due to the small number of staff, we understand it is difficult to have ideal segregation of duties. However, we recommend compensating controls be put in place to reduce the risk of misstatement or fraud. The following areas were identified where internal controls can be improved:

1. We noted that the Finance and Administrative Services Manager (FASM) makes the bank deposits and records the transactions in the general ledger. The compensating control in place is that the Executive Assistant (EA) opens the mail and records any checks on a log. The EA then compares the log to the deposit slip prepared by the FASM. For best practices, cash handling and cash recording duties should be separated. Due to the small size of the Authority, separation of duties can be difficult but having someone other than the FASM make the deposit would strengthen the Authority's internal controls, but if this is not possible, then the EA should compare the log to the actual bank deposit, instead of just the deposit slip. The EA could also prepare the deposit slip. From November 2022 to January 2023, the Authority did not have anyone in the EA position, so the checks received were not logged and compared to the bank deposit, creating a situation where the FASM performed all of the functions related to the processing of revenue. The Authority needs to ensure that a back-up plan is in place for the functions performed by the EA while that position is vacant, including reassigning certain tasks to someone else in the organization, or hiring a temporary employee to fill that role, to maintain proper segregation of duties.

*Proposed practice: The Executive Assistant will maintain a Check Log of incoming checks, and the Executive Assistant will compare the Check Log to the actual bank deposit and document this process. While the Executive Assistant position is vacant, the Executive Director will open the mail, maintain copies of checks received, compare the checks received to the actual bank deposit and document this process.*

2. The FASM inputs invoices into the accounting system, generates checks and also is a signer on the bank account. Although the FASM only signs checks in an emergency situation, it would be better to have someone else be a signer on the account other than the FASM. The compensating control is that the Executive Director receives the check register on a monthly basis to review, but there are no initials on the register to indicate that this review has been done.

*Proposed practice: Staff will continue to have the FASM be a check signer for emergency situations. As a compensating control the Executive Director has been reviewing a packet that includes the check register, but has only been initialing the first page of the packet. Staff will ensure the Executive Director initials the check register on a monthly basis to document this review.*

3. To provide compensating controls for the fact that the FASM performs many of the duties of processing receipts and disbursements, the Executive Director receives a packet containing bank statements, bank reconciliations, journal entry list, check register, and income statement to review on a monthly basis. Currently only the bank statements are being initialed to document review of these documents. We recommend that the list of journal entries and check register also be initialed to document the review process.

*Proposed practice: As a compensating control the Executive Director has been reviewing a packet that includes the list of journal entries and check register, but has only been initialing the first page of the packet. Staff will ensure the Executive Director initials the journal entry listing and check register on a monthly basis to document this review.*

#### Richardson's recommendations on Expense Reimbursements and Credit Card Usage

The Authority's policies do not require itemized receipts for meals reimbursed or paid by credit card. We noted in our audit a large meal charge where only the charge slip was provided and not the itemized receipt. To follow IRS documentation standards, we recommend itemized receipts be required and that policies be updated to reflect this change. The receipts should contain the business purpose of the expense and for meals, a list of those in attendance. The credit card policy should also be updated to discuss the types of charges on credit cards that are not acceptable.

*Proposed practice: Staff will be proposing revisions of the Purchasing Card Policy (RWA Policy 500.8) and the Business Expense Reimbursement Policy (RWA Policy 500.13) for the Board of Directors consideration and approval to reflect prohibited charges, the need for itemized receipts, and the need to document the business purpose and meal attendees.*

#### Richardson's recommendations on Grant Billings

The recording of grant revenue needs to correspond with when the expenditures under the grant are incurred. Currently the grant billings are being done as of May 31 instead of June 30, resulting in the need for accounting entries to accrue additional revenue to the extent of expenditures incurred through June 30. We recommend the Authority consider billing the grants up through June 30 to eliminate or at least reduce the amount of accounting entries that need to be made and then reversed to accrue the revenue.

*Proposed practice: Staff will make every effort to bill all grants through June 30 to eliminate or at least reduce the amount of accounting entries needed at year end. Since this has not been done in the past we are unsure of how this will affect staff time. Staff will provide an update to the Board of Directors if the new practice consumes a significant amount of staff time.*

Also, the Authority has historically not accrued retentions on grants. Given the history the Authority has of collecting a majority of grant claims submitted, we recommend the Authority consider accruing revenue for the retention amount, instead of waiting to recognize the revenue until it is received. If the retention

is accrued and a different amount is collected, the adjustment can be recorded in the accounting period that the amount was collected.

*Proposed practice: Staff will begin to accrue revenue for retention on grants. This will have a limited effect on revenue amounts as new grants from the Department of Water Resources have not withheld retention on each invoice and instead withheld retention amounts on the final grant invoice.*

#### Richarson's recommendations on Payroll Documentation

We recommend that a Personnel Action Form be prepared when cost of living pay increases are given to document current pay rates. In addition, the Authority needs to ensure that all timesheets are reviewed and signed off by the employee's supervisor. One of the timesheets selected for testing was not signed by the supervisor.

*Proposed practice: The Executive Director will begin documenting employee salaries on a Personnel Action Form (a copy is attached). Staff will ensure that timesheets are reviewed and signed off by the employee's supervisor.*

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

---

Policy Type : Fiscal Management  
Policy Title : Purchasing Card Policy  
Policy Number : 500.8  
Date Adopted : September 11, 2008  
Date Amended : January 10, 2013  
May 12, 2016  
May 12, 2022  
March 14, 2024

---

## *Purchasing Card Policy*

Formatted: Font: 18 pt, Italic

Formatted: Centered

### **Purpose of the Policy**

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

### **Definitions**

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

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

### **Authorized Purposes**

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

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

## Authorized Users and Purchasing Limits

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

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

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

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

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

### Prohibited Purchases

Purchase of alcoholic beverages are prohibited with the exception of those instances where the beverages are included in the registration fee for a conference, training session or similar event.

Purchase of any good or service that is solely for an individual's personal use and the purchase is not in furtherance of a legitimate RWA objective is prohibited.

Formatted: Tab stops: 0.75", Left + Not at -1"

### Areas of Responsibilities



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

**Reporting**

A detailed listing of all transactions made by the Executive Director will be provided to the RWA Chair to review, consider and approve each month for monthly statements above \$500 balance. The Executive Director will review, consider, and approve all staff transactions monthly.

**Policy Review**

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

## REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

---

Policy Type : Fiscal Management  
Policy Title : Business Expense Reimbursement Policy  
Policy Number : 500.13  
Date Adopted : July 13, 2003  
Date Amended : May 17, 2012  
May 12, 2022 (reviewed by staff)  
March 14, 2024

---

### ***Business Expense Reimbursement Policy***

In determining the eligibility of incurred expenses for reimbursement, the principle applied is that the employee will neither lose nor profit by incurring expenses while on Authority business. An employee who has received direction or authorization by either the Executive Committee or the Executive Director to attend a conference, meeting, seminar, workshop or other event, that is mutually beneficial to the employee and the Authority may incur expenses that will be reimbursed by the Authority. In such cases, the following guidelines will be applied to determine eligibility of the incurred expenses for reimbursement by the Authority:

- 1) Requests for reimbursement will be submitted on the form provided by RWA for each reimbursable event, on a monthly basis, or when determined appropriate by the Executive Director, and will include the information required to make the reimbursement conform to an "Accountable Plan" under IRS regulations, guidelines and per diem rates for an accountable expense reimbursement plan as defined in the IRS's Publication 463 ("Travel, Entertainment, Gift and Car Expenses") and Publication 1542 ("Per Diem Rates (For Travel Within the Continental United States)"). The business purpose of expenses will be documented. For meals, itemized receipts and a list of attendees will be submitted. Credit card slips and other cash receipts will be attached whenever possible. Reports should be received within thirty-five days of the event, or close of each month when filing on a monthly basis.
- 2) Reasonable business expenses for meals, lodging, parking, tolls, phone calls, fax and tips will be reimbursed as stated in this Policy. IRS requires that the business purpose of the function be noted.
- 2)3) Prohibited purchases include: alcoholic beverages, with the exception of those instances where the beverages are included in the registration fee for a conference, training session or similar event; and any good or service that is solely for an

Formatted: List Paragraph, No bullets or numbering

Formatted: Tab stops: 0.25", List tab

individual's personal use and the purchase is not in furtherance of a legitimate RWA objective.

3)4) Reimbursement will be made for the following expenses up to the maximum limit set by the annual budget or RWA policy, provided that reimbursement will not be provided for expenses that exceed the limitations allowed in an Accountable Plan. Such limits may not be exceeded without prior approval:

- a) registration, hotel, airfare and/or mileage, parking and meals for authorized conferences and meetings, as further provided below.
- b) airfare reimbursement will be based upon actual expenditures for coach class fares;
- c) preferred conference or meeting hotel rates should be used when available; and
- d) mileage will be reimbursed at the current IRS rates.

4)5) RWA pays no expenses for a spouse or guests, or for expenses unrelated to approved conference or meeting activities.

5)6) Expense reports will be submitted and reviewed by the Executive Director for approval and consistency with this policy prior to reimbursement.

6)7) The Executive Director will have discretion to determine the meetings and conferences that may be attended within California and adjacent states that are related to RWA activities.

7)8) Other meetings that may be attended for which reimbursement will be provided include the following: (a) conferences, seminars and other meetings of the Association of California Water Agencies, including the ACWA D.C. conference in Washington D.C.; conferences of the American Water Works Association; WaterSmart Innovations annual conference; and conferences of the National Water Resources Association (b) meetings and conferences of the Sacramento Metro Chamber, including the Cap-to-Cap trip, and (c) other meetings that are related to RWA activities that have been approved by line item in the RWA-approved budget, or that have otherwise been approved by the Executive Committee.

8)9) The employee attending a conference for which RWA provided reimbursement of expenses will report (including a brief discussion of the substance of the matters discussed) to the Executive Director and/or the Executive Committee.

9)10) The Executive Director will report to the Executive Committee on upcoming conferences for which RWA will be reimbursing employee expenses.



### Agenda Item 3.3

---

Topic: Approve Resolution No. 2024-01 approving the DWR Urban Community Drought Relief Grant Agreement

Type: Consent Calendar

Item For: Action; Motion to Recommend Approval of Resolution and Execution by the Executive Director

Purpose: Policy 300.2

---

|               |  |            |  |
|---------------|--|------------|--|
| SUBMITTED BY: | Amy Talbot<br>Regional Water Efficiency<br>Program Manager | PRESENTER: | Amy Talbot<br>Regional Water Efficiency<br>Program Manager |
|---------------|--|------------|--|

---

#### EXECUTIVE SUMMARY

This is an action item for the RWA Board to approve and authorize signature of Resolution No. 2024-01 by the Executive Director. This resolution allows for the Regional Water Authority to accept and implement \$3.8 Million Urban Community Drought Relief Grant funding from the California Department of Water Resources (DWR).

#### STAFF RECOMMENDED ACTION

Recommended action is for the RWA Board to approve Resolution No. 2024-01.

#### BACKGROUND

The Regional Water Authority’s Water Efficiency Program (WEP) has been awarded \$3.8 million in grant funding from DWR. Grant projects include Grant administration, Project 1 Disadvantaged Community Indoor Fixture Direct Installation, Project 2 Turf Replacement and Customer Outreach and Project 3 Leak Free Sacramento. Projects 1 and 2 will be managed by RWA staff on behalf of WEP participating suppliers. DWR has requested that Regional Water Authority manage the grant administration of Project 3 Leak Free Sacramento on behalf of the city of Sacramento with a total budget of \$300,000. Grant funding will be distributed for programmatic work through August 2026. Previous RWA Board resolutions and consultant agreements for some work included in this funding have been presented in the recent past (ex: Webers Water Conservation Consultant Agreement in November 2023). However, DWR has requested 2 similar current grant agreements with RWA be consolidated into one agreement. The new agreement (which is under development) requires an updated resolution. There are no new significant scope of work changes or funding reallocations in the draft consolidated agreement. No financial impact to RWA and RWA WEP budgets or RWA WEP participating member suppliers is anticipated. This is an administrative action that is required by DWR.

**RESOLUTION NO. 2024-01**  
**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE**  
**REGIONAL WATER AUTHORITY AUTHORIZING THE GRANT**  
**ACCEPTANCE AND EXECUTION OF THE URBAN COMMUNITY**  
**DROUGHT RELIEF GRANT**

**WHEREAS**, The Regional Water Authority has been awarded funding to implement a Department of Water Resources Urban Community Drought Relief Grant through August 2026;

**WHEREAS**, The Regional Water Authority has the legal authority and is authorized to enter into a funding agreement with the State of California; and

**WHEREAS**, The Urban Community Drought Relief Grant includes four projects: Grant administration, Project 1 Disadvantaged Community Indoor Fixture Direct Installation, Project 2 Turf Replacement and Customer Outreach and Project 3 Leak Free Sacramento; and

**WHEREAS**, The Department of Water Resources has requested that Regional Water Authority manage the grant administration of Project 3 Leak Free Sacramento on behalf of the city of Sacramento. All remaining projects will be implemented by the Regional Water Authority;

**THEREFORE, BE IT RESOLVED** by the Board of Directors of the Regional Water Authority as follows:

1. The Regional Water Authority Executive Director, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
2. The Regional Water Authority Executive Director, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

**PASSED AND ADOPTED** at a meeting of the Board of Directors of the Regional Water Authority held on March 14, 2024

By: \_\_\_\_\_  
Brett Ewart, Chair

Attest: \_\_\_\_\_  
Tom Hoffart, Acting Board Secretary



Topic: Approve Robert Wichert to fill the vacancy on the Executive Committee.  
Type: New Business  
Item For: Action  
Purpose: Policy 200.3 (Procedures for Selection of the Executive Committee)

---

|               |                                  |            |                                  |
|---------------|----------------------------------|------------|----------------------------------|
| SUBMITTED BY: | Jim Peifer<br>Executive Director | PRESENTER: | Jim Peifer<br>Executive Director |
|---------------|----------------------------------|------------|----------------------------------|

---

**EXECUTIVE SUMMARY**

This item is for the Board of Directors to consider and approve Robert Wichert filling the vacancy on the Executive Committee.

**STAFF RECOMMENDED ACTION**

Motion to approve the appointment of Robert Wichert to the Executive Committee.

**BACKGROUND**

At the January Board Meeting, the Board of Director approved the members on the Executive Committee. Mr. Chris Petersen’s situation has recently changed and cannot continue to serve on the Executive Committee.

Policy 200.3 allows for the Sacramento Groundwater Authority Chair to recommend an appointment to the RWA Board of Directors. Mr. Paul Selsky is the Sacramento Groundwater Authority Chair, and he originally recommended the appointment of Mr. Petersen. Mr. Selsky recommends the appointment of Mr. Robert Wichert from the Sacramento Suburban Water District to fill the vacancy.



Topic: Approve Resolution 2023-2 opposing Initiative 1935 (previously Initiative 21-0042A1)  
Type: New Business  
Item For: Action  
Purpose: Policy 100.5 (Policy on External Issues)

---

|               |                                  |            |                                  |
|---------------|----------------------------------|------------|----------------------------------|
| SUBMITTED BY: | Jim Peifer<br>Executive Director | PRESENTER: | Jim Peifer<br>Executive Director |
|---------------|----------------------------------|------------|----------------------------------|

---

**EXECUTIVE SUMMARY**

This item is for the Board of Directors to consider and approve a resolution of opposition to Initiative 1935 (previously Initiative 21-0042A1).

**STAFF RECOMMENDED ACTION**

Motion to approve Resolution 2024-02.

**BACKGROUND**

The California Business Round Table (CBRT), and others are proponents of Ballot Initiative 1935. Ballot Initiative 1935 would potentially result in the loss of billions of dollars annually in critical state and local funding, disrupting the ability of voters, local agencies, and the State of California to fund services and infrastructure by:

- Adopting new and severely stricter rules for raising taxes, fees, assessments, and other charges.
- Revising the State Constitution, as amended by Propositions 13, 218, and 26 among other provisions, to the advantage of the initiative’s proponents; creating new grounds to challenge these funding sources and disrupting fiscal certainty.
- Restricting the ability of local governments to issue fines and penalties to corporations and property owners that violate local environmental, water quality, public health, public safety, fair housing, nuisance and other laws and ordinances.

The initiative includes provisions that would retroactively void all state and local taxes or fees adopted after January 1, 2022 if they did not align with the provisions of this initiative. This may also affect indexed fees that adjust over time for inflation or other factors. Effectively, it would allow interests to invalidate the prior actions of local voters in your community, potentially undermining local control and voter-approved decisions about investments needed in their essential services and infrastructure.



ATTACHMENTS

California Special Districts Association Analysis of Initiative 1935  
Resolution 2024-02



**RESOLUTION NO. 2024-02**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
REGIONAL WATER AUTHORITY  
OPPOSING INITIATIVE 1935 (FORMERLY 21-0024A1)**

**WHEREAS**, the proposed proposition, Initiative 1935 (formerly 21-0042A1), has received the official title: "LIMITS ABILITY OF VOTERS AND STATE AND LOCAL GOVERNMENTS TO RAISE REVENUES FOR GOVERNMENT SERVICES. INITIATIVE CONSTITUTIONAL AMENDMENT"; and

**WHEREAS**, the measure would revise the Constitution to allow corporations to more easily sue public agencies, costing residents and taxpayers millions of dollars and disrupt essential services; and

**WHEREAS**, the measure would retroactively invalidate billions of dollars in local government funding for essential services and infrastructure to schools, fire and emergency response, law enforcement, public health, parks, libraries, housing, services to address homelessness and support mental health, and more; and

**WHEREAS**, the measure limits voters' rights, containing undemocratic provisions that would make it more difficult for local voters to pass measures to fund services, provisions that retroactively cancel measures recently passed by local voters, and provisions that prevent voters from passing advisory measures that provide direction on how they want their local tax dollars spent; and

**WHEREAS**, the measure restricts the discretion and flexibility of locally elected boards to respond to the needs of their communities, and injects uncertainty into the financing and sustainability of critical infrastructure; and

**WHEREAS**, the measure constrains state and local officials' ability to protect our environment, public health and safety, and our neighborhoods against those who violate the law.

**THEREFORE, BE IT RESOLVED** that the Regional Water Authority opposes Initiative 1935 (formerly 21-0042A1).

**PASSED and APPROVED** by the Regional Water Authority Board of Director on March 14, 2024.

By: \_\_\_\_\_  
Brett Ewart, Chair

Attest: \_\_\_\_\_  
Tom Hoffart, Acting Board Secretary



**BALLOT INITIATIVE #1935 (FILED AS #21-0042A1)  
LIMITS ABILITY OF VOTERS AND STATE AND LOCAL GOVERNMENTS TO RAISE  
REVENUES FOR GOVERNMENT SERVICES.**

Eligible for November 5, 2024 California General Election Ballot

---

**BACKGROUND**

The purported “Taxpayer Protection and Government Accountability Act,” a statewide initiative measure sponsored by the [California Business Roundtable](#) (“CBRT”), would revise the state Constitution in a manner that could significantly undermine local control and disrupt the ability of state and local governments to provide essential services and infrastructure. If enacted, public agencies would face a drastic rise in litigation that could severely restrict their ability to meet essential services and infrastructure needs.

Initiative 1935, previously labeled 21-0042A1, is often called the “CBRT Initiative”, a reference to its proponents, an entity representing California’s wealthiest corporations. A growing opposition coalition has dubbed the initiative the “[Taxpayer Deception Act](#).” Additionally, a Committee to Oppose to Initiative 1935, sponsored by the League of California Cities, calls the initiative the “[Corporate Tax Trick](#).”

On February 1, 2023, California Secretary of State Shirley Weber issued a [memo to all county clerks/registrars of voters](#) announcing that proponents had filed the necessary number of valid signatures to make Initiative 1935 eligible for the November 5, 2024 General Election ballot. Proponents now have until June 27, 2024 to consider withdrawing the initiative before the Secretary of State officially certifies it for the ballot.

In Fall of 2023, Governor Gavin Newsom, joined by the California State Legislature and former State Senate President pro Tem John Burton, filed an emergency petition to the California Supreme Court for a pre-election challenge to Initiative 1935. On November 29, 2023, the Court issued an order to show cause why the measure should not be removed from the ballot and established a schedule for briefing the court, which is expected to rule on the matter before the end of June.

An amicus brief filed by CSDA and 10 other local government partners argues the measure is an unlawful revision of the state Constitution because of the ways the measure would redistribute authority between state and local governments and undermine essential functions of local governments.

Moreover, Initiative 1935 is so poorly drafted that it raises many interpretive issues that will not be simply resolved without requiring extensive litigation after passage. What follows is a summary of provisions that could significantly impact local governments pending future legal rulings.



## SUMMARY

According to the Legislative Analyst's Office ("LAO") Ballot Initiative [21-0042A1](#) would result in "potentially substantially lower" state and local revenues, restricting the ability of local agencies and the State of California to fund services and infrastructure by:

- Adopting new and stricter rules for raising taxes, fees, assessments, and property-related fees.
- Revising the State Constitution, including portions of Propositions 13, 218, and 26 among other provisions, to the advantage of the initiative's proponents and plaintiffs; creating new grounds to challenge these funding sources and disrupting fiscal certainty.
- Restricting the ability of local governments to issue fines and penalties to corporations and property owners that violate local environmental, water quality, public health, public safety, fair housing, nuisance and other laws and ordinances.

The initiative includes provisions that would retroactively void *all* state and local taxes or fees adopted after January 1, 2022 that do not adhere to the provisions of this initiative, unless the tax or fee is reenacted in compliance with the initiative within 12 months. Compliance with the initiative could require placement of the invalidated revenue on a ballot for two-thirds voter approval. This may also affect indexed fees that adjust over time for inflation or other factors. Effectively, it would allow voters throughout California to invalidate the prior actions of local voters, undermining local control and voter-approved decisions about investments needed in their communities.

Specifically, including other provisions effecting the state government, the initiative would impact local agencies through revisions to the California Constitution as follows:

### **Local Tax and Fee Authority to Provide Local Services**

#### *Fees:*

- One potentially adverse interpretation of the measure may require that, with few exceptions, fees and charges shall not exceed the "actual cost" of providing the product or service for which the fee is charged.
  - "Actual cost" is defined as the "*...minimum amount necessary...less other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds...*"
- The burden on the local government to prove the fee or charge does not exceed "actual cost" is heightened from a "*preponderance of the evidence*" to "*clear and convincing evidence*".



**California Special  
Districts Association**

*Districts Stronger Together*

- In addition to limiting fees and charges to the so-called “actual cost” to the local government for providing the service, fees and charges must also be “reasonable” to the payor; no definition is provided for this possible new subjective reasonableness test.
- Defines *all* sources of revenue as either taxes or “exempt charges.”
- Lists Article XIID charges in Proposition 218 under the definition of “exempt” charges subjecting them to potential litigation.
- Exposes previously established fees indexed to inflation or other metrics to new standards and legal challenges.
- Adds to the Constitution a requirement for a board action to adopt, enact, create, establish, collect, increase, or extend any and all fees.

*Taxes:*

- Increases the threshold for voters to pass a local special tax initiative placed on the ballot by voters from a simple majority to a two-thirds majority, likely to address concerns over the 2017 California Supreme Court decision in *California Cannabis Coalition v. City of Upland*.
- Requires voter approval when an expansion of boundaries extends existing taxes or fees to new territory.
- New taxes can be imposed only for a specific duration.

*Fines and Levees:*

- Interferes with local enforcement efforts, by making it more difficult to impose fines and penalties for state and local law violations related to activities such as water discharge, waste recycling, weed abatement, fireworks, and housing code violations and unlawful commercial marijuana sales, just to name a few. The measure converts administratively imposed fines and penalties into taxes unless a new, undefined, and ambiguous “adjudicatory due process” is followed.

**Litigation Exposure**

- Significantly increases a public agency’s burden of proof from “preponderance of evidence” to “clear and convincing evidence” to prove compliance with the new fee requirements. By changing evidence standards to favor corporations suing public agencies, the initiative will promote costly litigation.
  - The local government would bear the burden of proving by clear and convincing evidence that a levy, charge or exaction is an “exempt charge” and not a tax.
- By enacting a new requirement that all fees must be “reasonable” to the payor but offering no definition as to what “reasonable” means, the initiative may provide a new avenue to challenge fees by enabling a plaintiff to claim a fee is not “reasonable” even if the fee meets the “actual cost” of service.



- Prop. 218 currently requires fees cover the *reasonable* cost of service. This initiative, however, may be viewed by some proponents as a revision to the Constitution that would require the near-impossible standard of predicting *actual* costs years into the future. To compound this challenge, the new standard also factors in the receipt of external revenues that are constantly shifting and typically outside the control of the local agency. It defines “actual costs” as:
  - “(i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing “actual cost” the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.”
- The initiative will foster endless litigation challenging local fees claiming they are not the “minimum amount necessary”. For instance:
  - Do roads need to be paved every 10 years or 50 years?
  - Does infrastructure need to be upgraded or replaced or not improved at all?
  - What is the minimum emergency response time necessary?

## **IMPACTS**

- Could prevent new fees or assessments to fund water, sewer, trash, fire protection, parks and recreation, and other essential services and infrastructure.
  - Places billions of dollars in local government fee and charge revenues at heightened legal peril.
- Jeopardizes the public health and safety of communities by cutting off new revenue intended to pay for essential local services and infrastructure.
  - Substantially increases the legal and administrative cost of public infrastructure financing.
- With billions of dollars in deferred maintenance and unmet needs for California’s infrastructure, exacerbates the neglect and deterioration of our roads, dams, waterways, and other facilities.
- By limiting revenues to the “minimum amount necessary”, imposes a “race-to-the-bottom” in California that will halt investment in technological advancements that future generations will depend upon.
- Prevents critical investments in climate adaptation and community resilience to address drought, flooding, and wildfire as well as reduce emissions and harmful pollutants.
- Exposes taxpayers to a new wave of costly litigation, limits the discretion and flexibility of locally elected boards to respond to the needs of their communities, and injects uncertainty into the financing and sustainability of critical infrastructure.
- Restricting local services and infrastructure to the lowest and minimum amount possible will disproportionately impact the most underserved communities the hardest.



## **SUPPORT**

- California Business Roundtable (CBRT) – Sponsor
  - Direct contributors to Initiative 1935 include, but are not limited to:
    - AMR Holdco, Inc., private ambulance company based in Colorado
    - Michael K. Hayde, Including Western National Group and Affiliated Entities
    - Kilroy Realty
    - Hudson Pacific Properties and Affiliated Entities
    - Douglas Emmett Properties, LP and Affiliated Entities
    - Shorenstein Realty Services and Affiliated Entities
  - Financial contributors to the CBRT Issues PAC include, but are not limited to:
    - Aera Energy
    - Albertsons Safeway
    - Blackstone Real Estate Partners
    - California Business PAC, Sponsored by CalChamber
    - Dart Container
    - Howard Jarvis Taxpayers Association
    - Majestic Realty
    - Pacific Ethanol
    - PEPSICO
    - Pharmaceutical Research and Manufacturers of America
    - Sempra Energy
    - State Farm Insurance
    - Sutter Health
    - 7-Eleven

## **OPPOSITION**

- Alliance for a Better California
- AFSCME California
- CalCities (League of California Cities)
- California Alliance for Jobs
- California Contract Cities Association
- California Professional Firefighters
- California Special Districts Association
- California State Association of Counties
- California State Council of Laborers
- Rebuild SoCal Partnership
- SEIU California
- Nearly 200 local agencies, including over 100 special districts

Topic: WIIN Act Funding to support Sacramento Regional Water Bank project  
Item For: New Business  
Purpose: General

---

|               |  |            |  |
|---------------|--|------------|--|
| SUBMITTED BY: | Trevor Joseph<br>Manager of Technical Services | PRESENTER: | Trevor Joseph<br>Manager of Technical Services |
|---------------|--|------------|--|

---

**EXECUTIVE SUMMARY**

This is for the Board of Directors to direct RWA staff to submit a federal funding (WIIN Act) application in the amount of \$870,000 to the United States Bureau of Reclamation to support the development of the Sacramento Regional Water Bank (Water Bank) project.

**STAFF RECOMMENDED ACTION**

Motion to direct RWA staff to submit a federal funding application in the amount of \$870,000 to the United States Bureau of Reclamation (USBR).

**BACKGROUND**

During the May 4, 2023, and February 21, 2024 Water Bank Program Committee meetings, RWA staff presented estimates of the total Water Bank project cost of approximately \$3.4 million based on the *draft Plan of Study for Sacramento Regional Water Bank*. The Water Bank project budget as developed through the Plan of Study is provided on table 1.1. The Plan of Study was prepared to identify the work necessary to finalize Water Bank development and specifically to seek federal funding as required by the USBR.

Some of the tasks identified as Proposed Non-Federal Component of the budget have already been completed or are in process. For this reason, some task budget estimates have been updated and differ slightly from the original draft Plan of Study as described in table 1-1. In addition, task 4 has significantly changed to reflect the current needs of the project.

RWA staff has submitted a recommended cost summary to USBR and is now prepared to submit the financial assistance package to seek federal funding in the amount of \$870,000 pending RWA Board of Director approval.

The federal funding component obtained through the WIIN Act cannot exceed 25% of the total project costs. Up to \$870,000 has been identified in the WIIN Act for this project. In order to obtain the potential full \$870,000 federal funding amount available, RWA staff had to identify other funding sources to achieve the total project funds of \$3.4 million. Table 1-2 illustrates an in-kind contribution of \$307,000 from the City of Sacramento’s foundational Groundwater Master Plan modeling and environmental analysis work to achieve the non-federal funding amount necessary of approximately

75% of the total project cost.

**Table 1-1 Water Bank Tasks and Budget**

| Proposed Task   | Status                         | Proposed Budget |                                  |                                      |
|---|--------------------------------|-----------------|----------------------------------|--------------------------------------|
|   |                                | Total           | Federal Component <sup>[A]</sup> | Non-Federal Component <sup>[B]</sup> |
| <b>Task 1, Project Management and Coordination.</b> This task includes project initiation, project management, and project team coordination and meetings.  | In progress                    | \$150,000       | \$40,000                         | \$110,000                            |
| <b>Task 2, Plan Formulation.</b> This task identifies and describes the future conditions that would occur without the project. It also formulates, evaluates, and compares project alternatives.   | In progress                    | \$150,000       | \$0                              | \$150,000                            |
| <b>Task 3, Modeling Support.</b> This task includes analyzing alternatives (developed in Task 2) to assess changes in water management (CalSim 3), groundwater impacts (CoSANA), and temperature and water quality impacts (HEC-5Q and DSM2). This task also includes development of a stream depletion factor to quantify water available for transfers. | In progress                    | \$1,345,000     | \$380,000                        | \$965,000                            |
| <b>Task 4, Best Management Practices for Conjunctive Use Implementation.</b> This task includes development of a set of best management practices to facilitate conjunctive use expansion that covers a range of operational, hydrogeological, technical, and public engagement issues that may face the Participating Agencies.                          | Anticipated to start late 2024 | \$60,000        | \$0                              | \$60,000                             |
| <b>Task 5, Financial Analysis.</b> This task develops a financial analysis tool to assess potential long-term net returns, water markets, and scenarios for bridging the differences in cost between surface water and groundwater.   | Anticipated to start late 2024 | \$50,000        | \$0                              | \$50,000                             |
| <b>Task 6, Institutional Arrangements.</b> This task supports evaluation and development of institutional arrangements and tools for Water Bank governance and management (i.e., accounting for banking activities).  | In progress                    | \$240,000       | \$110,000                        | \$130,000                            |
| <b>Task 7, Environmental Compliance.</b> This task includes environmental review under both the California Environmental Quality Act and the National Environmental Policy Act as well as required consultations and coordination.  | In progress                    | \$1,080,000     | \$250,000                        | \$830,000                            |
| <b>Task 8, Project Report.</b> This task prepares the Water Bank development report summarizing the evaluation and process, key accomplishments, findings, and stakeholder participation. The report  | Anticipated to start 2025      | \$100,000       | \$90,000                         | \$10,000                             |



Agenda Item 3.6



| Proposed Task   | Status      | Proposed Budget    |                                  |                                      |
|---|-------------|--------------------|----------------------------------|--------------------------------------|
|   |             | Total              | Federal Component <sup>[A]</sup> | Non-Federal Component <sup>[B]</sup> |
| compiled the information and deliverables prepared under tasks 2 through 7 and 9.   |             |                    |                                  |                                      |
| <b>Task 9, Stakeholder Outreach and Involvement.</b> This task prepares a communications and outreach plan, implements that plan for the duration of this scope (Water Bank development effort), and documents the process.   | In progress | \$305,000          | \$0                              | \$305,000                            |
| <b>TOTAL</b>  |             | <b>\$3,480,000</b> | <b>\$870,000</b>                 | <b>\$2,610,000</b>                   |
|   |             |                    | 25.0% <sup>[C]</sup>             | 75.0% <sup>[C]</sup>                 |
| <p><b>Notes:</b><br/> <sup>[A]</sup> WIIN Act funding.<br/> <sup>[B]</sup> Includes RWA funding, RWA in-kind services, and CDWR 2022 Drought Resiliency Grant funding.<br/> <sup>[C]</sup> Percentage of total proposed budget.</p> <p><b>Key:</b><br/>                     CDWR = California Department of Water Resources<br/>                     RWA = Regional Water Authority<br/>                     Water Bank = Sacramento Regional Water Bank<br/>                     WIIN Act = Water Infrastructure Improvements for the Nation Act</p> |             |                    |                                  |                                      |

Table 1-2 provides a summary of all the project funding sources.

**Table 1-2 Water Bank Project Funding Sources**

| Total Project Costs  | Federal Component | Non-Federal Component |                    |                  |                  |
|--|-------------------|-----------------------|--------------------|------------------|------------------|
|  |                   | Phase 1               | Phase 2            | CDWR Grant       | In-Kind          |
| <b>\$3,480,000</b>   | <b>\$870,000</b>  | <b>\$493,000</b>      | <b>\$1,150,000</b> | <b>\$660,000</b> | <b>\$307,000</b> |
|  | 25.0%             | 14.2%                 | 33.1%              | 19.0%            | 8.8%             |
| In-Kind funding supported by City of Sacramento Groundwater Well Replacement Program |                   |                       |                    |                  |                  |

ATTACHMENTS

Sacramento Regional Water Bank Project WIIN Act Federal Funding – Scope of Work and Application Information

**SACRAMENTO REGIONAL WATER BANK PROJECT**  
WIIN Act Federal Funding – Scope of Work and Application Information

**Regional Water Authority**

**PR#**

**1. Name of Proposed Applicant**

Applicant

Regional Water Authority  
2295 Gateway Oaks Drive, Suite 100  
Sacramento, CA 95833-4211  
Phone: (916) 967-7692

Point of Contact

Trevor Joseph  
Manager of Technical Services  
Phone: (916) 990-3035  
Email: tjoseph@rwah2o.org

**2. Program Statutory Authority**

The Sacramento Regional Water Bank (Water Bank) Plan of Study is authorized and funded by Public Law (PL) 111-11 Sections 10201(a) and 10203(a).

Funding has been authorized for this project pursuant to Section 4007(h) of PL 116-94 of the Water Infrastructure Improvements for the Nation {WIIN} Act.

The WIIN Act allows the Secretary to enter an agreement on behalf of the United States with any State, any department, agency, or subdivision of a State, or any public agency organized pursuant to State law for the design, study, and construction or expansion of any federally owned storage project. As it applies to the Water Bank Plan of Study, Reclamation and the Regional Water Authority (RWA) are party to [REDACTED] of which Secretary is directed to comply pursuant to the Settlement Act. In this instance, the [REDACTED] serve as the agreement and partnership to complete the tasks outlined for the WIIN act funds.

**3. Single-Source Justification**

Reclamation did not solicit full and open competition for this award based on the following criteria:

**Unique Qualifications** (location, technical expertise, cost-sharing ability)

Implementation of the Water Bank project will function as a voluntary market-based water management project based on the continued coordination of existing but also expansion of

conjunctive use<sup>1</sup> practices of RWA member agencies (i.e. local water agencies) that are participating in the Water Bank (Participating Agencies). The Water Bank will establish governance, accounting, and other protocols to implement a regional groundwater banking program. The Project will include recharge of up to 65,000 acre-feet and recovery of up to 55,000 acre-feet in a single year.

The operation of the Water Bank will be reliant on Reclamation facilities, specifically surface water releases from Folsom Reservoir, however all facilities necessary to recharge and recover water from the Water Bank will be operated and maintained by the local water agencies.

The Water Bank is a highly unique project opportunity based on the following conditions and elements that are unlike any other project in California. Much of the uniqueness of the Water Bank relates to (1) the location (it will be first federally acknowledged Water Bank in California north of the Sacramento-San Joaquin Delta (Delta)), (2) technical expertise ( “proof of concept” by local water agencies is based on more than 20 years of operating conjunctive use projects that have stored (i.e., banked) significant volumes of water in the North and South American Subbasins), and (3) cost-sharing ability (see section 5) as there are multiple sources of state and local funding that reduce the amount of funding commitment needed from Reclamation.

RWA was established more than 20 years ago to serve, represent and align the interests of regional water providers and stakeholders in the greater Sacramento region 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’ 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. RWA members include cities, water and irrigation districts, mutual water companies, investor-owned water utilities and community services districts. One of RWA’s greatest strengths is the diversity of its membership united for collective action.

The establishment of a Water Accounting System will be completed to track groundwater recharge (inputs) and recovery (withdrawals) associated with the Water Bank to ensure proper and transparent accounting of banked balances to support it.

Additionally, under a separate future action under the National Environmental Policy Act (NEPA), RWA intends to seek approval by the Reclamation of the Sacramento Regional Water Bank as an acknowledged facility for the banking of Central Valley Project (CVP) water as authorized by the Central Valley Project Improvement Act (CVPIA). The Water Bank will provide operational flexibility to Reclamation at Folsom Reservoir.

---

<sup>1</sup> Conjunctive Use is a coordinated water management practice with the preferential use of surface water during wet conditions and groundwater during dry conditions.

The Water Bank project does not authorize construction activities, nor does it seek modifications to permits and other regulatory requirements that govern Participating Agencies' operations. The elements excluded from the Project are as follows:

- The Project does not propose nor authorize the construction of new facilities. Project operations would rely on facilities owned and operated by the Participating Agencies
- The Project does not propose nor authorize changes to water rights. All water banking operations would be subject to each Participating Agency's water rights terms and conditions, diversion limits, minimum flow requirements, agency-specific commitments under the Water Forum Agreement, and all other regulatory and environmental requirements.
- The Project does not propose or authorize specific out of basin transfers. The exchange or transfer of surface water supplies would be subject to the approval of those entities with authority over such supplies (which may be subject to additional CEQA review).

#### **4. Public Purpose and Benefits**

The purpose and primary public benefits of the Water Bank are anticipated to include:

- Water Supply Reliability Benefits
  - Improves long-term regional reliability and provides statewide water supply opportunities.
  - Contributes to CVP operational flexibility by increasing the accessible combined storage for operational flexibility as well as reducing demands (reliance) on Folsom Reservoir during dry conditions (e.g., flexibility for Reclamation to meet its commitments related to water supply, flow management, Delta water quality, etc.).
  - Increases drought resiliency.
  - Supports long-term groundwater sustainability.
  - Supports climate change adaptation.
- Ecosystem/Fish and Wildlife Benefits
  - Supports healthy ecosystem function by creating opportunities to increase Folsom Reservoir storage and its cold-water pool, and/or increase flows on the lower American River.
  - Supports fish and wildlife habitat, listed species protection, and ecological resiliency.
- Water Quality Benefits
  - Supports maintaining quality of surface water and groundwater in the region.
- Economic Benefits
  - Provides opportunities for investment in infrastructure and other projects/programs related to regional water supply reliability, resiliency, and affordability (e.g., use of revenue generated to build or rehabilitate infrastructure

thereby creating jobs, use of revenue generated to offset rate increases to support affordability, especially for disadvantaged and severely disadvantaged communities).

## **5. Cost Share**

In October 2022, RWA developed a draft *Plan of Study for Sacramento Regional Water Bank Development* where the total project cost for development of the Water Bank was estimated at approximately \$3.4 million (scope, budget, and schedule are described in detail in Section 7, below). Since that time, both the cost estimate to develop the Water Bank and the task descriptions have been updated, as provided in Table 7-1.

There are three sources of local (non-federal) funding for the Water Bank project, including:

- \$660,000 from the California Department of Water Resources (CDWR) as part of a 2022 Drought Resiliency Grant
- \$1,643,000 in financial contributions directly from the Participating Agencies (as part of their ongoing effort to develop the Water Bank)
- \$307,000 in the form of in-kind services provided through Participating Agencies' efforts to develop the Water Bank

The combined local cost share from these three sources equals approximately \$2,610,000.

**The RWA is requesting \$870,000 Federal appropriations be made available under the WIIN Act. This request of \$870,000 equates to 25% of total project costs of \$3,480,000.**

## **6. Background and Objectives**

### **6.1 Background**

In the mid-1990s, many of the Sacramento-Placer region's local water agencies (also referred to as Participating Agencies) relied predominantly on one source of water as their primary supply – either surface water or groundwater. The over-reliance on groundwater by some agencies resulted in long-term groundwater level declines, so the availability of groundwater as a dry-year alternative required changes to the way groundwater was managed. To better manage the groundwater resources, some agencies invested significant capital funds to construct facilities and take the required contracting actions to access and use surface water in wetter years. The Cooperative Transmission Pipeline in northern Sacramento County and the Freeport Regional Water Project in central Sacramento County are examples of such projects. In northern Sacramento County, Sacramento Suburban Water District partnered with Placer County Water Agency and the City of Sacramento to implement the largest-scale conjunctive use program in the basin. Since the late 1990s, the Sacramento Groundwater Authority estimates that more than 350,000 acre-feet of surface water was delivered to offset groundwater demand in the underlying basin and provide in-lieu recharge. In central Sacramento County, the completion of the Freeport

Regional Water Project in 2010 further steadied and improved groundwater levels, by bringing surface water to areas previously served exclusively by groundwater. These not only prevented long-term groundwater level declines but also facilitated the gradual recovery of groundwater levels.

At the same time, water agencies that were dependent primarily on surface water invested in infrastructure that added groundwater to their supply mix (e.g., Citrus Heights Water District and Fair Oaks Water District). Investments in infrastructure—expanding the capacity to divert and treat surface water, increasing the ability to pump groundwater, and interconnecting the two sources—as well as ongoing modified operations have effectively turned the North American and South American groundwater subbasins into a large storage reservoir.

Even though the improvements described above provided a strong foundation for a more reliable water supply, additional actions were necessary to address the magnitude of the extremely dry conditions experienced from 2014 to 2015. Drought response included construction of new groundwater wells and rehabilitation of existing wells that increased production capacity by about 15 million gallons per day (MGD); construction of a series of interconnections and booster pumps to increase the ability to move water between water agency service areas; and improvements at two of the region’s largest surface water diversions to allow for continued diversions at times of extremely low flow in local rivers. This allowed for changes in the timing of releases from Folsom Lake to optimize flows for habitat in the lower American River during dry conditions.

Another notable contribution to the Sacramento-Placer region’s reliability comes through intensified demand management measures, starting with the Best Management Practices of the 1990s (some of which are also referenced in the Water Forum Agreement<sup>2</sup>), and continuing through the requirements of 2009s California Senate Bill x7-7 on water conservation and most recently, the requirements of the 2018 Senate Bill 606 and Assembly Bill 1668 for urban water use efficiency standards. Since 2001, water agencies in the Sacramento-Placer region have implemented water efficiency measures with support from RWA’s Water Efficiency Program. As a result, total water demand for many communities has been reduced from its peak in the early 2000s, despite continued population growth and economic expansion. The overall reduction in water uses also resulted in a reduction of groundwater use, which created opportunities for expanded conjunctive use.

In general, the Sacramento-Placer region has both access to surface water, recycled water, and a sustainable groundwater basin, creating a perfect landscape and opportunity for conjunctive use. As discussed earlier, the region has successfully implemented conjunctive use over the past two decades. This has led to stabilizing and reversing the overdraft conditions in the basin, increasing

---

<sup>2</sup> In 2000, 40 agencies and businesses came together to sign the landmark Water Forum Agreement, a visionary long-term plan created to balance two coequal objectives: Provide a reliable and safe water supply for the region’s economic health and planned development through to the year 2030; and preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River.

groundwater storage, and improving overall regional water reliability. In fact, the Sacramento-Placer region is of the few areas in the Central Valley that showed this trend of improving groundwater conditions over the past 20 years.

## **6.2 Project Objectives**

To fully appreciate the project goal and objectives it is first important to understand the project itself.

The project will enhance the long-term viability of the Sacramento-Placer region's community, businesses, and families, Participating Agencies are focusing on adapting the regional water supply system to climate change and drought by expanding conjunctive use (i.e., augmenting the amount of water previously banked), thereby increasing the resilience of the region's water supplies and creating a 21st-century water system, through the Water Bank.

The Water Bank is a multi-agency partnership that allows participating local water agencies to expand their conjunctive use operations by leveraging surface water, recycled water, and groundwater supplies to use the expansive reservoir under the Sacramento region for storing water during wet times for use during dry times. The Water Bank will enhance the opportunities for recharging and storage of water underground on behalf of specific parties, while maintaining a formal accounting system to keep track of balances (i.e., deposits when water is recharged and withdrawals when it is recovered in the future).

The Water Bank is structured to reduce barriers to expanding conjunctive use— these barriers could be institutional (e.g., agreements, operational issues, water quality concerns), financial (e.g., cost to produce water, cost of expansion), or structural (e.g., facility limitations)—while complying with existing regulations, requirements, and goals of Groundwater Sustainability Plans in the Sacramento-Placer region.

The Water Bank builds on the ongoing regional conjunctive use program and existing infrastructure and facilities, meaning that the foundation is in-place and operational. At present and using that existing infrastructure, it may be possible to recharge up to 65 thousand acre-feet (TAF) per year and recover up to 55 TAF per year. With near-term, new infrastructure, those recharge and recovery quantities could total up to 90 TAF in a year. The Water Bank has the potential to grow over time, making use of other sources of supply and means of recovery. Put in context, the North and South American groundwater subbasins currently have about 1.8 million acre-feet (MAF) of unused storage that could store surface water during wet conditions for use when surface water supplies are more limited, as during a drought. There are also opportunities to increase the availability of supply using recycled water.

In addition to improving long-term water supply reliability and resiliency, the Water Bank provides an opportunity to build on current conjunctive use operations that have enabled local

agencies to bank water, thereby increasing the operational flexibility of Folsom Reservoir. Folsom Reservoir plays critical roles in (1) managing temperature in the lower American River to support aquatic life, (2) Delta water quality for the enhancement and protection of Delta fisheries and ecosystem, and (3) Reclamation's CVP water supply functions statewide.

The goal of the Water Bank is to expand conjunctive use, thereby increase water banking operations throughout the region to:

- (1) Improve long-term regional reliability and provide statewide water supply opportunities when possible; and
- (2) Support healthy ecosystem function on the lower American River.

The Water Bank objectives are to:

- Increase groundwater recharge during wet conditions using available surface and recycled water supplies.
- Reduce reliance on surface water during dry conditions by using previously banked groundwater.
- Contribute to water reliability of water agencies in the region with no or limited access to groundwater.
- Contribute to water reliability of water agencies in the region with no or limited access to surface water.
- Maintain the quality of surface water and groundwater.
- Contribute to CVP operational flexibility by reducing reliance on Folsom Reservoir during dry conditions.
- Contribute to healthy ecosystem function, including on the lower American River.
- Consider and advance mutually beneficial opportunities to partner with entities outside the region on operational collaboration and/or investment in the Sacramento Regional Water Bank.
- Provide opportunities to generate revenue for investment in infrastructure and other projects/programs to improve regional water supply reliability, resiliency, and affordability for Participating Agencies.
- Provide opportunities to generate revenue to reduce financial barriers to conjunctive use for Participating Agencies.

## 7. **Scope of Work:**

As summarized in Table 7-1 and described in detail later in this section, the Financial Assistance Agreement (FAA) Scope of Work will cover the activities related to development of the Water Bank project (as described in Section 6). This work does not include implementation of a fully-developed Water Bank nor does it fund exploration of Water Bank expansion.



As of January 2024, RWA is about 1.5 years into the anticipated 3.5-year effort of Water Bank development (schedule presented in Section 7.3). For this reason, some of the tasks with non-Federal cost share components are currently in progress.

RWA is seeking WIIN Act funding of \$870,000 to complete this FAA Scope of Work for development of the Water Bank. Specifically, the Federal cost-share will fund eligible activities in Tasks 1, 3, 6, 7, and 8.

**Table 7-1 Summary of Proposed Sacramento Regional Water Bank Development Tasks and Federal and Non-Federal Cost-share Components**

| Proposed Task   | Status                         | Proposed Budget |                                  |                                      |
|---|--------------------------------|-----------------|----------------------------------|--------------------------------------|
|   |                                | Total           | Federal Component <sup>[A]</sup> | Non-Federal Component <sup>[B]</sup> |
| <b>Task 1, Project Management and Coordination.</b> This task includes project initiation, project management, and project team coordination and meetings.  | In progress                    | \$150,000       | \$40,000                         | \$110,000                            |
| <b>Task 2, Plan Formulation.</b> This task identifies and describes the future conditions that would occur without the project. It also formulates, evaluates, and compares project alternatives.   | In progress                    | \$150,000       | \$0                              | \$150,000                            |
| <b>Task 3, Modeling Support.</b> This task includes analyzing alternatives (developed in Task 2) to assess changes in water management (CalSim 3), groundwater impacts (CoSANA), and temperature and water quality impacts (HEC-5Q and DSM2). This task also includes development of a stream depletion factor to quantify water available for transfers. | In progress                    | \$1,345,000     | \$380,000                        | \$965,000                            |
| <b>Task 4, Best Management Practices for Conjunctive Use Implementation.</b> This task includes development of a set of best management practices to facilitate conjunctive use expansion that covers a range of operational, hydrogeological, technical, and public engagement issues that may face the Participating Agencies.                          | Anticipated to start late 2024 | \$60,000        | \$0                              | \$60,000                             |
| <b>Task 5, Financial Analysis.</b> This task develops a financial analysis tool to assess potential long-term net returns, water markets, and scenarios for bridging the differences in cost between surface water and groundwater.   | Anticipated to start late 2024 | \$50,000        | \$0                              | \$50,000                             |
| <b>Task 6, Institutional Arrangements.</b> This task supports evaluation and development of institutional arrangements and tools for Water Bank governance and management (i.e., accounting for banking activities).  | In progress                    | \$240,000       | \$110,000                        | \$130,000                            |

|  |                               |                    |                      |                      |
|--|-------------------------------|--------------------|----------------------|----------------------|
| <b>Task 7, Environmental Compliance.</b> This task includes environmental review under both the California Environmental Quality Act and the National Environmental Policy Act as well as required consultations and coordination.   | In progress                   | \$1,080,000        | \$250,000            | \$830,000            |
| <b>Task 8, Project Report.</b> This task prepares the Water Bank development report summarizing the evaluation and process, key accomplishments, findings, and stakeholder participation. The report compiled the information and deliverables prepared under tasks 2 through 7 and 9. | Anticipated to start mid 2025 | \$100,000          | \$90,000             | \$10,000             |
| <b>Task 9, Stakeholder Outreach and Involvement.</b> This task prepares a communications and outreach plan, implements that plan for the duration of this scope (Water Bank development effort), and documents the process.  | In progress                   | \$305,000          | \$0                  | \$305,000            |
| <b>TOTAL</b>   |                               | <b>\$3,480,000</b> | <b>\$870,000</b>     | <b>\$2,610,000</b>   |
|  |                               |                    | 25.0% <sup>[C]</sup> | 75.0% <sup>[C]</sup> |
| <b>Notes:</b>  |                               |                    |                      |                      |
| [A] WIIN Act funding.  |                               |                    |                      |                      |
| [B] Includes RWA funding, RWA in-kind services, and CDWR 2022 Drought Resiliency Grant funding.  |                               |                    |                      |                      |
| [C] Percentage of total proposed budget.   |                               |                    |                      |                      |
| <b>Key:</b>  |                               |                    |                      |                      |
| CDWR = California Department of Water Resources  |                               |                    |                      |                      |
| RWA = Regional Water Authority   |                               |                    |                      |                      |
| Water Bank = Sacramento Regional Water Bank  |                               |                    |                      |                      |
| WIIN Act = Water Infrastructure Improvements for the Nation Act  |                               |                    |                      |                      |

Table 7-2 provides a summary of all the project funding sources.

**Table 7-2 Water Bank Project Funding Sources**

| Total Project Costs  | Federal Component | Non-Federal Component |                    |                  |                        |
|--|-------------------|-----------------------|--------------------|------------------|------------------------|
|  |                   | Phase 1               | Phase 2            | CDWR Grant       | In-Kind <sup>[A]</sup> |
| <b>\$3,480,000</b>   | <b>\$870,000</b>  | <b>\$493,000</b>      | <b>\$1,150,000</b> | <b>\$660,000</b> | <b>\$307,000</b>       |
|  | 25.0%             | 14.2%                 | 33.1%              | 19.0%            | 8.8%                   |
| <b>Notes:</b>  |                   |                       |                    |                  |                        |
| [A] In-Kind funding supported by City of Sacramento Groundwater Well Replacement Program |                   |                       |                    |                  |                        |
| <b>Key:</b>  |                   |                       |                    |                  |                        |
| CDWR = California Department of Water Resources  |                   |                       |                    |                  |                        |

**7.1 Project Approach**

Water Bank development will build on previous and ongoing planning studies, incorporate experience gained through past and ongoing conjunctive use practices in the region, reflect

lessons learned from water banking and groundwater substitution transfer activities, and espouse operating principles deemed important by potential local partners, investors, the public, and third parties in the region. This section provides a summary of these key planning efforts, past water banking and groundwater substitution transfer activities, and the identified success factors for water bank development and implementation. The information and considerations inform development of Project Tasks in Section 7.2.

### **Foundational Data, Tools, and Technical Information**

Previous and ongoing planning studies provide foundational information on conjunctive use practices in the region, in-lieu and direct groundwater recharge capacities, groundwater extraction capacity, groundwater conditions, and guidance on water banking operational rules. Relevant information, data, and tools developed through these efforts are summarized below:

- North American Basin Regional Drought Contingency Plan (Reclamation and RWA, 2017)
  - Developed a detailed water budget and water supply portfolio for each municipal and industrial (M&I) water purveyor in the region, including water demands, water supply sources, surface water diversions and treatment capacities, groundwater extraction capacities, storage, fluoridation practices, interties with neighboring agencies, and ability to share water supplies regionally.
  - Compiled a detailed list of planned and potential projects to increase drought resiliency and promote expansion of conjunctive use.
- Regional Water Reliability Plan or RWRP (RWA, 2019)
  - Quantified available storage in the North and South American Groundwater subbasins that could be used for water banking.
  - Identified how much water the Sacramento-Placer region could (1) recharge during wet years by delivering surface water to agencies that would otherwise use groundwater, and (2) recover from the basin during dry years using groundwater wells to extract and deliver water to agencies otherwise dependent on using surface water.
  - Developed recharge and recovery capacity estimates for two conditions: (1) capacities based on existing facilities, and (2) expanded capacities assuming implementation of near-term planned facilities (within 10 years).
  - Conducted regional water bank simulations to identify: (1) the potential supply yield associated with an expanded conjunctive use program in the region, and (2) the potential sustainability benefit to the underlying groundwater basin from operating a water bank over multiple years.

- American River Basin Study (Reclamation, RWA, City of Folsom, City of Roseville, City of Sacramento, El Dorado County Water Agency (now El Dorado Water Agency), and Placer County Water Agency, 2022)
  - Developed detailed representation of the water bank operations in CalSim 3, reflecting conjunctive use expansion relying on the existing recharge and recovery capacity.
  - Assessed the contribution of the water bank towards climate change adaptation, and demonstrated potential water reliability benefit to the region, operational flexibility benefit to Reclamation, groundwater sustainability, and associated lower American River ecosystem benefits.
- North and South American Groundwater Subbasins (Groundwater Sustainability Plans, 2021)
  - Developed detailed hydrogeologic conceptual model of groundwater aquifers
  - Developed a fine-mesh groundwater model of the Cosumnes, South, and North American Groundwater subbasins (CoSANA) using CDWR's integrated water model (IWFm), which is a finite element modeling platform.
  - Developed detailed surface water and groundwater budgets for existing and future 2040 conditions, including assessment of the sustainable yield.
- Sacramento Regional Water Bank Water Management Options Pilot (Reclamation, ongoing) is:
  - Updating the representation of the water bank operations in the most recent CalSim 3 studies released by DWR (2021 Delivery Capability Report).
  - Linking CalSim 3 and CoSANA to improve representation of stream-groundwater interactions (depletion and accretions).
  - Developing detailed formulating of the water bank operation to explore and provide insights on (1) impacts and benefits to the CVP during wet and dry years, (2) operational rules and constraints on timing and volume of recharge and recovery to minimize negative impacts, and (3) potential scope and size of the water bank relative to:
    - Type of water supplies used for banking (Article 3F, CVP, Settlement water rights water, etc.)
    - Timing of recharge (Delta surplus and/or balanced conditions)
    - Transfer partners (CVP/non-CVP, within/outside the American River Basin)

- Identifying a preferred water banking alternative and assessing its systemwide impacts and benefits (e.g., CVP operations, hydropower, water temperature on the Lower American River, and Delta inflows and salinity).
- Assessing performance of the preferred water banking alternative under future climate change conditions

### **Pilot Water Banking Activities**

For more than two decades, banking and transfer actions have been (and continue to be) conducted in the Sacramento-Placer region in part to establish the institutional framework and demonstrate the feasibility of establishing a regional water bank. Lesson learned from these past experiences provide important considerations for the formulation of the water bank operations and accounting. These past banking and transfer actions include the following:

- 1999/2000 Sacramento Area Flood Control Agency (SAFCA) Pilot Project: Northridge Water District (now known as Sacramento Suburban Water District) banked 2,100 acre-feet (AF) via in-lieu recharge, and later Citrus Heights Water District extracted nearly 2,000 AF of groundwater, instead of using surface water. The foregone surface water diversion was transferred to SAFCA to meet its refill obligation at Folsom Reservoir.
- 2002 California Bay-Delta Program Environmental Water Account (EWA) Pilot Project: Fair Oaks Water District, Citrus Heights Water District, and the City of Sacramento used groundwater in-lieu of surface water and transferred about 7,000 AF of water to the EWA run by Reclamation and CDWR.
- 2018, 2020, and 2022 Regional Pilot Groundwater Substitution Transfers: Local water purveyors, including City of Sacramento, Sacramento Suburban Water District, Carmichael Water District, San Juan Water District, Fair Oaks Water District, and Citrus Heights Water District – used groundwater in-lieu of surface water and conducted one-year transfers of about 10,000 to 17,000 AF of water each year to a number of State Water Project (SWP) contractors south of the Delta.

### **Success Factors for the Sacramento Regional Water Bank**

In addition to these pilot banking activities, a broad survey of water purveyors in the Sacramento region was conducted as part of the RWRP (RWA, 2019) to elicit initial thoughts and concerns regarding a regional water bank. Input from the regional water purveyors and other stakeholders helped develop broad principles or success factors to the development and implementation of a regional water bank. The key success factors are organized based on three perspectives:

1. Investors/participants – Investors and local RWA water agencies will participate directly in the operation of the Water Bank through either financial or physical resource contributions. Success factors for these entities include improved long-term water security in the region, a creation of a return on investment and reliable funding stream from long-term agreements, secured investments on agreements (not unanimity) on potential water transfer partners in terms of their water use and location, equity among

participants in a water bank, maintained transparency of bank operations and finance, and maintained individual RWA member agency autonomy.

2. Public – The public is the community in which a water bank would operate. Success factors for the public include maintained transparency in the Water Bank establishment process, promotion of water security in the region, addressed concerns related to transferring banked water while customers are subject to increasing conservation requirements, ensured that transferring banked water is in accordance with (does not conflict with) water being a public trust asset, and addressed concerns that the Water Bank may be growth inducing.
3. Third parties – Third parties include other groundwater entities in the region that would not participate in a Water Bank but might be affected by localized banking operations. Success factors for the third parties include assurance that there is no net increase in groundwater pumping and no new restrictions over existing use of groundwater, maintained consistency with Sustainable Groundwater Management Act (SGMA) implementation, avoidance of degrading groundwater quality by mobilizing contaminants, avoidance of potential indirect impacts to the lower American River or Cosumnes River areas, and avoidance of potential indirect impacts to or from related Folsom Reservoir operations.

## **7.2 Project Tasks**

Major Water Bank development work tasks and deliverables are described below. Note that all deliverables will be in electronic format unless otherwise specified.

### **Task 1 – Project Management and Coordination**

#### ***Subtask 1.1 - Project Initiation***

This subtask will prepare the Water Bank Development Memorandum of Agreement (MOA) and project plan. The project plan will be prepared through technical scoping with Reclamation and the RWA staff to detail the technical activities for Water Bank Development. A detailed roles and responsibility matrix will be included in the plan to clarify the lead, coordination, and review roles for each task in the plan.

In consultation with Reclamation and the non-Federal Partner (RWA), a MOA will be developed and signed following the preparation of the project plan. The MOA will provide the agreements on approach and scope that will guide completion of Water Bank Development. The plan will be attached to the MOA and will serve as the project management plan for Reclamation and the non-Federal Partner (RWA) in Water Bank Development.

#### ***Subtask 1.2 - Project Management***

This subtask will cover project management activities, including maintaining adequate financial records and preparing accurate monthly invoices and reports on the progress on all tasks including accomplishments, budget, schedule, upcoming activities, and work products.

### ***Subtask 1.3 – Project Team Coordination***

Program Committee meetings will be held monthly or as needed. Project Management Team (PMT) meetings may be held quarterly (or as needed) and include RWA staff, RWA’s consulting team, and Reclamation. Technical meetings and conference calls will be held weekly throughout the conduct of Water Bank Development to provide coordination between the planning, engineering, modeling, and environmental team members and to provide status briefings to the project management team. The RWA Water Bank Development PM will lead Program Committee, PMT, and technical team meetings and provide written meeting summaries for PMT meetings to the Reclamation PM within five days following each meeting.

#### ***Deliverables***

- Final project plan
- Monthly invoices with status reports (electronic format)
- PMT Meeting agendas and meeting summaries (electronic format)

### **Task 2 – Plan Formulation**

This task will identify and describe the future conditions that would occur without the project. It will also formulate, evaluate, and compare project alternatives.

#### ***Subtask 2.1 – Planning Objectives, Constraints, and Criteria***

This subtask will confirm Water Bank Development planning objectives, formulate planning constraints, and develop criteria and metrics for the evaluation and comparison of alternative plans. This task will also include scoping meetings to solicit stakeholders and interested public input on the goals and objectives of Water Bank Development.

#### ***Subtask 2.2 – Formulation of Alternatives***

This subtask will formulate a range of alternatives that address the project objectives and meet planning criteria. Water Bank Development will consider that prior studies<sup>1</sup> provided sufficient initial option development and screening. The initial alternatives for Water Bank Development will focus on developing alternatives centered around the concept of expanding conjunctive use and water banking in the North American subbasin (NASb) and South American groundwater subbasin (SASb).

#### ***Subtask 2.3 – Evaluation and Comparison of Alternatives***

This subtask will prepare a reconnaissance-level benefit/impact analysis of the alternatives, allowing for the identification of a preferred alternative consistent with federal planning guidelines.

#### ***Subtask 2.4 – Plan Formulation Appendix***

- Final Plan Formulation Appendix

### **Task 3 - Modeling Support**

#### ***Subtask 3.1 – City of Sacramento Groundwater Master Plan CoSANA modeling***

The City of Sacramento (the City) completed an integrated hydrologic modeling analyses to evaluate surface water and groundwater conditions resulting from the implementation of

production well replacement as presented in the City’s Groundwater Master Plan and for each of the project alternatives evaluated in their environmental document. The modeling analyses included an assessment of potential impacts on groundwater sustainability of the regional groundwater subbasins resulting from projected changes in land use and water use conditions. This analysis has been foundational for the purposes of advancing the additional modeling support tasks identified below for the Water Bank. These foundational elements include the City’s work to complete data collection and analysis tasks to ensure model runs reflected current conditions and best available science. The City then developed and ran three modeling scenarios, 1) existing conditions baseline, 2) no project conditions, and 3) projected conditions baseline (preferred project). These model runs inform and aid the assumptions and runs for the Water Bank CoSANA modeling analysis.

### ***Subtask 3.2 - Alternative Analysis (CalSim)***

Based on the alternatives developed in Subtask 2.2, this subtask will conduct analytical evaluations using CalSim 3 to assess the changes in water management in the American River Basin and CVP/SWP system under the proposed alternatives. Evaluations will be conducted using an Existing Conditions baseline, future No Action baseline, and future climate change scenario.

### ***Subtask 3.3 - Groundwater Impact Analysis***

In conjunction with the CalSim 3 modeling of the proposed alternatives, this subtask will use the COSANA groundwater model to assess the response of the North and South American groundwater subbasins to the proposed alternatives. Modeling results will be used to assess compliance with the sustainability criteria established for the subbasins.

### ***Subtask 3.4 - Temperature and Water Quality Impact Analysis***

River temperatures are an important driving factor for fish health in the American River. Any changes in reservoir storage and releases, and river flows associated with a water bank will require evaluation. Under this subtask, the secondary effects of the proposed alternatives on Lower American River water temperature, will be evaluated using HEC-5Q (or CE-QUAL-W2 if Reclamation accepts this as a standard model). In addition, the effects of changes in reservoir releases on Delta water quality will also be analyzed using DSM2.

### ***Subtask 3.5 – Stream Depletion Factor***

To quantify the water available for transfers, a stream depletion factor must be developed. A stream depletion factor is the reduction in streamflow during balanced Delta conditions resulting from pumping groundwater to make surface water available for transfer. This subtask will be conducted consistent with the DWR guidance on estimating the stream depletion factor for water transfers<sup>2</sup>. Considerations for stream depletion will be provided for both transfers to other water providers as well as transfers of water to the environment, such as ecosystem outflows.

### ***Subtask 3.6 - Modeling Appendix***

- Final Modeling Appendix

## **Task 4 – Best Management Practices for Conjunctive Use Implementation**



#### ***Subtask 4.1 – Best Management Practices for Conjunctive Use Implementation***

To support expansion of conjunctive use in the region, this task will develop a set of best management practices that covers a range of operational, hydrogeological, technical, and public engagement issues that may face the Participating Agencies. These best management practices will be developed in consultation with agencies in the region with a history of conjunctive operations to document lessons learned. These lessons learned will provide the basis for articulating best management practices that covers topics such as: (1) monitoring and managing for effects of introducing surface water (or groundwater) into a public distribution system that relied historically on a single supply source, (2) addressing public concerns resulting from changes in water quality characteristics (e.g., hardness or taste), (3) monitoring and management of rising groundwater levels (mounding), etc.

#### ***Deliverables***

- Best Management Practices for Conjunctive Use Implementation TM

### **Task 5 – Financial Analysis**

#### ***Subtask 5.1 – Financial Analysis***

This subtask will develop a financial analysis tool to assess potential long-term net returns. The financial model inputs will include (1) investments (e.g., operations and maintenance (O&M) costs for banking and wheeling), and (2) revenues (e.g., value of water for different uses and under different year types). The financial model will be used to assess financial feasibility of water markets under different payment and fee structures (long-term, short-term, spot market). The financial model will be used to assess phasing of investments and water markets. The financial model will also be used to assess scenarios for bridging the differences in cost between surface water and groundwater, which are currently a barrier to expanding regional conjunctive use.

#### ***Deliverables***

- Financial Analysis TM

### **Task 6 – Institutional Arrangements**

This task will support RWA and the Participating Agencies decision-making on evaluating and implementing the most appropriate institutional arrangements for Water Bank governance and management. These institutional arrangements should also take into consideration other regulatory and policy frameworks that could tie to decision-making for the Water Bank, such as Voluntary Agreements or revised regulatory approvals.

#### ***Subtask 6.1 - Water Accounting System***

The Water Accounting System (WAS) will establish a set of policies and procedures to encourage and support conjunctive use operations to facilitate the long-term sustainability of the underlying groundwater basin as source of public water supply. The WAS will be developed in coordination with local groundwater sustainability agencies (GSA) and other stakeholders (as appropriate), and it will be consistent with applicable groundwater sustainability plans (GSP).

### ***Subtask 6.2 - Water Bank Governance Structure***

A better understanding of governance and institutional requirements of the Water Bank is a prerequisite before full support or participation commitments can be made by Participating Agencies. It is also imperative that Water Bank operations and finances be transparent and shared with participants and others (as appropriate). This subtask will develop a governance structure for Water Bank operations and management and describe roles and responsibilities. It will also address policy-related issues such as fees from transfers and environmental commitments.

#### ***Deliverables***

- Water Accounting Framework TM
- Water Bank Governance Framework TM

### **Task 7 – Environmental Compliance**

The proposed Water Bank project will be evaluated at the project-level, which will include operational changes associated with existing facilities. An Initial Study will be prepared (as further described below under Task 7.2) to help inform the appropriate level of environmental review under the California Environmental Quality Act (CEQA) and the necessary resources to be evaluated.

It is assumed that RWA will prepare an Environmental Impact Report (EIR) under CEQA and an Environmental Assessment/Finding of No Significant Impacts (EA/FONSI) under the National Environmental Policy Act (NEPA). It is further assumed that the documents will be prepared separate (i.e., there will not be a joint CEQA/NEPA document).

For each document/item to be reviewed under Task 7, it is assumed that a single consolidated set of comments for that document/item will be prepared and provided for use in the process of resolving those comments. NEPA documentation will use Reclamation's visual identity and will be Section 508 compliant when posted to Reclamation's website. CEQA documentation will also be 508 compliant.

#### ***Subtask 7.1 – City of Sacramento Groundwater Master Plan Well Replacement Program Environmental Impact Report (PEIR)***

The City prepared a draft and final Groundwater Master Plan (GWMP) Well Replacement Program Environmental Impact Report (PEIR) evaluating the replacement of 38 wells at a program level of analysis. The wells evaluated at a program level require subsequent evaluation to identify any site specific and/or project level details that could trigger an additional, streamlined CEQA review. The Project Description, Environmental Setting, and description of Environmental Impacts of the GWMP have been foundational for the purposes of completion of the environmental document for the Water Bank.

#### ***Subtask 7.2 – Prepare Initial Study/Environmental Assessment, Prepare Notice of Preparation and Conduct Public Scoping***

This subtask includes the preparation of an Initial Study to provide an initial evaluation of potential environmental impacts associated with the proposed project. The checklist, as included

in Appendix G of the CEQA guidelines will be used as the basis of the Initial Study. The document will be prepared in a narrative format that provides a brief description of the environmental setting for the study area and identifies potential impacts resulting from the proposed project. If, after assessment of the project description, it is determined that the project will result in no impact or less than significant environmental impacts (without mitigation) related to certain environmental topics, those topics will not be carried forward for an analysis and a rationale for not analyzing them will be included. An administrative draft Initial Study will be submitted for review and comment.

This subtask includes scoping efforts associated with the preparation of an EIR, including development of the CEQA Notice of Preparation (NOP) and associated CEQA Notice of Completion (NOC); and preparing/conducting up two (2) public scoping meetings. Scoping meetings will be in-person and are assumed to occur within the greater Sacramento region. This subtask also includes efforts for compliance under Assembly Bill 52 for consultation with State-recognized Tribes. Scoping meetings will include preparation of project overview materials such as a power point presentation, meeting handouts, sign-in sheets, and posters; preparation of scoping meetings summary and scoping comments (both written and oral); and development of a mailing list of interested parties including federal, State, and local agencies with jurisdiction over resources potentially affected by the project. The non-Federal sponsor will provide the site, advertising for the meeting(s), public address systems or other presentation equipment, equipment to accommodate persons with disabilities, and necessary security and insurance for the meeting. Scoping comments will be collected and summarized, and a brief summary of the meetings and comments will be provided for review and consideration.

***Subtask 7.3 – Project Objectives, Purpose and Need, Proposed Project, and Study Area***

This subtask will include development of the project objectives (CEQA) and purpose and need (NEPA) for the project, including defining the local and federal actions, study area, and key assumptions.

***Subtask 7.4 – Proposed Alternatives Description***

This subtask will use information developed under Task 2 to draft the proposed project/Proposed Action and any alternatives for inclusion in the environmental compliance documents. It is anticipated that only the proposed project (CEQA)/proposed action (NEPA) will be evaluated, along with the no-project (CEQA)/no-action (NEPA) alternative. The no-action alternative (NEPA) will be developed to provide a representation of current conditions and reasonably foreseeable actions that could occur during the life of the project without any action alternatives being implemented. Other alternatives that are considered as part of Water Bank Development will be included as part of an alternatives chapter in the EIR; however, it is assumed that “other alternatives” will not be evaluated to the same level of detail as the proposed project/action. Up to three (3) iterations for development of the alternatives description are assumed. Information developed under this subtask will be used in the conduct of Subtask 7.5.

### ***Subtask 7.5 - Document Preparation - Environmental Conditions/Affected Environment, Environmental Impacts/Consequences, and Mitigation***

The environmental setting (CEQA) and affected environment (NEPA) are broad overviews of existing conditions applicable to each environmental resource area that would be potentially impacted by the proposed project and will serve as the relevant background for each resource section. Per CEQA, the environmental setting will constitute the baseline physical conditions at the time the NOP is published to determine whether an impact is significant. Per NEPA, the EA will compare the impacts of the Proposed Action to the no-action alternative. Under this subtask, the impact methodology will be developed for each of the resource areas (including significance thresholds, models, assumptions, and methods).

The basis of comparison for determining impacts and significance under CEQA will be existing conditions at the time of the filing of the NOP as compared to the proposed project. While the basis of comparison for determining impacts significance under NEPA will be the baseline of the future no-action compared to future conditions resulting from the proposed project. However, even with these differences, it is assumed that the impact analyses under CEQA and NEPA will result in the same analysis and conclusions.

Using the analysis developed in this subtask, the following environmental documentation will be prepared:

- The Administrative Drafts EIR and EA/FONSI will be prepared and provided for review and comment. Upon receipt of comments, the Public Drafts EIR and EA/FONSI will be prepared that addresses all review comments.
- Following public review of the Public Drafts EIR and EA/FONSI, all agency and public comments will be compiled, responses will be prepared, and an Administrative Draft Final EIR EA/FONSI and Final EIR and EA/FONSI will be prepared.

### ***Subtask 7.6 – Public Noticing and Notice of Determination***

This subtask will support preparation and posting of proper notices, including preparation of draft and final versions of NOC and Notice of Availability (NOA) for the Public Draft EIR, as required under CEQA. Under this subtask, all documentation and required notices will be submitted electronically to the State Clearinghouse website. It is assumed that Reclamation will be responsible for publishing the NOA in the Federal Register and posting news releases on its webpage or in newspapers, as needed.

Public meetings will be held to provide opportunities for the public to (1) receive project information, and (2) provide comments on the Public Draft EIR. This subtask will include preparation for and conduct of up two (2) public meetings and will include preparation of meeting materials such as a power point presentation, meeting handouts, and posters and an audio recording of public and agency comments received. Public meetings will be in-person and assumed to occur within the greater Sacramento region. The non-Federal sponsor will provide the site, advertising for the meeting(s), public address systems or other presentation equipment, equipment to accommodate persons with disabilities, and necessary security and insurance for

the meeting. Comments received during the public comment period will be recorded and documented in a comment matrix. This task will not include transcripts of the meeting(s) by a stenographer.

This subtask will include supporting preparation of the Final EIR including the findings of fact, and a statement of overriding considerations, if needed. The findings of fact will be used by the RWA to make a decision regarding certification of the EIR. This subtask will include assistance with filing the Notice of Determination (NOD) and associated documents with the State Clearinghouse. A NOC will be prepared to accompany the NOD. It is assumed that RWA will pay all fees associated with submitting the NOD (e.g., California Department of Fish and Wildlife filing fee). It is assumed that Reclamation will prepare and approve the final FONSI.

#### ***Subtask 7.7 - Administrative Record***

This subtask will include the compilation of the administrative record for the compliance documentation consistent with NEPA/CEQA requirements.

#### ***Subtask 7.8 - Consultations & Coordination***

This subtask will provide support and coordination for the required consultations under Federal and State laws focusing on the project-level analysis for the proposed operations. This includes:

- Consultations with National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS) and US Fish and Wildlife Service (USFWS), if needed over potential effects federally-listed threatened or endangered species under their jurisdictions in accordance with requirements set forth under Section 7 of the Federal ESA (16 U.S. Code [USC] 1536[c]).
  - Meetings:
    - Preparation for and conduct up to three (3) meetings with NMFS, Reclamation, RWA, and others (as needed) to outline the issues and concerns regarding project effects. If consultation with the USFWS is required, up to three (3) meetings will be conducted with USFWS, Reclamation, RWA, and others (as needed). Preparation will include meeting materials such as meeting handouts and meeting summaries. Meetings will be hybrid in nature (both in-person and virtual participation; with the in-person option assumed to occur within the greater Sacramento region).
    - Preparation for and conduct of up to two (2) meetings of Reclamation's biologists, RWA, and others (as needed). Preparation will include meeting materials such as meeting handouts and meeting summaries. Meetings will be hybrid in nature (both in-person and virtual participation; with the in-person option assumed to occur within the greater Sacramento region).
  - Development of a Biological Assessment (BA) and Essential Fish Habitat Assessment (EFH) to evaluate the effects on steelhead and Pacific salmon from

the changes in flow- and temperature-related conditions in the lower American River caused by the project. The BA/EFH will be developed as follows:

- The project description in the BA/EFH will be tailored from the NEPA/CEQA project description to include the portions necessary for the consultation process.
- The BA/EFH will assess the effects of the Proposed Action compared against the Environmental Baseline.
- The BA/EFH assessment will incorporate results from Task 3 (assumed to include CalSim 3 and temperature modeling efforts).
- If consultation with the USFWS under Section 7 is required, Stantec will prepare a separate BA to evaluate the Water Bank project effects on other special-status species (e.g., Valley Elderberry Longhorn Beetle). This BA will fully analyze the effects of the preferred Project alternative (i.e., proposed action) and will include the following sections: introduction, consultation to date, description of proposed action including area, species considered and life history needs, environmental baseline, effects of the proposed action, cumulative effects, conclusion and determination, and recommendation for mitigation.
- Development of Cultural Resources Inventory Report for the project, and coordination with Office of Historic Preservation (OHP) in accordance with the requirements of Section 106 of the National Historic Preservation Act of 1966. Under this subtask, a cultural resources investigation will be conducted for the project that complies with CEQA and Section 106 of the National Historic Preservation Act. The investigation will include the following elements:
  - Meetings:
    - Preparation for and conduct of up to two (2) meetings of Reclamation’s archeologists, RWA, and others (as needed). Preparation will include meeting materials such as meeting handouts and meeting summaries. Meetings will be hybrid in nature (both in-person and virtual participation; with the in-person option assumed to occur within the Sacramento-Placer region).
    - No meetings with OHP representatives are assumed.
  - Pre-Field Records Search and Research. In order to determine presence/absence of cultural resources, presence, and extent of previous investigations, and to compile historical information relevant to the proposed project, a records search will be conducted of existing background and supporting materials from the appropriate California Historical Resources Information System Information

Center and other historical primary source venues (e.g., archives, libraries, historical societies), as appropriate.

- Native American Outreach. The Native American Heritage Commission (NAHC) will be contacted and a search of the NAHC Sacred Lands File and a list of local Native American representatives will be requested. The purposes of the outreach will be to determine if any Native American groups or individuals have any interest in or concerns with the proposed project. Each individual or tribal group on the NAHC list will be contacted by letter and two follow-up phone calls, if necessary.
- Cultural Resources Investigation Report. Upon completion of all cultural resources investigations, a Cultural Resources Investigation Report will be prepared that documents the findings of the research for the project. The report will include information and follow the format described in the Archeological Resource Management Reports: Recommended Contents and Format (California Office of Historic Preservation 1979) and complies with the Corps Guidelines for Compliance with Sections 106 of the National Historic Preservation Act (March 24, 2014). This report will include succinct overviews of the project's regulatory, environmental, and cultural contexts; discuss Native American community outreach and consultation efforts; and describe any cultural resources documented in the area of potential effect. (Note that this effort will not include any investigations to provide formal determinations of NRHP eligibility for any cultural resources in the project area of potential effects (including Extended Phase I/Phase II investigations.) Because of the confidential nature of cultural resources information, the report will be provided as a stand-alone report and will not be distributed to the public.

### ***Deliverables***

- Final IS
- Draft and Final NOP and NOC
- Materials for up to 2 scoping meetings such as power point presentations, meeting handouts, sign-in sheets, and posters; also meeting summaries
- Draft summary document (scoping meetings and comments)
- Administrative Drafts, Public Drafts, Administrative Draft Finals, and Finals of EIR and EA/FONSI
- Final Draft NOA, and NOC (electronic only)
- Materials for up to 2 public meetings such as power point presentations, meeting handouts, and posters; also meeting summaries
- Final Draft CEQA findings of fact and statement of overriding considerations (if necessary) and notice of determination
- All reference materials included as part of the Administrative Record.

- Final fisheries BA/EFH
- Final terrestrial BA
- Final Cultural Resources Inventory Report
- Materials for up to 7 consultation/coordination meetings such as meeting handouts; also meeting summaries

### **Task 8 – Project Report**

This subtask will prepare the Water Bank development report to summarize the evaluation and process, key accomplishments, findings, and stakeholder participation. The report will compile the information and deliverables prepared under tasks 2 through 9.

#### ***Deliverables***

- Final Report

### **Task 9 – Stakeholder Outreach and Involvement**

This task will prepare a Communications and Outreach Plan (CO Plan), implement the CO Plan for the duration of Water Bank development, and document the process.

#### ***Subtask 9.1 – Communications and Outreach Plan***

The purpose of the CO Plan will be to ensure that interested stakeholders and the public are informed and that their input is sought and considered throughout development of the Water Bank. The CO Plan will describe goals for communication and outreach, measures for success, roles and responsibilities, key messages, and communications and outreach activities and tools. The CO Plan will detail the approach for outreach and formalize venues for engagement. Communications and outreach for Water Bank development will be intended to effectively leverage existing venues and build on a long history of coordinated planning in the region.

#### ***Subtask 9.2 – Stakeholder Engagement Activities***

The intent is for implementation of the CO Plan to occur throughout conduct of Water Bank Development. Activities under this subtask will adhere to the CO Plan. As appropriate for each venue, materials will be developed to support communication and outreach activities.

#### ***Subtask 9.3 – Communications and Outreach Record***

This subtask will document the communications and outreach activities and maintain a record of all public engagement activities.

#### ***Deliverables***

- Communications and Outreach Plan
- Communications and outreach support materials (as appropriate)
- Communications and Outreach Record TM

### **7.3 Project Schedule**

The anticipated Water Bank Development schedule is presented by task and subtask in Table 3-1.

**Table 7-3. Sacramento Regional Water Bank Development Schedule**



| <b>TASK</b>   | <b>Start</b> | <b>End</b> | <b>Duration (months)</b> |
|---|--------------|------------|--------------------------|
| Task 1 - Project Management and Coordination                          | Oct-22       | Mar-26     | 42                       |
| Task 2 - Plan Formulation   | Oct-22       | Jun-24     | 20                       |
| Task 3 - Modeling Support   | Jun-23       | Mar-25     | 22                       |
| Task 4 - Best Management Practices for Conjunctive Use Implementation | Sep-24       | Jun-25     | 10                       |
| Task 5 - Economic and Financial Analysis                              | Sep-24       | Jun-25     | 10                       |
| Task 6 - Institutional Arrangements                                   | Jan-23       | Mar-25     | 27                       |
| Task 7 - Environmental Compliance                                     | Jun-23       | Dec-25     | 36                       |
| Task 8 - Project Report   | Jun-25       | Dec-25     | 6                        |
| Task 9 - Stakeholder Outreach and Involvement                         | Oct-22       | Jan-26     | 40                       |

### **Expected Permits and Approvals**

No expected permits or approvals needed. The Water Bank project would not include construction activities, nor will it seek modifications to permits or other regulatory requirements that govern the Participating Agencies’ operations. Elements excluded from the project are as follows:

- No new facilities are proposed or would be authorized through the Project. Project operations would rely on facilities owned and operated by the Participating Agencies.
- No changes to surface water rights or contract supplies are proposed or would be authorized through the Project. Water banking operations would be subject to each Participating Agency’s existing water rights terms and conditions, diversion limits, minimum flow requirements, agency-specific commitments under the Water Forum Agreement, and all other regulatory and environmental requirements and commitments.
- No out-of-basin transfers are currently being proposed. Exchanges or transfers of surface supplies would be subject to the approval of those entities with authority over such supplies (which may be subject to additional California Environmental Quality Act review).

Potential consultations under:

- Section 7 of the Endangered Species Act
- Section 106 of the National Historic Preservation Act

## **8. Applicant Responsibilities**

The Applicant shall carry out the Scope of Work in accordance with the terms and conditions stated herein. The Applicant shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits.

- Reclamation Coordination: Regular meetings with Reclamation to review project status, discuss designs, and other aspects.
- Environmental Compliance: Applicant shall be responsible for NEPA compliance, and any necessary state and local permits for completion of this work (it is anticipated that there would be no permits needed (see above)).
- Deliverables: Applicant will provide all deliverables as identified in this SOW

## **9. Reclamation Responsibilities**

Reclamation will monitor and provide Federal oversight of activities performed under this Agreement. Monitoring and oversight include review and approval of financial status and performance reports, payment requests, and any other deliverables identified as part of the Scope of Work.

Substantial involvement by Reclamation is anticipated during the performance of activities funded under this Cooperative Agreement. In support of this Agreement, Reclamation will be responsible for the following:

- NEPA Lead Agency for the Project
- Coordinating with the Applicant to ensure compliance with the National Environmental Policy Act, Endangered Species Act, and National Historic Preservation Act.
- Finalize the FONSI.
- Providing additional review and coordination with the Applicant as described in the Scope of Work.

## **10. Period of Performance**

This Agreement becomes effective upon execution and shall remain in effect until September 30, 2026. The period of performance for this Agreement may only be modified through written modification of the Agreement by the Reclamation Grants Officer (GO).

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Applicant by the GO. RWA is requesting \$870,000.00 in Federal appropriations made available under the WIIN Act. This requires a 75/25 cost share for a total of \$2,610,00.00 with RWA's cost share.

Anticipated schedule is presented in Table 7-2. Also, see Section 7 (Scope of Work) for more detail.

## **11. Cost Authority**

Cost Center: <add>

Fund: <add>

**12. Budget**

<add text>

**13. Reporting**

Quarterly reporting as required for financial assistance agreements.

**14. GOTR**

Project Manager: <add>

Alternate: <add>

Program Manager: <add>

## Agenda Item 4.0

---



Topic: Introduction to the RWA  
Type: New Business  
Item For: Information  
Purpose: Policies 100.1, 200.1, 200.5

---

SUBMITTED BY: Jim Peifer  
Executive Director

PRESENTER: Jim Peifer  
Executive Director

---

### EXECUTIVE SUMMARY

This item is for the Board of Directors to receive a presentation on the history, role, and key policies of the Regional Water Authority.

### STAFF RECOMMENDED ACTION

No Action. Information only.



Topic: RWA Strategic Plan Priorities  
Type: Unfinished; Old Business  
Item For: Action  
Impact: Fiscal/Budget

---

SUBMITTED BY: Jim Peifer  
Executive Director

PRESENTER: Jim Peifer  
Executive Director

---

**EXECUTIVE SUMMARY**

This is an action item for the Regional Water Authority Board of Directors to receive a presentation summarizing feedback from a Strategic Plan Prioritization Survey from the members and to consider Executive Committee proposed priorities for the upcoming fiscal year. Additionally, the Board of Directors will receive a presentation on the RWA’s performance of Fiscal Year 2023/2024 strategic plan priorities.

**STAFF RECOMMENDED ACTION**

A motion to recommend approval of the Strategic Plan Priorities for Fiscal Year 2024/2025.

**BACKGROUND**

The RWA Board of Directors approved the Strategic Plan in August 2020. The Strategic Plan lays out a number of goals and objectives that allow for the RWA to achieve our mission: To serve, represent and align the interests of regional water providers and stakeholders for the purpose of improving water supply reliability, availability, quality and affordability.

Policy 400.4 requires the RWA to set RWA priorities as follows: 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.

Member feedback from the survey placed a high priority on the completion of the Sacramento Regional Water Bank and assisting in obtaining funding for our member’s projects. Feedback suggested support for the communications objective of: “Provide a forum for education, discussion, and outreach on water issues affecting the region.” Member feedback suggested a

desire for the RWA to continue with legislative advocacy, regulatory advocacy, and various subscription programs the RWA offers.

**Proposed Priorities**

Proposed strategic plan priorities from the Executive Committee for the Board’s consideration are below:

- **Communication and Outreach**

Priorities for our Communication and Outreach program include:

- Educate and secure support from local policymakers and other stakeholders regarding the Water Bank and other RWA priority issues. Communications support includes facilitating receptions, tours and briefings, as well as advocacy through the news media, social media, targeted digital advertising and other avenues.
- Maintain a Regional Coalition of Business Leaders led by a core group of organizations whose members heavily rely on an uninterrupted and reliable water supply who can support RWA in its advocacy. With core group formed, focus on educating and recruiting local, state and federal officials, and community leaders (civic and business). Communications support also provided by Integrated Communications and includes developing relationships and creating tools such as PPTs.
- Build Local Support for Funding to Implement the American River Voluntary Agreement by involving and keeping key stakeholders informed about ongoing discussions with state agencies.
- Support the pursuit of additional funding sources via secondary and longer-term opportunities (potential 2024 bond measure, and Reclamation, for example).
- Continue to provide a forum for education, discussion and outreach on water issues via preferred member communication such as the monthly E-Alert update, Coffee & Conversation events.

- **Sacramento Region Water Bank (SRWB) Development**

Significant effort will go into advancing the water bank this year including outreach and the preparation of draft environmental documents.

- Continue to prepare draft environmental documents.
- Begin the preparation of NEPA and other documents necessary to seek Federal Acknowledgement of the Water Bank.
- Execute surface water and groundwater modeling analysis to optimize water bank operations.
- Advocate for external public investment in SRWB and River Arc.

- **Water Use Efficiency (WUE) Program**

Staff highly recommends the WUE program should continue to be a priority of the RWA. The program reduces members’ costs from its economy of scale approach to public

outreach, school education and incentive programs and provides a forum for the WUE member agencies' staff to learn from one another and RWA staff on how to comply with regulatory requirements. A key strategic program benefit is a positive perception throughout the State that our region is implementing solutions for WUE that are simultaneously consistent with State goals and effective for our members. Additionally, the program provides strategic value and credibility for advancing desirable outcomes in other water policy, funding, and regulatory efforts.

- Plan and staff the Water Use Efficiency Program. Annual program activities will be presented to the Board of Directors.
- Provide technical assistance and programmatic support to member agencies to assist in compliance with the Water Conservation Regulation.

- **Regulatory and Policy**

This item relates to two general areas: Surface water regulation and management which is covered in the recently adopted Common Interest Management Services (CIMS) services agreement and the development of Water Use Efficiency regulations. The members that participate in the CIMS program appear to have a high degree of satisfaction with the program and would like to see it continued. The focus of the program will be:

- Continue to seek positive outcomes from the AB 1668/SB 606 Rule Making process (Water Conservation Regulations).
- Continue to seek positive outcomes from the initiation of the Reclamation's Biological Opinion process.
- Continue to advance the Voluntary Agreement process in a way that is beneficial to the participating members and our region.
- To protect our members' interests in the development of the Delta Conveyance Project.
- To build Federal Partnerships with the RWA and federal agencies including Reclamation.
- To assist the CIMS members as necessary.

- **Legislative**

RWA staff will be active in legislative activities including seeking positive legislative outcomes.

- Advocate for legislation that allows for a process to give a regulatory offramp for the Water Conservation Regulations.
- Advocate on Priority Bills (TBD).
- Participate in the development of a water bond or other legislative funding vehicle.
- Building state partnerships including the River Arc partners.

- **Sacramento Groundwater Authority**

## Agenda Item 5



The RWA provides staffing and administrative services to the SGA. The work relating to the SGA will include the North American Subbasin groundwater sustainability plan implementation and activities that fall outside compliance with the Sustainable Groundwater Management Act compliance such as coordination of the Regional Contamination Issues Committee.

- See Sacramento Groundwater Authority strategic priorities.

- **RWA Administrative Services**

There are a number of back office functions that need to occur, such as paying bills, making payroll, etc., that could be characterized as “taking care of business.” This should be a priority and should include the following:

- Receive a clean audit for both the RWA and SGA
- Complete accounting functions
- Prepare Budgets for RWA and SGA
- Office Management

- **Funding Member Projects**

The RWA will continue to participate in initiatives that result in State and potentially Federal investments that fund our member’s water supply projects. These initiatives include:

- The Watershed Resilience Pilot Project with the Department of Water Resources

(See Legislative items above for the potential Water Bond)

### FINDING/CONCLUSION

A Strategic Plan is a valuable tool for establishing a strategic unified vision, outlining goals and objectives, and for monitoring business performance results. The existing strategic plan can be considered the universe of activities that the RWA will operate in. The strategic plan priorities are the initiatives that the RWA staff will spend most of their time on in fiscal year 2024/2025.

### ATTACHMENTS

Attachment 1 – Strategic Plan Survey Data

Attachment 2 - RWA Strategic Plan

Attachment 3 – SGA 2024 Strategic Priorities

Attachment 4 – RWA’s Performance on FY 2023/2024 Priorities



## Q1 What is your name?

Answered: 13 Skipped: 2

| #  | RESPONSES                    | DATE                |
|----|------------------------------|---------------------|
| 1  | Marcus Yasutake              | 1/23/2024 3:52 PM   |
| 2  | Jim Abercrombie              | 1/22/2024 1:42 PM   |
| 3  | Gwynne Pratt                 | 1/21/2024 7:59 PM   |
| 4  | Dan York                     | 1/3/2024 10:21 AM   |
| 5  | Lisa Kaplan                  | 1/2/2024 10:27 AM   |
| 6  | Matthew Medill               | 12/27/2023 9:44 AM  |
| 7  | Tony Firenzi                 | 12/20/2023 4:37 PM  |
| 8  | Greg Zlotnick                | 12/18/2023 3:21 PM  |
| 9  | Tom Nelson and Bruce Kamilos | 12/14/2023 12:52 PM |
| 10 | Hilary Straus                | 12/12/2023 4:03 PM  |
| 11 | Anne Sanger                  | 12/4/2023 2:56 PM   |
| 12 | Nicholas Schneider           | 11/28/2023 10:44 AM |
| 13 | Diana Langley                | 11/27/2023 9:50 AM  |

## Q2 What is your organization?

Answered: 13 Skipped: 2

| #  | RESPONSES                                 | DATE                |
|----|---|---------------------|
| 1  | City of Folsom                            | 1/23/2024 3:52 PM   |
| 2  | EID                                       | 1/22/2024 1:42 PM   |
| 3  | Del Paso Manor Water District             | 1/21/2024 7:59 PM   |
| 4  | Sacramento Suburban Water District        | 1/3/2024 10:21 AM   |
| 5  | City of Sac                               | 1/2/2024 10:27 AM   |
| 6  | City of Lincoln                           | 12/27/2023 9:44 AM  |
| 7  | PCWA                                      | 12/20/2023 4:37 PM  |
| 8  | San Juan Water District                   | 12/18/2023 3:21 PM  |
| 9  | Elk Grove Water District                  | 12/14/2023 12:52 PM |
| 10 | Citrus Heights Water District             | 12/12/2023 4:03 PM  |
| 11 | City of Sacramento                        | 12/4/2023 2:56 PM   |
| 12 | Georgetown Divide Public Utility District | 11/28/2023 10:44 AM |
| 13 | City of Yuba City                         | 11/27/2023 9:50 AM  |

## Q3 What is your title?

Answered: 13 Skipped: 2

| #  | RESPONSES  | DATE                |
|----|--|---------------------|
| 1  | Environmental & Water Resources Director                     | 1/23/2024 3:52 PM   |
| 2  | GM   | 1/22/2024 1:42 PM   |
| 3  | director   | 1/21/2024 7:59 PM   |
| 4  | General Manager  | 1/3/2024 10:21 AM   |
| 5  | Councilwoman   | 1/2/2024 10:27 AM   |
| 6  | Public Works Director  | 12/27/2023 9:44 AM  |
| 7  | Director of Strategic Affairs                                | 12/20/2023 4:37 PM  |
| 8  | Water Resources & Strategic Affairs                          | 12/18/2023 3:21 PM  |
| 9  | Tom Nelson (Board Chair) and Bruce Kamilos (General Manager) | 12/14/2023 12:52 PM |
| 10 | General Manager  | 12/12/2023 4:03 PM  |
| 11 | Government Affairs Manager, Utilities                        | 12/4/2023 2:56 PM   |
| 12 | General Manager  | 11/28/2023 10:44 AM |
| 13 | City Manager   | 11/27/2023 9:50 AM  |

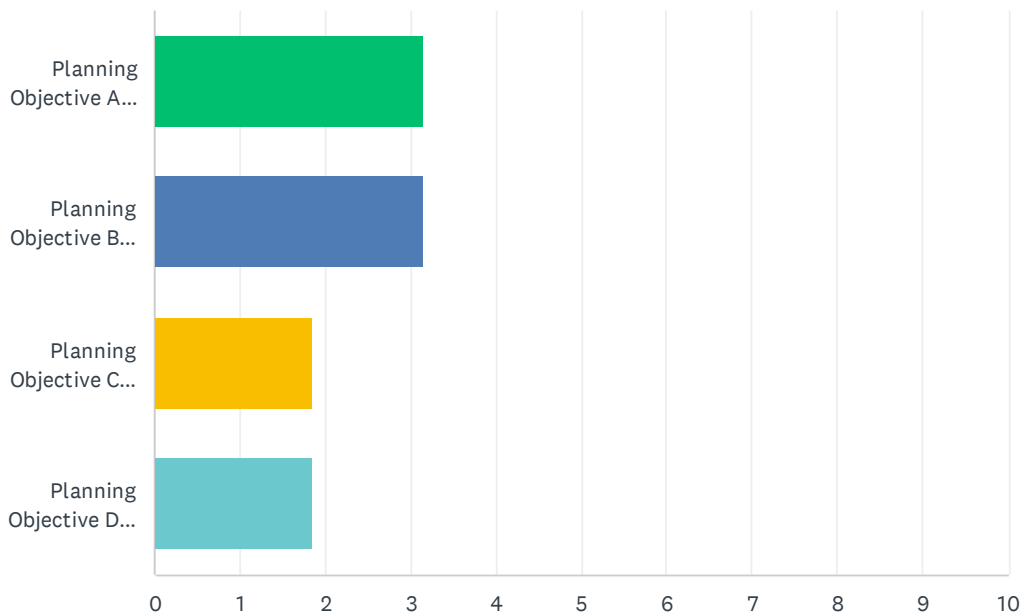
## Q4 What is your phone number?

Answered: 13 Skipped: 2

| #  | RESPONSES      | DATE                |
|----|----------------|---------------------|
| 1  | 916-461-6161   | 1/23/2024 3:52 PM   |
| 2  | 5303060966     | 1/22/2024 1:42 PM   |
| 3  | 9165029695     | 1/21/2024 7:59 PM   |
| 4  | (916) 869-7349 | 1/3/2024 10:21 AM   |
| 5  | 9168087001     | 1/2/2024 10:27 AM   |
| 6  | 916-434-3302   | 12/27/2023 9:44 AM  |
| 7  | 916.624.0640   | 12/20/2023 4:37 PM  |
| 8  | 916-791-6933   | 12/18/2023 3:21 PM  |
| 9  | (916) 685-3556 | 12/14/2023 12:52 PM |
| 10 | (916) 725-6873 | 12/12/2023 4:03 PM  |
| 11 | 916-808-5378   | 12/4/2023 2:56 PM   |
| 12 | 15309574413    | 11/28/2023 10:44 AM |
| 13 | 530-822-4792   | 11/27/2023 9:50 AM  |

**Q5 The PLANNING GOAL in the Strategic Plan is: Continuously improve regional water management planning that is comprehensive in scope and contributes to more effective regional water resources management. Please rank in order of importance the following PLANNING GOAL objectives for RWA in 2024.**

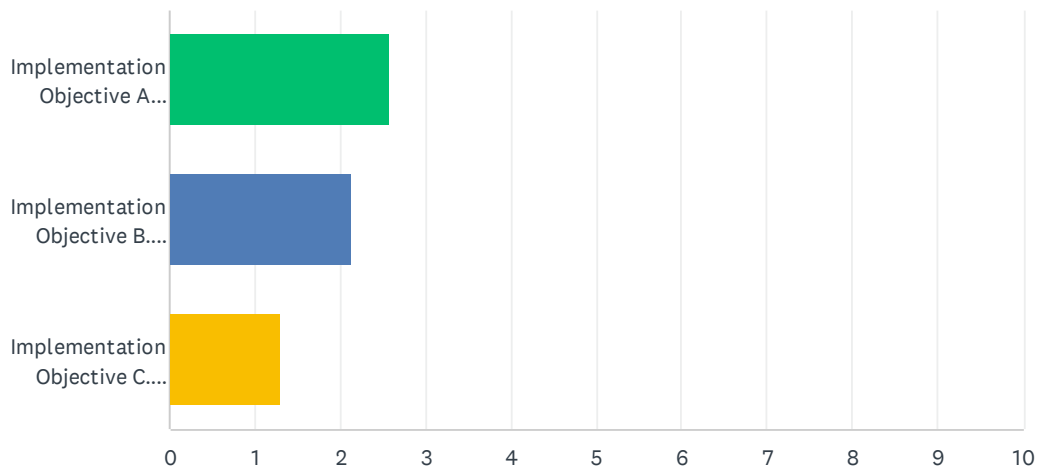
Answered: 13 Skipped: 2



|   | 1           | 2           | 3           | 4           | TOTAL | SCORE |
|---|-------------|-------------|-------------|-------------|-------|-------|
| Planning Objective A Complete development of the Sacramento Regional Water Bank to improve water supply reliability and resilience. | 53.85%<br>7 | 23.08%<br>3 | 7.69%<br>1  | 15.38%<br>2 | 13    | 3.15  |
| Planning Objective B Evaluate and respond to impacts on the region's water suppliers and operations.                                | 30.77%<br>4 | 53.85%<br>7 | 15.38%<br>2 | 0.00%<br>0  | 13    | 3.15  |
| Planning Objective C Lead and support planning efforts that benefit water agencies.   | 7.69%<br>1  | 15.38%<br>2 | 30.77%<br>4 | 46.15%<br>6 | 13    | 1.85  |
| Planning Objective D Plan for the sustainability of RWA and its members.  | 7.69%<br>1  | 7.69%<br>1  | 46.15%<br>6 | 38.46%<br>5 | 13    | 1.85  |

**Q6 The IMPLEMENTATION GOAL in the Strategic Plan is: Lead successful water management strategies, as well as develop and undertake related beneficial programs on behalf of the region. Please rank in order of importance the following IMPLEMENTATION GOAL objectives for RWA in 2024.**

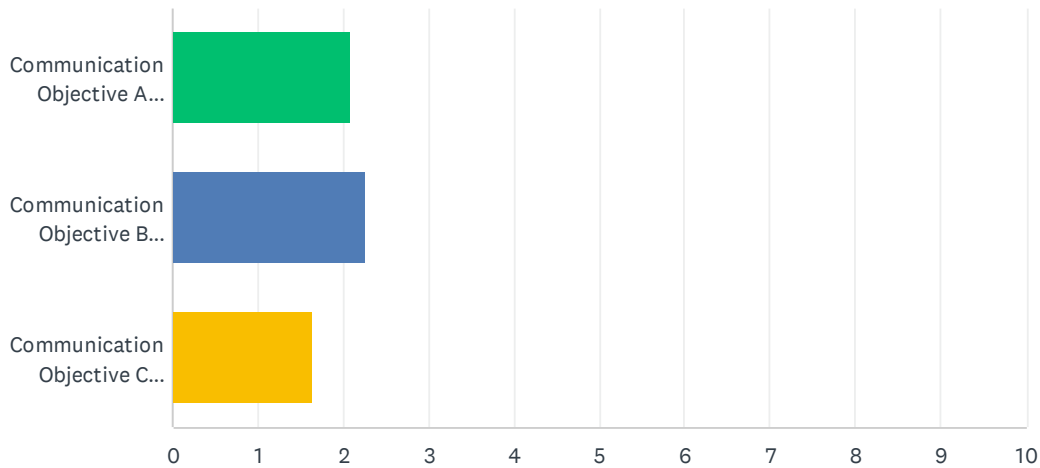
Answered: 7 Skipped: 8



|   | 1           | 2           | 3           | TOTAL | SCORE |
|---|-------------|-------------|-------------|-------|-------|
| Implementation Objective A Support the securing of funding and assist in resourcing projects and programs that are regional priorities. | 71.43%<br>5 | 14.29%<br>1 | 14.29%<br>1 | 7     | 2.57  |
| Implementation Objective B. Support members' efforts to improve water reliability and resilience.                                       | 28.57%<br>2 | 57.14%<br>4 | 14.29%<br>1 | 7     | 2.14  |
| Implementation Objective C. Support members' water use efficiency efforts to comply with applicable state and local requirements.       | 0.00%<br>0  | 28.57%<br>2 | 71.43%<br>5 | 7     | 1.29  |

**Q7 The COMMUNICATION GOAL in the Strategic Plan is: 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. Please rank in order of importance the following COMMUNICATION GOAL objectives.**

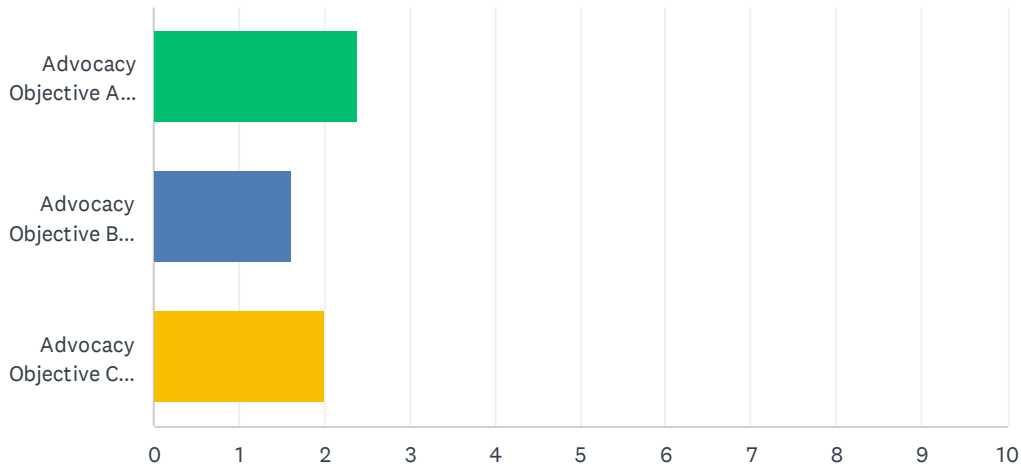
Answered: 11 Skipped: 4



|   | 1           | 2           | 3           | TOTAL | SCORE |
|---|-------------|-------------|-------------|-------|-------|
| Communication Objective A Provide a forum for education, discussion, and outreach on water issues affecting the region.       | 27.27%<br>3 | 54.55%<br>6 | 18.18%<br>2 | 11    | 2.09  |
| Communication Objective B With one voice, raise RWA's profile and credibility through outreach efforts to targeted audiences. | 63.64%<br>7 | 0.00%<br>0  | 36.36%<br>4 | 11    | 2.27  |
| Communication Objective C Cultivate relationships to advance RWA members' interests.  | 9.09%<br>1  | 45.45%<br>5 | 45.45%<br>5 | 11    | 1.64  |

**Q8 The ADVOCACY GOAL in the Strategic Plan is: Advocate for members and the region’s needs and interests to positively influence legislative and regulatory policies and actions. Please rank in order of importance the following ADVOCACY GOAL objectives for RWA in 2024.**

Answered: 8 Skipped: 7



|  | 1           | 2           | 3           | TOTAL | SCORE |
|--|-------------|-------------|-------------|-------|-------|
| Advocacy Objective A Engage relevant local, state, and federal representatives to seek support for RWA’s legislative agenda to further the region’s collective goals and objectives.               | 37.50%<br>3 | 62.50%<br>5 | 0.00%<br>0  | 8     | 2.38  |
| Advocacy Objective B Evaluate, comment and advocate on state and federal water regulatory issues that may impact the region and its water reliability and resilience (e.g. WQCP, PFAS, Chrome VI). | 25.00%<br>2 | 12.50%<br>1 | 62.50%<br>5 | 8     | 1.63  |
| Advocacy Objective C Assist in the preservation of water rights and entitlements of RWA members, maintain area of origin protections, and protect and ensure water reliability and resilience.     | 37.50%<br>3 | 25.00%<br>2 | 37.50%<br>3 | 8     | 2.00  |



**Q9 Of all the Strategic Plan Objectives noted above, please list the top three that your organization believes should be the highest priority for RWA in 2024.**

Answered: 12 Skipped: 3

| ANSWER CHOICES       | RESPONSES  |
|----------------------|------------|
| Priority Objective 1 | 100.00% 12 |
| Priority Objective 2 | 91.67% 11  |
| Priority Objective 3 | 91.67% 11  |

| #  | PRIORITY OBJECTIVE 1   | DATE                |
|----|--|---------------------|
| 1  | Planning Objective A   | 1/23/2024 4:58 PM   |
| 2  | protection of our water rights   | 1/22/2024 1:43 PM   |
| 3  | 6 -#2  | 1/21/2024 8:06 PM   |
| 4  | all 3 advocacy objectives, speak with one voice  | 1/3/2024 11:37 AM   |
| 5  | Planning Objective A   | 1/3/2024 10:33 AM   |
| 6  | Securing additional funding  | 1/2/2024 10:32 AM   |
| 7  | Implementation Objective A Support the securing of funding and assist in resourcing projects and programs that are regional priorities.  | 12/27/2023 9:55 AM  |
| 8  | Advocacy Objective C   | 12/20/2023 4:41 PM  |
| 9  | Planning A   | 12/18/2023 3:23 PM  |
| 10 | Implementation Objective A. Support the securing of funding and assist in resourcing projects and programs that are regional priorities. | 12/14/2023 12:54 PM |
| 11 | Advocacy Objective C   | 12/12/2023 4:10 PM  |
| 12 | Implementation Objective A   | 11/28/2023 10:46 AM |

| #  | PRIORITY OBJECTIVE 2   | DATE                |
|----|--|---------------------|
| 1  | Planning Objective C   | 1/23/2024 4:58 PM   |
| 2  | secure funding   | 1/22/2024 1:43 PM   |
| 3  | 8 -#3  | 1/21/2024 8:06 PM   |
| 4  | Implementation Objective A   | 1/3/2024 10:33 AM   |
| 5  | Water Bank   | 1/2/2024 10:32 AM   |
| 6  | Communication Objective A Provide a forum for education, discussion, and outreach on water issues affecting the region.              | 12/27/2023 9:55 AM  |
| 7  | Advocacy Objective A   | 12/20/2023 4:41 PM  |
| 8  | Advocacy B   | 12/18/2023 3:23 PM  |
| 9  | Planning Objective A. Complete development of the Sacramento Regional Water Bank to improve water supply reliability and resilience. | 12/14/2023 12:54 PM |
| 10 | Implementation Objective A   | 12/12/2023 4:10 PM  |
| 11 | Planning Objective B   | 11/28/2023 10:46 AM |

## RWA Strategic Plan Survey 2024

| #  | PRIORITY OBJECTIVE 3  | DATE                |
|----|---|---------------------|
| 1  | Implementation Objective A  | 1/23/2024 4:58 PM   |
| 2  | improve reliability and resilience  | 1/22/2024 1:43 PM   |
| 3  | 8-#1  | 1/21/2024 8:06 PM   |
| 4  | Advocacy Objective B  | 1/3/2024 10:33 AM   |
| 5  | Infrastructure protection - upgrades  | 1/2/2024 10:32 AM   |
| 6  | Advocacy Objective A Engage relevant local, state, and federal representatives to seek support for RWA's legislative agenda to further the region's collective goals and objectives.  | 12/27/2023 9:55 AM  |
| 7  | Communication Objective B   | 12/20/2023 4:41 PM  |
| 8  | Communication A   | 12/18/2023 3:23 PM  |
| 9  | Advocacy Objective A. Engage relevant local, state, and federal representatives to seek support for RWA's legislative agenda to further the region's collective goals and objectives. | 12/14/2023 12:54 PM |
| 10 | Communications Objective B  | 12/12/2023 4:10 PM  |
| 11 | Advocacy Objective A  | 11/28/2023 10:46 AM |

## Q10 Are there any priorities your organization believes are important that are NOT in the Strategic Plan? If yes, please list them.

Answered: 10 Skipped: 5

| #  | RESPONSES   | DATE                |
|----|---|---------------------|
| 1  | no  | 1/22/2024 1:45 PM   |
| 2  | Maintain active participation in VA process Stay aware of watershed issues  | 1/21/2024 8:09 PM   |
| 3  | Current and potential future groundwater regulations support and funding assistance for water treatment.  | 1/3/2024 10:33 AM   |
| 4  | Ask city staff  | 1/2/2024 10:32 AM   |
| 5  | Foster a collaborative environment where all voices are respected, equally considered, and treated fairly. Avoiding marginalizing any members with dissenting opinions.   | 12/27/2023 10:04 AM |
| 6  | None.   | 12/20/2023 4:42 PM  |
| 7  | There needs to be more engagement on regulatory issues as noted above. The current breadth of legislative engagement should be narrowed to focus on many fewer bills to allow for increased engagement on the regulatory front, along with the necessary communication and education of the membership about what is being proposed and adopted that will significantly impact costs and operations.  | 12/18/2023 3:24 PM  |
| 8  | EGWD sees continuing the planning and implementation of the Sacramento Regional Water Bank as a major priority for the coming fiscal year. RWA has done a good job of describing the 30,000-foot look of how the Water Bank would operate. This high-level look is too abstract, however. We believe water purveyors and stakeholders around the region need concrete examples. EGWD would like RWA to describe the "nuts-and-bolts" operations of the Water Bank. How will participants in the Water Bank use the bank? For instance, the EGWD Board of Directors would like to know specifically how EGWD may participate in the Water Bank. We suggest building a set of Case Examples to help explain the nuts-and-bolts operations so that people can start to really understand how the Water Bank would work. This would go a long way in reducing any skepticism around the Water Bank. | 12/14/2023 1:10 PM  |
| 9  | "Evaluate RWA staffing, operations, and financing models for opportunities to improve long-term organizational sustainability." This objective should be made more specific to include a staffing projections study to align with the Strategic Plan.   | 12/12/2023 4:20 PM  |
| 10 | Ensuring the State still sees the need for Surface water Storage  | 11/28/2023 10:47 AM |

## Q11 If you could change anything about the Strategic Plan, what would you change to benefit your organization? Please explain what and why.

Answered: 10 Skipped: 5

| #  | RESPONSES   | DATE                |
|----|---|---------------------|
| 1  | water bank benefits for all or most members   | 1/22/2024 1:45 PM   |
| 2  | no changesY3  | 1/21/2024 8:09 PM   |
| 3  | Readdress the analysis/discussion on a potential merger of RWA/SGA/SCGA. This would consolidate the workforce, budgets, and efficiencies of those organizations that could be in the best interest of the Sacramento Region.  | 1/3/2024 10:33 AM   |
| 4  | Ask city staff  | 1/2/2024 10:32 AM   |
| 5  | Facilitate increased regional planning efforts for emergency preparedness and drought resiliency. This may include a regional evaluation, or additional discussions, of interconnectivity opportunities.  | 12/27/2023 10:04 AM |
| 6  | NA  | 12/20/2023 4:42 PM  |
| 7  | We would prioritize the objectives identified herein because we believe they would serve the membership best.   | 12/18/2023 3:24 PM  |
| 8  | EGWD would like to see greater emphasis put on securing grant funding. As part of last year's Strategic Plan priority setting, 95% of the Board members ranked grant support as the number 1 or 2 priority. Jim stated that over the 22 years, RWA had secured \$120M of grant funding. (EGWD has received only \$200,000 of the grant money.) Jim went on to say that the IRWMP doesn't have the support of the state anymore and the funding landscape has changed. Jim asked how does RWA deal with this? This is a question that should be addressed this fiscal year. EGWD would like this to be a priority for the fiscal year. | 12/14/2023 1:10 PM  |
| 9  | None  | 12/12/2023 4:20 PM  |
| 10 | none  | 11/28/2023 10:47 AM |

## Q12 Do you believe the RWA is adequately implementing and effectively operating in a manner that is consistent with the Strategic Plan? Please explain why.

Answered: 11 Skipped: 4

| #  | RESPONSES   | DATE                |
|----|---|---------------------|
| 1  | Yes. Staff follows the priorities as set forth by the Board and provides updates related to the work conducted to meet the various priorities.  | 1/23/2024 5:00 PM   |
| 2  | yes   | 1/22/2024 1:45 PM   |
| 3  | Yes. Staff has a close watch on all developments and expertise in their areas.  | 1/21/2024 8:09 PM   |
| 4  | yes. working together for the betterment of our region.   | 1/3/2024 11:41 AM   |
| 5  | Recommend that the RWA Executive Director report back on a consistent basis to the RWA Executive Committee/Board to receive any particular directives/guidance to ensure the SP is on track.  | 1/3/2024 10:33 AM   |
| 6  | Yes in consideration of the challenges of having wide breadth of water agency members and a diverse region. It may be of benefit to focus on efficient use of meeting time and minimize where possible recurring discussion topics that do not have action items in an effort to be respectful of everyone's time. Sometimes meetings with extensive powerpoints can be referenced if desired, but do not necessarily need to be presented repeatedly. A few times certain points of some meetings seemed to be a repeat. | 12/27/2023 10:04 AM |
| 7  | Yes. The annual exercise of checking in with board members and developing the work plan around priorities is very functional and adaptive.  | 12/20/2023 4:42 PM  |
| 8  | Per note above, we believe too much of limited staff time and resources are spent on legislative lobbying and instead more attention needs to be paid to the regulatory arena and keeping the member agencies informed and educated.  | 12/18/2023 3:24 PM  |
| 9  | Yes. Policy 400.4 requires RWA staff to set priorities each fiscal year. In reviewing the Strategic Plan priorities set on March 9, 2023, staff has done a good job of implementing those priorities in fiscal year 2023/24. Of the 24 priorities RWA set for FY 23/24, EGWD believes all but four (4) have been implemented.   | 12/14/2023 1:10 PM  |
| 10 | The major concern is that RWA doesn't have enough resources (staffing & professional services) to implement its Strategic Plan. In addition, Executive Director performance evaluation should factor in the Strategic Plan implementation and progress.   | 12/12/2023 4:20 PM  |
| 11 | yes   | 11/28/2023 10:47 AM |

## Q13 Thinking about the RWA's mission: What are the challenges your organization is experiencing in the context of the mission?

Answered: 12 Skipped: 3

| #  | RESPONSES  | DATE                |
|----|--|---------------------|
| 1  | None at the moment.  | 1/23/2024 5:02 PM   |
| 2  | continue to seek funding for major investment in infrastructure replacement.   | 1/22/2024 1:47 PM   |
| 3  | DPMWD is tiny. It is difficult for ratepayers to understand the importance of RWA partly due to isolation and also to fact we do not have conjunctive use.   | 1/21/2024 8:14 PM   |
| 4  | State and Federal overregulation. RWA working hard in difficult times to preserve our water rights and maintain and enhance our water systems.   | 1/3/2024 11:50 AM   |
| 5  | As groundwater is the main source of supply for our agency, current and upcoming water quality regulations will drastically increase the cost of providing affordable water to our customers.  | 1/3/2024 10:35 AM   |
| 6  | Ask city staff   | 1/2/2024 10:33 AM   |
| 7  | limited resources and mounting regulations   | 12/27/2023 10:07 AM |
| 8  | Legislative and regulatory threats against water rights.   | 12/20/2023 4:45 PM  |
| 9  | RWA leadership does not do well in respecting differences of opinion and interests, too often failing to build consensus, or even trying to work toward it, and instead imposing a particular position over an objection. This type of association should value real engagement and addressing concerns of its members as collaboratively as possible. We don't think that is an RWA leadership priority, which is a challenge. Another concern we have is that the mission statement above is not consistent with the mission defined for RWA in Recital B of its Joint Powers Authority (JPA) Agreement which is: "The mission of the Regional Authority is to serve and represent the regional water supply interests, and to assist the Members of the Regional Authority in protecting and enhancing the reliability, availability, affordability and quality of water resources." RWA's JPA mission statement does not include any reference to "aligning" the interests of its member agencies, because it is not the role of an organization whose purpose is to be a forum for developing a common message to dictate any position that a member agency should have on any subject. It appears that this concept of "aligning" is the crux of many conflicts that exist between the Executive Director and several member agencies. RWA was not established to be the sole point of contact nor the sole "spokesagency" for its member agencies, and no such policy exists in any of its policies. This repeated pursuit of "alignment", particularly when there is none, and the related efforts to muzzle member agencies, is also a problematic challenge. | 12/18/2023 3:25 PM  |
| 10 | EGWD needs to figure out how it can potentially participate in the Sacramento Regional Water Bank.   | 12/14/2023 1:11 PM  |
| 11 | State legislation, regulations and unfunded mandates (example: water conservation regulations).  | 12/12/2023 4:23 PM  |
| 12 | water reliability is our biggest challenge   | 11/28/2023 10:48 AM |

## Q14 Thinking about the RWA's mission: What could the RWA do within its mission that would be most helpful to your organization?

Answered: 12 Skipped: 3

| #  | RESPONSES   | DATE                |
|----|---|---------------------|
| 1  | None at this moment.  | 1/23/2024 5:02 PM   |
| 2  | same as abve  | 1/22/2024 1:47 PM   |
| 3  | Watch for legislative issues which involve small districts as well as those in excess of 3,000 ratepayers. Continue with information on the water bank. This district has a tendency to consider it is adequately served by its own aquifers and not stay clear that all water issues are related.      | 1/21/2024 8:14 PM   |
| 4  | Continue to represent its members with one voice.   | 1/3/2024 11:50 AM   |
| 5  | Continue efforts with the top three priorities that we have listed in number 9 of this survey.  | 1/3/2024 10:35 AM   |
| 6  | Ask city staff  | 1/2/2024 10:33 AM   |
| 7  | Continue to build on templates to assist agencies in reporting and correspondence with regulatory agencies. Continue to advocate for agency members and lobby for regional funding. Continue to keep member agencies abreast of regulatory developments and other regional, state, and federal updates. | 12/27/2023 10:07 AM |
| 8  | Succeed at negotiating an acceptable alternative to water right threats, particularly legislative ones, that want to abolish the current system.  | 12/20/2023 4:45 PM  |
| 9  | Fix the "challenges" identified above.  | 12/18/2023 3:25 PM  |
| 10 | It would be helpful if RWA would assist EGWD in setting up how it might participate in the Water Bank. This could come in the form of helping EGWD define the parameters around that and assist with discussions between EGWD and potential Water Banking partners.                                     | 12/14/2023 1:11 PM  |
| 11 | Advocate for protection of water rights and sources (conjunctive use), value-added programs to take advantage of economies of scale/partnerships among member agencies.   | 12/12/2023 4:23 PM  |
| 12 | help us to increase or water storage capacity.  | 11/28/2023 10:48 AM |

**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

**Definitions:**

**Affordability:** The continued delivery of high quality, reliable water service at the lowest reasonable cost. Affordability is directly related to water reliability and quality. Affordability is also affected, both positively and negatively, by legislative and regulatory policies.

**Supershed:** a region consisting of multiple watersheds that is actively managed to improve water resource resilience in support of a healthy community, economy and environment.



**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

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

**Objective A. Complete development of the Sacramento Regional Water Bank to improve water supply reliability and resilience.**

- 1) Establish a funding program to complete work to establish the Regional Water Bank.
- 2) Engage with state, federal, and local stakeholders to gain Regional Water Bank acceptance, approval, and support.
- 3) Engage with potential Regional Water Bank partners.
- 4) Establish governance to manage the Regional Water Bank.
- 5) Complete an environmental analysis to support Regional Water Bank operations.

**Objective B. Evaluate and respond to impacts on the region's water suppliers and operations.**

- 1) Continue to evaluate and plan for adapting to climate change.
- 2) Promote the application of forecast informed reservoir operations that enhance water supplies while maintaining flood protection.
- 3) Maintain a regional integrated groundwater/surface water model, in coordination with groundwater sustainability agencies, to support regional planning and groundwater management.

**Objective C. Lead and support planning efforts that benefit water agencies.**

- 1) Evaluate opportunities to provide coordinated responses for sections of Urban Water Management Plans on behalf of agencies.
- 2) Track next generation of regional planning requirements (e.g. Integrated Regional Water Management Plan or other requirements that may result from the Governor's Water Resilience Portfolio) and respond as necessary.
- 3) Participate with other regional organizations (Sacramento Area Council of Governments (SACOG), Capital Region Climate Readiness Collaborative, etc.) on planning for and responding to climate change.
- 4) Participate with the Water Forum on efforts that improve water supply reliability and ecosystem health.

**Objective D. Plan for the sustainability of RWA and its members.**

- 1) Evaluate RWA staffing, operations, and financing models for opportunities to improve long-term organizational sustainability.
- 2) Develop a Young Professionals Program.

**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

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

**Objective A. Support the securing of funding and assist in resourcing projects and programs that are regional priorities.**

- 1) Position, secure and manage funding for the Regional Water Reliability Plan (RWRP), Integrated Regional Water Management (IRWM) Plan, Water Bank, and Water Efficiency Programs and Projects.
- 2) Support and pursue funding opportunities for members and partner agencies that benefit the region.
- 3) Support programs that benefit from economies of scale in the areas of research, studies, planning, implementation, purchasing and resource sharing (e.g. Regional Aquifer Storage and Recovery (ASR) Information Study, Meter Asset Management and Chemical Purchasing Program).
- 4) Administer funding and financing for major endeavors such as the Water Quality Control Plan, Delta Initiatives and Water Bank.
- 5) Advocate for and support the financing of regional infrastructure to improve water reliability and resilience.

**Objective B. Support members' efforts to improve water reliability and resilience.**

- 1) Continue to partner with the Water Forum to ensure the health of the Lower American River as a critical component to improving water supply reliability.
- 2) Maintain the Regional Water Reliability Plan (RWRP) database and update the RWRP as needed.
- 3) Maintain the American River Basin Integrated Regional Water Management Plan (IRWMP) database and update the IRWMP as needed.
- 4) Support intra- and interregional water transfers.
- 5) Evaluate combining the American River Basin IRWM with appropriate portions of the Cosumnes, American, Bear, and Yuba (CABY) IRWM.
- 6) Support the region's efforts on Delta initiatives and water supply regulatory initiatives such as the Water Quality Control Plan, Voluntary Agreements and the Biological Opinions of the Central Valley Project and State Water Project.
- 7) Support compliance with the Sustainable Groundwater Management Act (SGMA) within the Region.
  - Provide services and support, as needed, for planning and implementation.
  - Facilitate collaboration between subbasins.
  - Align interests with RWA, Sacramento Groundwater Authority, Sacramento Central Groundwater Authority and others as appropriate.
- 8) Support the planning and construction of regional infrastructure to improve water reliability and resilience.

**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

**Objective C. Support members' water use efficiency efforts to comply with applicable state and local requirements.**

- 1) Continue to implement a regional water efficiency program that supports member agencies' compliance with state and local water efficiency and water loss requirements through cost-effective efforts/programs/initiatives.
- 2) Participate in statewide efforts related to water efficiency legislation and regulatory requirements to maintain a positive perception of the region and protect member agency interests.
- 3) Track individual member agency water use and related metrics to communicate regional water efficiency progress to the state, other regions and interested stakeholders.

**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

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

**Objective A. Provide a forum for education, discussion and outreach on water issues affecting the region.**

- 1) Assess modes for preferred internal member communication such as meetings, in-person presentations, email updates, newsletters, blogs, social media, etc.
- 2) Distribute relevant information to members.
- 3) Create a venue for members to regularly brief each other on current and emerging issues, planned messages and responses, and coordinate on topics and issues of regional significance.
- 4) Provide educational opportunities for members through speakers and experts.
- 5) Update members regularly on the status and progress of RWA's services and programs.
- 6) Educate legislators, policy makers, and the public on the challenges to and benefits of uninterrupted high-quality water services and investments necessary for its continued delivery.

**Objective B. With one voice, raise RWA's profile and credibility through outreach efforts to targeted audiences.**

- 1) Be a champion for the Region by being a single, coordinated voice on regional matters.
- 2) Identify and cultivate RWA ambassadors/spokespersons to communicate significant topics and policy issues.
- 3) Inform key interested parties such as the media, federal, state and local officials, and the public about water management successes (e.g. Water reliability and resilience improvements) and key issues (e.g. regulatory, water accessibility, safety and affordability).
- 4) Foster consistent and cohesive regional messaging including:
  - a) Prioritizing anticipated issues and opportunities for target audiences, along with tools, materials and activities to help RWA members communicate with a consistent voice.
  - b) Developing talking points, position papers and outreach materials on key issues.

**Objective C. Cultivate relationships to advance RWA members' interests.**

- 1) Work with other organizations with water interests (e.g. Northern California Water Association, Association of California Water Agencies, Sacramento Area Council of Governments, Sacramento Area Flood Control Agency and land use agencies).
- 2) Coordinate and partner with water suppliers and other stakeholders to further leverage advocacy, research initiatives and/or economies of scale related to water management.
- 3) Work with business organizations (e.g. Metro Chamber and local chambers.)
- 4) Work with state and federal agencies that influence or manage resources related to regional water reliability and resilience (e.g. United States Bureau of Reclamation, California Department of Water Resources, State Water Resource Control Board, and other resource agencies.)
- 5) Work with the Water Forum Successor Effort on behalf of the member agencies that are signatory to the Water Forum Agreement. Support includes:

**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

- a) Ensuring RWA member interests are represented in the re-negotiation process including governance and succession planning.
- b) Ensuring RWA member interests are represented in the Water Forum Successor Effort.
- c) Participating in the Coordinating Committee and Water Caucus.

**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

**ADVOCACY GOAL: Advocate for members and the region’s needs and interests to positively influence legislative and regulatory policies and actions.**

**Objective A. Engage relevant local, state and federal representatives, to seek support for RWA’s legislative agenda to further the region’s collective goals and objectives.**

- 1) Annually update RWA policy principles and federal legislative platforms to effectively advocate for the region.
- 2) Maintain and track significant water-related state and federal legislation on important policies and funding opportunities and make the information regularly and readily available electronically to members.
- 3) Advocate for positions on state and federal legislation and programs consistent with the adopted RWA policy principles and platforms.
- 4) Monitor and actively engage on actions of the Association of California Water Agencies (ACWA) State Legislative and Federal Affairs Committees and coordinate with other organizations.
- 5) Protect member agencies’ interests and work with state and federal organizations on the development of policies related to the equitable access to water.
- 6) Coordinate with external organizations, as appropriate, including but not limited to, American Water Works Association (AWWA), Association of California Water Agencies (ACWA), California Special Districts Association (CSDA), Northern California Water Association (NCWA), National Water Resources Association (NWRA), California Water Foundation, California Municipal Utilities Association (CMUA), and the Metro Chamber, and California Water Association (CWA).
- 7) Coordinate and partner with environmental non-governmental organizations (NGOs) and environmental justice NGOs throughout the state to advance RWA’s interests.
- 8) Present regular updates from RWA lobbyist efforts and recalibrate priorities as necessary.
- 9) Maintain a volunteer standing committee as a forum for coordination, collaboration, education and vetting on federal policy areas of regional interest and evaluate the effectiveness of the standing committee in FY2021/2022.

**Objective B. Evaluate, comment and advocate on state and federal water regulatory issues that may impact the region and its water reliability and resilience (e.g. WQCP, PFAS, Chrome VI).**

- 1) Track, evaluate and respond to water quality, water conservation and efficiency, water affordability, resilience, SGMA and other regulatory issues that may affect members.
- 2) Lead and participate in efforts with other organizations aligned with RWA positions and interests as appropriate.

**Objective C. Assist in the preservation of water rights and entitlements of RWA members, maintain area of origin protections, and protect and ensure water reliability and resilience.**

- 1) Educate the public and decision makers and promote our region’s contribution to the Delta.
- 2) Advocate to maintain the water rights priority system.

**Final**  
**RWA STRATEGIC PLAN GOALS AND OBJECTIVES**  
**Adopted by the RWA Board Aug 7, 2020**

- 3) Continue to support efforts for expanding conjunctive use operations as a means of protecting water rights (e.g., exercising more surface water rights and contracts in wetter years).
- 4) Support a Water Forum lower American River Modified Flow Management Standard that is consistent with the Water Forum co-equal goals.
- 5) Leverage proximity to the Capitol to engage and be a resource to legislators on issues important to the region and promote RWA's reliability and resilience successes.
- 6) Work with the State to help implement the portions of the Governor's Water Resilience Portfolio where it aligns with and benefits our region's interest.
- 7) Promote the region's collaborative efforts to comprehensively manage its water resources through an innovative *Supershed* approach to be resilient to fire, flood, and drought, and which serves our region and creates value to the state.

**1) Manage and implement activities in compliance with the Sustainable Groundwater Management Act (SGMA) within the North American Subbasin (NASb or Subbasin).**

- Manage the North Area Groundwater Basin in compliance with SGMA through the following actions:
  - Continue to manage the use of groundwater in the NASb to support the long-term sustainable groundwater yield of the Subbasin;
  - Continue long-term implementation of the Groundwater Sustainability Plan (GSP) for the Subbasin through management and support of identified project and management actions; and
  - Continue to manage and implement activities identified in the GSP through the following activities:
    - Monitoring - Groundwater elevation monitoring, groundwater quality monitoring, subsidence monitoring, and other monitoring.
    - Data Management - Upload groundwater elevation and water quality data to applicable State SGMA database and update NASb Data Management System.
    - Data Analysis - Sustainability indicators, annual report, and CoSANA Groundwater Model.
    - Coordination and Outreach - Quarterly North American Subbasin (NASb) Groundwater Sustainability Agency [GSA] meetings, Annual Report updates, 5-year GSP updates; and other management activities such as fill in data gaps noted in the monitoring well network, track implementation of urban area conjunctive use programs, work with the Regional Water Authority in its development of the Sacramento Regional Water Bank, track progress of supplemental projects, technical work on well construction practices, shallow/domestic well analysis and groundwater dependent ecosystem assessment management and annual monitoring.

**2) Lead and support successful Conjunctive Water Management, as well as assess and respond to impacts on water resources within the SGA area and in partnership with others in the NASb Subbasin.**

- Manage the use of groundwater in the NASb and facilitate implementation of Conjunctive Use program(s) by water purveyors.



- Preserve and protect the water supplies of the NASb for present and future uses in the Sacramento region.
- Devise and implement strategies and projects (e.g., groundwater substitution transfers, water bank project, Natomas Cross Canal, etc) to provide benefits to water users within the Subbasin.

**3) Promote successful protection and enhancement of the reliability, availability, and quality of groundwater resources by engaging with relevant internal and external agencies, organizations with water interests, members of the public, and other beneficial users of groundwater within the NASb Subbasin.**

- Through education, discussions, and target outreach with stakeholders and interested parties promote the objectives of the SGA. Internal and external interested parties include but are not limited to Association of California Water Agencies, Groundwater Resources Association, Sacramento Central Groundwater Authority Northern California Water Association, local, state, and federal agencies, the public and other beneficial users of groundwater.
- Continue activities such as the Regional Contamination Issues Committee to promote coordination and engagement throughout the Subbasin.
- Support and protect the most sensitive beneficial uses and users of groundwater in the NASb by collaborating with local permitting agencies on well construction practices.
- Facilitate collaboration between subbasins and adjacent GSAs to support SGMA compliance.
- Monitor the development of the Sacramento Regional Water Bank, receive regular briefings on progress, and weigh in when appropriate and necessary with policy direction consistent with SGA's authorities and responsibilities.

**4) Engage relevant Federal, State and Local Agencies that influence or manage resources related to support successful management of the NASb Subbasin.**

- Facilitate and lead State and Federal regulatory agencies, local water agencies, responsible parties and members of the public to support successful management of the Subbasin.

**5) Continuously monitor, collect, track, and analyze water levels, quantity, and quality within the Subbasin to comply with SGMA requirements and support the development and implementation of strategies to safeguard groundwater within the NASb Subbasin.**

- Continue to monitor, collect, manage and analyze data such as groundwater elevation, water level, water quality and shallow water quality to comply with SGMA requirements and that benefit other SGA and RWA projects and programs in the Subbasin.

SGA Strategic Priorities for 2024

Adopted by the SGA Board of Directors on February 8, 2024

- Continue to lead quarterly Regional Contamination Issues Committee meetings that provide groundwater quality knowledge transfer and information sharing between regulatory and local agencies.

**6) Maintain funding solvency through thorough administrative and project management services.**

- Evaluate, support and strategically pursue funding opportunities for members and partner agencies that benefit the NASb and water users within the region.
- Administer funding and financing to implement projects and program activities in accordance with fiscal rules and available budget through industry standard project management processes and adaptive management.

## Outcomes on FY 23/24 Strategic Plan Priorities

### Communication

| Priority  | Outcome   |
|---|---|
| Educate and secure support from local policymakers and other stakeholders regarding the Water Bank and other RWA priority issues. ... | Achieved through tours, preparation of brochures, op eds, social media post and advertising   |
| Develop a Regional Coalition of Business Leaders led by a core group of organizations whose members ...                               | Coalition of business leaders including the BIA, SAR, Sacramento Regional Builders Exchange   |
| Develop a Statewide Recharge Coalition of water providers and interested stakeholders to elevate groundwater recharge as priority...  | Developed a coalition that was very helpful in the passage of SB 659 that included water agencies, environmental NGOs, and environmental justice NGOs |
| Build Local Support for Funding to Implement the American River Voluntary Agreement ...   | See Regulatory  |
| Pursue additional funding sources via secondary and longer-term opportunities...  | See Advocacy  |

**Sacramento Regional Water Bank**

| Priority  | Outcome   |
|---|---|
| Engage in Scenario Development                                | Prepared Goals, Objectives, Principles and Constraints document that guides Water Bank development and implementation with Program Committee.   |
|   | Prepared and developed Governance document that defines roles and responsibilities for Water Bank Implementation with Program Committee.  |
|   | Developed Water Accounting System (WAS) process and begin working on baseline and other principles of WAS necessary to track Water Banking activities with Program Committee.                           |
| Advocate for external public investment in SRWB and River Arc | Received \$55 Million to implement conjunctive use activities consistent with the Voluntary Agreements. Provides benefit to infrastructure that will be part of the Water Bank.                         |
|   | Worked to develop WIIN Act funding application to submit to United States Bureau of Reclamation in the amount of \$870K.  |
|   | Procured consulting support, managed contracts and grants and lead multiple consultants and Program Committee agencies through the development of the Water Bank.                                       |
|   | Developed multiple budget and funding status memorandums, provided budget updates to Program Committee members as to the estimated total project costs and estimate to complete the Water Bank project. |

**Sacramento Regional Water Bank (Continued)**

| Priority  | Outcome   |
|---|---|
| <p>Preparation of a project description and draft environmental documents</p> | <p>Worked with Program Committee to develop Project Description that was provided publicly to initiate the CEQA public engagement process.</p>  |
|   | <p>Conducted Public Meetings associated with CEQA requirements on the Project Description and facilitated, presented, developed content for multiple Public Stakeholder Forum meetings.</p>   |
|   | <p>Developed significant updates to the Water Bank website that included development of new content and a new modern website platform, a questions and answer forum, and education videos explaining the Water Bank, conjunctive use, and groundwater recharge.</p> |
|   | <p>Advanced preliminary CoSANA and CalSim development and begin modeling analysis consistent with the CEQA Project Description.</p>   |
|   | <p>Engaged and tracked policy with multiple state and federal agencies to begin preparation related to federal acknowledgement requirements and single year transfer Streamflow Depletion policy that might affect the Water Bank.</p>                              |
|   | <p>Engaged with multiple external partners evaluating the requirements to store and transfer future Water Bank supplies</p>   |

Outcomes on FY 23/24 Strategic Plan Priorities

**Water Use Efficiency**

| <b>Priority</b>  | <b>Outcome</b>   |
|--|--|
| Prepare and staff the Water Use Efficiency Program. Activities will be presented to the Board of Directors after the development of the program committee. | <ul style="list-style-type: none"><li>• Brewery and Sac Republic partnership</li><li>• School education partnership with NorCal for low-income schools</li><li>• Summer Strong Campaign featuring water supplier efficiency staff</li><li>• Conservation regulations advocacy</li><li>• Grant funded rebates and studies</li><li>• Office hours, educational tours and networking luncheons for supplier staff</li></ul> |

Outcomes on FY 23/24 Strategic Plan Priorities

**Regulatory and Policy**

| Priority   | Outcome  |
|--|--|
| Continue to seek positive outcomes from the initiation of the Reclamation’s Biological Opinion process.                      | Provided recommendations for a Proposed Action to Reclamation; Provided briefings and technical documentation to Reclamation to advance regional requests; Provided key technical, legal, and policy responses on environmental documents in order to preserve flow and temperature management on the Lower American River.  |
| Continue to advance the Voluntary Agreement process in a way that is beneficial to the participating members and our region. | Obtained \$55 million anticipated for groundwater infrastructure from the State; RWA staff lead statewide efforts related to State Board hearings and CEQA review; Provided technical comments on Scientific Basis Report; Held a series of operations tabletops with state and federal agencies; Drafted operations agreement; Drafted flow accounting procedures; Drafted Implementing Agreement; Continued to advance the Intratributary Agreement. |
| To protect our members’ interests in the development of the Delta Conveyance Project.  | Engaged in discussions with Reclamation on the benefits and risks of engaging in the DCP process; Met with the State to ask and answer questions related to DCP; Engaged in public processes with DWR and the Corps on the DCP   |
| To build Federal Partnerships with the RWA and federal agencies including Reclamation.                                       | Coordinated extensively on regional issues with Reclamation, including policy implementation and resulting impacts; Coordinated with lead Reclamation and NMFS staff to further build relationships.   |
| To assist the CIMS members as necessary.   | Provided support such as that on CVP allocations, groundwater recharge, policy interpretation, etc.; Assisted with grant administration and member Board coordination  |

## Outcomes on FY 23/24 Strategic Plan Priorities

### Legislative

| Priority   | Outcome  |
|--|--|
| Advocate for legislation that establishes a state goal to increase recharge and recovery capacity of the state, either by sponsoring a bill or participating in the development and passage of a bill. | Passage of SB 659  |
| Advocate for Priority Bills  | See Annual Report<br>Meeting with Legislative Analyst's Office to discuss Water Use Efficiency Legislation   |
| Participate in the development of a water bond or other legislative funding vehicle.   | Participation on the ACWA Bond Workgroup<br>Partnering with our members' advocates including the Conservation Strategies Group<br>Preserved \$55 million VA grant when it was at risk. |
| Building state partnerships including the River Arc partners.  | Leveraging our members' advocates including the Conservation Strategies Group  |



**Sacramento Groundwater Authority**

| Priority   | Outcome   |
|--|---|
| <p>Continue with Sustainable Groundwater Management Act (SGMA) Compliance (Groundwater Sustainability Plan (GSP) Implementation)</p> | <p>Collected data and procured consulting support to monitoring groundwater elevation, collect water quality and other data as documented in the subbasin GSP and required by SGMA.</p>   |
|  | <p>Tracked groundwater elevation, water quality, and other data and loaded data into a Data Management System (DMS) to evaluate basin sustainability as required by SGMA Groundwater Sustainability Plan requirements and evaluate GSP effectiveness.</p>   |
|  | <p>SGA advanced and lead multiple Projects and Management Actions (PMAs) as documented in the subbasin GSP and required by SGMA.</p>  |
|  | <p>Lead 12-month continuous Annual Report effort by procuring consulting support, development, and submission of SGMA required the Annual Report describing GSP implementation and subbasin conditions to Department of Water Resources consistent with SGMA requirements.</p>                    |
|  | <p>Provided subbasin SGMA implementation website updates and conducted multiple outreach and education meetings and web blasts to inform stakeholder of the status of GSP implementation and subbasin conditions.</p>   |
|  | <p>Lead the implementation of the subbasin GSP based on coordination with other subbasin Groundwater Sustainability Agencies</p>  |
|  | <p>Lead cross boundary GSA coordination with other neighboring subbasins including the South American, Yolo, and Yuba subbasins.</p>  |
|  | <p>Lead the development of a highly competitive DWR SGMA Grant solicitation. SGA won the grant award in the amount of \$3.5 million that aids in subbasin GSP implementation and significantly offsets SGA (and other subbasin GSA's) costs to implement GSP requirements for multiple years.</p> |

**Sacramento Groundwater Authority (Continued)**

| <b>Priority</b>   | <b>Outcome</b>  |
|---|---|
| Continue with Non-SGMA Activities (Regional Contamination Issues Committee, Conjunctive Use Optimization, Monitoring and Data Collection, Grant Implementation) | Continue quarterly Regional Contamination Issues Committee (RCIC) meetings discussing current and future water quality issues affecting SGA member agencies.              |
|   | Tracked relative SGA member agency groundwater and surface water used to evaluate the effectiveness of conjunctive use consistent with the SGA Water Accounting Framework |
|   | Collected data and procured consulting support to monitoring groundwater elevation, collect water quality and other non required SGMA data.                               |

Outcomes on FY 23/24 Strategic Plan Priorities

**RWA Administrative Services**

| Priority                                       | Outcome   |
|--|---|
| Receive a clean audit for both the RWA and SGA | Received an unmodified (clean) opinion from the SGA and RWA auditor, Richardson and Company.                                |
| Complete accounting functions                  | Brought on Tom Hoffart, a Certified Public Accountant. Bringing Tom onboard is reducing our contract accounting costs       |
| Prepare Budgets for RWA and SGA                | Budgets with a zero percent dues increase for the RWA and zero percent fee increase for the SGA                             |
| Office Management                              | Obtained new office space, improved staff report format. Updating records retention policy and improving records retention. |

## Outcomes on FY 23/24 Strategic Plan Priorities

### Valuable Partnerships

| Priority   | Outcome   |
|--|---|
| <p>The RWA should be able to support the member agencies should an opportunity arrive that brings value to the RWA. An example would be to support groundwater substitution transfers.</p> | <ul style="list-style-type: none"><li>• Water Quality Committee</li><li>• Participation on the Technical and Policy Groups for the Streamflow Depletion Factor</li><li>• PPIC Sponsorship (Note: <a href="http://ppic.org">A Better Way to Promote Urban Water Conservation - Public Policy Institute of California (ppic.org)</a>)</li><li>• ECOS Earth Day Sponsorship</li><li>• Participation on multiple committees and panels for the ACWA – Leading SGMA subcommittee monthly meetings</li><li>• Participation on multiple presentations and panels for and with NCWA</li><li>• Established GM Meetings</li></ul> |



Topic: Watershed Resilience Pilot Project  
 Type: New Business  
 Item For: Information  
 Purpose: Strategic Plan Planning Objective C

---

|  |   |
|--|---|
| SUBMITTED BY: Trevor Joseph<br>Manager of Technical Services | PRESENTER: Trevor Joseph<br>Manager of Technical Services |
|--|---|

---

**EXECUTIVE SUMMARY**

This item is for the Board of Directors to receive a briefing on the Watershed Resilience Pilot Project and to provide the Executive Director authorization through a signed resolution to enter into a Watershed Resilience Pilot Project agreement with the Department of Water Resources.

**STAFF RECOMMENDED ACTION**

Approve Resolution 2024-03 authorizing the Executive Director to enter into a Watershed Resilience Pilot Project agreement with the Department of Water Resources.

**BACKGROUND**

For more than two decades the State of California has encouraged and incentivized local water agencies and municipalities to develop regional water plans designed to rank and identify multi-beneficial water projects and programs. This has been facilitated through the Department of Water Resources (DWR’s) Integrated Regional Water Management (IRWM) planning program More than 40 IRWM plans were developed throughout the state that identified hundreds of multi-benefit projects that can provide water supply reliability and resiliency for each region. Through the IRWM grant programs, DWR awarded in total more than \$2 billion in bond funds (Propositions 1E, 50, 84, and 1) to plan and implement over 1,450 integrated, multi-benefit regional projects across the state. In our region, the RWA was successful in receiving multiple IRWM planning and implementation grants equating to more than \$73 million dollars for its member agencies.

According to DWR’s website IRWM is described “as a collaborative effort to identify and implement water management solutions on a regional scale that increase regional self-reliance, reduce conflict, and build water and climate resilience, while concurrently achieving social, environmental, and economic objectives. This approach delivers higher value for investments by considering all interests, providing multiple benefits, and working across jurisdictional boundaries, often on a watershed scale.” The State frequently made funding available to improve water supply resilience and other important outcomes through the IRWM process.

Although IRWM has succeeded in its objectives, DWR is looking to take the next step and improve water resilience planning beyond the existing IRWM program. DWR sees an opportunity to manage multiple sectors of water management on a watershed basis to improve water supply resilience in the face of climate change. A process to address this need is described in in [Chapter 5 of the public review draft of the 2023 California Water Plan](#). The Watershed Resilience Planning effort has been designed to facilitate an equitable approach that evaluates climate vulnerability and results in adaptation planning and project implementation utilizing the following principles:

- Promote scientifically driven climate vulnerability analyses by standardizing requirements for best available science and analytical approaches.
- Incentivize regional planning with watershed hydrology as a key driver for determining planning-area scale, scope, and measurable outcomes.
- Incorporate a robust and consistent approach for tracking outcomes by using metrics and indicators of resilience at the watershed scale.
- Promote scientifically driven climate vulnerability analyses by standardizing requirements for best available science and analytical approaches.
- Incentivize regional planning with watershed hydrology as a key driver for determining planning-area scale, scope, and measurable outcomes.
- Incorporate a robust and consistent approach for tracking outcomes by using metrics and indicators of resilience at the watershed scale.

Last year, DWR representatives inquired about the RWA interest in receiving a grant from DWR to perform a Watershed Resilience Pilot Project. RWA staff expressed appreciation, enthusiasm, and followed up with questions, but informed DWR that time would be needed to brief the Board of Directors and seek their official interest to potentially authorizing the project.

In anticipation of a potential grant, past Chair Firenzi assembled an Ad Hoc committee that could potentially bring together diverse interests such as NGOs and water agencies to provide advice. Chair Ewart has renewed that Ad Hoc committee and the committee met on March 6, 2024.

DWR provided a draft scope of work and informed RWA staff that they are open to comments and edits to customize the work to meet both RWA and DWR's needs. RWA staff is currently editing scope of work to utilize the work that has already been performed within the RWA member's service areas, such as the American River Basin study, and potentially our member's climate change studies. RWA staff plans to provide DWR comments by March 14. A gap analysis would likely need to be performed to identify what DWR would like to have analyzed and what has currently been performed.

RWA staff would need to procure consultant services and/or non-profit organizations to perform the work. A non-profit's services might be necessary for items that address equity. RWA staff is not proposing at this time that the RWA pay for the consultant or non-profit work, rather the grant would pay the expenses for those services.

DWR has issued timelines to perform certain activities such as responding to the grant agreement. The RWA Board of Directors will need to approve a resolution approving of the grant on March 14, 2024.

Attachments:

Attachment 1 – Resolution 2024-03

Attachment 2 - Award Letter from DWR

Attachment 3 – Draft Agreement with DWR

**RESOLUTION NO. 2024-03**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE REGIONAL WATER AUTHORITY  
AUTHORIZING THE GRANT ACCEPTANCE, AND EXECUTION  
FOR THE WATERSHED RESILIENCE PILOT PROGRAM**

**WHEREAS**, Regional Water Authority proposes to implement Watershed Resilience Pilot Program, and;

**WHEREAS**, Regional Water Authority has the legal authority and is authorized to enter into a funding agreement with the State of California.

**THEREFORE, BE IT RESOLVED** by the Board or Directors of the Regional Water Authority as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2022 (Stats. 2022, ch. 574, § 40 and Stats. 2022, ch. 249, § 208), the Regional Water Authority Executive Director, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
2. The Regional Water Authority Executive Director, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

**CERTIFICATION** I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the Regional Water Authority at the meeting held on March 14, 2024.

---

Brett Ewart  
Chair, Board of Directors

Attest:

---

Tom Hoffart  
Acting Board Secretary



**DEPARTMENT OF WATER RESOURCES**

P.O. Box 942836  
Sacramento, CA 94236-0001  
(916) 653-5791



February 14, 2024

James Peifer  
Executive Director  
Regional Water Authority  
5620 Birdcage St, STE 180  
Citrus Heights, CA 95610

**Award Notification for Watershed Resilience Grant Program**

Dear James Peifer:

***Congratulations!*** We are pleased to inform you that the Regional Water Authority has been selected and awarded **\$2,000,000** grant funds by the Department of Water Resources (DWR) through the Watershed Resilience Grant Program. Costs incurred after February 13, 2024 will be eligible for grant reimbursement. The purpose of this grant award is to assess local climate variability and risks while developing strategies to adapt to climate change and weather whiplash. This award is conditioned upon the execution of a Grant Agreement between DWR and your agency. Please see the agreement template for your reference. Please note funding will expire on June 30, 2026; and thus all tasks and deliverables included the agreement must be completed and paid out by April of 2026.

***Your timely attention is directed to the following requirements:*****Within 14 calendar days of the date of this award letter:**

**Award Acceptance** - Please submit a letter or e-mail signed by the authorized representative (agreement signatory) confirming your agency as the Grantee to accept the grant award in the amount of \$2,000,000. This letter/e-mail should also confirm the proper billing address for your organization (where reimbursement checks will be sent).

**Electronic Signatures** - DWR uses DocuSign to process signatures electronically to expedite all grant-related documents requiring a signature. In order for DWR to send documents to you via DocuSign, we need your permission and consent. If you consent to the use of DocuSign, please send DWR a letter on official letterhead signed by the authorized representative, consenting to the use of DocuSign for **all transactions** related to this award (see attached sample). If you prefer **not** to use electronic signatures, DWR can send documents for original (wet) signatures via email or mail, but this can delay the process significantly, especially during situations such as the COVID-19 public health emergency.

**Within 30 calendar days of the date of this award letter:**

**Authorizing Resolution** – Please submit an authorizing resolution for this agreement within the next 30 days of this letter (see attached sample language).

**Self-Certification** – Please submit a completed self-certification form within the next 30 days of this letter (see attached sample language).

Draft Agreement – A draft agreement is attached to this letter. Please revise and edit the first draft of the agreement within the next 30 days for review by DWR. DWR will then work with you to finalize the agreement.

Your timely attention to these requirements is critical to execute the Grant Agreement; failure to do so may result in DWR revoking the grant award. Please submit the required information in the time periods specified to [ashley.gilreath@water.ca.gov](mailto:ashley.gilreath@water.ca.gov). The subject line of the email should include “<applicant name> ANL Items”. Please contact Ashley Gilreath at [ashley.gilreath@water.ca.gov](mailto:ashley.gilreath@water.ca.gov) or (916) 326-9993 if you have questions.

Again, congratulations to you on this grant award. We look forward to working with you to build watershed resilience in your communities.

Sincerely,

*Zaffar Eusuff, Ph.D., P.E.*

Carmel Brown  
Manager, Financial Assistance Branch  
Division of Regional Assistance

**GRANT AGREEMENT BETWEEN  
THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND  
<GRANTEE NAME>  
WATERSHED RESILIENCE PILOT PROGRAM**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" and the <insert Grantee Name>, a <select appropriate descriptor and delete others – public agency, non-profit, etc.> in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1. **PURPOSE.** The State shall provide funding from the Budget Act of 2022 (Stats. 2022, ch. 249, § 208, & ch. 574, § 40) to the Grantee to assist in financing the Project.
2. **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on the date this Grant Agreement is initially executed by State, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by <Insert date based on schedule> and no funds may be requested after <Insert date work completed + 3 - 6 months>.
3. **PROJECT COST.** The reasonable cost of the Project is estimated to be \$2,000,000.
4. **FUNDING AMOUNT.** The maximum amount payable by the State under this Agreement shall not exceed \$<INSERT AMOUNT>. Any additional costs are the responsibility of the Grantee.
5. **GRANTEE COST SHARE.** Grantee agrees to fund the difference between the actual Total Project Cost, as estimated in Paragraph 3, and the amount specified in Paragraph 4, if any.
6. **BASIC CONDITIONS.** State shall have no obligation to disburse money for the Project under this Grant Agreement until Grantee has satisfied the following conditions:
  - A. For the term of this Grant Agreement, Grantee submits timely Quarterly Progress Reports, associated quarterly invoices, and all invoice backup documentation no later than sixty (60) days following the end of the calendar quarter (e.g., submitted by May 30th, August 29th, November 29th, and February 28th) and all other deliverables as required by Paragraph 13, "Submission of Reports" and Exhibit A, "Work Plan."
  - B. The Grantee shall conduct required quarterly meetings as set forth in Exhibit A, "Work Plan"
  - C. Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State:
    - i. Final plans and specifications certified by a California Registered Civil Engineer as to compliance for the Project as listed in Exhibit A of this Grant Agreement.
    - ii. Work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting shall not proceed under this Grant Agreement until the following actions are performed:
      - a. Grantee submits to the State all applicable environmental permits as indicated on the Environmental Information Form to the State,
      - b. Documents that satisfy the CEQA process are received by the State,
      - c. State has completed its CEQA compliance review as a Responsible Agency, and

- d. Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the Project or to require changes, alterations or other mitigation. Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

7. **DISBURSEMENT OF FUNDS.** State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations. Any and all money disbursed to Grantee under this Grant Agreement shall be deposited in a separate account and shall be used solely to pay Eligible Project Costs.
8. **ELIGIBLE PROJECT COSTS.** Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after <insert date> shall be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to the following items:

- A. Costs, other than those noted above, incurred prior to <insert date>.
- B. Operation and maintenance costs, including post construction performance and monitoring costs.
- C. Purchase of equipment not an integral part of the Project.
- D. Establishing a reserve fund.
- E. Purchase of water supply.
- F. Monitoring and assessment costs for efforts required after Project construction is complete.
- G. Replacement of existing funding sources (e.g., bridge loans).
- H. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- I. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
- J. Overhead and indirect costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee; non-project-specific accounting and personnel services performed within the Grantee's organization; depreciation or use allowances on buildings and

equipment; the costs of operating and maintaining non-project-specific facilities; tuition; conference fees; and, generic overhead or markup. This prohibition applies to the Grantee and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

K. Payment of Federal and State taxes.

L. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.

9. **METHOD OF PAYMENT.** After the disbursement requirements in Paragraph 6 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via US mail or Express mail delivery of a "wet signature" invoice, or an electronic invoice certified and transmitted via DocuSign for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. State will notify Grantee, in a timely manner, whenever, upon review of an Invoice, State determines that any portion or portions of the costs claimed are not Eligible Project Costs or is not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Grantee fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by Grantee shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the Project during the period identified in the particular invoice for the implementation of the Project.
- C. Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
- i. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
  - ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
  - iii. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.
  - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 4, "Funding Amount" and those costs that represent Grantee's costs, as applicable, in Paragraph 5, "Grantee Cost Share."
  - v. Original signature and date (in ink) of Grantee's Project Representative. Submit the original "wet signature" copy of the invoice form to the following address: <Insert DWR PM title & appropriate address> or an electronic signature certified and transmitted via DocuSign from authorized representative to <Insert DWR PM title>.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 115, 470, 487-489.)

10. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that the Project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 11, the portion that has been disbursed shall thereafter be repaid immediately, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.
11. DEFAULT PROVISIONS. Grantee will be in default under this Grant Agreement if any of the following occur:
- A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations;
  - B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;
  - C. Failure to operate or maintain project in accordance with this Grant Agreement.
  - D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.
  - E. Failure to submit timely progress reports.
  - F. Failure to routinely invoice State.
  - G. Failure to meet any of the requirements set forth in Paragraph 12, "Continuing Eligibility."
  - H. A determination pursuant to Government Code section 11137 that the Funding Recipient has violated any of the following: Government Code sections 11135 or 12960 et seq.; Civil Code sections 51-54.2, inclusive; or any regulations adopted to implement these sections.

Should an event of default occur, State shall provide a notice of default to the Grantee and shall give Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via

first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, State may do any of the following:

- A. Declare the funding be immediately repaid.
- B. Terminate any obligation to make future payments to Grantee.
- C. Terminate the Grant Agreement.
- D. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

12. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:
- A. Grantee must adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406) for data sharing, transparency, documentation, and quality control.
  - B. If the Grantee diverting surface water, the Grantee must maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et seq.
  - C. If applicable, maintain compliance with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.).
  - D. If applicable, maintain compliance with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq.
  - E. If applicable, maintain compliance with the Sustainable Groundwater Management Act (Wat. Code, § 10720 et seq.) and with groundwater elevation monitoring requirements (Wat. Code, § 10920, et seq.).
  - F. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.
13. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS). If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the

State, of a Project Completion Report is a requirement for the release of any funds retained for such project.

- A. Quarterly Progress Reports: Grantee shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Grantees activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice and shall be submitted within 60 days following the end of the calendar quarter (i.e., invoices due May 30, August 29, November 29, and March 1).
- B. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State

14. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of the Project, and shall ensure or cause the Project to be operated in an efficient and economical manner; shall ensure all repairs, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the Project in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 11, "Default Provisions."

15. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:
- A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
  - B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.
  - C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the



situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.

- D. The initiation of any litigation or the threat of litigation against the Grantee regarding the Project or that may affect the Project in any way.
- E. Final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.17, "Final Inspections and Certification of Registered Civil Engineer." Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

16. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

- A. By delivery in person.
- B. By certified U.S. mail, return receipt requested, postage prepaid.
- C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- D. By electronic means.
- E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

17. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

|   |                                       |
|---|---------------------------------------|
| Department of Water Resources   | <Grantee agency/company Name>         |
| Arthur Hinojosa   | <Grantee Project Representative Name> |
| Manager, Division of Regional Assistance  | <Title>                               |
| P.O. Box 942836   | <Mailing address line 1>              |
| Sacramento, CA 94236  | <Mailing address line 2>              |
| Phone: (916) 902-6713   | Phone: (###) ###-####                 |
| Email: <a href="mailto:Arthur.Hinojosa@water.ca.gov">Arthur.Hinojosa@water.ca.gov</a> | Email:                                |

Direct all inquiries to the Project Manager:

|                               |                                |
|-------------------------------|--------------------------------|
| Department of Water Resources | <Grantee agency/company Name>  |
| <DWR Project Manager Name>    | <Grantee Project Manager Name> |
| <Title>                       | <Title>                        |

<Mailing address line 1>  
<Mailing address line 2>  
Phone: (###) ###-####  
Email:

<Mailing address line 1>  
<Mailing address line 2>  
Phone: (###) ###-####  
Email:

Either party may change its Project Representative or Project Manager upon written notice to the other party.

18. STANDARD PROVISIONS AND INTEGRATION. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Cost Share Guidelines for the Grantee

Exhibit I – Invoice Guidance for Administrative and Overhead Charges

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

<INSERT GRANTEE NAME>

\_\_\_\_\_  
Arthur Hinojosa  
Manager, Division of Regional Assistance

\_\_\_\_\_  
<Grantee Project Representative  
Name>  
<Title>

Date \_\_\_\_\_

Date \_\_\_\_\_

Approved as to Legal Form and Sufficiency

\_\_\_\_\_  
Robin Brewer  
Assistant General Counsel,  
Office of the General Counsel

Date \_\_\_\_\_

DRAFT

**EXHIBIT A**  
**WORK PLAN**

**NOTE: These are instructions – not to be included in final agreement:**

The Work Plan shall contain the following items:

- For each project, a concise description of each task needed to complete the project.
- Grant reporting tasks including the submittal of Quarterly Progress Reports, Invoices, and Final Reports.
- The inclusion of underrepresented communities may be designated as a distinct task, but it should not be confined solely to that section. It is essential for the consideration of underrepresented communities to be seamlessly integrated throughout the entire work plan, rather than being isolated as a standalone task.
- DWR acknowledges that you may have already made progress towards watershed resilience. However, to review the work already completed, earlier deliverables must be submitted, and as a result, they should be retained in the work plan.
- There are many sections written in general language. These are provided as a guide and should cover the general tasks being completed. However, please review for accuracy and edit as needed (unless indicated this section may not be changed)

**Exhibit A**  
**WORK PLAN**

**PROJECT X: <Awarded Project Name>**

**IMPLEMENTING AGENCY: <Agency Name / Local Project Sponsor Name>**

**PROJECT DESCRIPTION: <Brief Description of work that will be done, where, and the quantitative benefits that will be provided.>**

**Budget Category (a): Project Administration (This section should not be altered as it is required)**

Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

**Deliverables:**

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR. Attend quarterly meeting with DWR to review work completed.

Prepare Grant Completion Report and submit to DWR no later than 90 days after grant completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

**Deliverables:**

- Quarterly Project Progress Reports
- Grant Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

**Budget Category (b): Watershed Network Coordination**

### Task 3 Identify and Assess Existing Regional Networks

Identify and assess existing regional networks, evaluating participant engagement, inclusivity, and health of the networks. Include Regional Water Management Groups, Groundwater Sustainable Agencies, Regional Climate Collaboratives, Regional Flood Management Groups, Regional Forest and Fire Capacity Program groups, and other relevant water and resource management groups. Identify and engage underrepresented communities, vulnerable communities, and Tribes, assessing their capability for engagement. Also, identify and engage additional partners for broader multi-sector collaboration. <Add applicable detail>

#### **Deliverables:**

- Assessment of existing regional networks and engagement efforts

### Task 4 Develop Watershed Network

Building off the efforts in Task 3, convene a watershed network focusing on equity and network development. Form a collaborative watershed network with a representative group to develop the Watershed Resilience Plan (Plan). Establish an inclusive advisory and decision-making structure for completing the Plan and work described in this Agreement. Develop written policies for the decision-making structure including policies and procedures for ensuring equitable inclusion of underrepresented communities and Tribes. <Add applicable detail>

#### **Deliverables:**

- Summary of process and development of watershed network, including participants and roles, included in the quarterly progress report
- Written policies for advisory and decision-making structure including policies and procedures for ensuring equitable inclusion of underrepresented communities and Tribes

### Task 5 Delineate Watershed Area

Any costs incurred for this and subsequent tasks shall not be eligible for reimbursement until final approval of the watershed boundary has been issued by DWR. Delineate a hydrologically-based watershed planning area considering headwaters to outlet, groundwater basins, water-related systems, sources of climate risk, and potential systemwide adaptation opportunities. Review the draft DWR watershed boundaries and justify any proposed boundary changes based on hydrological foundations. Define and map the watershed area, considering critical influences from adjacent watersheds. <Add applicable detail>

#### **Deliverables:**

- Draft Proposed Watershed area map (if applicable)

#### Task 6: Watershed Resilience Vision

Establish a watershed resilience vision and goals through the watershed network. Convene discussions to establish problem statements, resilience vision, and goals, documenting them to guide the development of the Watershed Resilience Plan. <Add applicable detail>

#### **Deliverables:**

- Draft watershed-specific resilience problem statements
- Draft watershed-specific resilience vision and goals

#### **Budget Category (c): Climate Change Analysis**

#### Task 7: Assess Climate Vulnerability and State of Watershed

The Grantee will compile existing climate vulnerability assessments for water-related sectors, identify critical historical weather-related events and their impacts, and document major regional climate drivers and trends. The documented climate drivers should include descriptions of historical trends and projected changes in temperature, precipitation, sea level, floods, drought, wildfire, and other climate-driven processes that are relevant to the watershed. The Grantee will describe key climate challenges and opportunities for increasing future resilience. The Grantee will document this information in a watershed assessment. <Add applicable detail>

#### **Deliverables:**

- Draft watershed assessment including summaries of climate and hydrology in the watershed, historical weather-related challenges and events/impacts, relevant prior assessments, key challenges influencing resilience, and opportunities for increasing future resilience

#### Task 8: Assess Vulnerabilities and Risks

The Grantee will develop vulnerability metrics and thresholds for major water sectors, preparing an updated historical watershed water budget, assessing and organizing modeling tools, conducting qualitative and quantitative vulnerability assessments, and eventually identifying and prioritizing critical risks. The Grantee will:

- Develop vulnerability metrics and thresholds for water supply, groundwater, flood management, ecosystems, water quality, recreation, hydropower, and equity considerations.
- Prepare an updated historical watershed water budget using appropriate methods outlined in the Draft DWR's Handbook for Water Budget Development.
- Assess and organize existing modeling tools for water resources vulnerability, adjusting or developing new models as needed for quantitative vulnerability assessments. Modeling tools may include, but are not limited to, watershed hydrological, groundwater, river basin management, river hydraulic, water quality, ecological, and economic models.
- Conduct climate vulnerability and risk assessments, initially qualitative, exploring climate hazards, system sensitivity, adaptive capacity, and vulnerability. Followed by a quantitative assessment evaluating current and future system performance related to water resource and equity metrics.
- Prepare a comprehensive vulnerability and risk assessment report, detailing the approach, methods, and findings. Share this report with DWR and watershed network partners to enhance understanding of climate risks and conditions influencing vulnerability in the watershed.

<Add applicable detail>

**Deliverables:**

- Draft watershed water budget
- Draft vulnerability and risk assessment report

**Task 9: Develop Adaptation Strategies**

The Grantee will identify priority risk areas, developing and evaluating adaptation strategies, and recommending actions for improvement. The Grantee will:

- Conduct a thorough review of vulnerability assessment findings and collaborate with watershed network partners to describe priority risk areas based on the level of risk, impacts to multiple resources, and vulnerability metrics.
- Develop watershed-specific adaptation strategies encompassing infrastructure, land and water management, regulatory and policy measures, and regional approaches. These strategies will undergo rigorous evaluation considering risk reduction, technical complexity, cost, regulatory and environmental impacts, and social effects.
- Utilize quantitative methods aligned with vulnerability assessment tools to demonstrate risk reduction potential for at least one adaptation strategies.
- Document a set of recommended adaptation strategies, inclusive of benefits and costs. The strategies should address all water resource sectors and also demonstrate how equity considerations were included.

<Add applicable detail>



**Deliverables:**

- Draft adaptation strategies report

**Task 10: Develop Implementation Strategies**

The Grantee will identify and develop an implementation plan for each of the recommended adaptation strategies in Task 8. This plan will encompass the adaptation strategy, specific actions, responsible leads, supportive parties, schedule, and implementation costs, serving as a guiding framework for strategy implementation over time. The Grantee, alongside watershed network partners, will actively engage in building public support for recommended strategies. This includes creating concise, publicly available information, targeted outreach, and public messaging on the importance of adaptation for watershed resilience. Implementation strategies should be developed, reviewed, and approved in open and public forums. <Add applicable detail>

**Deliverables:**

- Draft implementation strategies, plans, budgets, and schedules

**Budget Category (d): Watershed Resilience Plan**

**Task 10 Performance Tracking**

DWR is preparing a set of indicators and metrics for measuring the performance of watershed resilience throughout the State. The Grantee will review these draft indicators and metrics and recommend additional watershed-specific performance tracking indicators that will serve as “vital signs” for current watershed resilience. The data sources and methods associated with each metrics should be documented. These watershed-specific metrics should complement the statewide metrics. <Add applicable detail>

Commented [A1]: May need to change if completed

**Deliverables:**

- Documentation of identified indicators and metrics, supporting data, and availability.

**Task 11 Watershed Resilience Plan**

The Grantee will prepare <a comprehensive Watershed Resilience Plan or functionally equivalent plan> that documents the process, approaches, findings, and recommendations developed in the Project. Prepare one draft Plan for review by DWR and a final plan that addresses comments. The Grantee will make the final report accessible on their website. <Add applicable detail>

**Deliverables:**

- A draft and final Watershed Resilience Plan including the assessments and key findings identified in Tasks 3 through 10.

DRAFT

**Exhibit B  
BUDGET**

**PROJECT:** <Project X Name>

Implementing Agency:

|     | <b>BUDGET CATEGORY</b>         | <b>Grant Amount</b> | <b>All Other Cost*</b> | <b>Total Cost</b> |
|-----|--------------------------------|---------------------|------------------------|-------------------|
| (a) | Project Administration         | \$0                 | \$0                    | \$0               |
| (b) | Watershed Network Coordination | \$0                 | \$0                    | \$0               |
| (c) | Climate Change Analysis        | \$0                 | \$0                    | \$0               |
| (d) | Watershed Resilience Plan      | \$0                 | \$0                    | \$0               |
| (e) | Retention (10% of Award)       | \$200,000           | \$0                    | \$200,000         |
|     | <b>TOTAL COSTS</b>             | \$0                 | \$0                    | \$0               |

NOTES:

\* List sources of All Other Cost, including other State Fund Sources.

**EXHIBIT C**  
**SCHEDULE**

**PROJECT: <Project X Name>**

|   | <b>BUDGET CATEGORY</b>         | <b>Start Date</b> | <b>End Date</b> |
|---|--------------------------------|-------------------|-----------------|
| a | Project Administration         | MM/DD/YYYY        | MM/DD/YYYY      |
| b | Watershed Network Coordination | MM/DD/YYYY        | MM/DD/YYYY      |
| c | Climate Change Analysis        | MM/DD/YYYY        | MM/DD/YYYY      |
| d | Watershed Resilience Plan      | MM/DD/YYYY        | MM/DD/YYYY      |

DRAFT

**Exhibit D**  
**STANDARD CONDITIONS**

**D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- A. **Separate Accounting of Funding Disbursements:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- B. **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited in a separate account, administered, and accounted for pursuant to the provisions of applicable law.
- C. **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

**D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE:** Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Budget Act of 2021-2022 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

**D.3. AMENDMENT:** This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

**D.4. AMERICANS WITH DISABILITIES ACT:** By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**D.5. AUDITS:** State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to

**Commented [GA2]:** James, in this case we would like them to acknowledge us in the reports produced with this money and any webpages. Can this be updated to reflect that?

**Commented [BM3R2]:** After reading the first sentence again, I think perhaps its covered already....?

**Commented [JH4R2]:** Yes

comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 11 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant Agreement with respect of all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

- D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.
- D.7. CEQA: Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 11.
- D.8. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:
- A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
  - B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.9. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a

resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

- D.10. **COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.11. **COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.12. **CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- B. **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
- C. **Employees of the Grantee:** Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
- D. **Employees and Consultants to the Grantee:** Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

- D.13. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.14. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.15. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
  - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
    - i. The dangers of drug abuse in the workplace,
    - ii. Grantee's policy of maintaining a drug-free workplace,
    - iii. Any available counseling, rehabilitation, and employee assistance programs, and
    - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
  - C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
    - i. Will receive a copy of Grantee's drug-free policy statement, and
    - ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.
- D.16. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property using State funds provided through this Grant Agreement, an appropriate easement or other title restriction providing for floodplain preservation and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.

Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.



Failure to provide an easement or other title restriction acceptable to the State may result in termination of this Agreement.

- D.17. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement.
- D.18. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Project Exhibit B (Budget) and Exhibit C (Schedule).
  - B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
  - C. Comply with all applicable California, federal, and local laws and regulations.
  - D. Implement the Project in accordance with applicable provisions of the law.
  - E. Fulfill its obligations under the Grant Agreement and be responsible for the performance of the Project.
  - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.
  - G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
  - H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
- D.19. GOVERNING LAW: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.20. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its

officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

- D.21. **INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.22. **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.23. **INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.
- D.24. **LABOR CODE COMPLIANCE:** The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.
- D.25. **MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.
- D.26. **NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, gender identity, and denial of medial and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and

harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.

- D.27. **OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.28. **PERFORMANCE BOND:** Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Civ. Code, § 9550, et seq.; Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.29. **PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.30. **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.31. **PROJECT ACCESS:** The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.32. **REMAINING BALANCE:** In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.
- D.33. **REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.34. **RETENTION:** The State shall withhold ten percent (10%) of the funds requested by the Grantee for reimbursement of Eligible Project Costs until the Project is completed and Final

Report is approved. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.

- D.35. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.36. SEVERABILITY: Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.37. SUSPENSION OF PAYMENTS: This Grant Agreement may be subject to suspension of payments or termination, or both if the State determines that:
- A. Grantee, its contractors, or subcontractors have made a false certification, or
  - B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.38. SUCCESSORS AND ASSIGNS: This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- D.39. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.
- D.40. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 11, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.
- D.41. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.42. TRAVEL: Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources for excluded employees. These rates may be found at: <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.

- D.43. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.44. TIMELINESS: Time is of the essence in this Grant Agreement.
- D.45. UNION ORGANIZING: Grantee, by signing this Grant Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant Agreement. Furthermore, Grantee, by signing this Grant Agreement, hereby certifies that:
- A. No State funds disbursed by this Grant Agreement will be used to assist, promote, or deter union organizing.
  - B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant Agreement to show those funds were allocated to that expenditure.
  - C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
  - D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.
- D.46. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.47. WAIVER OF RIGHTS: None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

**Exhibit E**  
**AUTHORIZING RESOLUTION**

DRAFT

## EXHIBIT F REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

### **PROGRESS REPORTS**

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

### **GRANT COMPLETION REPORT**

The Grant Completion Report shall generally use the following format provided below for each project after completion.

#### **Executive Summary**

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

#### **Challenges and Lessons Learned**

- Assessment of engagement with partners, communities, and Tribes
- Effectiveness of the watershed network formation
- Identification of major challenges faced
- Lessons learned throughout the project
- Recommendations for improving the Watershed Resilience Framework
- Recommendations for improving the Watershed Resilience program

#### **Reports and/or Products**

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted

- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

### **Cost & Disposition of Funds**

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

### **WATERSHED RESILIENCE REPORT**

The Watershed Resilience Report shall generally use the following format provided below. The report in total should not exceed 100 pages with technical appendices.

- **Introduction**
  - Plan Purpose and Objectives
  - Background
  - Watershed Description
- **Watershed Planning Area Definition**
- **Watershed Network**
  - Existing Regional Network Assessment
  - Watershed Network Development and Partner Engagement
  - Equity Considerations
- **Watershed Vision and Goals**
- **Watershed Problems/Challenges**
  - Existing Climate Vulnerability Information
  - Critical Historical Weather-Related Events
  - Regional Climate Drivers and Trends
  - Climate Resilience Challenges and Opportunities
- **Climate Vulnerability Assessment**
  - Vulnerability Assessment Approach
  - Climate Vulnerability Metrics and Thresholds
  - Watershed Water Budget
  - Climate Vulnerability Assessment Findings
- **Climate Risk Assessment**
- **Adaptation Strategy Development**
  - Approach for Adaptation Strategy Development and Evaluation
  - Priority Risk Areas
  - Adaptation Strategy Formulation
  - Adaptation Strategy Evaluation
  - Recommended Adaptation Strategies
- **Implementation Strategies**
- **Recommendations**
- **Summary and Next Steps**



## EXHIBIT G REQUIREMENTS FOR DATA SUBMITTAL

### Surface and Groundwater Quality Data:

If applicable, groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at:

[https://www.waterboards.ca.gov/water\\_issues/programs/gama/](https://www.waterboards.ca.gov/water_issues/programs/gama/). If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: [https://www.waterboards.ca.gov/water\\_issues/programs/gama/contact.shtml](https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml).

### Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at:

<http://www.water.ca.gov/waterdatalibrary/>.

**EXHIBIT H**  
**STATE AUDIT DOCUMENT REQUIREMENTS**  
**AND COST SHARE REQUIREMENTS FOR THE GRANTEE**

The following provides a list of documents typically required by State Auditors and general guidelines for the Grantee. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. The Grantee should ensure that such records are maintained for each funded project.

**State Audit Document Requirements**

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
  - a) Receipts and deposits
  - b) Disbursements
  - c) State reimbursement requests
  - d) Expenditure tracking of State funds
  - e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.

2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

DRAFT

## EXHIBIT I

### INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

#### Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the Grant Manager. The allocation method must be fully documented for auditors.
- A "fully-burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
  - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
  - Generic markup
  - Tuition
  - Conference fees
  - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed

#### Labor Rates

The Grantee must provide DWR with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by grant funds and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the Grantee's/Local Project Sponsors standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice back up documentation. Periodic updates may be needed during the life of the grant which would be handled through a revised billing rate letter.



Topic: Sacramento Regional Water Bank Project Update  
Item For: Information/Presentation  
Purpose: General

---

|               |   |            |   |
|---------------|---|------------|---|
| SUBMITTED BY: | Trevor Joseph,<br>Manager of Technical Services | PRESENTER: | Trevor Joseph,<br>Manager of Technical Services |
|---------------|---|------------|---|

---

**EXECUTIVE SUMMARY**

This is an information/presentation item for the Board of Directors to receive a presentation from Trevor Joseph, Manager of Technical Services. Staff will provide a briefing on the Sacramento Regional Water Bank (SRWB) development project.

**STAFF RECOMMENDED ACTION**

None. This item is for information/discussion only.

**BACKGROUND**

RWA staff are working on behalf of approximately 20 local RWA member agencies, referred to as the SRWB Program Committee to develop the SRWB. RWA staff will provide an update on the SRWB and its associated activities.

Topic: Executive Directors' Report  
Type: New Business  
Item For: Information  
Purpose: General

---

SUBMITTED BY: Jim Peifer  
Executive Director

PRESENTER: Jim Peifer  
Executive Director

---

**EXECUTIVE SUMMARY**

This is an information item for the Executive Director to provide a briefing on important activities, reports, communications, advocacy, and other updates.

**STAFF RECOMMENDED ACTION**

None. This item is for information/discussion only.

**BACKGROUND**

This agenda item is a standing item to provide an opportunity for the Executive Director to report to the Board of Directors on important activities, reports, communications, advocacy, and other updates.

**Legislation** - The RWA team is reviewing the 2,300+ bills introduced in the legislature this year to assess potential opportunities and implications for RWA members. Hot legislative topics include water efficiency, water rights, groundwater management, water quality, and water affordability. For more information about introduced bills contact Ryan Ojakian at [rojakian@rwah2o.org](mailto:rojakian@rwah2o.org).

The Executive Committee approved RWA's sponsorship of [SB 1110 \(Ashby\)](#), which specifies that the State Water Board can forgo strict enforcement of water efficiency requirements if there are lower-cost water supply options.

Senate Bill 1110 is part of an ongoing strategy to help shape the Water Board's regulations for "Making Water Conservation a Way of Life," which also included meeting with the Legislative Analyst's Office (LAO) in advance of their required report to the Legislature on the regulations. Much of what was discussed in that meeting was touched on in the final LAO report. In addition, RWA attorney Kristin Peer of BKS is advocating for the region's concerns during meetings with Water Board legal counsel, Executive Director, and several Board Members.

**Water Use Efficiency** - Updated draft regulations for "Making Water Conservation a Way of Life" are expected to be released in mid-March. For more information, contact Amy Talbot at [atalbot@rwah2o.org](mailto:atalbot@rwah2o.org).

RWA's water-efficiency rebate and partnership with the Urban Roots Brewery was highlighted at a statewide Save Our Water briefing in February along with the [DWR-produced video](#) about the partnership.

**Bureau of Reclamation Biological Opinions** - Ms. Michelle Banonis served on a February 28 panel at the request of the National Academies of Sciences, Engineering, and Medicine to discuss the Long-Term Operations of the Central Valley Project and State Water Project. She presented information about how to inject the best science into the operations of the American River Division of the Central Valley Project.

**Voluntary Agreements** - RWA staff is preparing for workshops before the State Water Resources Control Board for the Healthy Rivers and Landscapes (Voluntary Agreement) proposal. The workshops, scheduled for April 24-26, will focus on key areas such as providing an overview of each tributary, including the American River; flow and non-flow measures; accounting; the science plan; governance and participation; enforcement; and implementation.

**Outreach** - The RWA team promoted the Sacramento Regional Water Bank during the California Building Industry Association's (CBIA) Legislative Advocacy conference. The CBIA is a statewide trade association representing industry professionals in the homebuilding, multi-family, and mixed-use development markets.

The RWA team worked to shape several recent news stories on groundwater recharge, including: [The innovative ways California is improving its underground water storage](#) (Fox 40 News, 2/19/24)  
[What is California doing to capture and store all the water from winter storms](#) (CBS 13, 2/20/24)

**Water Bank** - The next meeting of the Water Bank Program Committee meeting is scheduled for Wednesday, March 20, from 11 a.m. to 1 p.m. Work is continuing on a Water Accounting System and Modeling Analysis. For more information about the Water Bank, contact Trevor Joseph at [tjoseph@rwah2o.org](mailto:tjoseph@rwah2o.org).

**Financial Reports** – Unaudited financial reports through December 31, 2023 are attached.

#### ATTACHMENTS

Attachment 1 – Financial Reports

California State Treasurer  
**Fiona Ma, CPA**



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

January 26, 2024

[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

December 2023 Statement

| Effective Date | Transaction Date | Tran Type | Confirm Number | Web Confirm Number | Authorized Caller   | Amount      |
|----------------|------------------|-----------|----------------|--------------------|---------------------|-------------|
| 12/18/2023     | 12/15/2023       | RW        | 1743962        | 1704368            | JOSETTE REINA-LUKEN | -150,000.00 |

**Account Summary**

|                   |             |                    |              |
|-------------------|-------------|--------------------|--------------|
| Total Deposit:    | 0.00        | Beginning Balance: | 3,059,761.39 |
| Total Withdrawal: | -150,000.00 | Ending Balance:    | 2,909,761.39 |





**Market Value Summary:**

|                                    | QTD<br>Current Period | Fiscal<br>Year to Date |
|------------------------------------|-----------------------|------------------------|
| Beginning Balance                  | \$1,388,742.79        | \$1,445,776.85         |
| Contribution                       | 0.00                  | 0.00                   |
| Disbursement                       | 0.00                  | (44,331.00)            |
| Transfer In                        | 0.00                  | 0.00                   |
| Transfer Out                       | 0.00                  | 0.00                   |
| Investment Earnings                | 148,370.36            | 91,645.10              |
| Administrative Expenses            | (176.01)              | (354.38)               |
| Investment Expense                 | (128.67)              | (259.10)               |
| Other                              | 0.00                  | 0.00                   |
| Ending Balance                     | \$1,536,808.47        | \$1,492,477.47         |
| FY End Contrib per GASB 74 Para 22 | 0.00                  | 0.00                   |
| FY End Disbursement Accrual        | 0.00                  | 44,331.00              |
| Grand Total                        | \$1,536,808.47        | \$1,536,808.47         |

**Unit Value Summary:**

|                                   | QTD<br>Current Period | Fiscal<br>Year to Date |
|-----------------------------------|-----------------------|------------------------|
| Beginning Units                   | 70,638.447            | 72,828.684             |
| Unit Purchases from Contributions | 0.000                 | 0.000                  |
| Unit Sales for Withdrawals        | 0.000                 | (2,190.237)            |
| Unit Transfer In                  | 0.000                 | 0.000                  |
| Unit Transfer Out                 | 0.000                 | 0.000                  |
| Ending Units                      | 70,638.447            | 70,638.447             |
| Period Beginning Unit Value       | 19.659870             | 20.460451              |
| Period Ending Unit Value          | 21.755976             | 21.755976              |

Please note the Grand Total is your actual fund account balance at the end of the period, including all contributions per GASB 74 paragraph 22 and accrued disbursements. Please review your statement promptly. All information contained in your statement will be considered true and accurate unless you contact us within 30 days of receipt of this statement. If you have questions about the validity of this information, please contact CERBT4U@calpers.ca.gov.



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

For the period ending December 2023

|                           |    |           |
|---------------------------|----|-----------|
| Cash in checking account: | \$ | 370,809   |
| LAIF Balance              | \$ | 2,909,761 |

For the period of October 1, 2023 to December 31, 2023

|                                     |    |           |
|-------------------------------------|----|-----------|
| Total cash receipts for the period: | \$ | 1,933,292 |
|-------------------------------------|----|-----------|

|  |    |           |
|--|----|-----------|
| Total cash disbursements for the period: | \$ | 2,673,139 |
|--|----|-----------|

# REGIONAL WATER AUTHORITY

## Income Statement

Year-to-Date Performance, December 2023

|                                    | <i>6 Months Ended<br/>December 31, 2023</i> | <i>Annual<br/>Budget</i> | <i>Unused</i> | <i>% Used</i> |
|------------------------------------|---|--------------------------|---------------|---------------|
| REVENUES                           |   |                          |               |               |
| Annual Assessments - RWA           | 1,064,271.00                                | 1,060,056.00             | (4,215.00)    | 100.4 %       |
| Affiliate Members Annual           | 7,000.00                                    | 6,400.00                 | (600.00)      | 109.4 %       |
| Associate Membership Annual        | 71,353.00                                   | 71,353.00                | 0.00          | 100.0 %       |
| SGA Service Agreement Fees         | 388,201.11                                  | 880,744.00               | 492,542.89    | 44.1 %        |
| Holiday Social Revenue             | 5,200.00                                    | 4,500.00                 | (700.00)      | 115.6 %       |
| Miscellaneous Revenue - RWA        | 3,000.00                                    | 0.00                     | (3,000.00)    |               |
| State Revenues - RWA               | 0.00  | 318,793.00               | 318,793.00    |               |
| Cash Discounts                     | 752.81                                      | 0.00                     | (752.81)      |               |
| Subscription Revenues              | 0.00  | 125,000.00               | 125,000.00    |               |
| Interest on S/T Investments        | 28,209.97                                   | 60,000.00                | 31,790.03     | 47.0 %        |
| TOTAL REVENUES                     | 1,567,987.89                                | 2,526,846.00             | 958,858.11    | 62.1 %        |
| TOTAL REVENUE                      | 1,567,987.89                                | 2,526,846.00             | 958,858.11    | 62.1 %        |
| GROSS PROFIT                       | 1,567,987.89                                | 2,526,846.00             | 958,858.11    | 62.1 %        |
| OPERATING EXPENDITURES             |   |                          |               |               |
| Staff Expenses                     |   |                          |               |               |
| General Salaries                   | 709,567.87                                  | 1,567,256.00             | 857,688.13    | 45.3 %        |
| Benefits/Taxes                     | 222,487.89                                  | 556,891.00               | 334,403.11    | 40.0 %        |
| Travel / Meals                     | 21,347.05                                   | 45,000.00                | 23,652.95     | 47.4 %        |
| Professional Development           | 5,690.00                                    | 11,000.00                | 5,310.00      | 51.7 %        |
| TOTAL Staff Expenses               | 959,092.78                                  | 2,180,147.00             | 1,221,054.22  | 44.0 %        |
| Office Expenses                    |   |                          |               |               |
| Rent & Utilities                   | 5,929.00                                    | 30,000.00                | 24,071.00     | 19.8 %        |
| General Liabilities Insurance      | 61,767.00                                   | 42,000.00                | (19,767.00)   | 147.1 %       |
| Office Maintenance                 | 1,043.00                                    | 1,000.00                 | (43.00)       | 104.3 %       |
| Telephone                          | 2,564.95                                    | 11,000.00                | 8,435.05      | 23.3 %        |
| Dues and Subscriptions             | 26,565.12                                   | 26,000.00                | (565.12)      | 102.2 %       |
| Printing & Supplies                | 1,402.73                                    | 24,000.00                | 22,597.27     | 5.8 %         |
| Postage                            | 630.99                                      | 4,200.00                 | 3,569.01      | 15.0 %        |
| Meetings                           | 13,137.64                                   | 15,000.00                | 1,862.36      | 87.6 %        |
| Computer Equipment/Support         | 20,747.80                                   | 38,500.00                | 17,752.20     | 53.9 %        |
| TOTAL Office Expenses              | 133,788.23                                  | 191,700.00               | 57,911.77     | 69.8 %        |
| Office Furniture & Equipment       |   |                          |               |               |
| Office Furniture                   | 0.00  | 20,000.00                | 20,000.00     |               |
| Office Move                        | 18,645.90                                   | 20,000.00                | 1,354.10      | 93.2 %        |
| TOTAL Office Furniture & Equipment | 18,645.90                                   | 40,000.00                | 21,354.10     | 46.6 %        |

*6 Months Ended  
December 31, 2023*

|                                    |              | <i>Annual<br/>Budget</i> | <i>Unused</i> | <i>% Used</i> |
|------------------------------------|--------------|--------------------------|---------------|---------------|
| Professional Fees                  |              |                          |               |               |
| ADP / Banking Charges              | 1,627.36     | 3,800.00                 | 2,172.64      | 42.8 %        |
| Audit Fees                         | 28,900.00    | 35,000.00                | 6,100.00      | 82.6 %        |
| Legal Fees                         | 29,248.10    | 80,000.00                | 50,751.90     | 36.6 %        |
| GASB 68 reporting fee              | 700.00       | 0.00                     | (700.00)      |               |
| Consulting Expenses - General      | 176,443.14   | 357,600.00               | 181,156.86    | 49.3 %        |
| Powerhouse Science Center Payments | 0.00         | 25,000.00                | 25,000.00     |               |
| TOTAL Professional Fees            | 236,918.60   | 501,400.00               | 264,481.40    | 47.3 %        |
| Miscellaneous Expense              | 500.00       | 0.00                     | (500.00)      |               |
| Miscellaneous Expense              | 240.00       | 0.00                     | (240.00)      |               |
| TOTAL OPERATING EXPENDITURES       | 1,349,185.51 | 2,913,247.00             | 1,564,061.49  | 46.3 %        |
| OPERATING INCOME (LOSS)            | 218,802.38   | (386,401.00)             | (605,203.38)  | -56.6 %       |
| <br>                               |              |                          |               |               |
| NET OPERATING INCOME (LOSS)        | 218,802.38   | (386,401.00)             | (605,203.38)  | -56.6 %       |
| <br>                               |              |                          |               |               |
| NET INCOME (LOSS) NET OF PROGRAM   | 218,802.38   | (386,401.00)             | (605,203.38)  | -56.6 %       |



---

Topic: Board Directors' Comments  
Type: New Business  
Item For: Information  
Purpose: Routine

---

|               |                                  |            |                      |
|---------------|----------------------------------|------------|----------------------|
| SUBMITTED BY: | Jim Peifer<br>Executive Director | PRESENTER: | Brett Ewart<br>Chair |
|---------------|----------------------------------|------------|----------------------|

---

**EXECUTIVE SUMMARY**

This is an information item to provide an opportunity for the Regional Water Authority Board of Directors to report on any updates from their agency, comments, request future agenda items, recommendations, and questions.

**STAFF RECOMMENDED ACTION**

None. This item is for information only.

**BACKGROUND**

This agenda item is a standing item to provide an opportunity to report on any updates from their agency, comments, request future agenda items, recommendations, and questions.