

1. CALL TO ORDER

Chair Roscoe called the meeting of the Board of Directors to order at 9:00 a.m. at the Carmichael Water District. Individuals in attendance are listed below:

RWA Board Members

Andy Soule¹, California American Water
Ron Greenwood, Carmichael Water District
Steve Nugent, Carmichael Water District
Bob Churchill, Citrus Heights Water District
Al Dains, Citrus Heights Water District
Walt Sadler, City of Folsom
Dan Sherry, City of Sacramento
John Downing, Del Paso Manor Water District
Debra Sedwick, Del Paso Manor Water District
Dave Eggerton, El Dorado Irrigation District
Bill George, El Dorado Irrigation District
Tom Gray, Fair Oaks Water District
Michael Schaefer, Orange Vale Water Company
Sharon Wilcox, Orange Vale Water Company
Brian Martin, Placer County Water Agency
Ed Crouse, Rancho Murieta Community Services District
Mychael Cardenas, Rio Linda/Elverta Community Water District
Rob Roscoe, Sacramento Suburban Water District
Neil Schild, Sacramento Suburban Water District
Pam Tobin, San Juan Water District
Shauna Lorange, San Juan Water District

RWA Associates

Arthur Starkovich, Sacramento Municipal Utility District; and Stan Dean, Sacramento Regional County Sanitation District.

Staff Members

John Woodling, Executive Director; Paul Bartkiewicz, Legal Counsel; Nancy Marrier, Rob Swartz and Cecilia Partridge. Nicole Krotoski participated via conference phone.

Others in Attendance: Dave Kane, Ed Kriz, Einar Maisch, Chuck Rose, Keith Durkin, Ed Formosa, Sandy Kozlen, Jafar Faghieh, Lesley Albright, Karla Nemeth, Tim Quinn, Ravi Kahlon, Toni Pezzetti, Frank Bradham, Diane Schachterle, Steve Dalrymple, Chris Cleveland, Melanie Holton, Roger Kohne, and Charlie Pike.

2. PUBLIC COMMENT

None.

3a. CONSENT CALENDAR

Minutes of the January 14, 2010 regular board meeting

3b. CONSENT CALENDAR

WaterSense is a partnership program sponsored by the U.S. Environmental Protection Agency (EPA) designed to protect future water supply by promoting and enhancing the market for water-efficient products and programs. Through this program the EPA provides information on high-performing, water-efficient products and practices, raises awareness about the importance of water efficiency, helps consumers identify products and services that use less water, and supports state and local water-efficiency efforts.

To achieve the mission of the WaterSense program, EPA establishes partnerships with interested stakeholders, such as product manufacturers, retailers, and water utilities. EPA provides and maintains the WaterSense brand and develops national specifications for water-efficient products and programs.

WaterSense labeled products include high efficiency toilets, bathroom sink faucets, urinals, showerheads, and single-family new homes. WaterSense is developing specifications for pre-rinse spray valves and landscape irrigation controllers.

The EPA has agreed to partner with RWA and 16 local Home Depot stores to promote WaterSense products and landscape efficiency products during the month of May, but strongly encourages RWA to become a promotional partner. RWA will receive public recognition, materials and templates for promotional use, and tools for training sales staff on WaterSense labeled product.

Motion/Second/Carried (M/S/C) Ms. Lorance moved, with a second by Mr. George, to approve the consent calendar, adopting the minutes from the RWA regular board meeting held January 14,

2010 and authorize the Executive Director to enter into a partnership with the EPA WaterSense Program.

4a. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

Final minutes of the January 27, 2010 and draft minutes of the February 24, 2010 RWA Executive Committee meetings were included in the packet for informational purposes.

4b. OTHER POST EMPLOYMENT BENEFITS (OPEB) FUNDING POLICY

At the July 9, 2009 Board meeting, the Board adopted the OPEB funding policy based upon the actions and recommendations of the March 12, 2009 Board meeting.

The revised policy makes a technical correction to the OPEB terminology used in the policy as it relates to the actuarial accrued liability (AAL). Additionally, the funding policy articulates the Board's intent to fund the annual required contribution (ARC), which was part of the calculated OPEB contribution approved on March 12, 2009. The policy also clarifies some of the assumptions used by the actuary to calculate the AAL as listed in the actuarial report. Finally, the policy adds that changes to the AAL only need to be computed when an actuarial analysis is required by GASB or the OPEB trustee.

4c. CHECK SIGNING POLICY

The current check signing policy was adopted on March 13, 2008. The revisions to the policy include:

- 1) The current policy allows for checks over \$10,000 to be signed by the Executive Director and the RWA Board Chair. The policy also states that a person otherwise authorized to sign checks on behalf of RWA is prohibited from signing any check on which he or she is the payee. Given that RWA has several large grants, there is a good possibility that the chair may be asked to sign a check to which their agency is a recipient. Adding the Vice Chair to the list of signatories will avoid this situation and provide for a secondary signer in the Chair's absence.
- 2) Adds a provision to allow for the Executive Director or the Finance and Administrative Services Officer to sign checks up to \$20,000 for grant/incentive reimbursement to participants. This provision will shorten the wait period for grant reimbursement checks once grant funds are received.
- 3) Outlines the current practice of electronic funds transfers (EFT) for payroll processing which is in excess of \$10,000. These EFTs are deducted as a lump sum from the General Fund Account and have

not required check signature authority since the actual paychecks are then processed by a third party vendor (currently ADP). However, payroll has been routinely reviewed by the Executive Director, evidenced by his signature on the supporting documentation.

- 4) Clarifies that transfer of funds are between the General Account and LAIF.

M/S/C Ms. Lorange moved, with a second by Mr. George, to approve revisions to Other Post Employment Benefits (OPEB) Funding Policy 500.10 and Check Signing Policy 500.6.

5. BAY DELTA CONSERVATION PLAN (BDCP) BRIEFING

The Bay Delta Conservation Plan (BDCP) is being prepared through a collaboration of state, federal, and local water agencies, state and federal fishery agencies, environmental organizations, and other interested parties. These organizations have formed the BDCP Steering Committee. The plan will identify a set of water flow and habitat restoration actions to contribute to the recovery of endangered and sensitive species and their habitats in California's Sacramento-San Joaquin Delta. The goal of the BDCP is to provide for both species/habitat protection and improved reliability of water supplies.

In order to select the most appropriate elements of the final conservation plan, the BDCP will consider a range of options for accomplishing these goals using information developed as part of an environmental review process. Potential habitat restoration and water supply conveyance options included in the BDCP will be assessed through an Environmental Impact Report (EIR)/Environmental Impact Statement (EIS). The BDCP planning process and the supporting EIR/EIS process is being funded by state and federal water contractors.

Lead agencies for the EIR/EIS are the California Department of Water Resources, the Bureau of Reclamation, the U.S. Fish and Wildlife Service, and NOAA's National Marine Fisheries Service, in cooperation with the California Department of Fish and Game, the U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers.

Karla Nemeth of the California Natural Resources Agency gave a presentation on BDCP activities. The agency has convened a steering committee to assist in guiding the development of conservation plans for the Delta. The Conservation Plan is trying to address the two fundamental factors of how water currently flows from the Delta for export purposes. The key issues for the BDCP are 1) ongoing analysis to determine effects of the plan on fish and wildlife species; 2) determining design aspects of a tunnel/pipeline; 3) refining initial approaches to habitat restoration; 4)

ongoing development of wildlife and plant communities and species conservation measures; 5) cost and financing of conveyance, habitat restoration and other stressor measures; and 6) by whom and how the plan would be implemented. Ms. Nemeth said that a draft conservation plan is expected to be released in the fall of 2010 and a draft EIR/EIS to follow six months later.

6. ACWA UPDATE

The Association of California Water Agencies (ACWA) is the largest coalition of public water agencies in the country. It is a leader on California water issues and a respected voice for its members in both Sacramento and Washington, D.C. For a century, ACWA has been a guiding force in California water policy and continues to help shape the laws and regulations that affect the state's urban and agricultural water users. ACWA's 450 public agency members are responsible for 90% of the water delivered to communities, farms and businesses in California. Together, they play an active role in managing the state's water resources and promoting investments in water use efficiency, water recycling, groundwater management and desalination. ACWA's mission is to assist its members in promoting the development, management and reasonable beneficial use of good quality water at the lowest practical cost in an environmentally balanced manner.

Tim Quinn, Executive Director with ACWA, gave an update on ACWA's activities throughout California, the implementation of the 2009 legislative package, and the 2010 water bond. Mr. Quinn introduced Ravi Kahlon, Regional Affairs Representative for ACWA Region 4. Mr. Quinn gave a brief description of ACWA's newest strategic plan that includes conservation measures. One of the items in the strategic plan is to have ACWA facilitate a process among its member agencies and other experts to look at the water transfer system in California. Because all ACWA members are facing rate increases the ACWA board is proposing a statewide program to educate the public, highlighting the value of water, the cost to agencies and the changes that have occurred that affect the rate increases. Mr. Quinn gave examples of ACWAs ongoing communications and outreach programs. Mr. Quinn said that he would like to see support for the \$11 billion water bond and indicated that educating the public is crucial to gaining this support.

7. EXECUTIVE DIRECTOR'S REPORT

RWA Financial Report – *The Investments, Designated Funds, Undesignated Funds and Cash Report* through December 31, 2009 was included in the packet.

Government Affairs Update – RWA’s Government Affairs Committee met on February 18 and March 2, 2010. Meetings are now scheduled routinely for every other Tuesday (March 14 and subsequent). Six RWA members (Cities of Folsom, Roseville, and Sacramento, San Juan Water District, Sacramento Suburban Water District, and Placer County Water Agency) have engaged a lobbyist for legislative advocacy, and will coordinate with other lobbyists from the region and RWA staff on an ongoing basis.

RWA staff is routinely attending the meetings of the ACWA State Legislative Committee and evaluating a number of new and amended bills. The deadline for bill introduction was February 19th. A legislation tracking table will be distributed to RWA members as it is updated and will identify a number of bills that seem to be high priorities for RWA to track. Mr. Woodling is evaluating the extent to which our current RWA policy positions address various bills, and on which issues RWA will need to develop a position if we are to engage.

The SWRCB informational hearing process for Delta flows is ongoing. The informational proceeding will continue on March 22nd (see http://www.waterboards.ca.gov/waterrights/water_issues/programs/bay_delta/deltaflow/docs/notice_rev012910.pdf for details). Twenty-four respondents have submitted testimony, including the Sacramento Water Forum and several RWA members as a part of a Sacramento Valley Water User’s submittal. Testimony is available on the SWRCB website, and the public is invited to submit questions on the testimony for consideration by the SWRCB.

RWA is working closely with ACWA to develop a proposed methodology for the “fourth alternative” to complying with SBX7 7. A draft of the ACWA white paper was circulated to RWA members for comment. The methodology would reflect the differences in climate and residential density that drive regional differences in water use. Drafts of the methodology will be circulated to RWA members for comment. DWR, which is charged with developing the method, plans to hold “listening sessions” on the issue on March 8th in Sacramento and March 10th in southern California.

Integrated Regional Water Management Update – Work on the IRWM Update is ongoing. RWA staff conducted an IRWM Planning Forum to discuss projects on February 18, 2010. There were 30 participants in the forum. Staff provided background on the statewide IRWM effort and the American River Basin IRWM. Staff sought input on identifying additional key individuals and organizations under the IRWM objectives and how to make the planning forum more effective in the future. One attendee suggested an online survey to get feedback from a large number of interested parties quickly. DWR staff reports that they are seeking management approval to release draft IRWM guidelines, which will be

available for a 45-day comment period. The revised guidelines reflect changes to IRWM based on Prop 84 and other recent legislation.

Grant Funding Update – Ongoing grants include: Prop 50 Implementation Grant (\$25 million); Prop 50 Drought Grant (\$1.97 million); Prop 50 Toilet Rebate Grant (\$1.12 million); USBR Meter Grant (\$5 million); USBR ET Controller Grant (\$294,000). RWA recently received payment of \$369,000 on behalf of Carmichael Water District for its water treatment plant expansion, which is partially funded by the Prop 50 implementation grant.

Regional Water Efficiency Program Update – The four work teams formed during the WEP Leadership Summit are making good progress and the large Leadership Summit group may be reconvened at a later date. A summary of each team's progress is below.

Water Shortage Contingency Regional Consistency - The team has agreed on common drought stage nomenclature and percent reductions. In addition, the team has developed a set of common recommendations for efficient water use that can be conveyed to customers throughout the region. Some agencies may choose to adopt some of these recommendations as requirements. The draft recommendations will be distributed to a broader audience within the next week to solicit input.

AB 1420 Compliance - After reviewing the scope of this effort, the approach has shifted to a workshop format, rather than a work team. The goal will be to assist all agencies in developing the information necessary to comply. A series of workshops will be scheduled to coincide with the monthly Regional Water Efficiency Program (RWEPP) meetings. Mark Roberson from the Water Forum and RWA staff will assist members in 1) identifying information needs to complete the analysis, 2) determining BMP targets, 2) completing Table 1, required by DWR, which reports on past performance and 3) completing Table 2, which requires projections, schedule, and budget for future compliance. Compliance with AB 1420 is required to be eligible to receive grant funds for water projects from the state.

Regional Outreach – The RWEPP Outreach Committee and full RWEPP continue development of the two-year outreach work plan. RWEPP funds, grant funds, and member outreach efforts will all be leveraged to present common messages to customers.

UWMP and Technical Support – The team held a meeting to discuss regional approaches to UWMP development. RWA staff will develop an assessment of UWMP sections that may be conducive to a regional effort. RWA staff will contact the Department of Water Resources to discuss strategies to streamline the preparation and review of "regional" sections of UWMPs. For SB 7 (20x2020) compliance, Brown and Caldwell has been tasked to develop an approach to the "fourth option" for compliance, which

will be developed by DWR. The approach focuses on the differing climate and residential density throughout the state. RWA and member agency staff are working closely with an ACWA effort to provide input to the "fourth alternative." DWR intends to begin holding public meetings on the development of methodologies for SB 7 in March. RWA staff circulated a spreadsheet and urged agencies to begin to calculate their 10-year average water use and population for periods ending in 2004 through 2010. These calculations will be needed to define a baseline gpcd for SB 7 compliance purposes.

Mr. Woodling provided RWA members that are also members of the California Urban Water Conservation Council (CUWCC) with a template letter requesting that the CUWCC consider alternatives that would provide for better regional representation for their membership from throughout the state. The letters got the attention of the CUWCC Board of Directors, and CUWCC's 2010 strategic planning effort will consider different representation mechanisms.

The RWEPC Committee agreed to host a plenary meeting of the CUWCC. RWA will host the September 15 meeting of the CUWCC. City of West Sacramento has offered the City Hall Galleria as the venue.

Water Efficiency Outreach Update – RWA sought and received permission from the American Water Works Association to use the words "Blue Thumb" on the new logo.

Blue Thumb Advertising Campaign – Mayor Kevin Johnson, Elissa Lynn, and the River Cats mascot Dinger, are confirmed as influencers for the 2010 Blue Thumb Outreach advertising campaign. Filming of advertisements is scheduled for the week of March 8th-12th. The Blue Thumb announcement and recruitment media stories have appeared in eight local publications, (Sacramento Bee Home and Garden, Roseville Press Tribune, Granite Bay Press Tribune, Lincoln News Messenger, The News Ledger, Carmichael Times, Pocket News, Sacramento Press, and Craig's List).

Three neighborhoods were nominated as potential pilot neighborhoods for the Community Based Social Marketing component of the campaign. Water agency staff and outreach consultant visited all three neighborhoods and met with neighborhood leaders. The City of Roseville's Cresthaven neighborhood was chosen as the pilot.

Partnership with ACWA – RWA will partner with ACWA and the River Cats to assist the state wide outreach program for the Save Our Water Campaign and focus on involvement in neighborhoods to manage outdoor watering and improvements to be more efficient. The RWA, ACWA, River Cats partnership will include in-game feature on the video board featuring clips of Dinger demonstrating water savings tips, Be Water Smart and Save Our

Water logos will rotate in feature, video board advertisement, static clings on the inside of every restroom stall door at Raley Field, turf management workshops to professional landscapers, booth at Raley Field on Earth Day, online advertising via e-mail blasts to the River Cats e-mail blast list highlighting green tips and a visit from Dinger at Get W.E.T.

Partnership with Home Depot – RWA will partner with 16 Home Depot stores and the EPA Water Sense program during the month of May to highlight 10 products for “Making Your Home More Water Efficient.” RWA, water agency and Home Depot store representatives will staff a booth at the stores on May 1st, May 8th, May 15th, and May 22nd. Stores include West Sacramento, Carmichael, Antelope, Natomas, Elk Grove, Meadowview, Florin, Power Inn, Howe Ave, Folsom, Rancho Cordova, Placerville, Roseville, Stanford Ranch, Lincoln and Auburn.

School Education – the Sacramento Bee is now accepting orders from K-8 teachers for the updated Be Water Smart News supplement through the Newspapers in Education program. Staff contracted with Radio Disney to promote and incentivize teacher participation in the Be Water Smart supplement. WEP’s goal is to increase teacher participation by 25% over 2009 participants.

Little Hoover Commission Hearing on Water Transfers – Mr. Woodling participated in an advisory committee meeting of the Little Hoover Commission on water transfers. A summary of the meeting was included in the packet.

Sacramento Metro Chamber Cap to Cap Update – The 2010 Cap-to-Cap trip to Washington D.C. is scheduled for April 17-21. Co-Chairs of the Water Resources Team are John Woodling, Derrick Whitehead, and Ed Winkler. Please contact one of us if you would like to be involved in the Water Resources Team. Draft issue papers for the trip will be available for review soon.

Regional Groundwater Modeling Status – The City of Roseville has recently developed a groundwater model to aid them in the analysis of their Aquifer Storage and Recovery Project. The model was developed to cover a large region extending from the Bear River on the north to the Mokelumne River on the south, and bounded by the Sacramento River and Sierra Nevada on the west and east. As many of you know, an Integrated Groundwater – Surface Water (IGSM) model has been developed over many years for Sacramento County, and can be linked to an IGSM model of western Placer County.

The board of the Sacramento Groundwater Authority (SGA) directed staff to work with the Sacramento Central Groundwater Authority (SCGA), Placer County groundwater users, and Sutter County to evaluate future modeling

needs and appropriate tools, in an effort to maintain a coordinated and consistently applied regional model.

Water Forum Update – Work by Water Forum staff and consultants on the Lower American River Flow Standard environmental documentation is ongoing. The Water Forum has developed an iterative temperature model that allows for rapid evaluation of the effect of different release patterns and outlet configurations on river temperature. Staff have met with National Marine Fisheries Service staff in development of the model, which is intended to satisfy the automated temperature selection procedure requirement identified in the biological opinion RPA. The next step is to link the temperature modeling results to CALSIM II to evaluate impacts of the flow standard implementation on water supply, power generation, and fisheries. The implementation strategy for the flow standard EIR calls for a "check-in" with the environmental and water caucuses after this preliminary evaluation is complete. This is currently on track for June 2010. The Water Forum executive director is tentatively scheduled to provide an update on the flow standard and other issues at the May RWA Board meeting.

ACWA JPIA Resolutions – ACWA JPIA is requesting resolutions for appointments to their Executive Committee. ACWA JPIA must receive resolutions of support by March 19, 2010. Included in the packet were copies of letters requesting resolutions of support from Valley Center Water District and San Bernardino Valley Water District.

8. DIRECTORS' COMMENTS

Mr. Roscoe thanked everyone for their efforts on SBX7. Mr. Gray suggested that a region bus tour be organized to showcase our efforts in water conservation.

Adjournment

With no further business to come before the Board, Chair Roscoe adjourned the meeting at 11:04 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer