

1. CALL TO ORDER

Chair George 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

Ron Greenwood, Carmichael Water District
Steve Nugent, Carmichael Water District
Joe Dion, Citrus Heights Water District
Bob Churchill, Citrus Heights Water District
Ken Payne, City of Folsom
Spencer Short, City of Lincoln
Pauline Roccucci, City of Roseville
Susan Rohan, City of Roseville
Dan Sherry, City of Sacramento
Debra Sedwick, Del Paso Manor Water District
Bill George, El Dorado Irrigation District
Jim Abercrombie, El Dorado Irrigation District
Randy Marx, Fair Oaks Water District
Mark Chrisler, Fruitridge Vista Water Company
Paul Schubert, Golden State Water Company
Michael Schaefer, Orange Vale Water Company
Sharon Wilcox, Orange Vale Water Company
Courtney Caron, Rio Linda/Elverta Community Water District
Kerry Schmitz, Sacramento County Water Agency
Neil Schild, Sacramento Suburban Water District
Rob Roscoe, Sacramento Suburban Water District
Pam Tobin, San Juan Water District
Shauna Lorange, San Juan Water District

RWA Associates

None.

Staff Members

John Woodling, Rob Swartz, Nancy Marrier, Linda Higgins, Cecilia Partridge and Ryan Bezerra, Legal Counsel.

Others in Attendance: Gregory Mummert, Blake Byers, David Williams, Michael Furtado, Shane Horton, Frank Bradham, John Wingerter, Bert Schumacher, Michael Johnson, Roger Kohne, Tammy Mitchell, Alexandra Tollette, Terrie Mitchell, Tim Fernandez, Ed Formosa, Walt Sadler, Keith Durkin, David Kane, Laura King Moon, Sandy Kozlen, Christian Avil-Fuentes, Jim Mulligan, Chuck Rose, Andrew Lind, Steve Dalrymple and Joe Grindstaff. Nicole Krotoski participated via conference phone.

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The minutes from the RWA Regular Board meeting held March 10, 2011.

Motion/Second/Carried (M/S/C) Ms. Lorance moved, with a second by Mr. Nugent, to approve the minutes of the March 10, 2011 regular board meeting.

4. STATUS OF DELTA PLANNING

John Woodling explained that both the Delta Plan and Bay Delta Conservation Plan (BDCP) could have significant consequences for water suppliers throughout the state, not just those dependent on Delta exports.

Laura King Moon, Assistant General Manager of the State Water Contractors, gave an update on the BDCP. The BDCP is an ongoing and voluntary effort to reconcile Delta export limitations by improving conveyance of water through the Delta, while implementing conservation measures to improve habitat and the health of the Delta ecosystem. Development and implementation of the plan is designed to provide regulatory assurances for water exports from the Delta. The 2009 legislation requires the BDCP to be incorporated into the Delta Plan if certain conditions are met. She said that the plan is one of the most ambitious and far-reaching ecosystem restoration efforts ever undertaken. She outlined the conservation strategy, habitat restoration and benefits, new conveyance benefits and BDCP governance and next steps.

Joe Grindstaff, Executive Officer with the Delta Stewardship Council, gave an update presentation on the Delta Plan. The Delta Stewardship Council, created by the legislature in the 2009 Sacramento-San Joaquin Delta Reform Act, is charged with protecting the Sacramento-San Joaquin Delta and the critical role it serves in the water supply for millions of Californians and its unique ecosystem and way of

life. The Delta Plan, required by the legislation to be completed in 2011, is a key element of the Council's charge. Ms. Lorance asked how they will be able to get the environmental work completed to meet their deadline to begin implementation in January of next year. Mr. Grindstaff said that a consultant was hired some time ago and they are moving forward. They are currently on their third draft of the plan.

5. FISCAL YEAR 2011-2012 BUDGET

The RWA Board reviewed the Fiscal Year 2011-2012 (FY12) budget at its meeting on March 10, 2011. Board members expressed differences over whether there should be an increase in the budget for salaries, given the financial condition of some RWA members. The Board directed staff and the Executive Committee to further review the budget and bring it back for action in May. The Executive Committee had considerable discussion on March 23, 2011 and April 27, 2011 about providing for an increase in salaries. Several members commented on the negative perception of salary increases in the current economy. Others thought that a small increase in the salaries budget was appropriate and sent a positive message to employees on their value to the organization. The Executive Committee directed the Executive Director to reflect no increase in the budget for salaries and wages. The Executive Committee further directed that a program of one-time awards (bonuses) that would not create long-term salary increases nor be a part of salary for PERS purposes, be included as 2% of base salaries.

Mr. Woodling reminded the board that last year's budget was passed with no dues increase and expenses have been cut for the past three years. Over the past eight years, the average annual dues increase has been 3%. The FY12 budget proposal projects a rate increase of 6%. This proposed fee increase is lower than the 12% estimated in the previous year. The dues increase will keep up with rising costs while maintaining prudent reserves, as per RWA policy 500.1.

Mr. Woodling noted that the budget proposes addition of a full-time, entry level staff person. The position is anticipated to be funded primarily by subscription programs. The split is estimated to be funded by the Regional Water Efficiency Program at 50%; SGA at 30%; other RWA subscription programs at 10%; and the RWA core program at 10%. At the March meeting the Board directed staff and the Executive Committee to consider benefits for new employees. Staff presented an analysis of the benefits of all RWA public agency members to the Executive Committee on March 23, 2011. Mr. Woodling added that RWA's benefits were at or below a majority of the RWA agencies and the Executive Committee agreed that current RWA benefits were appropriate.

Mr. Schild commented that there should not be an increase budget for staff salaries and wages or a one-time award. He said that the Executive Committee

was made up of mostly salaried people and believes that elected officials should make up the majority of the Executive Committee. There was opposition to this comment due to the fact that the Executive Committee has spent a great deal of time on this subject and feels it should be implemented. Ms. Tobin noted that she and others on the Executive Committee are elected officials and argued that if members do not feel that the Executive Committee is going to represent them appropriately, they should not be voted in. Ms. Tobin also said that the Executive Committee did due diligence on this issue before coming to the conclusion that this should be implemented.

M/S/C Ms. Tobin moved, with a second by Mr. Nugent, to approve the proposed FY 2011-2012 Budget and fees and to approve the position description for Project Research Assistant, establishment of the salary range, and hiring of new staff.

Noes: Mr. Schild

5. EXECUTIVE DIRECTOR'S REPORT

Government Affairs Update – Mr. Woodling reported that Policy Committees in both houses have held one or more hearings on bills. Among bills that have moved out of policy committees is AB 134 (Dickinson), which provides an avenue for Sacramento Regional County Sanitation District to apply for a water rights permit for an amount of water equivalent to its discharge to the Sacramento River. SB 34 (Simitian) proposes a public goods charge on water to fund the public benefits of water projects. The bill has been amended to remove the specific assessments, but the original version proposed a \$110 per acre-foot charge for water delivered by water purveyors. SB 571 (Wolk) would create broad new powers for the California Water Commission to direct investments in water infrastructure in the state. While there are a number of bills of interest to RWA and its members, Mr. Woodling noted that the bills are still very much in flux. With the RWA requirement for unanimous consent on positions on bills, it is premature to take formal actions at this time.

The Delta Stewardship Council released the second staff draft of the Delta Plan in late March, and the third staff draft on April 22, 2011. A coalition of water and other interests from throughout the state sent a comment letter on the second draft regarding the overreaching of the Plan beyond the statutory authority of the Delta Stewardship Council. Mr. Woodling was invited to sit on a panel at the April 15th meeting of the DSC to discuss the water reliability requirements in the second draft plan.

The new administration and the federal government seem to want to take a more open approach to the Bay-Delta Conservation Plan (BDCP) Development. Mr. Woodling and others had a conference call with Deputy Secretary Jerry Meral

regarding the concerns of upstream water users, and RWA was invited to participate with a larger group of upstream users that the BDCP has engaged. RWA and some members signed a coalition letter expressing our concerns – whose water solves the problem and who pays – to the new administration. Mr. Woodling and Mr. Bezerra represented RWA in two meetings with Deputy Secretary of Interior David Hayes on April 26th and 27th to discuss RWA's concerns on the BDCP.

Although SB 200 (Wolk) did not have broad support in the legislature, the concepts of BDCP assurances that it contained were generally consistent with RWA's adopted policy position on the Delta, and Mr. Woodling submitted a letter expressing this support in concept. RWA continues to work with NCWA and other upstream water interests to explore appropriate avenues for legislative assurances.

Regional Water Efficiency Program Update (WEP) – Staff provided WEP coordinators with regional information to be used for Urban Water Management Plans and California Urban Water Conservation Council Best Management Practice reporting.

Staff will meet with the WEP Committee on the annual WEP Business Plan. Staff's goal this year is to maintain the outreach program, implement new ideas identified by the School Education Committee, and review the 2011 Urban Water Management Plans for each agency for programs and ideas that can be effectively implemented regionally.

WEP launched the second year of the Blue Thumb campaign at the Sacramento River Cats game on Sunday, April 10, 2011. RWA staff and members staffed two tables, one outside on the plaza and the other inside on the concourse. The event featured a live radio remote by KYMX (Mix 96), a group photo of Blue Thumb Ambassadors and 100 RWA members, a pre-game ceremony on the field honoring the Ambassadors, and contests throughout the game on the video board screen. The Blue Thumb campaign features 11 local residents and how they are saving water in their yards and gardens. The campaign's goal is to increase participation in the Blue Thumb pledge. To increase pledge participation, RWA has provided tools for each water provider to include Blue Thumb and water efficiency messages in their own outreach campaigns. RWA has partnered again with ACWA and DWR's Save our Water Campaign by marketing with the Sacramento River Cats. New this year is a partnership with Lowe's to promote WaterSense products and the Top 10 List of Products for Saving Water at Home.

Public Relations Program Update – LarsenCazanis Public Affairs is now under contract to RWA. A subscription program agreement has been circulated to all RWA member agencies and associates to solicit participation. The intent of the

RWA public relations program is to educate and inform the public, legislators, and others; and to build a broad coalition of support from the region to enhance our ability to advocate on behalf of the region's water resources needs and concerns.

To date, 14 members and associates have signed on to the program. The first formal meeting of the Program Committee was held April 5, 2011. A steering committee (a subset of the program committee) was selected to help guide the program.

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).

The USBR Meter Grant concluded on December 31, 2010, with all grant funds being utilized. Final payment was received and distributed to participants in March 2011. Total distributions for the entire grant are as follows:

Carmichael Water District	\$ 544,320.85
City of Sacramento	\$ 2,575,904.37
City of West Sacramento	\$ 544,906.67
El Dorado Irrigation District	\$ 194,054.77
Sacramento Suburban Water District	\$ 1,089,813.34
Total	\$ 4,949,000.00

Sacramento Metro Chamber Cap-to-Cap Update – Mr. Woodling, Mr. Whitehead and Mr. Hanneman are again co-chairing the Water Resources Team for the 2011 Cap-to-Cap Program to be held May 7-11, 2011. Policy papers developed by the team and approved by the Metro Chamber Board were included in the packet.

Water Forum Update – Work on the water supply impact modeling is ongoing, and Water Forum staff is proposing a water caucus meeting in mid-May to discuss results of modeling. Dave Ceppos, Senior Mediator with the Center for Collaborative Policy has been having one-on-one meetings with a number of Water Forum parties. As yet, there is no definitive date for the 8-week education/negotiation session.

RWA Investments Report – The investments report for the period ending March 31, 2011 was included in the packet.

6. DIRECTORS' COMMENTS

Ms. Caron reported that Rio Linda/Elverta Community Water District has hired Mary Henrici as their new general manager. Ms. Henrici ran the East Quincy Services District in Plumas County for 18 years. Ms Caron also reported that the water district has completed construction of a new well.

Ms. Schmitz reported that Michael Peterson has been appointed as the new Director for Sacramento County Department of Water Resources. Mr. Peterson has been with the county for over 20 years and has been involved in work on the Delta on the land use side.

Mr. Payne said that the City of Folsom is about to release facts and findings on their final EIR.

Ms. Sedwick announced that the entire Del Paso Manor Water District board took the Blue Thumb pledge and challenged all RWA board members to take the pledge as well.

Mr. Nugent said that Carmichael Water District will be offering monthly articles on water conservation and water facts.

Mr. Sherry reported that the City of Sacramento will begin work on rehabilitating their Sacramento River Water Treatment Plant. The City Council just approved the design contract for \$7.5 million.

Mr. Dion reported that ACWA JPIA has announced that there will be no increase in insurance rates for the coming year.

Adjournment

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

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer