

# **SAN JUAN WATER DISTRICT**

Board of Director's Meeting Minutes

April 8, 2015 – 7:00 p.m.

## **BOARD OF DIRECTORS**

Ted Costa	President
Pam Tobin	Vice President
Ken Miller	Director
Dan Rich	Director
Bob Walters	Director

## **SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF**

Keith Durkin	Assistant General Manager
Kate Motonaga	Finance Manager
Teri Hart	Board Secretary/Administrative Assistant
Joshua Horowitz	Legal Counsel

## **OTHER ATTENDEES**

Nancy Stangel	ACWA/JPIA
Christine Braziel	Crocker & Crocker
Sandy Harris	Customer
Mary Lynn Scherrer	Customer
Bob Matteoli	Non-Customer
Mike McRae	FOWD
Jacob McRae	FOWD
Tom Gray	FOWD
Tony Barela	SJWD
Mitch Dion	SJWD
Judy Johnson	SJWD
Jason Mayorga	SJWD
George Machado	SJWD
Vicki Sacksteder	SJWD
Kevin Thomas	SSWD

## **AGENDA ITEMS**

- I. Public Forum**
- II. Consent Calendar**
- III. Presentations**
- IV. Committee Reports**
- V. Information and Action Items**
- VI. Upcoming Events**
- VII. Adjourn**

President Costa called the meeting to order at 7:00 p.m.

## I. PUBLIC FORUM

There were no public comments.

## II. CONSENT CALENDAR

All items under the consent calendar are considered to be routine and are approved by motion. There will be no separate discussion of these items unless a member of the Board, audience, or staff request a specific item removed after the motion to approve the Consent Calendar.

### 1. Minutes of the Board of Directors Meetings

Approval of San Juan Water District's Board of Director's meeting minutes as follows:

1. Minutes of the Board of Directors Workshop, March 9, 2015
2. Minutes of the Board of Directors Workshop, March 19, 2015
3. Minutes of the Board of Directors Workshop, March 24, 2015
4. Minutes of the Board of Directors Meeting, March 25, 2015

Director Rich requested that the March 9, 2015, Board meeting minutes be removed for discussion.

***Vice President Tobin moved to approve the Consent Calendar Items 2-4. Director Miller seconded the motion and it carried unanimously.***

Director Rich requested that the action item on page 7, Section 9, be revised since the committee would need to determine when and if it would be appropriate to send out a letter regarding the responsibility of SJWD. President Costa directed staff to work with Director Rich to amend the minutes of March 9<sup>th</sup> and place them on the next Board agenda.

In response to Director Miller's comment, Ms. Hart will insert a paragraph mark between the two sentences on page 9 of the March 25, 2015 Board meeting minutes under agenda item VI-4.1.

## III. PRESENTATIONS

### 1. JPIA Presentation of RSF Refund – Nancy Stangel, Director of Administration

Mr. Durkin reported that the District participates in the property, liability and workers' compensation programs with JPIA and received awards from JPIA for achieving Low Loss Ratios. He introduced Ms. Nancy Stangel, Director of Administration of JPIA, who proceeded to present the Board of Directors with a refund check in the amount of \$124,278.

*For information only; no action requested.*

## **ACTION AND INFORMATIONAL ITEMS**

### **IV. COMMITTEE REPORTS**

#### **1. Personnel Committee (4/2/15)**

Vice President Tobin reported that the committee met on April 2, 2015, and discussed the following:

- Compensation Study Policy (W & R)
- Compensation Study (W & R)
- Other Personnel Matters
- Public Comment

The committee meeting minutes will be attached to the original board minutes.

#### **Compensation Study Policy (W & R)**

Vice President Tobin reported that the Personnel and Legal Affairs committees reviewed and modified the policy in June 2013 and the policy was adopted by the Board in August 2013. The Personnel Committee reviewed and discussed the Compensation Study Policy relative to the compensation study and draft final report prepared by Koff & Associates dated May 2014, specifically the purpose of conducting compensation studies, the methodology established by the District, and the compensation benchmark used for comparisons. The committee agreed the approach used by Koff & Associates is consistent with the adopted policy.

*For information only; no action requested.*

#### **Compensation Study (W & R)**

Vice President Tobin reported that the committee discussed the status of the compensation study and the draft final report, which will include base salary, insurance benefits, retirement plan, holiday, vacation and sick leave, etc. The committee agreed that the base PERS cost and Medicare information should be included in the report as an appendix, but not for compensation comparison purposes since it makes the District's total compensation look less competitive and that information is not a factor in hiring and retention.

Vice President Tobin reported that the committee agreed that the draft final compensation study report should be updated and finalized to include current data since the report used 2013 data. Koff & Associates' budget has been increased to cover the additional scope of work that the committee has requested over the past year, and to cover the necessary data update. The original budget was \$19,600 which has been increased to \$34,600. The committee directed Koff & Associates to update and finalize the report in order to present it to the Board.

Mr. Lanny Ebenstein provided the committee information on his background and experience and confirmed it is difficult to obtain private sector benefit

information and “to some extent the District would be breaking ground” if it could get the data. The committee discussed the challenges of obtaining private sector total compensation information. Mr. Ebenstein will submit a proposal to the District by April 8, 2015, which will include the scope of work and details, deliverables, and cost.

The Board discussed the compensation study and policy. President Costa voiced concern regarding comparison agency salaries used in the compensation study being adjusted 10% higher for comparison purposes. Mr. Durkin explained that the total compensation study provides tables of salary compensation data that shows the raw data, with comparisons made to the average, median, 10% above average, 10% above median, and 60<sup>th</sup> percentile. In addition, Koff & Associates required the benchmark job classifications to be a 70% match between the comparison agency and the District in order to be included in the study.

*For information only; no action requested.*

#### **Other Personnel Matters**

Director Tobin reported that Mr. Durkin informed the committee that staff is expecting additional workload in the Customer Service Department due to the State drought mandates. The District has already seen a substantial increase in phone calls and outreach requirements during 2014. Therefore, a temporary worker will be brought in to help with duties in the department.

*For information only; no action requested.*

## **2. Finance Committee (4/7/15)**

Director Costa reported that the committee met on April 7, 2015, and discussed the following:

- Review and Pay Bills (W & R)
- Pool Vehicle Replacement or Repair Options (R)
- GEM Vehicle Replacement (R)
- Other Finance Matters
  - ◆ Report back on March 19th ACWA Small Hydroelectric Workshop
- Public Comment

The committee meeting minutes will be attached to the original board minutes.

#### **Review and Pay Bills (W/R)**

Director Costa reported that the committee reviewed bills and claims in the amount of \$1,612,553.55 and found them to be in order.

***Director Miller moved to approve Resolution 15-04. Vice President Tobin seconded the motion and it carried unanimously.***

**Pool Vehicle Replacement or Repair Options (R)**

Mr. Durkin informed the Board that the 15-year old Jeep has 125,000 miles on the odometer and is in need of replacement or repair. The Jeep is used by staff performing backflow prevention testing, conservation staff, and as a pool vehicle for employees on District business. Staff received an estimate that it will cost \$3,700 to replace the transmission. Although the vehicle was slated for replacement this year, staff has elected to have the vehicle repaired and to defer the replacement cost to another year.

For information only; no action requested.

**GEM Vehicle Replacement (R)**

President Costa informed the Board that the GEM (Global Electric Motor) vehicle which is used for meter reading will be replaced this year, instead of next year, since it has been having electrical issues and the body is cracking. The replacement cost is approximately \$15,000. President Costa commented that retail vehicle replacements will be significantly under budget for the year.

For information only; no action requested.

**Other Finance Matters (W/R)**

**Report back on March 19th ACWA Small Hydroelectric Workshop**

Mr. Mitch Dion informed the Board that he attended the ACWA Small Hydroelectric Workshop on March 19, 2015. He explained that there is new technology coming out and explained that the collective opportunity is not large for the District. He recommends that the District not pursue hydroelectric projects at this time. Mr. Dion informed the Board that there are some changes in the electric tariff that does make the opportunities to assign generation capacity sold back to the grid to multiple meters, which could be something to pursue with multiple pumps such as the pump back project.

President Costa referred the Board to the committee meeting minutes for the discussions which occurred under Other Finance Matters.

**V. INFORMATION AND ACTION ITEMS**

**1. GENERAL MANAGER'S REPORT**

**1.1 Report Back Items**

There were no items discussed.

**1.2 Miscellaneous District Issues and Correspondence**

There were no items discussed.

## **2. ASSISTANT GENERAL MANAGER'S REPORT**

### **2.1 2x2 Ad Hoc Committee Update**

Mr. Durkin reported that the 2x2 Water Management Ad Hoc Committee met on March 26, 2015, at Sacramento Suburban Water District. The meeting minutes will be provided at the next Board meeting. The results of the phone survey were presented to the committee. The Phase 2A report was discussed and the report was released for public comment. The agencies' websites were updated to include information on the proposed merger. As a result of the press release, information on the merger is being discussed on the radio and several news stations.

Mr. Durkin informed the Board that the wholesale direct mailer, that the Public Information Committee discussed, will be coordinated with the 2x2 Water Management Ad Hoc Committee. Director Miller would like the Public Information Committee to discuss the direct mailer at their next meeting. President Costa reported that Director Miller was appointed as the alternate member of the 2x2 Ad Hoc Committee until Director Walters arrived at the meeting.

*For information, no action requested*

### **2.2 Water Supply Update**

Mr. Durkin provided an update on Folsom Reservoir storage conditions and projections as part of the discussion on item 2.4.

### **2.3 Reclamation/DWR Temporary Urgency Change Petition to SWRCB**

Mr. Durkin provided information on the TUCP request by Reclamation and DWR as part of the discussion on item 2.4.

### **2.4 Meeting with Tom Howard, Executive Director, SWRCB**

Mr. Durkin informed the Board that he would address agenda items 2.2, 2.3 and 2.4 together. He conducted a presentation on the *Folsom Reservoir Water Supply Status* and a copy of the presentation will be attached to the meeting minutes. He reviewed Folsom Lake's Current Conditions, Reclamation's March Forecast Operations Plan, Reclamation/DWR's March 26 TUCP request and SWRCB response, and Folsom Lake Water Supply Alternatives.

Mr. Durkin reviewed a projection graph which showed Folsom Reservoir water levels at the USBR March Operations Forecast 90% Exceedance. He commented that the starting date projected storage was about 40 TAF above actual level. In addition, he provided projection graphs based on the Salmonid Plan 90% and the SWRCB Temp Optimal 90% plan. These two graphs show data from NMFS and SWRCB staff which maximizes storage in Shasta Reservoir to maintain cold-water pool for winter-run salmon in the Sacramento River thereby dropping Folsom Reservoir to dead pool.

Mr. Durkin reported that he and PCWA, City of Roseville and City of Folsom representatives met with Tom Howard, SWRCB Executive Director, on April 1<sup>st</sup>. The meeting was to discuss support for Reclamation/DWR's Temporary Urgency Change Petition (TUCP) and USBR Operations plan, and impacts of alternative plans.

Mr. Durkin reported that the TUCP was granted on April 6<sup>th</sup> until the end of June. The SWRCB is requiring additional temperature modeling and another temperature management plan. In addition, SWRCB will require updates and changes at their discretion.

Mr. Durkin provided two additional projection graphs which reflect changes to the Salmonid Plan and flow reductions after the TUCP was granted. These graphs reflect Folsom Reservoir not reaching dead pool.

*For information, no action requested*

## **2.5 Governor Brown's Drought Executive Order**

Mr. Durkin reviewed the staff report regarding Governor Brown's Drought Executive Order. A copy of the staff report will be attached to the meeting minutes. He explained that the State Water Resources Control Board (SWRCB) released a proposed regulatory framework for complying with the governor's executive order.

The proposed regulatory framework includes 4 tiers of conservation requirements starting at 10% and ending at 35% based on gallons per capita per day usage as compared to 2013 usage. The SJWD Retail falls within tier 4 with a required conservation requirement of 35% of the 2013 water usage. Mr. Durkin explained that since SJWD-R did well on conservation over the last year, SJWD-R will need to conserve slightly more to reach the 35%. In addition, he mentioned that additional monthly reporting will be required and SWRCB is considering fines up to \$10,000 per day to non-compliant agencies.

The Board discussed the proposed regulatory framework and options that the District could take. In addition, they discussed the region response to comment on the proposed regulatory framework. Mr. Durkin explained that the SWRCB will clarify the reporting requirements and proposed penalties.

In response to a member of the public's questions, Mr. Durkin explained that the 35% conservation will be required by the District's retail service area as a whole based on 2013 water use. In response to Vice President Tobin's question, Mr. Durkin explained that the Governor's Executive Order has a requirement that new construction cannot use potable water for irrigation unless it is through a drip or micro-spray system.

In response to Director Rich's question, Mr. Horowitz explained that the existing conservation stage ordinance is a living document and the

Governor's order would automatically modify the ordinance which would be in effect for 270 days.

The Board discussed adding this topic to the next Board workshop. Ms. Motonaga proposed that an additional workshop be set so that she can have direction for the budgeting process which is the topic of the April 29<sup>th</sup> workshop. The Board decided to schedule an additional workshop on April 16<sup>th</sup> to discuss the SWRCB mandates.

*For information, no action requested*

**2.6 Report Back Items**

There were no items discussed.

**2.7 Miscellaneous District Issues and Correspondence**

Mr. Durkin informed the Board that there were two documents provided to them – one on the proposed merger and one on a southern California water agency cutting water deliveries.

**3. FINANCE AND ADMINISTRATIVE SERVICES MANAGER'S REPORT**

**3.1. Report Back Items**

There were no items discussed.

**3.2. Miscellaneous District Issues and Correspondence**

There were no items discussed.

**4. LEGAL COUNSEL'S REPORT**

**4.1 Legal Matters**

No report.

**5. DIRECTORS' REPORTS**

**5.1 SGA**

Vice President Tobin reported that SGA meets April 9, 2015.

**5.2 RWA**

No report.

**5.3 ACWA**

**5.4.1 Local/Federal Government/Region 4 - Pam Tobin**

Vice President Tobin reported that documents are being worked on and she has emailed them to the directors.



5.4.2 Energy Committee - Ted Costa  
No report.

5.4.3 JPIA - Bob Walters  
No report.

**5.4 CVP Water Users Association**

President Costa reported that there is a meeting set for April 21, 2015.

**5.5 Other Reports and Comments**

There were no other reports or comments.

**VI. UPCOMING EVENTS**

1. 2015 ACWA Spring Conference  
May 5-8, 2015  
Sacramento, CA
2. 2015 AWWA Annual Conference & Exposition  
June 7-10, 2015  
Anaheim, CA

**VII. ADJOURN**

**The meeting was adjourned at 8:44 p.m.**

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EDWARD J. "TED" COSTA, President  
Board of Directors  
San Juan Water District

ATTEST:

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TERI HART, Board Secretary

**Personnel Committee Meeting  
San Juan Water District  
April 2, 2015  
3:00 p.m.**

**Committee Members:** Pam Tobin, Chair  
Bob Walters, Director

**District Staff:** Keith Durkin, Assistant General Manager  
Teri Hart, Board Secretary/Administrative Assistant

**Members of the Public:** Katie Kaneko, Koff & Associates  
Lanny Ebenstein

**Topics:** Compensation Study Policy (W & R)  
Compensation Study (W & R)  
Other Personnel Matters  
Public Comment

**1. Compensation Study Policy (W & R)**

In response to a request at the January 22<sup>nd</sup> Personnel Committee meeting, Mr. Durkin provided the committee with a staff report and a copy of the Compensation Study Policy. A copy of the staff report will be attached to the meeting minutes. He explained that the Personnel and Legal Affairs committees reviewed and modified the policy in June 2013 and the policy was adopted by the Board in August 2013.

The committee reviewed and discussed the Compensation Study Policy relative to the compensation study and draft final report prepared by Koff & Associates dated May 2014, specifically the purpose of conducting compensation studies, the methodology established by the District, and the compensation benchmark used for comparisons. The committee agreed the approach used by Koff & Associates is consistent with the adopted policy.

*For information only; no action requested.*

**2. Compensation Study (W & R)**

The committee discussed the status of the compensation study and the draft final report. It was confirmed that the appropriate total compensation items were included in the study for comparison with comparator agencies including base salary, insurance benefits, retirement plan, holiday, vacation and sick leave, etc. Ms. Kaneko informed the committee that she updated the May 2014 compensation data to include PERS base pension and Medicare cost information as requested by the committee and also provided available private sector data based on information obtained from the Bureau of Labor Statistics (BLS). She explained that only salary information was available from BLS and only for eleven of the twenty eight benchmarks used in the compensation study.

The committee agreed that the base PERS cost and Medicare information should be included in the report as an appendix, but not for compensation comparison purposes since it makes the District's total compensation look less competitive and that information is not a factor in hiring and retention. The committee also agreed that the draft final compensation study report should be updated and finalized to include current data since the report used 2013 data. Mr. Durkin commented that Koff & Associates' budget has

been increased to cover the additional scope of work that the committee has requested over the past year, and to cover the necessary data update. The original budget was \$19,600 which has been increased to \$34,600.

The committee commended Ms. Kaneko for the work she has done to date.

*The Personnel Committee directed Koff & Associates to update and finalize the report in order to present it to the Board.*

The committee agreed that the report is still a draft and until finalized will not be released. It is expected that the final draft report will be reviewed by the committee and then by the Board in May.

Mr. Durkin informed the committee that based on the experience of several consultants and staff's research efforts, it is difficult to obtain private sector compensation data. Although Koff & Associates was able to obtain some salary information, they also could not get private sector total compensation information. At the request of the committee, Mr. Lanny Ebenstein was contacted to discuss obtaining private sector compensation information. Mr. Ebenstein provided the committee information on his background and experience. He confirmed it is difficult to obtain benefit information and "to some extent the District would be breaking ground" if it could get this data. Mr. Ebenstein stated he could provide some salary information and qualitative information related to benefits that could be of value to the committee and District. The committee discussed the challenges of obtaining private sector total compensation information. Mr. Ebenstein will submit a proposal to the District by April 8, 2015, which will include the scope of work and details, deliverables, and cost.

### **3. Other Personnel Matters**

Mr. Durkin informed the committee that staff is expecting additional workload in the Customer Service Department due to the State drought mandates. We have already seen a substantial increase during 2014. Therefore, a temporary worker will be brought in to help with duties in the department.

*For information only; no action requested.*

### **4. Public Comment (W/R)**

There was no public comment.

The meeting was adjourned at 4:45 p.m.

# STAFF REPORT

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To: Personnel Committee  
From: Keith Durkin  
Assistant General Manager  
Date: March 30, 2015  
Subject: Compensation Study Policy

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## Recommendation

No action requested. This report is for Information only.

## Background

At the January 22, 2015 Personnel Committee meeting, the committee requested the Compensation Study Policy be reviewed at the next meeting. Policy 3110: Compensation Studies is attached to this report for information.

The Personnel Committee reviewed and amended the Compensation Study policy at the June 27, 2013 and July 11, 2013 committee meetings. It was referred to the August 6, 2013 Legal Affairs Committee meeting, and the full Board adopted the final policy at the August 15, 2013 Board Meeting.

In summary, the policy:

1. Establishes that the purpose of compensation studies is to determine fair and equitable compensation for employees in order to recruit and retain talented employees. Total compensation is used to determine if salaries and benefits are appropriate, or above or below the labor market for competitiveness.
2. Sets the timeline for performing compensation studies at approximately every 5 years, as directed by Board. (For comparison, the last SJWD compensation study was completed in February 2006 using 2005 data.)
3. Provides the methodology for conducting compensation studies to ensure that total compensation is used (as opposed to just salary) to compare the District's compensation level to the labor market. Total compensation includes: base salary; longevity and other specialized pay (such as, but not limited to auto allowance and incentives); District contribution towards health, dental, or vision insurance(s); and District payment of employee retirement or deferred compensation contribution. In addition, studies may include life insurance, short and long term disability, retirement formula, and paid time off (holidays, vacation, sick and administrative leave).

4. Documents the District's policy of maintaining a labor market position at 10-percent above average using the top of the range unless the compensation study sample size or other factors warrant further evaluation.

**Current Status**

The final compensation study policy approved by the Board in 2013 was used to complete the study and the *Draft Final Report of the Compensation Study* dated May 2014 by Koff & Associates.

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SAN JUAN WATER DISTRICT  
EMPLOYEE MANUAL

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POLICY TYPE : Compensation, Payroll Practices and Hours of Work  
POLICY TITLE : Compensation Studies  
POLICY NUMBER : 3110  
DATE ADOPTED : August 15, 2013  
DATES AMENDED :

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3110.00      Compensation Philosophy

It is the intention of the District to recruit and retain talented, results-driven employees to support the District's mission, values and goals. A compensation program is necessary to provide each employee with fair and equitable compensation for the skills the employee brings to the District and the position in which they serve. In order to provide each employee with fair and equitable compensation, the District has developed a systematic method to establish and maintain a compensation program by defining the process and clarifying the role and responsibility of the General Manager in that process. Pursuant to California Government Code sections 61051(d) and 61060(f), the General Manager has the responsibility to determine the compensation of employees subject to approval by the Board as given during the annual budget process.

3110.01      Process

To ensure consistency in setting compensation, it is necessary to compare the District to other survey agencies in the appropriate labor market. In order to achieve that goal, the District will conduct a compensation survey with oversight and approval by the Personnel Committee at regular intervals (approximately every five years or sooner as deemed necessary or as directed by the Board). Following the methodology prescribed below, the standard process will consist of:

- a) Selection of a study lead (consultant, agency, staff member, etc.);
- b) Determination of classes to be surveyed (or all as required);
- c) Prepare survey criteria and contact survey agencies;
- d) Collect, analyze and determine comparability of survey data; and
- e) Present recommendations of study lead.
- f) Recommendations will be evaluated and implemented at the Board of Directors' discretion, taking to account the District's standard methodology criteria as outlined in section 3110.02.

### 3110.02 Methodology

In order to maintain a fair and equitable compensation program, the District has established a standard methodology to be used in conducting compensation studies.

- a) Total compensation program includes: base salary; longevity and other specialized pay (such as, but not limited to auto allowance and incentives); District contribution towards health, dental, or vision insurance(s); and District payment of employee retirement or deferred compensation contribution. In addition, studies may include life insurance, short and long term disability, retirement formula, paid time off (holidays, vacation, sick and administrative leave) and training/educational programs. The total compensation program will be used when comparing the District's pay level to survey agencies as described below, which may include public and private sector when data is available. The intent of utilizing total compensation is to determine modifications other than salary which may be determined necessary.
- b) Survey agencies will include those providing similar services of similar size (number of employees, connections, population and budget) or otherwise deemed to be comparable within a radius identified based on position to the extent possible. For example, staff level positions could have the intent to search within approximately a 35 mile radius, managers within an 80 mile radius, and for the assistant general manager the search will be statewide. If a sufficient number of similar survey agencies are not available within the survey radius, a balanced number of smaller and larger agencies will be included to minimize skewing the results.
- c) The District will maintain a labor market position at 10% above average using the top of the range unless the sample size or other factors warrant further evaluation.
- d) Cost of living differences between surveyed agencies and the Sacramento Metropolitan Area will be evaluated to determine if significant wage differences require an adjustment to the data.

### 3110.03 Authority and Responsibility

The General Manager (or his/her designee) is responsible for preparing a compensation budget in accordance with this Policy, as well as all applicable District Policies, which will be included as part of the annual budget review process. The General Manager will have the authority to fix and alter employee compensation in accordance with the intent of this policy and within the budgetary guidelines approved by the Board of Directors.

The General Manager may change or alter the compensation budget during the year by either: 1) requesting the Board of Directors to authorize the General Manager to make such changes at budget adoption; or 2) submitting an amended compensation budget, explaining reasons and recommendations for the change, and receiving Board approval for the change.

The General Manager will have full operational authority to implement this policy up to the limits of the approved compensation budget, which includes:

- a) Determining staffing requirements, titles, positions, responsibilities and organization structure.
- b) Establishing pay/salary ranges and/or total compensation.
- c) Setting goals and conducting performance reviews.
- d) Establishing annual pay/salary adjustments, including annual merit increases and cost-of-living adjustments (COLA).
- e) Creating incentive pay programs.
- f) Creating programs for position upgrades and special assignments.
- g) Providing pay/salary and benefit benchmarking information and studies for Board review.
- h) Creating dual or multiple grade positions as needed.

The General Manager will insure the equitable and uniform implementation of this policy including reporting to the Board at least annually, typically during the budget process.

The Board of Directors is responsible for reviewing the compensation budget as part of the District's annual budget and has the authority to consider, amend as needed, and approve that budget.

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**Finance Committee Meeting Minutes**  
**San Juan Water District**  
**April 7, 2015**  
**4:00 p.m.**

**Committee Members:** Ted Costa, Director (Chair)  
Ken Miller, Director

**District Staff:** Keith Durkin, Assistant General Manager  
Kate Motonaga, Finance Manager  
Teri Hart, Administrative Assistant/Board Secretary

**Members of the Public:** Mitch Dion, SJWD

**Topics:** Review and Pay Bills (W & R)  
Pool Vehicle Replacement or Repair Options (R)  
GEM Vehicle Replacement (R)  
Other Finance Matters  
Report back on March 19th ACWA Small Hydroelectric Workshop (W & R)  
Public Comment

**1. Review and Pay Bills (W & R)**

The committee reviewed the presented bills and claims. In accordance with recommended practices, the committee specifically reviews any credit card charges and reimbursements for the General Manager, Assistant General Manager, Finance and Administrative Services Manager, and the Board Secretary. The reviewed bills and claims were found to be in order.

*Staff update: the total amount of bills and claims provided for approval for March payables is \$1,612,553.55.*

*The Finance Committee recommends approval of Resolution 15-04.*

**2. Pool Vehicle Replacement or Repair Options (R)**

Mr. Durkin informed the committee that the 15-year old Jeep has 125,000 miles on the odometer and is in need of replacement or repair. The Jeep is used by staff performing backflow prevention testing, conservation staff, and as a pool vehicle for employees on District business. Staff received an estimate that it will cost \$3,700 to replace the transmission. Although the vehicle was slated for replacement this year, staff has elected to have the vehicle repaired and to defer the replacement cost to another year.

*For information only; no action requested.*

**3. GEM Vehicle Replacement (R)**

Mr. Durkin informed the committee that the GEM (Global Electric Motor) vehicle which is used for meter reading is due for replacement next year. However, the vehicle has been having electrical issues and the body is cracking. The estimated repair costs are close to the replacement cost of approximately \$15,000; therefore,

staff recommends replacing the vehicle with another in-kind vehicle. Since the vehicle is not reliable, staff will research and obtain a replacement vehicle and report back to the committee. \$90,000 was budgeted this year for replacing a retail service truck and the pool vehicle discussed previously, so overall, retail vehicle replacements will be significantly under budget for the year.

*For information only; no action requested.*

#### **4. Other Finance Matters (W/R)**

##### **4.1 Report back on March 19th ACWA Small Hydroelectric Workshop**

Mr. Mitch Dion informed the committee that he attended the ACWA Small Hydroelectric Workshop on March 19, 2015. He explained that there is new technology coming out and explained that the collective impact is not large for the District. He recommends that the District not pursue hydroelectric projects at this time. The committee discussed the topic and various opportunities at the District where different opportunities could be investigated in the future.

Director Miller inquired if any tasks from the merger have impacted the Finance Department. Ms. Motonaga explained that Phase 2A has had little impact since the only information that was needed was from the 2013-14 fiscal year, which she has already been working on. Mr. Durkin explained that Phase 2B will have the potential to impact the Finance Department more due to the detail of that phase.

Director Miller inquired what staffing level is needed to assist the Finance Department in completing the 2 year conversion to Tyler and for completing any other finance tasks in a timelier manner. Ms. Motonaga explained that she will be bringing the information to the workshop on April 29<sup>th</sup>; however, at this time she will be recommending one additional full time regular finance position. The committee discussed bringing in additional temporary staff; however, Ms. Motonaga explained that at this time she and her department are at capacity and bringing in another temporary employee would require some training.

Director Miller inquired about the State Water Resources Control Board (SWRCB) issuing criteria for the drought. Mr. Dion responded that the SWRCB met this morning to discuss the criteria and will issue documentation at their next meeting. The committee discussed the drought rates and a pending court case regarding tiered rates.

Mr. Durkin informed the committee that SJWD has sponsored the ACWA conferences each year in the amount of \$2,000 annually and received a complementary conference registration for the following year's ACWA Spring or Fall Conference. The sponsorship amount has increased this year to \$3,000 in order to receive a complementary registration. The committee discussed the options and directed staff to continue the \$2,000 sponsorship.

Mr. Durkin informed the committee that the 150-day period for the wholesale customer agencies to comment on the wholesale rates and fees for FY2014-2015

has expired. There were no comments received and the new rates have taken effect.

In response to Director Costa's question, Mr. Durkin informed the committee that a meeting has been set for April 30<sup>th</sup> with the wholesale customer agencies to discuss water supply, operations, and groundwater pumping needs for this year. Mr. Dion commented that there have been no comments on the groundwater draft invoice revisions and he is working on a draft one-year agreement. Mr. Dion also commented that FOWD and CHWD indicated they thought a 5-year repayment schedule was reasonable. The committee discussed the payment schedule and agreed that payments should be a scheduled over a 5-year period. Ms. Motonaga will look at the current agreement regarding stand-by charges to maintain the wells so that she can include any costs in the budgeted financials if needed.

In response to Director Costa's question, Mr. Durkin explained that SSWD does not incur stand-by charges in the same way FOWD and CHWD do with SMUD since SSWD consistently uses groundwater.

**5. Public Comment**

There were no public comments.

The meeting was adjourned at 4:57 p.m.

**San Juan Water District**

**RESOLUTION 15-04  
PAYMENT OF BILLS AND CLAIMS**

WHEREAS, the Finance Committee of the Board of Directors has reviewed the bills and claims in the amount of \$1,612,553.55; and

WHEREAS, the Finance Committee of the Board of Directors has found the bills and claims to be in order.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Juan Water District as follows:

1. The bills and claims attached hereto totaling \$1,612,553.55 are hereby approved.
2. That the depository be and the same is hereby authorized to pay said bills and claims in the total sum of \$1,612,553.55 of the General Fund Account.

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 8th day of April 2015, by the following vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSENT:	DIRECTORS:

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EDWARD J. "TED" COSTA  
President, Board of Directors  
San Juan Water District

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TERI HART  
Secretary, Board of Directors

**APRIL 2015 CHECK REGISTER**

Vendor Nu	Vendor Name	Payment Date	Payment Type	Payment Amount
Bank Code: APBNK-APBNK				
01024	ACCOUNTEMPS	04/08/2015	Regular	\$ 15,060.36
03091	Ace Hardware - Auburn Folsom Act#2051	04/08/2015	Regular	\$ 156.33
01028	ADAM LARSEN	04/08/2015	Regular	\$ 400.00
01039	AFLAC	04/08/2015	Regular	\$ 1,135.70
01041	Afman Supply - Todd	04/08/2015	Regular	\$ 536.75
03109	ALFA LAVAL INC	04/08/2015	Regular	\$ 548.68
01068	ALPHA DES - Glenn Walker	04/08/2015	Regular	\$ 968.00
01073	AMARJEET SINGH GARCHA	04/08/2015	Regular	\$ 1,500.00
02463	AnswerNet	04/08/2015	Regular	\$ 204.60
01328	Association of CA Water Agencies Joint Powers In	04/08/2015	Regular	\$ 111.32
01138	AT&T	04/08/2015	Regular	\$ 163.80
01182	BARTKIEWICZ,KRONICK & SHANAHAN	04/08/2015	Regular	\$ 12,429.04
01187	BATTERY BILL INC	04/08/2015	Regular	\$ 24.46
01250	C & D Contractors, Inc.	04/08/2015	Regular	\$ 314,057.08
01282	CALIFORNIA ISO	04/08/2015	Regular	\$ 69.44
01298	CalPERS Long Term Care	04/08/2015	Regular	\$ 123.08
01298	CalPERS Long Term Care	04/08/2015	Regular	\$ 123.08
01298	CalPERS Long Term Care	04/08/2015	Regular	\$ 123.08
01376	CITY OF SACRAMENTO	04/08/2015	Regular	\$ 1,801.82
03159	Claudia Brown	04/08/2015	Regular	\$ 148.28
01411	CONSOLIDATED COMMUNICATIONS	04/08/2015	Regular	\$ 1,576.34
01420	CORT FURNITURE RENTAL	04/08/2015	Regular	\$ 124.32
02556	COSTA, Ted	04/08/2015	Regular	\$ 161.58
02214	County of Placer Engineering & Surveying	04/08/2015	Regular	\$ 1,069.00
01472	DAWSON OIL CO	04/08/2015	Regular	\$ 7,019.86
01494	DEWEY SERVICES INC	04/08/2015	Regular	\$ 82.00
03073	Dion, Mitch	04/08/2015	Regular	\$ 98.20
01509	DOMENICHELLI & ASSOCIATES INC	04/08/2015	Regular	\$ 1,500.00
03097	Energy Systems -ES West Coast LLC	04/08/2015	Regular	\$ 1,491.08
01609	FEDERAL EXPRESS CORP	04/08/2015	Regular	\$ 54.18
01623	FISHER SCIENTIFIC COMPANY LLC	04/08/2015	Regular	\$ 590.71
01631	FOLSOM CHEVEROLET INC.	04/08/2015	Regular	\$ 41.71
01657	GALIC DISBURSING COMPANY	04/08/2015	Regular	\$ 800.00
01659	GARY WEBB TRUCKING	04/08/2015	Regular	\$ 1,136.25
01681	GOLDEN STATE FLOW MEASUREMENTS	04/08/2015	Regular	\$ 2,490.81
01687	Grainger, Inc.	04/08/2015	Regular	\$ 972.59
01733	HARRIS WELDING, INC.	04/08/2015	Regular	\$ 22.73
01796	INSOMNIAC PRODUCTIONS INC	04/08/2015	Regular	\$ 554.70
01835	JASON HOFFMAN	04/08/2015	Regular	\$ 60.00
01844	JEDEDIAH THORNE	04/08/2015	Regular	\$ 105.00
03153	Kevin Luong	04/08/2015	Regular	\$ 49.58
03084	KOI ENTERPRISE	04/08/2015	Regular	\$ 17,775.00
03110	Lance, Soll & Lunghard, LLP	04/08/2015	Regular	\$ 5,870.00
01986	MAINTENANCE CONNECTION INC	04/08/2015	Regular	\$ 11,694.78
01998	MARK BENSON	04/08/2015	Regular	\$ 12.18
03155	Marron Road Ventures LLC	04/08/2015	Regular	\$ 104.90
03095	Martin Hanneman	04/08/2015	Regular	\$ 75.00
01837	Mayorga, Jason	04/08/2015	Regular	\$ 60.00
02017	MBK Engineers	04/08/2015	Regular	\$ 175.00
02021	MCCLURE, GEORGE TOM	04/08/2015	Regular	\$ 140.00
02024	MCI WORLDCOM	04/08/2015	Regular	\$ 101.54
02027	MCMaster-CARR SUPPLY COMPANY	04/08/2015	Regular	\$ 306.99
01916	Miller, Ken	04/08/2015	Regular	\$ 55.20
03160	MMS Strategies	04/08/2015	Regular	\$ 3,321.75

02069	MOTION INDUSTRIES, INC.	04/08/2015	Regular	\$	387.24
02094	Neff Rental LLC	04/08/2015	Regular	\$	132.04
02112	NINA MACFERREN-WATSON	04/08/2015	Regular	\$	125.90
02131	OFFICE DEPOT BUS SERV DIV	04/08/2015	Regular	\$	4,595.28
02146	P G & E	04/08/2015	Regular	\$	55,725.47
02150	Pace Supply Corp	04/08/2015	Regular	\$	2,684.23
03154	Paul Feitser	04/08/2015	Regular	\$	72.80
03156	Paul Wilson	04/08/2015	Regular	\$	73.34
03026	PFM Asset Management	04/08/2015	Regular	\$	807.70
02207	PLACER CO DEPT FACILITY SERVS	04/08/2015	Regular	\$	2,737.07
02210	Placer County Water Agency	04/08/2015	Regular	\$	101,371.26
02275	RAMOS ENVIRONMENTAL SERVICE	04/08/2015	Regular	\$	420.74
02281	RAY MORGAN COMPANY	04/08/2015	Regular	\$	997.04
02283	Recology Auburn Placer--DB	04/08/2015	Regular	\$	632.71
03066	RF MacDonald Co.	04/08/2015	Regular	\$	502.07
02293	RFI ENTERPRISES, INC.	04/08/2015	Regular	\$	88.00
02334	ROSE STROHMAIER	04/08/2015	Regular	\$	222.17
02353	S A W W A	04/08/2015	Regular	\$	105.00
02357	S M U D	04/08/2015	Regular	\$	9,056.51
02366	SAC VAL JANITORIAL SALES INC	04/08/2015	Regular	\$	27.76
02395	SAFETY KLEEN SYSTEMS INC.	04/08/2015	Regular	\$	1,205.39
02407	SCHEETZ WELDING SERVICE INC	04/08/2015	Regular	\$	296.91
02434	SHIELDS CONSULTING GROUP, INC.	04/08/2015	Regular	\$	1,240.70
02446	Sierra Chemical Co	04/08/2015	Regular	\$	3,116.91
02466	Silvers HR, LLC	04/08/2015	Regular	\$	1,267.25
02544	SYBLON REID	04/08/2015	Regular	\$	438,893.97
02567	TERI HART	04/08/2015	Regular	\$	63.25
02570	TERRY'S PAINTING & DCRTNG INC	04/08/2015	Regular	\$	640.00
02580	THE EIDAM CORPORATION	04/08/2015	Regular	\$	17,970.88
02629	TRENCH & TRAFFIC SUPPLY INC.	04/08/2015	Regular	\$	306.88
02638	TYLER TECHNOLOGIES INC	04/08/2015	Regular	\$	536.00
02651	UNITED PARCEL SERVICE	04/08/2015	Regular	\$	106.11
02667	US BANK CORPORATE PAYMENT SYS	04/08/2015	Regular	\$	11,626.96
02690	VERIZON WIRELESS	04/08/2015	Regular	\$	173.90
02700	Viking Shred, LLC	04/08/2015	Regular	\$	75.00
01026	ACE HARDWARE- Greenback	04/08/2015	EFT	\$	75.22
01048	AIRGAS INC	04/08/2015	EFT	\$	229.12
01232	Brower Mechanical, Inc.	04/08/2015	EFT	\$	842.00
01242	Bureau of Reclamation-MPR	04/08/2015	EFT	\$	138,128.31
01486	DEPARTMENT OF ENERGY	04/08/2015	EFT	\$	3,694.54
01521	DP2 BILLING SOLUTIONS LLC	04/08/2015	EFT	\$	9,514.04
01909	Durkin, Keith	04/08/2015	EFT	\$	88.00
01589	Eurofins Eaton Analytical, Inc	04/08/2015	EFT	\$	1,863.00
02179	PAYROLL	04/08/2015	EFT	\$	359,939.14
02187	PERFORMANCE PIPING, INC	04/08/2015	EFT	\$	4,179.13
02572	Thatcher Company of CA	04/08/2015	EFT	\$	18,531.69
02162	Tobin, Pamela	04/08/2015	EFT	\$	137.96
02706	VORTEC INDUSTRIES INC	04/08/2015	EFT	\$	479.95
02710	Wageworks, Inc	04/08/2015	EFT	\$	48.00
02730	Western Area Power Admin	04/08/2015	EFT	\$	7,141.13
<b>Total Payments:</b>				<b>\$</b>	<b><u>1,612,553.55</u></b>

Special Check Run:

Total Special Check Run:

\$ .

**TOTAL PAID**

**1,612,553.55**

REPORTED TO FINANCE COMMITTEE AS PAID AND PAYABLE

**1,579,133.79**

Adjustments:

**Credit Adjustment**

Ace Granite Bay	(19.78)
Safety Clean	(228.98)
Sierra Saw	(69.84)
Eurofins	(195.00)

**Invoices not on Finance Committee List**

Ace Granite Bay	21.26
Bureau of Reclamation - Apr. Est. Wheeling	5,187.00
Bureau of Reclamation - May Est. Wheeling	5,586.00
Golden State Flow	20.00
Syblon Reid	23,099.68
US Bank - R. Strohmaier	19.42

**TOTAL PAID**

**1,612,553.55**

Regular Checks	1,067,662.32
EFT's	544,891.23
<b>TOTAL PAID</b>	<b>1,612,553.55</b>

Signature

Signature

## STAFF REPORT

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To: Board of Directors  
From: Mitch Dion, Water Resource Project Manager  
Date: 19 March 2015  
Subject: SUMMARY REPORT SMALL HYDRO WORKSHOP

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### **RECOMMENDED ACTION**

For Informational purposes only, no action required.

### **BACKGROUND**

Periodically, San Juan Water District assesses the plausibility of expanding our energy portfolio. Generally, expansion of the solar production seems to be the most likely next step. However, a couple in-conduit (small hydro) projects have been identified and considered worthwhile once technology, market or grants converge to make these feasible in partnership with member districts. The agency staff strives to stay current on these matters and keep the Board of Directors informed.

On March 19<sup>th</sup>, Association of California Water Agencies (ACWA) sponsored a Small Hydro Workshop. The workshop provided useful information on the current technologies, trends, regulatory and financing opportunities. In consideration of the existing projects within San Juan District, there are no significant changes to warrant departing from the current capital or energy plans at this time.

However, once the Antelope Pump-Back project is completed, there may be some funding strategies combined with other changed circumstances which may warrant consideration of generation capability embedded in this project. Additionally, if consolidation of agencies occurs, the opportunity to offset the combined loads of so many additional pumps with small in conduit hydro may be warranted due to the tariff structure or other incentives.

### **FINANCIAL CONSIDERATIONS**

None at this time.



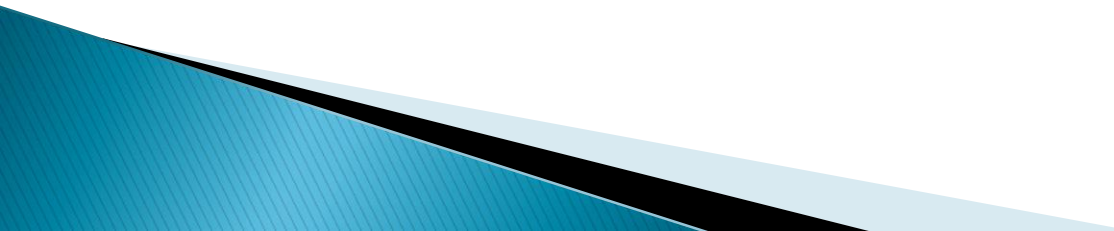
# **Folsom Reservoir Water Supply Status**

**April 8, 2015**

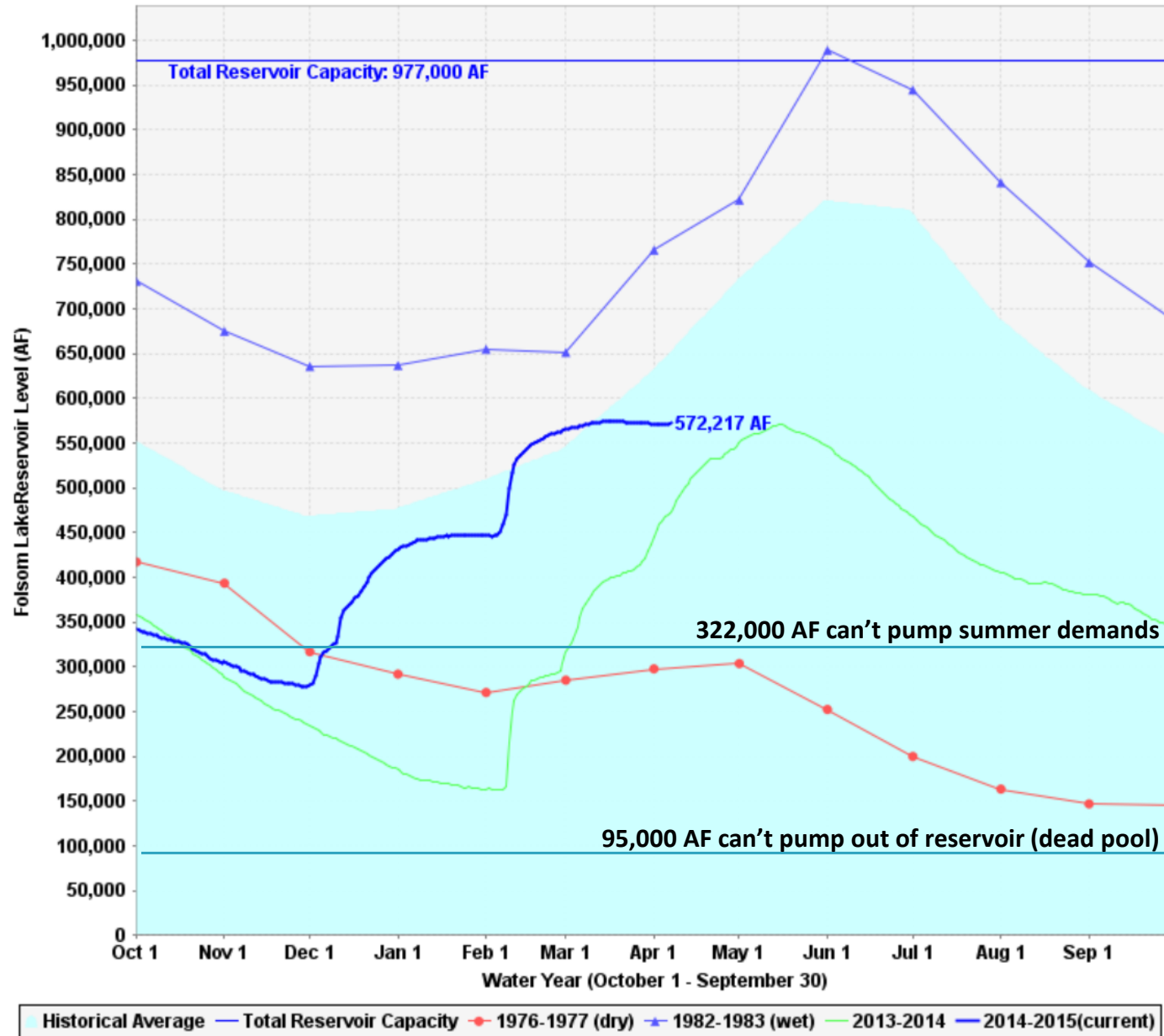
**Keith Durkin  
Assistant General Manager**

# Report Topics

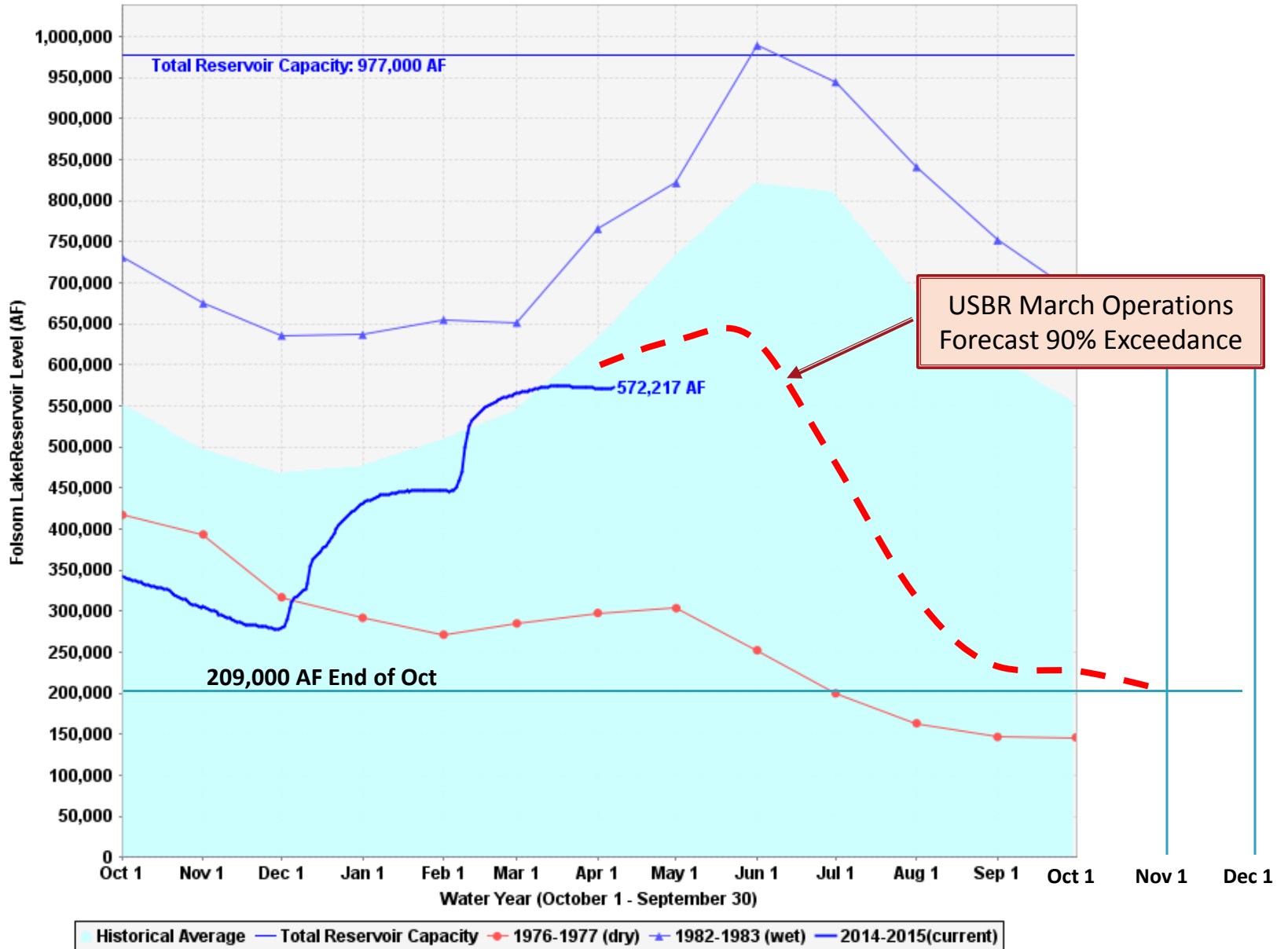


- ▶ Folsom Lake Current Conditions
  - ▶ Reclamation's March Forecast  
Operations Plan
  - ▶ Reclamation/DWR March 26 TUCP  
request and SWRCB response
  - ▶ Folsom Lake Water Supply Alternatives
- 

# Folsom Lake Current Condition

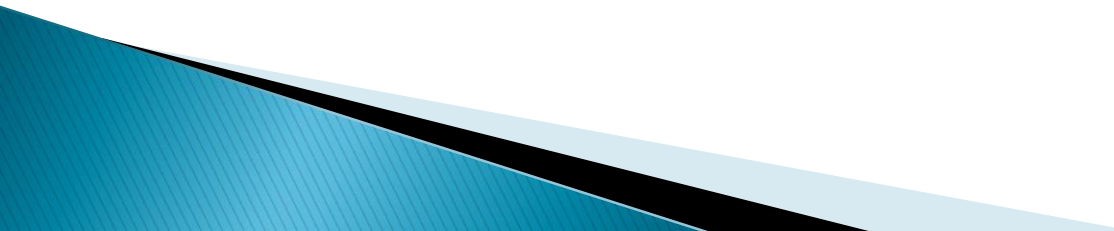


# Folsom Lake Water Supply Alternatives

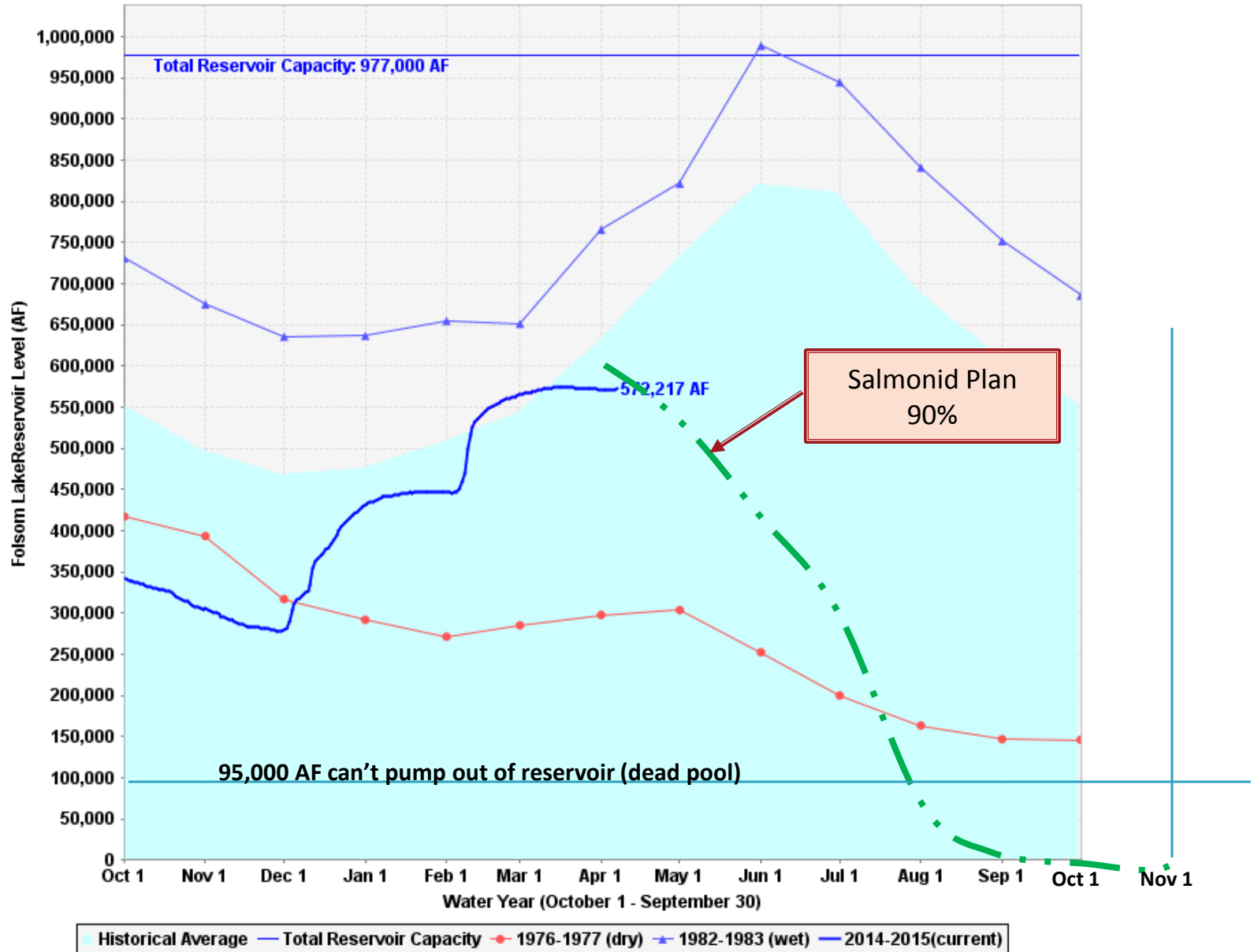


# SWRCB Response to TUCP Request

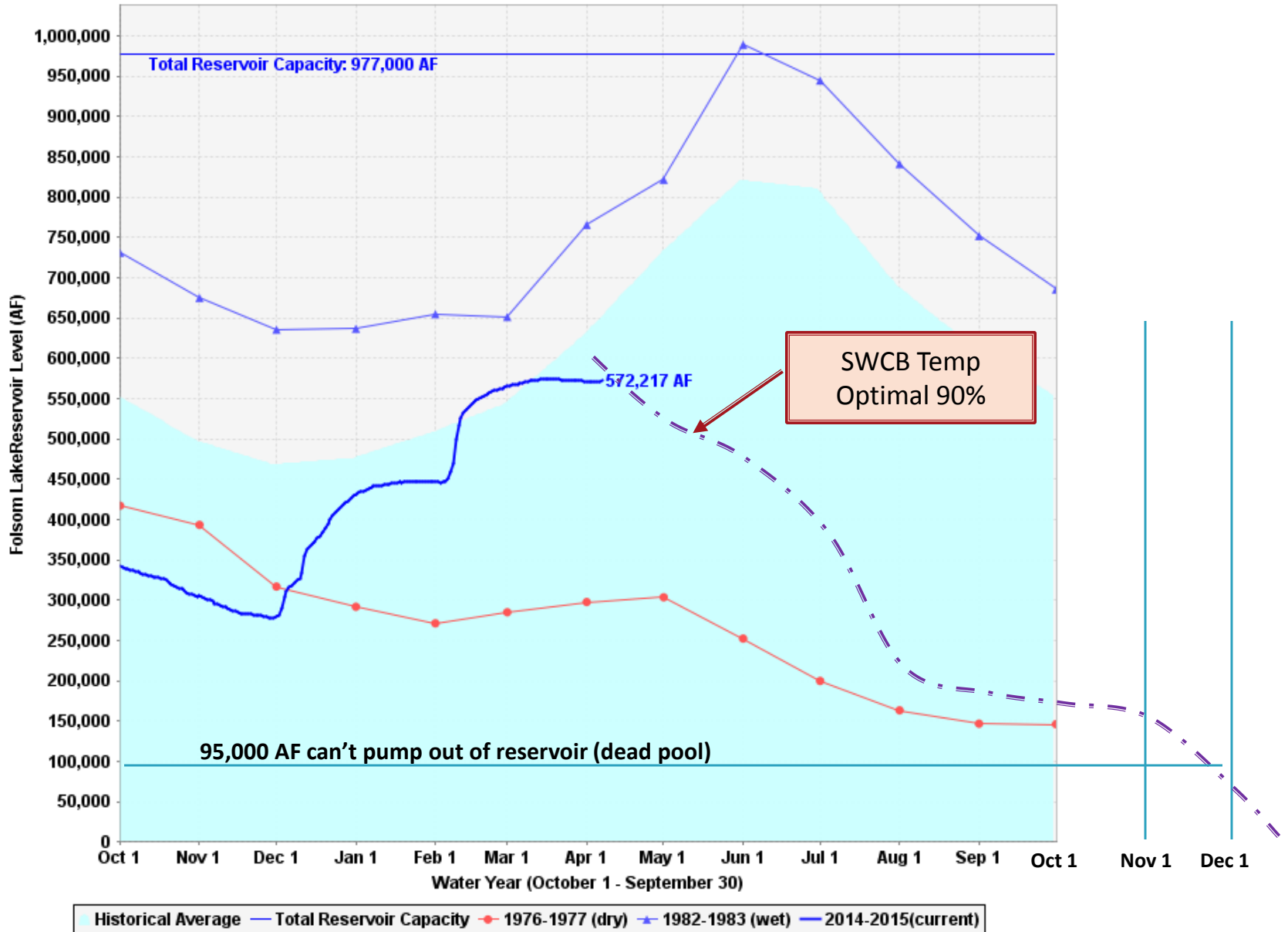


- ▶ Model proposals from NMFS and SWRCB staff to maximize storage in Shasta Reservoir to maintain cold-water pool for winter-run salmon in Sacramento River
    - ❖ Salmonid Plan (NMFS)
    - ❖ Temperature Optimal Plan (SWRCB)
- 

# Folsom Lake Water Supply Alternatives

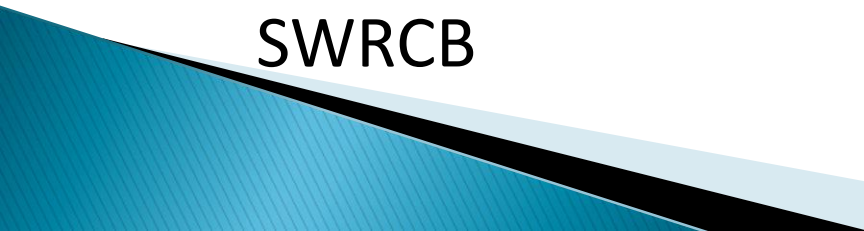


# Folsom Lake Water Supply Alternatives



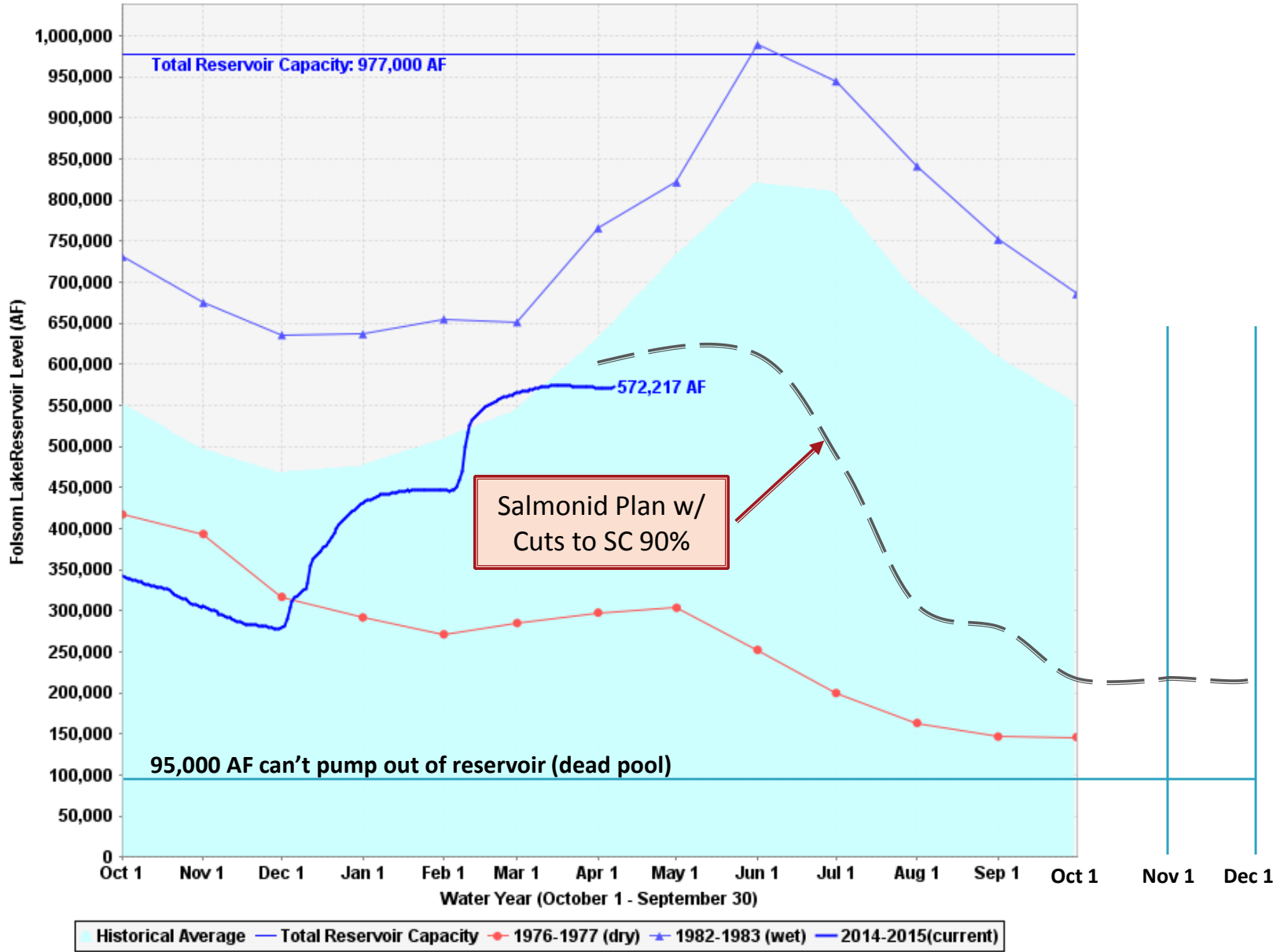
# Status of TUCP



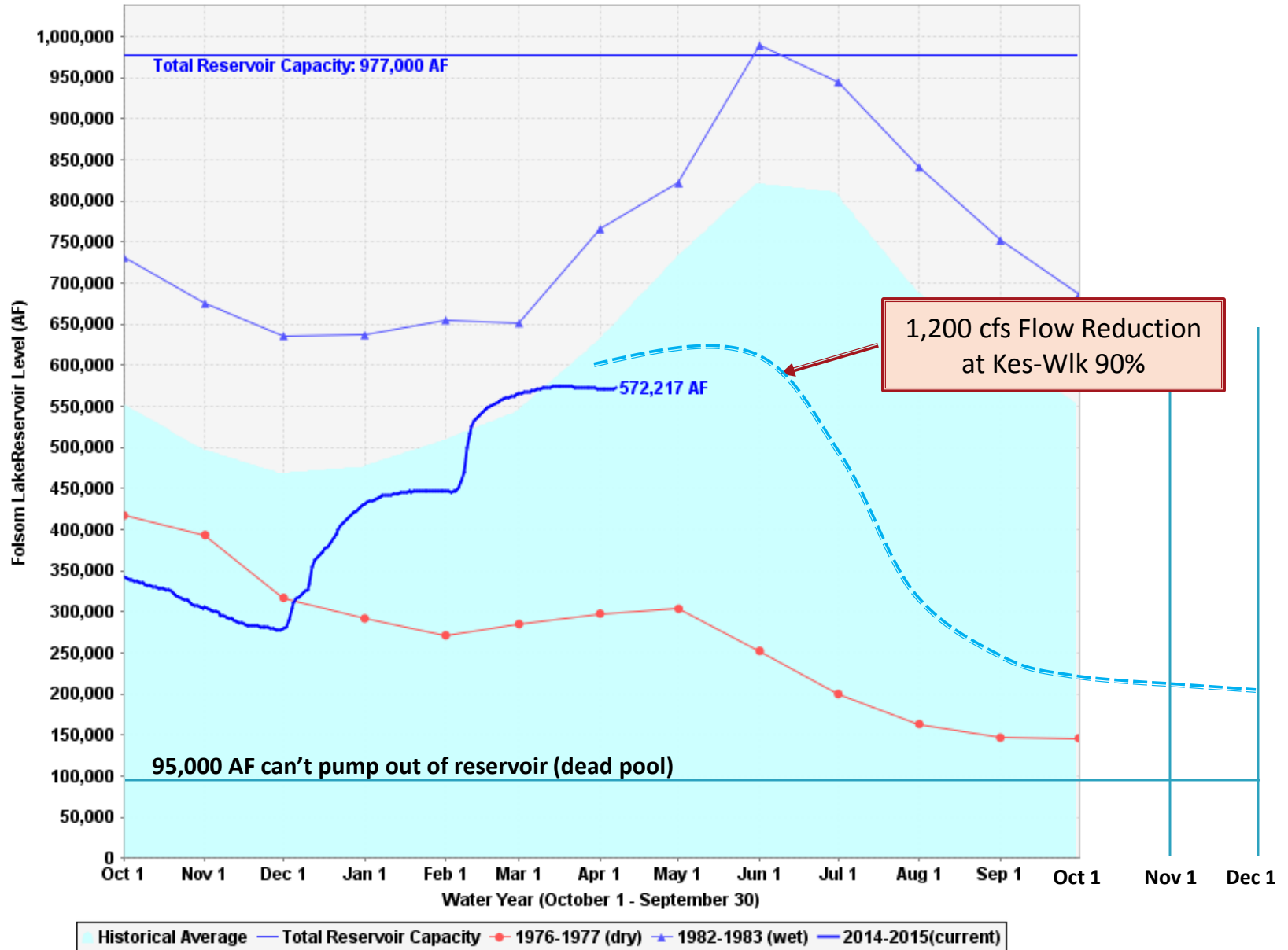
- ▶ Staff met with SWRCB Executive Director Tom Howard to discuss support for TUCP and USBR Operations plan, and impacts of alternative plans
  - ▶ TUCP granted on April 6<sup>th</sup>, only through June
  - ▶ Denied request to reduce Delta flows in July
  - ▶ Required additional temperature modeling
  - ▶ Requires temperature management plan by April 13 for Sac River winter-run Chinook salmon
  - ▶ Requires updates and changes as directed by SWRCB
- 



# Folsom Lake Water Supply Alternatives

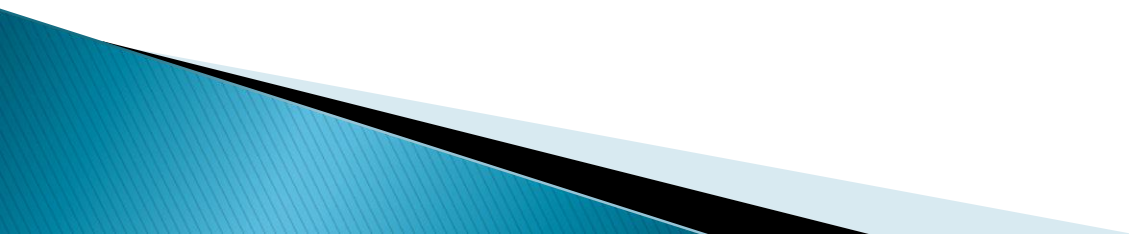


# Folsom Lake Water Supply Alternatives





**Questions?**



## STAFF REPORT

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To: Board of Directors  
From: Keith Durkin  
Assistant General Manager  
Date: April 1, 2015  
Subject: Governor Brown's Drought Executive Order

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### **Recommendation**

No action requested at this time. This report is for Information only. Action will be required of the Board in the very near future.

### **Background**

On January 17, 2014, Governor Brown proclaimed a State of Emergency due to severe drought conditions. On April 25, 2014, Governor Brown proclaimed a Continued State of Emergency to exist throughout the State of California due to the ongoing drought. On April 1, 2015, Governor Brown proclaimed the emergency remains in effect.

### **Current Status**

A copy of the Governor's Executive Order is attached to this staff report. The following is a summary of some of the provisions in the executive order issued by the Governor on April 1<sup>st</sup> that may affect the District.

### Save Water

For the first time in state history, the Governor has directed the State Water Resources Control Board to implement mandatory water reductions in cities and towns across California to reduce water usage by 25 percent. To save more water now, the order requires:

- Requires more restrictions in areas with higher per capita water use compared to lower per capita use areas;
- Replace 50 million square feet of lawns throughout the state with drought tolerant landscaping in partnership with local governments;
- Direct the creation of a temporary, statewide consumer rebate program to replace old appliances with more water and energy efficient models;
- Require campuses, golf courses, cemeteries and other large landscapes to make significant cuts in water use; and
- Prohibit new homes and developments from irrigating with potable water unless water-efficient drip irrigation systems are used, and ban watering of ornamental grass on public street medians.

### Increase Enforcement

The Governor's order calls on local water agencies to adjust their rate structures to implement conservation pricing, recognized as an effective way to realize water reductions and discourage water waste. Pricing structures should consider surcharges, fees, and penalties. Additional actions required by the order include:

- Taking action against water agencies in depleted groundwater basins that have not shared data on their groundwater supplies with the state;
- Updating standards for toilets and faucets and outdoor landscaping in residential communities and taking action against communities that ignore these standards; and
- Making permanent monthly reporting of water usage, conservation and enforcement actions by local water suppliers.

### Streamline Government Response

The order:

- Prioritizes state review and decision-making of water infrastructure projects and requires state agencies to report to the Governor's Office on any application pending for more than 90 days.
- Streamlines permitting and review of emergency drought salinity barriers – necessary to keep freshwater supplies in upstream reservoirs for human use and habitat protection for endangered and threatened species;
- Simplifies the review and approval process for voluntary water transfers and emergency drinking water projects.

# Executive Department

State of California

## EXECUTIVE ORDER B-29-15

**WHEREAS** on January 17, 2014, I proclaimed a State of Emergency to exist throughout the State of California due to severe drought conditions; and

**WHEREAS** on April 25, 2014, I proclaimed a Continued State of Emergency to exist throughout the State of California due to the ongoing drought; and

**WHEREAS** California's water supplies continue to be severely depleted despite a limited amount of rain and snowfall this winter, with record low snowpack in the Sierra Nevada mountains, decreased water levels in most of California's reservoirs, reduced flows in the state's rivers and shrinking supplies in underground water basins; and

**WHEREAS** the severe drought conditions continue to present urgent challenges including: drinking water shortages in communities across the state, diminished water for agricultural production, degraded habitat for many fish and wildlife species, increased wildfire risk, and the threat of saltwater contamination to fresh water supplies in the Sacramento-San Joaquin Bay Delta; and

**WHEREAS** a distinct possibility exists that the current drought will stretch into a fifth straight year in 2016 and beyond; and

**WHEREAS** new expedited actions are needed to reduce the harmful impacts from water shortages and other impacts of the drought; and

**WHEREAS** the magnitude of the severe drought conditions continues to present threats beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to combat; and

**WHEREAS** under the provisions of section 8558(b) of the Government Code, I find that conditions of extreme peril to the safety of persons and property continue to exist in California due to water shortage and drought conditions with which local authority is unable to cope; and

**WHEREAS** under the provisions of section 8571 of the California Government Code, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay the mitigation of the effects of the drought.

**NOW, THEREFORE, I, EDMUND G. BROWN JR.,** Governor of the State of California, in accordance with the authority vested in me by the Constitution and statutes of the State of California, in particular Government Code sections 8567 and 8571 of the California Government Code, do hereby issue this Executive Order, effective immediately.

## IT IS HEREBY ORDERED THAT:

1. The orders and provisions contained in my January 17, 2014 Proclamation, my April 25, 2014 Proclamation, and Executive Orders B-26-14 and B-28-14 remain in full force and effect except as modified herein.

## SAVE WATER

2. The State Water Resources Control Board (Water Board) shall impose restrictions to achieve a statewide 25% reduction in potable urban water usage through February 28, 2016. These restrictions will require water suppliers to California's cities and towns to reduce usage as compared to the amount used in 2013. These restrictions should consider the relative per capita water usage of each water suppliers' service area, and require that those areas with high per capita use achieve proportionally greater reductions than those with low use. The California Public Utilities Commission is requested to take similar action with respect to investor-owned utilities providing water services.
3. The Department of Water Resources (the Department) shall lead a statewide initiative, in partnership with local agencies, to collectively replace 50 million square feet of lawns and ornamental turf with drought tolerant landscapes. The Department shall provide funding to allow for lawn replacement programs in underserved communities, which will complement local programs already underway across the state.
4. The California Energy Commission, jointly with the Department and the Water Board, shall implement a time-limited statewide appliance rebate program to provide monetary incentives for the replacement of inefficient household devices.
5. The Water Board shall impose restrictions to require that commercial, industrial, and institutional properties, such as campuses, golf courses, and cemeteries, immediately implement water efficiency measures to reduce potable water usage in an amount consistent with the reduction targets mandated by Directive 2 of this Executive Order.
6. The Water Board shall prohibit irrigation with potable water of ornamental turf on public street medians.
7. The Water Board shall prohibit irrigation with potable water outside of newly constructed homes and buildings that is not delivered by drip or microspray systems.

8. The Water Board shall direct urban water suppliers to develop rate structures and other pricing mechanisms, including but not limited to surcharges, fees, and penalties, to maximize water conservation consistent with statewide water restrictions. The Water Board is directed to adopt emergency regulations, as it deems necessary, pursuant to Water Code section 1058.5 to implement this directive. The Water Board is further directed to work with state agencies and water suppliers to identify mechanisms that would encourage and facilitate the adoption of rate structures and other pricing mechanisms that promote water conservation. The California Public Utilities Commission is requested to take similar action with respect to investor-owned utilities providing water services.

#### **INCREASE ENFORCEMENT AGAINST WATER WASTE**

9. The Water Board shall require urban water suppliers to provide monthly information on water usage, conservation, and enforcement on a permanent basis.
10. The Water Board shall require frequent reporting of water diversion and use by water right holders, conduct inspections to determine whether illegal diversions or wasteful and unreasonable use of water are occurring, and bring enforcement actions against illegal diverters and those engaging in the wasteful and unreasonable use of water. Pursuant to Government Code sections 8570 and 8627, the Water Board is granted authority to inspect property or diversion facilities to ascertain compliance with water rights laws and regulations where there is cause to believe such laws and regulations have been violated. When access is not granted by a property owner, the Water Board may obtain an inspection warrant pursuant to the procedures set forth in Title 13 (commencing with section 1822.50) of Part 3 of the Code of Civil Procedure for the purposes of conducting an inspection pursuant to this directive.
11. The Department shall update the State Model Water Efficient Landscape Ordinance through expedited regulation. This updated Ordinance shall increase water efficiency standards for new and existing landscapes through more efficient irrigation systems, greywater usage, onsite storm water capture, and by limiting the portion of landscapes that can be covered in turf. It will also require reporting on the implementation and enforcement of local ordinances, with required reports due by December 31, 2015. The Department shall provide information on local compliance to the Water Board, which shall consider adopting regulations or taking appropriate enforcement actions to promote compliance. The Department shall provide technical assistance and give priority in grant funding to public agencies for actions necessary to comply with local ordinances.
12. Agricultural water suppliers that supply water to more than 25,000 acres shall include in their required 2015 Agricultural Water Management Plans a detailed drought management plan that describes the actions and measures the supplier will take to manage water demand during drought. The Department shall require those plans to include quantification of water supplies and demands for 2013, 2014, and 2015 to the extent data is available. The Department will provide technical assistance to water suppliers in preparing the plans.



13. Agricultural water suppliers that supply water to 10,000 to 25,000 acres of irrigated lands shall develop Agricultural Water Management Plans and submit the plans to the Department by July 1, 2016. These plans shall include a detailed drought management plan and quantification of water supplies and demands in 2013, 2014, and 2015, to the extent that data is available. The Department shall give priority in grant funding to agricultural water suppliers that supply water to 10,000 to 25,000 acres of land for development and implementation of Agricultural Water Management Plans.
14. The Department shall report to Water Board on the status of the Agricultural Water Management Plan submittals within one month of receipt of those reports.
15. Local water agencies in high and medium priority groundwater basins shall immediately implement all requirements of the California Statewide Groundwater Elevation Monitoring Program pursuant to Water Code section 10933. The Department shall refer noncompliant local water agencies within high and medium priority groundwater basins to the Water Board by December 31, 2015, which shall consider adopting regulations or taking appropriate enforcement to promote compliance.
16. The California Energy Commission shall adopt emergency regulations establishing standards that improve the efficiency of water appliances, including toilets, urinals, and faucets available for sale and installation in new and existing buildings.

#### **INVEST IN NEW TECHNOLOGIES**

17. The California Energy Commission, jointly with the Department and the Water Board, shall implement a Water Energy Technology (WET) program to deploy innovative water management technologies for businesses, residents, industries, and agriculture. This program will achieve water and energy savings and greenhouse gas reductions by accelerating use of cutting-edge technologies such as renewable energy-powered desalination, integrated on-site reuse systems, water-use monitoring software, irrigation system timing and precision technology, and on-farm precision technology.

#### **STREAMLINE GOVERNMENT RESPONSE**

18. The Office of Emergency Services and the Department of Housing and Community Development shall work jointly with counties to provide temporary assistance for persons moving from housing units due to a lack of potable water who are served by a private well or water utility with less than 15 connections, and where all reasonable attempts to find a potable water source have been exhausted.
19. State permitting agencies shall prioritize review and approval of water infrastructure projects and programs that increase local water supplies, including water recycling facilities, reservoir improvement projects, surface water treatment plants, desalination plants, stormwater capture, and greywater systems. Agencies shall report to the Governor's Office on applications that have been pending for longer than 90 days.

20. The Department shall take actions required to plan and, if necessary, implement Emergency Drought Salinity Barriers in coordination and consultation with the Water Board and the Department of Fish and Wildlife at locations within the Sacramento - San Joaquin delta estuary. These barriers will be designed to conserve water for use later in the year to meet state and federal Endangered Species Act requirements, preserve to the extent possible water quality in the Delta, and retain water supply for essential human health and safety uses in 2015 and in the future.
21. The Water Board and the Department of Fish and Wildlife shall immediately consider any necessary regulatory approvals for the purpose of installation of the Emergency Drought Salinity Barriers.
22. The Department shall immediately consider voluntary crop idling water transfer and water exchange proposals of one year or less in duration that are initiated by local public agencies and approved in 2015 by the Department subject to the criteria set forth in Water Code section 1810.
23. The Water Board will prioritize new and amended safe drinking water permits that enhance water supply and reliability for community water systems facing water shortages or that expand service connections to include existing residences facing water shortages. As the Department of Public Health's drinking water program was transferred to the Water Board, any reference to the Department of Public Health in any prior Proclamation or Executive Order listed in Paragraph 1 is deemed to refer to the Water Board.
24. The California Department of Forestry and Fire Protection shall launch a public information campaign to educate the public on actions they can take to help to prevent wildfires including the proper treatment of dead and dying trees. Pursuant to Government Code section 8645, \$1.2 million from the State Responsibility Area Fire Prevention Fund (Fund 3063) shall be allocated to the California Department of Forestry and Fire Protection to carry out this directive.
25. The Energy Commission shall expedite the processing of all applications or petitions for amendments to power plant certifications issued by the Energy Commission for the purpose of securing alternate water supply necessary for continued power plant operation. Title 20, section 1769 of the California Code of Regulations is hereby waived for any such petition, and the Energy Commission is authorized to create and implement an alternative process to consider such petitions. This process may delegate amendment approval authority, as appropriate, to the Energy Commission Executive Director. The Energy Commission shall give timely notice to all relevant local, regional, and state agencies of any petition subject to this directive, and shall post on its website any such petition.

26. For purposes of carrying out directives 2–9, 11, 16–17, 20–23, and 25, Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are hereby suspended. This suspension applies to any actions taken by state agencies, and for actions taken by local agencies where the state agency with primary responsibility for implementing the directive concurs that local action is required, as well as for any necessary permits or approvals required to complete these actions. This suspension, and those specified in paragraph 9 of the January 17, 2014 Proclamation, paragraph 19 of the April 25, 2014 proclamation, and paragraph 4 of Executive Order B-26-14, shall remain in effect until May 31, 2016. Drought relief actions taken pursuant to these paragraphs that are started prior to May 31, 2016, but not completed, shall not be subject to Division 13 (commencing with section 21000) of the Public Resources Code for the time required to complete them.
27. For purposes of carrying out directives 20 and 21, section 13247 and Chapter 3 of Part 3 (commencing with section 85225) of the Water Code are suspended.
28. For actions called for in this proclamation in directive 20, the Department shall exercise any authority vested in the Central Valley Flood Protection Board, as codified in Water Code section 8521, et seq., that is necessary to enable these urgent actions to be taken more quickly than otherwise possible. The Director of the Department of Water Resources is specifically authorized, on behalf of the State of California, to request that the Secretary of the Army, on the recommendation of the Chief of Engineers of the Army Corps of Engineers, grant any permission required pursuant to section 14 of the Rivers and Harbors Act of 1899 and codified in section 48 of title 33 of the United States Code.
29. The Department is directed to enter into agreements with landowners for the purposes of planning and installation of the Emergency Drought Barriers in 2015 to the extent necessary to accommodate access to barrier locations, land-side and water-side construction, and materials staging in proximity to barrier locations. Where the Department is unable to reach an agreement with landowners, the Department may exercise the full authority of Government Code section 8572.
30. For purposes of this Executive Order, chapter 3.5 (commencing with section 11340) of part 1 of division 3 of the Government Code and chapter 5 (commencing with section 25400) of division 15 of the Public Resources Code are suspended for the development and adoption of regulations or guidelines needed to carry out the provisions in this Order. Any entity issuing regulations or guidelines pursuant to this directive shall conduct a public meeting on the regulations and guidelines prior to adopting them.

31. In order to ensure that equipment and services necessary for drought response can be procured quickly, the provisions of the Government Code and the Public Contract Code applicable to state contracts, including, but not limited to, advertising and competitive bidding requirements, are hereby suspended for directives 17, 20, and 24. Approval by the Department of Finance is required prior to the execution of any contract entered into pursuant to these directives.

This Executive Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**I FURTHER DIRECT** that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this Order.

**IN WITNESS WHEREOF** I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 1<sup>st</sup> day of April 2015.

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EDMUND G. BROWN JR.  
Governor of California

**ATTEST:**

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ALEX PADILLA  
Secretary of State