

Director name: Gary Martin
Meetings attended: ACWA / JPIA Spring 2022 Conference
Dates of meetings: May 2-5, 2022
Location: Sacramento, CA
SCV Water Board meeting to be presented at: May 17, 2022

On May 2-5, 2022 I attended the 2022 ACWA / JPIA Spring Conference in Sacramento, California. The following is a day-by-day partial listing of the sessions attended with points of interest listed and agendas attached as noted:

May 2, 10:15 am, JPIA Executive Committee Meeting

CEO update (Andy Sells):

- Discussion of in-person meetings; pleased to be meeting in person.
- “Partnerships amongst our member agencies makes a real positive difference.”
- The interest received on funds now exceeds the cost of staff and administration.
- “Cyber is a real threat.”
- JPIA experienced losses last year.
- Members enrolled in all 4 programs balanced increases with decreases.
- Insurance market update: property market impacted by large losses from various events, with wildfire losses being the worst.
- There is pressure on other programs as well.

May 2, 1:30 pm, JPIA Board of Directors Meeting (see attached agenda)

The welcome, call to order, pledge of allegiance, and announcements were provided by ACWA JPIA Board Chair Jerry Gladbach.

- The consent calendar, including the minutes from the 11/29/2021 meeting was approved.
- II.A. An election was held for the position of Executive Committee Member. The candidates were Chris Kapheim of the Kings River Conservation District, Pam Tobin of the San Juan Water District, and John Weed of the Alameda County Water District. Chris Kapheim was selected by the voting members.
- II.D An election was held to fill two open California Water Insurance Fund (CWIF) Board seats and the two incumbent applicants, Andrew Morris of the Santa Rosa Regional Resources Authority, and Scott H. Quady of the Calleguas Municipal Water District were re-elected by the voting members.
- III.C. A presentation was made by ACWA Executive Director Dave Eggerton, covering various topics including the current drought, water conservation efforts, efficiency, and the ongoing voluntary settlement agreements. ACWA is in the process of establishing a new 501.C.3 non-profit to promote diversity, equity and inclusion (DEI). There is also a new program to promote public awareness about the need for infrastructure improvements.
- III.D. Executive Director Andy Sells gave a brief presentation on the California Water Insurance Fund (CWIF), which is a Captive Insurance Company, wholly owned by the JPIA, and domiciled in the State of Utah. As of March 31, 2022, the book value of the CWIF portfolio was \$158,182,529 and had a market value of \$162,239,020. The rate of return upon inception is approximately 16%.
- IV.A. Audited Financial Statements for the year ending September 30, 2021 were reviewed and approved by the Board.
- IV.B. The proposed Operating Budget for the fiscal year October 1, 2022 – 2023 was reviewed and approved by the Board. Of note was a 0.9% decrease from FY22.

- V.A. An update was received on the four Pooled Programs; Liability, Property, Worker's Comp, and Employee Benefits. The programs were described as "very stable." It was noted that health care contributes ¾ of the annual revenue.
- VI.A. An update was received on the Leadership Essentials for the Water Industry Program. This is a year-long program that began in 2015 and has graduated 150 leaders from JPIA member agencies. There are currently 29 participants who began in October / November and will complete in 1 year.
- VII.A. JPIA CEO Andy Sells provided an update on current events at JPIA.
- VIII.A Brief update was provided on current lawsuits directly involving JPIA.

May 3, 10:00 am, ACWA Groundwater Committee Meeting (see attached agenda)

Chairman John Woodling opened the meeting observing that "we have a packed house," and will not be doing the normal introductions due to time constraints.

- The DWR update was provided by Paul Gosselin and focused heavily on Executive Order N-7-22, Actions 9 and 13. Action 9 addressed drought well permitting with a goal of providing "a pause" in the more stringent permitting requirements to help the state get through the worst of the current drought. Action 13 is intended to provide some "relaxation" in permitting for groundwater recharge, and was characterized as "streamlining" the process. Also included in the DWR update was information SGMA assistance programs such as "Drinking Water Well Guidance."
- Under Groundwater Committee Business, a report was received from the California Department of Conservation, Keali'i Bright, Assistant Director Division of Land Resources. As an introduction, Mr. Bright mentioned the Williamson Act, aka the California Land Conservation Act of 1965. This act enables local governments to enter into contracts with private land owners for the purpose of restricting specific parcels of land to agricultural or related open space use. Mr. Bright provided a presentation entitled "Multi-Benefit Land Repurposing Program." The Budget Act of 2021 allocated the California Department of Conservation \$50 million to fund groundwater sustainability projects that reduce groundwater use, re-purpose irrigated agricultural land and provide wildlife habitat. Hence, the Multi-Benefit Land Repurposing Program, or MLRP, which "seeks to use this funding to increase regional capacity to repurpose agricultural land to reduce reliance on groundwater, while providing community health, economic wellbeing, water supply, habitat, renewable energy and climate benefits." The list of goals included groundwater sustainability, continue farming, avoid piecemeal fallowing, create more habitat, groundwater recharge, disadvantaged community benefits, greater leadership, broad partnerships, and program efficiencies.
- The committee also heard updates from the 4 subcommittees, groundwater quality, land use, legislative issues, and SGMA implementation.

May 4, 8:00 am, Opening Breakfast Program

- ACWA President, Pam Tobin provided opening welcome and remarks.
- ACWA Executive Director Dave Eggerton provided a brief ACWA update, including successes in the area of legislative funding for water-related initiatives, both state and federal. Mr. Eggerton also introduced a new program, QuenchCA.com, "Building Water for You."
- ACWA JPIA Board President, Jerry Gladbach, and ACWA JPIA Executive Director Andy Sells provide welcome remarks and a JPIA update.
- There were presentations of awards and scholarships, and of particular note, Shelby Negosian, as senior at Saugus High School, was selected as the inaugural recipient of the Arthur L. Littleworth Best Best & Krieger, LLP Diversity Scholarship. The scholarship award was described by BBK as follows: "Best Best & Krieger LLP, in partnership with the Association of California Water Agencies (ACWA), is pleased to introduce the Arthur L. Littleworth Best Best & Krieger Diversity Scholarship. This annual program was established in honor of the late Art Littleworth, a longtime BB&K partner, water law and policy visionary, and respected civil rights advocate."

Through this program, BB&K and ACWA will annually award one \$10,000 scholarship, disbursed evenly over a four-year period, to a qualified undergraduate student of diverse or underrepresented background who, by demonstrating a passion for and career trajectory in water law, and commitment to diversity and inclusion, will bolster public administration in California. The recipient will also receive mentorship opportunities with BB&K and an invitation to attend ACWA's 2022 Spring Conference." "BB&K is thrilled to launch a meaningful initiative that will annually honor Art's incredible legacy, support the interests and talents of diverse students over the course of their entire undergraduate career, and bolster our longstanding relationship with ACWA. In particular, we are excited to go beyond solely providing financial support by also providing aspiring students with mentorship and a firsthand glimpse at careers in law, water and policy," said BB&K Chief Talent Officer Danielle Sakai.

- The keynote address was delivered by Martha Guzman, Regional Administrator, Pacific Southwest Region 9, U.S. Environmental Protection Agency. She focused on water supply challenges in the west and available federal funding for water infrastructure projects.

May 4, 10:00 am, Region 2 Program, "Focus on the Fix, Not the Fight."

Speakers included David J. Guy, President of the Northern California Water Association, Jacob Katz, Senior Scientist for Cal Trout, and Luke Matthews, Wildlife Programs Manager for California Rice Association.

Points made by speakers and points of interest:

- Functional ecosystem depends on a healthy landscape.
- Land, sunlight and water are the 3 ingredients for success.
- Reactivation of floodplains is a way forward.
- Historically, Sacramento Valley has been wet. Modern Sacramento Valley is different, but can still be very productive.
- Integrating a working knowledge of the natural process into management of natural resources, "process-based based reconciliation."
- Reactivation of the Sacramento River Floodplain would be beneficial.

May 4, 11:15 am, Roundtable Talk – Accessing Federal Funding

Speakers and panelists:

Dave Reynolds, ACWA Federal Legislative Advocate

Ana D. Swab, Director of Government Affairs for Best Best & Krieger LLP

Lowry A. Crook, Partner: Environmental Law & Natural Resources for Best Best & Krieger LLP

Mark Limbaugh, President of the Ferguson Group, LLC

Sean Taylor, Senior Director at Van Ness Feldman, LLP

Points made by speakers and points of interest;

- Funding opportunities will have a focus on environmental justice and buy American.
- For phased projects where you haven't received funding for early phases, apply for later phases if money comes out.
- Title XVI funding will be available.
- Feasibility study will be needed.
- Get support from your local Congressman.
- NEPA not necessarily needed for initial application.

May 4, 1:45 pm, Finance Program – Lessons Learned from the Previous Drought: How to Prepare for the Next One.

Panelists:

Drew Atwater, Deputy General Manager for Moulton Niguel Water District

Sanjay Gaur, Principal Consultant for Water Resources Economics, LLC

Lufi Kharuf, Partner: Special Districts and Public Finance for Best Best & Krieger LLP

Topics covered and key points:

- Prop 218 and executive order review; ways to recover cost of operation when revenues fall due to reduced usage.
- Prop 26 and fixed vs. variable charges; how to achieve reliable revenue stream. There are many combinations of fixed vs. variable (commodity) charges.
- Must achieve alignment of costs and revenues.

May 4, 3:30 pm, Region 8 Membership Meeting

- Received ACWA update from ACWA President Pam Tobin on priority issues, establishment of a Nonprofit Foundation focusing on DEI, and QuenchCA.com focusing on drought issues.
- Received a presentation from Gregory Reed, the new General Manager at West Basin Municipal Water District.
- Received reports on 13 ACWA committee meetings.
- Received Outreach Task Force update.
- Received an ACWA-JPIA update.

May 5, 9:30 am, Water Industry Trends – SGMA: Where We’ve Been and What Comes Next

Panelists:

Paul Gosselin, Deputy Director for Sustainable Groundwater Management at Department of Water Resources (DWR).

Trevor Joseph, PG, CHG, Senior Engineer / Hydrogeologist for the City of Roseville.

Sean Maguire, Board Member for State Water Resources Control Board.

Deanna Jackson, Executive Director, Tri-County Water Authority

Points made by panelists and key points:

- We are 7 years into the SGMA process and have come a long way.
- DWR has reviewed the various steps to achieve agency formation and efforts to complete GSP’s.
- Still a long way to go, but amazed by how far we’ve come.
- Question: Drought response, how has the State’s response been different from that of years past?
- DWR: looking for long-term resiliency; the drought is really a wakeup call.
- Each panelist provided their own perspective on their experiences all the way through the process and where they go from here.
- What can the state do now and going forward to assist GSA’s and their implementation of GSP’s?
- Assistance could include Technical support, conflict resolution, listen to GSA’s and understand area of further support, triggering of State Board intervention.
- All speakers mentioned how much has been learned going through the process.
- Going through implementation may be painstaking initially.
- Need estimated costs across the state for implantation over the next 5 years.
- DWR: public funding for the “long haul” may not be realistic.



YOUR BEST PROTECTION

BOARD OF DIRECTORS' MEETING

AGENDA

Sheraton Grand Hotel
1230 J Street
Sacramento, CA 95814
(916) 447-1700

Monday – May 2, 2022 – 1:30 PM

WELCOME

TUESDAY SEMINARS

- Cybersecurity For Utilities: Principles And Framework
- The Protection Gap: Climate Risk And Insurance
- Sexual Harassment Prevention For Board Members & Managers

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

MEETING PARTICIPATION GUIDELINES

PLEDGE OF ALLEGIANCE

EVACUATION PROCEDURES

ANNOUNCEMENT RECORDING OF MEETING This meeting may be recorded to assist in preparation of minutes. Recordings will only be kept 30 days following the meeting, as mandated by the California Brown Act.

PUBLIC COMMENT Members of the public will be allowed to address the Board of Directors on any agenda item prior to the Board's decision on the item. They will also be allowed to comment on any issues that they wish which may or may not be on the agenda. If anyone present wishes to be heard, please let the Chairman know.

INTRODUCTION OF GUESTS

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Presenter

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I. CONSENT CALENDAR

Gladbach

- * A. Approve the minutes of the meeting of November 29, 2021.

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II. ELECTIONS

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| Gladbach | * A. Executive Committee special election – review the voting procedures and the list of qualified candidates | 136 |
| Gladbach | B. Each candidate to address membership prior to voting. | |
| Gladbach | C. Direct membership to vote. | |
| Gladbach | * D. Captive Board election – to be held after final results of Executive Committee special election. | 141 |
| Gladbach | E. Direct membership to vote. | |

III. ADMINISTRATION

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| Sells | * A. Glossary of Terms. | 144 |
| Gladbach | * B. Ratify Executive Committee's acceptance of new member agencies. | 156 |
| Eggerton | C. ACWA Presentation. | |
| Sells | * D. California Water Insurance Fund (CWIF) update. | 157 |

IV. FINANCIAL

- | | | |
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| deBernardi | * A. Review and approve the Audited Financial Statements for year ending September 30, 2021. | 159 |
| deBernardi | * B. Review and approve the proposed Operating Budget for the fiscal year October 1, 2022-23. | 243 |

V. PROGRAMS

- | | | |
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| Sells | * A. Pooled Program update: <ol style="list-style-type: none"> 1. Liability Program 2. Property Program 3. Workers' Compensation Program 4. Employee Benefits Program | 245 |
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VI. MEMBERSHIP BENEFITS

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| Slaven | * A. Leadership Essentials for the Water Industry Program update. | 247 |
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Slaven	* B. Human Resources update.	249
Crawford	* C. Training update.	251
Flint	* D. Announce the winners of the H.R. LaBounty Safety Award Program.	254

VII. CEO UPDATE

Sells	* A. Current events at the JPIA.	256
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VIII. OTHER BUSINESS

Greenfield	A. Briefly review pending lawsuits directly involving the JPIA.
Gladbach	B. Announce the Board of Directors' Reception at 5:00 p.m. following the Town Hall meeting and introduce sponsors in attendance.

ADJOURNMENT

*Related items enclosed.

MISSION STATEMENT: ACWA JPIA is dedicated to consistently and cost effectively providing the broadest possible affordable insurance coverages and related services to its member agencies.

Americans with Disabilities Act – ACWA JPIA conforms to the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. A request for disability-related modification or accommodation, in order to participate in a public meeting of the JPIA, shall be made to: Chimene Camacho, Executive Assistant, ACWA JPIA, P. O. Box 619082, Roseville, CA 95661-9082; telephone (916) 786-5742. The JPIA's normal business hours are Monday – Friday, 7:30 a.m. to 4:30 p.m. (Government Code Section 54954.2, subdivision. (a)(1).)

Written materials relating to an item on this Agenda that are distributed to the JPIA within 72 hours before it is to consider the item at its regularly scheduled meeting will be made available for public inspection at ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661-3700; telephone (916) 786-5742. The JPIA's normal business hours are Monday – Friday, 7:30 a.m. to 4:30 p.m.

Groundwater Committee Meeting

May 3rd 10:00 —11:45 am

Ballroom A9 —A11

Chair: John Woodling, Elk Grove Water District	Vice Chair: Michael Markus, Orange County Water	ACWA Staff Liaison: Soren Nelson
Register Onsite		
<i>Registration to attend committee meetings is required and complementary. As this meeting is held at ACWA’s Spring 2022 Conference, virtual attendance is not available.</i>		
<i>Please be advised that attendance at committee meetings will require adherence to current health & safety attendance requirements.</i>		

I. Chair’s Welcome & Introductions		John Woodling, Chair Michael Markus, Vice Chair
II. Consideration of 2022-2023 Committee Work Plan		All
STATE AGENCY UPDATES		
III. DWR Update		Paul Gosselin, DWR
GROUNDWATER COMMITTEE BUSINESS		
IV. Presentation: Multi-Benefit Land Repurposing Program		Staff, Dept. of Conservation
V. Innovation in Land Repurposing- Open Discussion		All
VI. Updates from Subcommittees		
a. Groundwater Quality	Greg Woodside, OCWD	
b. Land Use	Iris Prieststaff, Todd Groundwater Zoe Rodriguez del Rey, CVWD	
c. Legislative Issues	Anjannette Shadley, WCWD	
d. SGMA Implementation	Trevor Joseph, City of Roseville	
ACWA STAFF UPDATES		
VII. ACWA Federal Issues Update		Dave Reynolds, ACWA
VIII. ACWA State Legislative Update		Kris Anderson, ACWA
IX. ACWA State Regulatory Update		Soren Nelson, ACWA
X. Adjourn		John Woodling, EGWD