

BAWSCA

Bay Area Water Supply & Conservation Agency

BOARD POLICY COMMITTEE

October 12, 2011

1:30 p.m.

BAWSCA Offices, 155 Bovet Road San Mateo, 1st Floor Conference Room
(Directions on page 2)

AGENDA

- 1. Call To Order, and Roll Call** **(Klein)**
Roster of Committee members (*Attachment*)
- 2. Comments by Chair** **(Klein)**
- 3. Public Comment** **(Klein)**
Members of the public may address the committee on any issues not listed on the agenda that are within the purview of the committee. Comments on matters that are listed on the agenda may be made at the time the committee is considering each item. Each speaker is allowed a maximum of three (3) minutes.
- 4. Consent Calendar** **(Klein)**
Approval of Minutes from the August 10, 2011 meeting (*Attachment*)
- 5. Action Calendar** **(Jensen/Sandkulla)**
 - A. Authorization to Negotiate and Execute a Contract with PG&E for the Washing Machine Rebate Program (*Attachment*)
Issue: What is required to continue BAWSCA's joint Water Utility and Energy Utility Residential WMRP through the calendar year 2012?
Information to Committee: Memorandum and oral report.
Committee Action Requested: Recommend the Board to authorize the CEO to negotiate and execute a contract with PG&E, subject to legal counsel's review, for rebate processing services through June 30, 2013 associated with implementation of the Washing Machine Rebate Program from January 1 through December 31, 2012, and offer participation in the program to BAWSCA member agencies through December 31, 2012.
 - B. Amendment to Policies and Procedures for the Purchase of Equipment and Supplies/Award of Contracts (*Attachment*) **(Jensen)**
Issue: Should the Board's Procurement Policy be revised to increase the CEO's discretionary spending authority?
Information to Committee: Staff recommendation, supporting memorandum form legal counsel and draft Board resolution.
Committee action requested: The Board Policy Committee recommends the Board of Directors adopt:
 - 1) The proposed resolution revising the Procurement Policy, increasing the CEO's

discretionary spending authority to \$25,000 for purchases of equipment and supplies and services, while retaining the existing limit of \$10,000 for construction expenses.

2) Increase the limits for formal solicitation of bids for purchases of equipment and supplies.

- 6. Discussion Items** **(Jensen/Sandkulla)**
- A. Long-Term Reliable Water Supply Strategy – Policy Issues (*Attachment*)
 - B. SFPUC Water Supply Improvement Program – Status Report
 - C. FERC Process – Update (*Attachment*)
 - D. Landscape Education Program (*Attachment*)
 - E. Board Policy Calendar (*Attachment*)
- 7. Comments by Committee Members** **(Klein)**
- 8. Adjournment to the next meeting on December 14, 2011 at 1:30pm in the 1st floor conference room of the BAWSCA office building, at 155 Bovet Road, San Mateo.** **(Klein)**

*Upon request, the Board Policy Committee of the Bay Area Water Supply and Conservation Agency (BAWSCA) will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and the preferred alternative format or auxiliary aid or service at least two (2) days before the meeting. Requests should be sent to: **Bay Area Water Supply & Conservation Agency, 155 Bovet Road, Suite 650, San Mateo, CA 94402** or by e-mail at bawasca@bawasca.org*

*All public records that relate to an open session item of a meeting of the Board Policy Committee that are distributed to a majority of the Committee less than 72 hours before the meeting, excluding records that are exempt from disclosure pursuant to the California Public Records Act, will be available for inspection at **BAWSCA, 155 Bovet Road, Suite 650, San Mateo, CA 94402** at the same time that those records are distributed or made available to a majority of the Committee.*

Directions to BAWSCA

From 101: Take Hwy.92 Westbound towards Half Moon Bay. Exit at El Camino Northbound (move into the far left Lane) Left at the 1st stop light which is Bovet Road (Washington Mutual Building will be at the corner of Bovet and El Camino). Proceed West on Bovet Road past Albertson's to two tall buildings to your left. Turn left into the driveway between the two buildings and left again at the end of the driveway to the "Visitor" parking spaces in front of the parking structure.

From 92: Exit at El Camino Northbound and follow the same directions shown above.



BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD POLICY COMMITTEE

Committee Roster:

Larry Klein, City of Palo Alto (Chair)

Rob Guzzetta, California Water Service Company (Vice-Chair)

Ruben Abrica, City of East Palo Alto

Robert Anderson, Purissima Hills Water District

Randy Breault, City of Brisbane/GVMID

Irene O'Connell, City of San Bruno (BAWSCA Vice Chair)

Tom Piccolotti, North Coast County Water District

Barbara Pierce, Redwood City (BAWSCA Chair)

Bill Quirk, City of Hayward

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
BOARD POLICY COMMITTEE**

**August 10, 2011 – 1:30 p.m.
155 Bovet Road, 1st Floor Conference Room**

MINUTES

1. Call to Order: 1:32 p.m.

Committee Chair Larry Klein called the meeting to order at 1:32pm. All members of the committee were present, constituting a quorum. A list of the directors present (9) and members of the community who attended is attached.

2. Public Comments: There were no public comments.

3. Consent Calendar:

Approval of the Minutes from the June 8, 2011 meeting: By roll call vote, the Committee approved the minutes from the meeting of June 8, 2011. Directors O’Connell and Breault abstained.

4. Action Calendar:

Recommendation for Potential Uses for the General Fund: Mr. Jensen noted that in June, the Committee advised that the CEO: 1) provide at the September Board meeting, any one-time value-added work product that could be added to the Work Plan and budget and performed in FY 2011-12, and 2) present to the Board at mid-year, the projected year-end balance and alternatives for managing it.

Mr. Jensen presented an analysis of the current and projected size of the General Reserve. Although the current approved budget is within two percent of the level of assessments, the General Reserve balance can be expected to grow because actual expenditures historically average about 14 percent less than the approved budget, and unspent funds are deposited in the General Reserve following the close of each fiscal year. The General Reserve balance as of July 1, 2011 is \$1.05 M. If expenditures are at 86% during FY 2011-12, the projected General Reserve balance on July 1, 2012 will be between \$1.25 and \$1.40M.

Mr. Jensen then presented several alternatives for managing the General Reserve balance.

One alternative is to reduce the potential growth in the Reserve balance by decreasing the amount of unspent budget. Under-spending of the Operating Budget is typically in the areas of as-needed consultants, not using the entire contingency budget and an aggregate of savings across individually small budget items. An alternative for budgeting as-needed consultants was presented and received considerable discussion by the Committee. The ability to, and the advisability of fine-tuning the budget is limited by the relatively small size of the agency budget, the inherent uncertainty in the resources needed to achieve results and the low frequency of Board meetings at which modifications to the approved budget could be presented and considered.

Another alternative to reduce the growth in the Reserve balance would be to reduce the size of annual assessments. Mr. Jensen noted that if the option of reducing the assessments is considered, it should be planned and moderated to minimize variations in assessments from year to year.

A third alternative for managing the size of the Reserve balance would be to send agencies a refund. Refunding the agencies the excess reserve balances would provide sufficient reserves and mitigate fluctuations in assessments. But Mr. Jensen noted that it should be done as an exception, and not on a regular basis.

A fourth alternative would be to invest in one-time, value-added studies or services, provided sufficient resources are available to manage the additional work. Mr. Jensen noted that the current reserve balance will remain sizeable even if there is a one-time expenditure for a value-added project of \$200K. Ultimately, assessments must be decreased if future work plans do not require more budget resources. Investment in a one-time study should provide BAWSCA member agencies true value. However, such investments do not solve the long-range issue of managing the General Reserve balance. Mr. Jensen noted that a recommendation for a one-time study is included on the Committee meeting agenda as a separate item for the Committee's consideration. It was reviewed in the annual Work Plan for FY 2011-12 but was not included due to staff resources limitations at the time the budget was considered.

A fifth alternative would be to let the balance exceed the guidelines temporarily "provided there is: 1) a compelling reason to do so, and 2) a plan to reduce the balance on a specified schedule."

Mr. Jensen recommended a combination of actions be brought to the Committee and the Board at Mid-year for consideration. Potential measures that might be included are: reducing the size of the budget by creating a contingency pool for a portion of the budget devoted to as-needed consulting support; reducing assessments gradually to avoid wide fluctuations; consider evolving issues and the resources that might be needed to address them; and presenting a plan that projects the Reserve balance for a range of potential budget and spending levels.

Detailed Committee discussion ensued to understand how a contingency pool from each as-needed consultant might be developed and used, and how the current General Reserve balance could be reduced.

Director Abrica expressed his support to lower the assessments for one year and clearly stating that assessments would go back to the same level the following year.

Director Quirk concurred and stated that lowering the assessments is symbolic and the right thing to do.

Director O'Connell agreed and noted to clarify the amount.

Director Pierce expressed her support to gradually make changes to the assessments because of the unexpected nature of the needs of the agency. Additionally, Director Pierce said that staff compensation should be considered as it has remained unchanged over the last few years, the replacement of a retiring staff member will be needed, as well as the potential need for additional staff.

Director Piccolotti commented on whether the Work Plan is overambitious and whether the year's Work Plan will push expenditures closer to the budget.

Director Klein noted that refunding the agencies and lowering the assessments, although it may be a small amount, is valuable to the agency because it demonstrates the agency's responsibility and credibility.

Following in-depth discussion on details of a motion, the Committee, by roll call, voted on two separate motions.

Director Klein moved, seconded by Director Piccolotti, that the Board, at its meeting in September, consider refunding the agencies the surplus amount of the Reserve above the Board's newly adopted 35% guideline. The amount will be confirmed following the FY 10-11 Audit to be finalized in November. The motion passed by roll call vote.

Director Klein moved, seconded by Director O'Connell, to advise the CEO to report to the Board at mid-year his analysis of how much assessments can be reduced. Director Breault added to the motion that the CEO also include in his report a review of the budget and the Committee's suggested target guideline of reducing assessments by 8%, and to include in the budget a pooled contingency amount from the as-needed consultants that the CEO will have available to use at his discretion. He noted that the projected spending level, the projected Reserve balance, considerations for modification to the existing Work Plan and Operating Budget, as well as a discussion of factors that should be considered during preparation of the FY 2012-13 Work Plan, Operating Budget, and funding plan are factors the CEO regularly reports at mid-year, and should also be included. The motion passed by roll call vote. Director Guzzetta abstained.

Professional Services Contract with Camp Dresser and McKee CDM): As a result of the Committee's recommendation and acceptance by the Board in July, staff was asked to look into critical projects that could be done using a portion of the existing BAWSCA reserve balance, including the investigation of factors affecting current water use, and addressing current efforts to drain Hetch Hetchy reservoir.

Mr. Jensen emphasized that the consideration of possible projects was not done with an eye toward merely spending money, but was approached on the basis of creating added value for the member agencies and their customers.

The project recommended for consideration was considered by the Board in March and May 2011, but was placed on the list of activities not included in the Work Plan for FY 2011-12 due to staff resource constraints at the time the budget was formed. If undertaken, the project would develop a statistical tool to examine causes of water demand suppression by CDM. Additional comments made by directors at the July Board meeting were addressed in the staff memo.

Investigating the factors affecting current water use can provide a better understanding of the unprecedented reductions in water demand throughout California and the Bay Area. As agencies approach decision-making on long-term water supply planning, the information can avoid under-or over-estimating investments in new water supplies. Additionally, accounting for the factors that affect water use and water rate setting can stabilize revenues.

Mr. Jensen noted that a broad array of factors may contribute to the trend observed in the BAWSCA service area. The increased cost of water purchased from the San Francisco Regional Water System does not explain the observed trend, and does not explain the State-

wide decrease in water use. The Los Angeles Department of Water and Power (LADWP) and the City of San Diego observed such trends and had CDM analyze their water use trends using the same method proposed for the BAWSCA area.

LADWP reportedly used the tool in developing their Urban Water Management Plan to estimate how quickly water use might respond to an end to the recession, and to assess the effectiveness of its conservation program

The City of San Diego is reportedly examining a range of future demand projections based on the results they obtained from the tool.

Director Klein asked whether the results from LA and San Diego can be used for the Bay Area. Directors Breault and Piccolotti noted that the driving factors and water use trends between the areas may be very different. Mr. Jensen added that differences between Northern and Southern California would be at least as large as the differences between the two Southern California agencies.

Director O'Connell noted that San Bruno's water rates do not reflect increases from the SFPUC and questioned how useful the analysis will be.

Director Quirk stated that an analysis to look at the correlation of different factors over the last 30 years will not predict the future, and he would not support it. He commented that a statistical analysis that looks at the factors to understand the past would be more valuable, and he would support it. Director Quirk stated that this study is not the right study, and perhaps a different study can be considered. Mr. Jensen noted that no model will be able to predict the future and that the value of this analysis is to better understand the past as a means for improving future decisions.

Mr. Jensen reported that the proposed one-time study responds to the Board's direction in July. Additional interests noted at the July Board meeting included addressing the efforts by the group that wants to drain Hetch Hetchy Reservoir. Mr. Jensen stated that work on that issue is being pursued within the existing budget. If and when more resources are required to address this emerging issue, Mr. Jensen would come back to the Committee and the Board with a specific request.

Following comments by Committee members, Mr. Jensen summarized the Committee's view that it does not consider the study useful to the agencies at the local level. While the study might provide insights at the regional level, those results would not necessarily be useful at the local level for each agency. Mr. Jensen reported that the SFPUC is considering performing a different economic study in relation to the FERC relicensing process. That study would look at the significance of reductions in the flow of water to the Bay Area, as a possible result of the FERC relicensing process, and what the socio-economic impacts of such reductions might be. BAWSCA will monitor the development of the study and use of resulting data.

Director Quirk moved, seconded by Director Breault, to not move forward with the professional services contract with CDM to develop a statistical tool to examine causes of water demand suppression. The motion passed by roll call vote.

Mr. Jensen stated that he would not bring the proposed study to the Board without the Committee's support, and that the item, including the Committee's discussion, would be presented at the September Board as a report rather than as an action item

5. Reports:

- A. Board Policy Calendar: The management of the General Reserve balance will be added to the Board agenda in September, as well as the Board agenda in January with the mid-year budget report. The CEO will come back to the Committee in December with the budget report that was discussed at this meeting.
- B. Fall 2011 Landscape Classes: The Fall schedule has received very good media coverage and is currently a popular regional program.

6. Discussion Items:

Procedures for Conducting the CEO's Performance Evaluation: BAWSCA Chair, Barbara Pierce, reported that she has been working with Vice-Chair Irene O'Connell and Art Jensen in revising the process for conducting the CEO's performance evaluation. She requested the Committee's comments on the draft procedure summary and evaluation form.

Director Pierce noted that the goal is to develop a process that allows all Board members an opportunity to provide input to the CEO's evaluation.

This will be the first year for trying this new procedure. Because the evaluation is for the prior year, changes in the evaluation form were minimized.

Director Breault is pleased with the draft process and form. So that the Board chair would retain the ability to modify and improve the process, he preferred that the process not be adopted by the Board or amended to the CEO's contract. He also noted that the nature of the performance objectives on the form was appropriate for the requirements of the position, which do not lend themselves to quantifiable measurement. Director Abrica commented that the Board should agree on the objectives for the following year's performance review. It was noted that a step toward the end of the procedure provides for Board discussion of performance objectives for the following year.

Legal counsel commented that ongoing discussion is positive, and that changes to the procedure would not require an amendment to the employee contract or formal adoption by the Board. She also said that providing Director Pierce, as Chair of the Board, with the discretion to lead the evaluation process is appropriate.

Director Pierce said she would take Committee members' comments into consideration as she finalizes the process and evaluation form before presenting it to the Board

- 7. Comments by Committee Members: Director Quirk commented that the Committee had a good discussion of the items on the agenda and made very good recommendations.

- 8. Adjournment: The meeting was adjourned at 3:30 to the next regularly scheduled meeting on October 12, 2011 at 1:30 p.m. which will be held at 155 Bovet Road, 1st Floor Conference Room, San Mateo.

DRAFT

Board Policy Committee Minutes

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August 10, 2011

Respectfully submitted,

Arthur R. Jensen, Chief Executive Officer and Secretary

ARJ/le

Attachments: 1) Attendance Roster

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
Board Policy Committee
August 10, 2011**

Attendance Roster

Committee Members Present:

Larry Klein	City of Palo Alto
Ruben Abrica	City of East Palo Alto
Robert Anderson	Purissima Hills Water District
Tom Piccolotti	North Coast County Water District
Barbara Pierce	City of Redwood City
Bill Quirk	City of Hayward
Rob Guzzetta	California Water Service Company
Randy Breault	City of Brisbane/GVMID
Irene O'Connell	City of San Bruno

BAWSCA Staff Members Present:

Arthur Jensen	Chief Executive Officer
Lourdes Enriquez	Assistant to the CEO
Allison Schutte	Legal Counsel, Hanson Bridget, LLP.

Guests:

Paul Sethy	Alameda County Water District
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BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD POLICY COMMITTEE

Agenda Title: **Authorization to Negotiate and Execute a Contract with PG&E for the Washing Machine Rebate Program**

Summary:

Since January 2008, PG&E has administered a joint Water Utility and Energy Utility Residential Washing Machine Rebate Program (WMRP) in partnership with BAWSCA and the other major water utilities in the Bay Area. The current WMRP will end December 31, 2011. BAWSCA's current administrative contract with PG&E expires June 30, 2012 as it anticipates a 6 month close out period for the current program. However, in order to continue the WMRP through all of calendar year 2012, a new contract with PG&E needs to be executed.

Participating BAWSCA member agencies have expressed an interest to continue the joint WMRP with PG&E. A new contract between BAWSCA and PG&E would allow continuation of the current WMRP to at least June 30, 2012 at which time BAWSCA would have the opportunity to modify its participation in the WMRP through December 31, 2012 consistent with the desires of the participating member agencies.

Fiscal Impact:

None. As a subscription program, all costs are paid by participating BAWSCA agencies with all expenses, payments and bank transactions associated with subscription programs accounted for separately from BAWSCA's operating budget.

Recommendation:

That the Committee recommends that the Board authorize the Chief Executive Officer to:

- 1) Negotiate and execute a contract with PG&E, subject to legal counsel's final review, for administrative and rebate processing services through June 30, 2013 associated with implementation of the Washing Machine Rebate Program from January 1 through December 31, 2012, and**
- 2) Offer participation in the program to BAWSCA member agencies through December 31, 2012.**

Discussion:

Since 2001, BAWSCA has partnered with other major Bay Area water utilities to offer the Bay Area Water Utility Clothes Washer Rebate Program (WMRP). In January 2008, PG&E began administration of the WMRP on behalf of the Bay Area water utilities to offer a new combined Water Utility and Energy Utility rebate program to Bay Area residents.

The change to PG&E as the administrator of the program has increased visibility of the program, increasing rebate activity up to 30% in some areas. Customers have indicated a high rate of satisfaction with the current format of the WMRP because they are able to complete a single rebate application form and get rebates from both PG&E and the Bay Area water utilities.

As has occurred before, PG&E and the Bay Area water utilities are considering modifications to the WMRP including modification of the specific machines eligible for rebate and the rebate amounts.

Further discussions with PG&E and the Bay Area water utilities and participating BAWSCA agencies will continue over the coming month as the WMRP details are finalized to ensure BAWSCA agency satisfaction in continued participation. PG&E is proposing no increases in costs or new costs for administering the program in calendar year 2012.

BAWSCA agency participation in BAWSCA's conservation programs, including the WMRP, typically operates on a fiscal year basis, as this is consistent with the budget cycles of most of the BAWSCA agencies. In contrast, PG&E operates on a calendar year basis, which is why the current WMRP ends December 31, 2011. BAWSCA's current contract with PG&E expires on June 30, 2012 which allows for a 6-month close-out period. In the event that PG&E or BAWSCA were to elect not to continue the WMRP beyond December 31, 2011, the six-month close-out period accommodates the three months that customers have to submit a rebate request, plus processing time for the rebates and resolution of all accounting.

A new contract with PG&E starting January 1, 2012 through June 30, 2013 would allow for the current WMRP to continue through December 31, 2012 with a 6-month close-out period allowance.

Alternatives to the Recommended Action:

Two primary alternatives exist to the recommended action.

1. Offer Program Using Different/New Rebate Administrator: Prior to using PG&E as the rebate administrator for this program, the Bay Area water utilities contracted with Electric Gas Industry Associates (EGIA) to administer the program. Other entities also exist that would potentially be willing to administer a regional WMRP. The EGIA administrative fees for the WMRP were greater than PG&E's current administrative fees. Furthermore, customers have indicated a high rate of satisfaction with the current format of the WMRP because they are able to complete a single rebate application form and get rebates from both PG&E and the Bay Area water utilities. At this time no other Bay Area water utilities have indicated a desire to change WMRP administrators. In addition, customer satisfaction rates might decrease if BAWSCA did not continue to utilize PG&E as the program administrator because they would no longer be able to fill out a single rebate application. Lastly, if BAWSCA decided to go with a different WMRP administrator, a full request for proposal process would be required, which would delay the continuation of the WMRP until a new contract was in place.
2. Not Offer Program: The WMRP has been the most successful conservation program offered within the BAWSCA service area to date. Since 2001, the number of agencies, total budgets, and total number of rebates issued has increased each year. Continued implementation of the WMRP with expanded customer participation is one of the five key conservation measures included in BAWSCA's 2009 Water Conservation Implementation Plan. Full implementation of these five measures will be critical to achieving sufficient conservation savings to continue to provide reliable supplies to all BAWSCA member agencies through 2018.

Background:

The Bay Area Water Utility Clothes Washer Rebate Program began on October 1, 2001. In 2002, the regional program expanded with eight other Bay Area water agencies joining to offer a single Bay Area Water Utility Clothes Washer Rebate Program covering a region of 2.7 million residential customers. In addition to BAWSCA, other participants in this regional program include Contra Costa Water District, Zone 7 Water Agency, East Bay Municipal Utility District, Alameda County Water District, Santa Clara Valley Water District, Marin Municipal Utility District, Sonoma County Water Agency, and City of Davis. SFPUC joined in July 1, 2006.

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD POLICY COMMITTEE MEETING

Agenda Item Title: Amendment to Policies and Procedures for the Purchase of Equipment and Supplies/Award of Contracts

Summary:

Under the Board's Procurement Policy, originally adopted in 2004, the CEO's discretionary spending authority is limited to \$10,000. In order to ensure BAWSCA's CEO has appropriate authority to achieve results in a timely manner, an increase in the CEO's discretionary spending authority is proposed. In addition, the limits requiring formal solicitation of bids for the purchase of equipment and supplies have also been increased.

Fiscal Impact:

The recommended changes have no impact on the budget.

Recommendation:

The Board Policy Committee recommends the Board of Directors adopt:

- 1) The proposed resolution revising the Procurement Policy, increasing the CEO's discretionary spending authority to \$25,000 for purchases of equipment and supplies and services, while retaining the existing limit of \$10,000 for construction expenses.
- 2) Increase the limits for formal solicitation of bids for purchases of equipment and supplies.

Discussion:

The Board's Procurement Policy, originally adopted in 2004, limits the CEO's discretionary spending authority to \$10,000. At that time, \$10,000 was a suitable amount. However, seven years later, that amount is no longer appropriate to allow the CEO the flexibility necessary to achieve results in a timely manner. The recommended amount is consistent with other Bay Area public entities, as shown in the attached memo from Hanson Bridgett. It is recommended that the increase in discretionary spending be increased to \$25,000 for purchases of equipment and supplies and services. It is also recommended to increase the limit required for solicitation of equipment and supplies. The limit of \$10,000 for construction expenses would not change.

Attachments: Legal Counsel supporting memo, the Procurement Policy containing proposed adjustments in strike and bold format and clean format along with a resolution for adopting it.



Memorandum

TO: Art Jensen, CEO BAWSCA **FILE NO.:** 7843.1

FROM: Allison Schutte
Julie Sherman

DATE: October 6, 2011

RE: **Amendments to Policies and Procedures for the Purchase of Equipment and Supplies/Award of Contracts**

Attached for your review is a draft resolution updating the Policies and Procedures for the Purchase of Equipment and Supplies and the Award of Contracts (Policies and Procedures) as well as a redlined version of the amended Policies and Procedures. The attached draft accomplishes the following:

(1) General Manager – Contract Authority

It revises the limits within which the General Manager may enter into contracts, issue purchase orders and generally spend BAWSCA funds. Currently, the authority of the General Manager for contracts is \$10,000. The amended Policies and Procedures changes this amount to \$25,000 for most contracts, which is consistent with other Bay Area public entities, including member agency water districts, as the chart below demonstrates.

GENERAL MANAGER CONTRACT AUTHORITY ¹			
Agency	Equipment/Supplies	Professional Services	Construction
Representative Bay Area Water Districts	\$30,000 - \$50,000	\$25,000	\$30,000 - \$50,000
Representative Bay Area Transit Planning Districts	\$25,000 - \$50,000	\$25,000 - \$50,000	\$25,000
BAWSCA			
Current limit	\$10,000	\$10,000	\$10,000
Proposed limit	\$25,000	\$25,000	No Change

¹ Larger agencies, such as Samtrans, the Golden Gate Bridge District, Bart, and AC Transit, with significant capital projects, have General Manager contract authority up to \$100,000.

Memorandum To: Art Jensen, CEO BAWSCA
Allison Schutte
Julie Sherman
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Please note that for construction contracts, the General Manager's contract authority will continue to be \$10,000; as procurements of such contracts are anticipated to be rare, it should not be a burden to seek Board approval for contracts over \$10,000.

(2) Solicitation Policy

The Policies and Procedures have been amended with updated limits in most procurement categories. These changes represent an increase over the prior limits and are inclusive of the annual increase for the Consumer Price Index, which is allowed per Section VI of the existing Policies and Procedures. These changes are consistent with limits recognized by other Bay Area public entities. For example, by statute, Samtrans uses formal competitive bidding for procurements over \$100,000; informal procurement methods (i.e. obtaining three oral or written quotations) may be used for amounts under \$100,000.

If you have any questions, please do not hesitate to contact Allison at (415) 995-5823 or Julie Sherman at (415) 995-5185.

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
POLICIES AND PROCEDURES FOR THE PURCHASE OF EQUIPMENT AND
SUPPLIES AND THE AWARD OF CONTRACTS**

I. PURCHASE OF EQUIPMENT AND SUPPLIES

A. Purchases Under \$4025,000

When the estimated cost of equipment or supplies is below \$4025,000, the General Manager may award the contract or purchase order. If the estimated cost is less than \$2,5005,000, the General Manager shall attempt to secure the best value for the Agency, but need not solicit quotes or bids. If the estimated cost is between \$2,5005,000 and \$510,000, the General Manager shall solicit informal quotes from at least two vendors. If the estimated cost exceeds \$510,000, but is less than \$4025,000, the General Manager shall solicit formal written quotes from at least three vendors, but need not formally advertise for the solicitation of bids.

B. Purchases of \$4025,000 or More

All contracts in the amount of \$4025,000 or more shall be submitted to the Board of Directors for approval. When the estimated cost of equipment or supplies is \$4025,000 or more, the General Manager shall solicit formal written bids/proposals through means and methods which he or she determines to be most cost-effective, which may include advertisement in a newspaper of general circulation in the Agency.

C. Leasing of Equipment

Leasing or renting of equipment is permitted if advantageous to BAWSCA. If the total rental payments due under a lease are below \$4025,000, the General Manager shall follow the procedure in Section I.A. If the total rental payments due under a lease are \$4025,000 or more, the General Manager shall follow the procedure in Section I.B.

D. Reporting

The General Manager shall report to the Board of Directors on all contracts or leases entered into under Section I.A or I.C at the next meeting of the Board.

E. General

1. Board approval is required for extension of contracts or purchase orders beyond one (1) year where the cost of the extension is estimated to exceed \$4025,000.
2. The General Manager is authorized to purchase equipment and supplies through the State of California cooperative purchasing program authorized by Public Contract Code Section 10298, California Multiple Awards

October 12, 2011 – Agenda Item 5B - Attachment

Schedule (CMAS). If the cost of such purchase is expected to exceed \$4025,000, the General Manager shall obtain Board approval before participating in the CMAS procurement.

II. PURCHASE OR LEASE OF REAL PROPERTY

Any contract for the purchase of real property must be submitted to and approved by the Board of Directors.

Any lease or sublease of real property, including any renewal or extension of an existing lease or sublease, must be submitted to and approved by the Board of Directors.

III. CONTRACTS FOR SERVICES

Contracts for services in which the maximum compensation payable does not exceed \$4025,000 may be entered into by the General Manager. [All other contracts](#)

~~Contracts for services in which the maximum compensation payable exceeds \$10,000~~ shall be submitted to and approved by the Board of Directors.

IV. CONTRACTS FOR CONSTRUCTION

Any contract for construction (other than a leasehold improvement costing less than \$10,000) shall require approval of the Board of Directors.

V. GENERAL MANAGER AUTHORITY

- A. The General Manager is authorized to expend funds, issue purchase orders and sign contracts for procurements and activities as follows: (1) up to \$4025,000 for equipment and supplies; and (2) up to \$4025,000 for professional or other services.
- B. The General Manager is authorized to administer all contracts on behalf of BAWSCA. The General Manager is authorized to issue change orders or amendments without further Board approval if the change order or amendment does not increase the cost to BAWSCA by more than 10% of the contract amount, up to a maximum of \$4025,000.

VI. ADJUSTMENT OF AMOUNTS

The amounts set forth in the Policy are as of ~~January-November 2004~~2011. They shall be adjusted annually to reflect the change in the Consumer Price Index, All Urban Consumers, San Francisco-San Jose-Oakland, from ~~February-December 2004-2011 (198.4)~~ to each succeeding ~~February~~December.

VII. WAIVER

The Board of Directors may suspend or waive the requirements of this Policy in any instance when the Board deems it in the best interest of BAWSCA to do so.

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BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

POLICIES AND PROCEDURES FOR THE PURCHASE OF EQUIPMENT AND SUPPLIES AND THE AWARD OF CONTRACTS

I. PURCHASE OF EQUIPMENT AND SUPPLIES

A. Purchases Under \$25,000

When the estimated cost of equipment or supplies is below \$25,000, the General Manager may award the contract or purchase order. If the estimated cost is less than \$5,000, the General Manager shall attempt to secure the best value for the Agency, but need not solicit quotes or bids. If the estimated cost is between \$5,000 and \$10,000, the General Manager shall solicit informal quotes from at least two vendors. If the estimated cost exceeds \$10,000, but is less than \$25,000, the General Manager shall solicit formal written quotes from at least three vendors, but need not formally advertise for the solicitation of bids.

B. Purchases of \$25,000 or More

All contracts in the amount of \$25,000 or more shall be submitted to the Board of Directors for approval. When the estimated cost of equipment or supplies is \$25,000 or more, the General Manager shall solicit formal written bids/proposals through means and methods which he or she determines to be most cost-effective, which may include advertisement in a newspaper of general circulation in the Agency.

C. Leasing of Equipment

Leasing or renting of equipment is permitted if advantageous to BAWSCA. If the total rental payments due under a lease are below \$25,000, the General Manager shall follow the procedure in Section I.A. If the total rental payments due under a lease are \$25,000 or more, the General Manager shall follow the procedure in Section I.B.

D. Reporting

The General Manager shall report to the Board of Directors on all contracts or leases entered into under Section I.A or I.C at the next meeting of the Board.

E. General

1. Board approval is required for extension of contracts or purchase orders beyond one (1) year where the cost of the extension is estimated to exceed \$25,000.
2. The General Manager is authorized to purchase equipment and supplies through the State of California cooperative purchasing program authorized by Public Contract Code Section 10298, California Multiple Awards

Schedule (CMAS). If the cost of such purchase is expected to exceed \$25,000, the General Manager shall obtain Board approval before participating in the CMAS procurement.

II. PURCHASE OR LEASE OF REAL PROPERTY

Any contract for the purchase of real property must be submitted to and approved by the Board of Directors.

Any lease or sublease of real property, including any renewal or extension of an existing lease or sublease, must be submitted to and approved by the Board of Directors.

III. CONTRACTS FOR SERVICES

Contracts for services in which the maximum compensation payable does not exceed \$25,000 may be entered into by the General Manager. All other contracts shall be submitted to and approved by the Board of Directors.

IV. CONTRACTS FOR CONSTRUCTION

Any contract for construction (other than a leasehold improvement costing less than \$10,000) shall require approval of the Board of Directors.

V. GENERAL MANAGER AUTHORITY

- A. The General Manager is authorized to expend funds, issue purchase orders and sign contracts for procurements and activities as follows: (1) up to \$25,000 for equipment and supplies; and (2) up to \$25,000 for professional or other services.
- B. The General Manager is authorized to administer all contracts on behalf of BAWSCA. The General Manager is authorized to issue change orders or amendments without further Board approval if the change order or amendment does not increase the cost to BAWSCA by more than 10% of the contract amount, up to a maximum of \$25,000.

VI. ADJUSTMENT OF AMOUNTS

The amounts set forth in the Policy are as of November 2011. They shall be adjusted annually to reflect the change in the Consumer Price Index, All Urban Consumers, San Francisco-San Jose-Oakland, from December 2011 to each succeeding December.

VII. WAIVER

The Board of Directors may suspend or waive the requirements of this Policy in any instance when the Board deems it in the best interest of BAWSCA to do so.

**RESOLUTION NO. 2011-____
BY THE BOARD OF DIRECTORS OF THE
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**POLICIES AND PROCEDURES
FOR THE PURCHASE OF EQUIPMENT AND SUPPLIES AND
THE AWARD OF CONTRACTS**

WHEREAS, the Bay Area Water Supply and Conservation Agency (BAWSCA) is organized and established pursuant to the Bay Area Water Supply and Conservation Agency Act, Water Code section 81300, *et seq.* (the “Act”); and

WHEREAS, the Act authorizes BAWSCA to acquire such property, facilities, equipment, materials and supplies as may be deemed necessary to carry out its duties; and

WHEREAS, Section 54202 of the Government Code requires that all local government agencies, including BAWSCA, adopt policies and procedures, including bidding requirements, for the purchase of equipment and supplies; and

WHEREAS, in 2004, BAWSCA adopted a “Policies and Procedures for the Purchase of Equipment and Supplies and the Award of Contracts” (“Policies and Procedures”); and

WHEREAS, staff has reviewed the Policies and Procedures and recommends that the Board of Directors adjust the limits of the General Manager's authority to enter into contracts on behalf of BAWSCA; and

WHEREAS, staff has also amended the Policies and Procedures to update and increase limits required for solicitations in most categories, consistent with increases in the applicable Consumer Price Index since 2004, as allowed by the Policies and Procedures.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Bay Area Water Supply and Conservation Agency approves the amended and restated “Policies and Procedures for the Purchase of Equipment and Supplies and the Award of Contracts,” attached hereto.

PASSED AND ADOPTED this ____ day of _____, 2011, by the following vote:

AYES:

NOES:

ABSENT:

President, Board of Directors
Bay Area Water Supply &
Conservation Agency

ATTEST:

Secretary

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD POLICY COMMITTEE

Agenda Title: **Long-Term Reliable Water Supply Strategy**

Summary:

The Board will be provided a report at its November meeting on the necessary adjustments to the scope of the Strategy based on BAWSCA's analysis of member agencies' Urban Water Management Plans (UWMP's), and the more recent assessment of water supply needs in normal and drought years.

The Board Policy Committee will receive an oral presentation. The November Board packet will include a staff recommendation.

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD POLICY COMMITTEE MEETING

Agenda Title: **Involvement with the preliminary scoping process for the Federal Energy Regulatory Commission's relicensing of the New Don Pedro Project**

Summary

The Federal Energy Regulatory Commission (FERC) license for hydropower facilities at the New Don Pedro Project operated by Modesto Irrigation District and Turlock Irrigation District (the Districts) will expire in 2016. The Districts jointly own and operate New Don Pedro and hold a license from FERC. In February of this year, the Districts initiated procedures to renew the FERC license for the New Don Pedro Project. The Districts are scheduled to file a formal application for a new FERC license in early 2014, followed by a year and a half of formal environmental analysis under the National Environmental Protection Act. Currently, the relicensing proceedings are in the early pre-application scoping process. This process involves approximately three years of preliminary collaboration between the Districts and interested parties for development of the studies to be used in the formal environmental analysis of the Districts' 2014 application. The previous license was for a term of 50 years. The new license will be issued for a term between 30 and 50 years, at FERC's discretion.

In addition to the licensee Districts, the interested parties that have actively engaged in the preliminary relicensing activities so far include:

- State and Federal resource agencies (e.g., California Department of Fish and Game, United States Fish and Wildlife Service, National Oceanic and Atmospheric Administration);
- Public agencies (e.g., City and County of San Francisco, City of Modesto, BAWSCA);
- Environmental interest groups (e.g., Tuolumne River Trust, Restore Hetch Hetchy);
- Local citizens and regional interest groups (e.g., Lower Tuolumne Farmers, Mapes Ranch).

BAWSCA has monitored the scoping meetings since their inception, paying particular attention to issues that have the greatest potential to shape release flow requirements under the terms of the new FERC license. Changes to the license requirements for release flows at New Don Pedro Dam could significantly increase the amount of water required to be released from New Don Pedro for environmental purposes. San Francisco has rights to store exchange water in New Don Pedro and may potentially have responsibility for a portion of any increased flows required by FERC, thereby potentially affecting water supplies available to BAWSCA agencies.

A copy of the comments on FERC's relicensing scoping process filed earlier this year by BAWSCA's CEO, Art Jensen, is attached to this memo, without enclosures, for your information.

Fiscal Impact

BAWSCA's involvement with the FERC relicensing of the New Don Pedro Project was anticipated and is included in the adopted FY 2010-2011 budget. Expenditures to date,

estimated at \$37,000, have been focused on legal assistance with monitoring the scoping process, attending scoping meetings on the subjects most strongly related to BAWSCA's interests, and developing a record of pre-application proceedings. These expenditures ensure that BAWSCA has a visible presence in the relicensing process and that it will be well-positioned to take a more active role should the need arise. At this time, no change to the existing budget for Hanson Bridgett is proposed, however it may be necessary to address modifications during the mid-year budget review.

Recommended Committee Action

None.

Background

In 1964, FERC issued a 50-year license (with an effective date of May 1, 1966) to the Districts for the 161-megawatt New Don Pedro Dam and Reservoir, which submerged and replaced the original Don Pedro Dam, built in 1924.

The New Don Pedro Reservoir began commercial operation in 1971, and is operated to provide irrigation storage, hydroelectric power, flood control storage, recreational benefits, fish and wildlife conservation, and municipal water supply. Article 37 of the New Don Pedro Project license established minimum flow releases for the first 20 years of operation (1971-1991) and reserved FERC's authority to revise the minimum flow requirements after 20 years. The current license expires in 2016, and the preliminary stages of the relicensing process began earlier this year.

The Hetch Hetchy system regulates the inflows to the New Don Pedro Project. San Francisco agreed to help finance construction of the New Don Pedro Project in return for storage rights in the New Don Pedro Reservoir. San Francisco exercises these rights in the form of a water banking agreement with the Districts, whereby San Francisco at times allows some of the water it could have diverted from the Tuolumne River to flow downstream for storage in New Don Pedro Reservoir to satisfy the demands of the Districts' senior water rights at other times when San Francisco instead diverts Tuolumne River water in excess of its entitlements. This arrangement allows San Francisco to use a greater portion of its upstream storage reservoirs for municipal water supply.

Attachment:

- June 10, 2011 BAWSCA comments on Scoping Document 1 and Pre-Application for Environmental Impact Statement on relicensing of the Don Pedro Project

BAWSCA

Bay Area Water Supply & Conservation Agency

June 10, 2011

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

Re: Don Pedro Hydroelectric Project (P-2299-075) – Comments on Scoping Document 1 and Pre-Application Document for Environmental Impact Statement on Relicensing of the Don Pedro Project

Dear Secretary Bose:

The Bay Area Water Supply and Conservation Agency ("BAWSCA") submits the following comments on the Scoping Document 1 and the Pre-Application Document ("PAD") for the Environmental Impact Statement ("EIS") for the relicensing of the Don Pedro Hydroelectric Project, and provides additional information related to the scoping of the of the Project. BAWSCA has and shall continue to participate in the general Relicensing Participant meetings and Water Resources Work Group meetings hosted by the applicants, Turlock and Modesto Irrigation Districts (the "Districts"). BAWSCA also monitors all filings made with the Federal Energy Regulatory Commission ("FERC") under the P-2299-075 docket number.

BAWSCA is a special district that represents the interests of twenty-four cities and water districts and two private utilities that purchase water wholesale from the San Francisco Regional Water System ("SFRWS"). These entities provide water to 1.7 million people, businesses and community organizations in Alameda, Santa Clara and San Mateo counties, a total of two-thirds of the water delivered by the SFRWS. The BAWSCA agencies are long-term wholesale purchasers of water from San Francisco. BAWSCA's governing board includes representatives from each of its twenty-six member agencies.

BAWSCA's predecessor organization, the Bay Area Water Users Association ("BAWUA") intervened in prior FERC proceedings relating to the Don Pedro Hydroelectric Project because of the potential effects of FERC licensing on water supply reliability in the Bay Area. The connection between FERC licensing of the Don Pedro Project and water supply in the Bay Area continues today. Water from the Tuolumne River is essential to supply BAWSCA's member agencies with water for domestic, municipal, commercial and industrial needs. The SFRWS is dependent on and obtains 85 percent of its water supply from the Hetch Hetchy Water and Power System, which is located on the Tuolumne River upstream of the Don Pedro Project. Current operation of the Don Pedro Project balances the competing needs of multiple water users and natural resources that depend on the Project for water supply.

Any future operating scenarios in the EIS that change the current operation of the Don Pedro Project or reduce the availability of water to BAWSCA member agencies must consider the effects that a reduction in water supply would have on Bay Area communities. Water from the Don Pedro Project affects socioeconomic conditions in the service areas of BAWSCA's twenty-six member agencies that rely on consumptive water deliveries from the SFPUC. (See PAD Sections 5.9 and 6.1.10). The EIS must analyze how any future operating scenarios of the Don Pedro Project affect the availability of water to existing uses in the Bay Area and must analyze the scope and severity of the impacts to the local economy. It is BAWSCA's understanding that on July 25, 2011, the Districts will

Honorable Kimberly D. Bose, Secretary
June 10, 2011

be submitting a proposed study plan addressing foreseeable socioeconomic impacts associated with any changes in operations at Don Pedro Reservoir occurring as a consequence of relicensing. Although no draft of the Districts' proposed socioeconomic study plan has yet been made available for review, the proper scope of any socioeconomic study will depend on the specifics of any proposed alterations to existing operations. At this time the potential alternatives to current operations remain unknown.

In response to Scoping Document 1's request for information that can help provide a framework for future analysis, BAWSCA refers to and incorporates by reference my answer testimony and two related exhibits from the 2009 Administrative Law Judge Proceeding for Projects Nos. 2299-065 and 2299-053. These documents describe BAWSCA's interests in FERC's relicensing of the Don Pedro Project as well as the general socioeconomic effects that would result from a reduction in water deliveries to the Bay Area community. See Exhibit No. BAW-1, Answer Testimony of Arthur R. Jensen on Behalf of the Bay Area Water Users Association (10/6/2009, Accession No. 20091129-0088); Exhibit No. BAW-2, Resume for Arthur R. Jensen (10/6/2009, Accession No. 20091129-0089); Exhibit No. BAW-3, An Economic Evaluation of the Water Supply Reliability Goal in the SFPUC Water System Improvement Plan (10/6/2009, Accession No. 20091129-0090). For convenience and to ensure that they are fully incorporated into the record for the current proceedings, a copy of these documents is enclosed herein.

BAWSCA appreciates the opportunity to provide these comments and looks forward to participating in the relicensing of the Don Pedro Hydroelectric Project.

Sincerely,



Arthur R. Jensen
Chief Executive Officer/General Manager

cc: General Manager, Modesto Irrigation District
General Manager, Turlock Irrigation District
General Manager, San Francisco Public Utilities Commission

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD POLICY COMMITTEE

Agenda Title: Landscape Education Program

Summary:

BAWSCA's Landscape Education Program continues to receive the interests of water customers in the services area. Offered in the Spring and Fall of each year since 2006, the program teaches the efficient use of water in the landscape by using California native and drought tolerant plants, drip-irrigation systems, and implementing sustainable landscape practices from composting to graywater irrigation.

Recent media coverage in the San Jose Mercury News and Union City Patch highlighted classes that focused the use of California native and drought tolerant plants as alternatives to lawn. The coverages help promote lawn replacement rebate programs offered by BAWSCA, as well as Santa Clara Valley Water District, and East Bay Municipal Utility District, and others.

The program has expanded to partnerships with the Cities of Palo Alto and Sunnyvale where outdoor spaces were transformed into demonstration gardens for the community. Hands-on workshops were held at these locations and provided participants the opportunity to execute what they learn, as well as assist in developing a demonstration garden for the community to enjoy and learn from.

The Fall 2011 Landscape Education Program includes a total of 26 lecture classes and workshops throughout the service area from August through early November. To date, fourteen classes have been held with an average of 32 attendees per class.

Fiscal Impact:

The Landscape Education Program is part of BAWSCA's Core Conservation Program.

Attachments:

1. September 19, 2011, Union City Patch
2. July 21, 2011, Mercury News

Water District Offers \$500 Rebates for Water-Efficient Lawns

Tri-City residents can cash in on the Alameda County Water District's new Lawn-Be-Gone rebate program. Learn more at the district's October class.

Union City Patch: September 19, 2011

By Alameda County Water District

The Alameda County Water District is offering rebates of up to \$500 to Tri-City residents who convert their lawns to water-efficient landscaping.

"Replacing a traditional lawn with eco-friendly plants and flowers results in a landscape that provides long-term benefits to the homeowner and the environment," said Stephanie Penn, ACWD water conservation specialist. "Water-efficient landscaping conserves water, is easy to maintain, and is exciting and stylish."

When Sophie, a part-time environmental artist in Fremont, heard about ACWD's new Lawn-Be-Gone rebate program, she jumped at the opportunity to replace her water-thirsty front lawn with a new water-efficient landscape that would require less maintenance and fewer chemicals. She took the following steps to reinvent her landscape:

Design Concept - Sophie worked closely with her landscaper to come up with a plan for her new front yard. She chose a design that incorporated three California habitat types: chaparral, sage scrub and desert.

Plant Selection - Sophie selected a diverse variety of low water use plants. A few of her favorites include western redbud, island bush poppies, yarrow and manzanita. ACWD maintains a list of low water use plants that are eligible for the program.

Hardscape – Sophie carefully situated her new plants among granite boulders and raised features, lending her garden both structure and a natural appearance. She also replaced her concrete walkway with a path made of permeable decomposed granite to reduce storm water runoff and encourage infiltration.

Water Efficiency – In addition to choosing the right plants, water efficiency requires an efficient drip irrigation system with a pressure regulator and the use of at least of three inches of mulch around the plantings to reduce evaporation.

Turf Removal - Sophie chose a technique of turf removal known as "sheet mulching," which involves smothering the lawn with cardboard and compost. Sheet mulching is a great choice because planting can begin immediately, it is chemical free, and there is no need for offsite waste disposal.

New Landscape Installation – Fall is a good time to install a new landscape because the new plants, which require additional water to become established, can take advantage of winter rains.

Reap the benefits – Sophie’s new front yard is a diverse, low water use landscape that will serve as habitat for wildlife and save her money on water bills, fertilizer, and maintenance.

Program Details:

- Rebates of up to \$500 are available to single-family homeowners.
- Rebates of up to \$3,000 are available to multi-family complexes and commercial properties.
- Rebates are based on the number of square feet of turf replaced.
- Rebates are issued on a first-come, first-served basis.
- To be eligible for a rebate, customers must be pre-approved by ACWD.

To help local residents learn more about the process of converting a lawn to water-efficient landscaping, ACWD will host an “Alternatives to Lawn” class on Saturday, Oct. 22, from 9 a.m. to noon. The class will take place at ACWD headquarters at 43885 S. Grimmer Blvd., Fremont. Register for the class by calling 650-349-3000 or emailing landscape@bawsca.org.

For more information about ACWD’s Lawn-Be-Gone Rebate Program, including eligibility and program requirements, call Stephanie Penn at 510-668-6534 or visit www.bawsca.org.

Before beginning any landscape plan it’s important to check with your city, and in many cases your homeowners association, about any regulations or permit requirements that may apply to you.

The Mercury News

MercuryNews.com

Sunnyvale hopes to lead by example with water-efficient garden and free classes

By Alia Wilson, Sunnyvale Sun
awilson@community-newspapers.com

Posted: 07/21/2011 08:04:30 PM PDT

Updated: 07/21/2011 08:04:30 PM PDT

For the fifth year in a row, the city of Sunnyvale and the Bay Area Water Supply and Conservation Agency are hosting free landscape education classes with an emphasis on water efficiency. New this year, the classes will include hands-on workshops that will allow participants to create a model landscape in front of city hall, which will serve as an example for other residents.

Lawn alternatives, edible gardening and water-efficient irrigation practices are just a few of the classes that will start Aug. 6, with the hands-on workshops taking place Oct. 1 and 8.

"People interested can come and get their hands dirty and create a model landscape to serve as a focal point for the city, but also as something for the community to refer to," said Dustin Clark, the city's environmental sustainability coordinator. "We're hoping that this first one will be such a success that we'll be able to expand. The hope is to identify as many sites in the city and create a groundswell."

According to a 2006-07 study by the Bay Area Water Supply and Conservation Agency, the Bay Area showed a possibility for water conservation through outdoor water use.

"It was an untapped area in our residential sector, which runs roughly 60 percent," said Nicole Sandkulla, water resource planner for BAWSCA. "The residential sector is the largest single customer class. We thought if we wanted to increase water conservation efforts, let's focus on outdoor water use. This was

a great opportunity to do that."

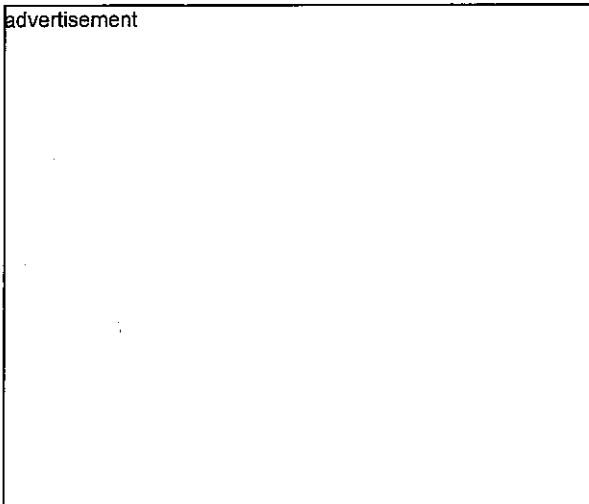
One positive aspect of sustainable vs. traditional landscapes is the former may use a fraction of the amount of available water, according to Clark. Water-efficient gardens also produce a fraction of yard waste and reduce the hours in maintenance.

"Yard waste with a traditional landscape may produce 670 pounds vs. 250 pounds [with a sustainable landscape]," Clark said. "Maintenance may take up to 80 hours a year vs. 15 hours with a sustainable landscape, not to mention the benefits of creating a habitat."

Master gardener and landscape education enthusiast Janet Hamma said she is happy to observe all of the new wildlife her water-wise garden draws to her Hanover Avenue home.

"It's really interesting to learn how easy it is to do landscaping with California natives," Hamma said. "The classes are excellent. I learned a lot about different plants. I've already landscaped California natives into my front yard, and my back yard is mostly vegetables, fruit trees and low-water plants. Being water-wise definitely shrank my water bill and I really like seeing all the butterflies, hummingbirds and lizards. So I really enjoy that—seeing a little more wildlife."

To learn more about the upcoming classes, visit green.insunnyvale.com or www.bawsca.org. Registration is required for classes. Email landscape@bawsca.org or call 650.349.3000 to register.



Board Policy Calendar for FY 2011-12

Board Meeting	Purpose	Issue or Topic
July	D&A D&A S&D	Rules of the Board – Proposed modifications General Reserve policy SFPUC WSIP analysis of construction bids
September	D&A S&D S&D	Management of General Reserve SF WSIP – Annual Progress Report & Compliance with AB 1823 Water Supply Agreement – Report on second year administration
November	D D&A	Water Supply Strategy – Policy decisions and schedule CEO Performance review
January	D&A D&A S&D D	BAWSCA Mid-year progress and budget review Management of General Reserve Water Supply Strategy – Progress report Discussion of results to be achieved during FY 2011-12
March	D D&A	Discussion of preliminary Work Plan and budget for FY2012-13 Water Supply Strategy – Policy Decisions
May	D&A D&A	Adoption of Work Plan and Operating Budget for FY 2012-13 Approval of annual contracts for FY2012-13

Key: D = Discussion, A = Action, S = Status Report