

# BAWSCA

Bay Area Water Supply & Conservation Agency

## BOARD POLICY COMMITTEE

June 8, 2016  
1:30 p.m.

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

### AGENDA

<u>Agenda Item</u>	<u>Presenter</u>	<u>Page#</u>
<b>1. <u>Call To Order, and Roll Call</u></b> Roster of Committee members ( <i>Attachment</i> )	(Quigg)	Pg 3
<b>2. <u>Comments by Chair</u></b>	(Quigg)	
<b>3. <u>Public Comment</u></b> <i>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.</i>	(Quigg)	
<b>4. <u>Consent Calendar</u></b> A. Approval of Minutes from the April 13, 2016 meeting ( <i>Attachment</i> )	(Quigg)	Pg 5
<b>5. <u>Action Calendar</u></b> A. Professional Services Contract with ReNUWIt to Complete a Demand Reduction Study as Part of BAWSCA’s Drought Response Analysis ( <i>Attachment</i> )  <u>Issue:</u> Water use in the service area has reduced significantly in the last few years in response to drought and other conditions. In order to better inform BAWSCA’s long-term water planning, how can BAWSCA investigate what factors impacted these water demand reductions?  <u>Information to Committee:</u> Staff memo and oral report.  <u>Committee Action Requested:</u> That the Committee recommend Board authorization of the CEO/General Manager to negotiate and execute an agreement with ReNUWIt, subject to legal counsel review, to complete the Demand Reduction Study of the Drought Response Analysis.	(Hurley)	Pg 17
B. Professional Services Contract with ReNUWIt to Develop Independent Regional Water System and Supply Modeling Tool ( <i>Attachment</i> )  <u>Issue:</u> Water system modeling is a critical tool necessary to evaluate water supply reliability and to date, these services have been provided by the SFPUC for BAWSCA. How can BAWSCA develop an independent regional water system modeling tool to better meet BAWSCA’s planning needs?  <u>Information to Committee:</u> Staff memo and oral report.	(Hurley)	Pg 21

Committee Action Requested: That the Committee recommend the Board authorize the CEO/General Manager to negotiate and execute an agreement with ReNUWI, subject to legal counsel review, to perform initial development of an Independent Regional Water System & Supply Modeling Tool.

## 6. Reports

(Sandkulla)

- A. Water Supply and Drought Update
- B. WSIP Update
- C. SFPUC Water Management Action Plan (WaterMAP)
- D. CEO Letter (*Attachment*)
- E. Board Policy Committee Calendar (*Attachment*)
- F. Correspondence Packet ([Under Separate Cover](#))

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## 7. Comments by Committee Members

(Quigg)

8. Adjournment to the next meeting on October 12, 2016 at 1:30pm in the 1<sup>st</sup> floor conference room of the BAWSCA office building, at 155 Bovet Road, San Mateo.

*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](mailto:bawasca@bawasca.org)*

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### 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 1<sup>st</sup> stop light which is Bovet Road (Chase Building will be at the corner of Bovet and El Camino). Proceed West on Bovet Road past 24-Hour Fitness 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:**

Dan Quigg, City of Millbrae (Chair)

Gustav Larsson, City of Sunnyvale (Vice Chair)

Jay Benton, Town of Hillsborough

Randy Breault, City of Brisbane/GVMID (BAWSCA Chair)

Rob Guzzetta, California Water Service Company

Jerry Marsalli, City of Santa Clara

Al Mendall, City of Hayward (BAWSCA Vice-Chair)

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

Greg Schmid, City of Palo Alto

Louis Vella, Mid-Peninsula Water District

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

**April 13, 2016 – 1:30 p.m.  
BAWSCA Offices, 155 Bovet Road, San Mateo, 1<sup>st</sup> Floor Conference Room**

<b>MINUTES</b>
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1. **Call to Order: 1:30 p.m.:** Committee Chair Dan Quigg called the meeting to order at 1:33 pm. A list of Committee members who were present (8), absent (3) and other attendees is attached.

The Committee took the following actions and discussed the following topics:

BAWSCA Chair Breault thanked the Directors for their willingness to serve on the Board Policy Committee. Selecting the members of the Committee is a challenge given the diversity of BAWSCA's 26 member agencies. But the Committee has a strong composition with a blend of Directors who are serving their first year on the BAWSCA Board, and Directors who have been serving since the beginning. Committee Chair, Dan Quigg, has over 40 years experience in public service as a member of the City Council, City Treasurer, and Chair of the Water Board for the City of Millbrae. Committee Vice-Chair, Gustav Larsson, is serving his first term as Council Member for the City of Sunnyvale.

The Committee members' service is incredibly important to the success of BAWSCA. Director Breault and BAWSCA Vice Chair, Al Mendall, have the confidence in the Directors' abilities to address the organization's challenges, and look forward to a productive year

2. **Public Comments:** There were no comments from the members of the public.
3. **Consent Calendar:** Approval of Minutes from the February 10, 2016 meeting.  
**Director O'Connell made a motion, seconded by Director Larssen, that the minutes of the February 10, 2016 Board Policy Committee meeting be approved.**  
**The motion passed unanimously.**
4. **Comments by the Chair:** Committee Chair Quigg stated that as a long-time friend of Lou Papan, BAWSCA's godfather, he is honored to serve as Chair of the Board Policy Committee. He looks forward to working with the committee members in advising the BAWSCA Board about important policy issues and carrying out BAWSCA's critical responsibilities.
5. **Action Item:**
  - A. **Proposed Fiscal Year 2016-17 Work Plan and Operating Budget:** Ms. Sandkulla reported that the proposed fiscal year work plan and operating budget is consistent with BAWSCA's goals of ensuring a reliable supply of high quality water at a fair price.

No changes have been made to the proposed work plan and budget since it was presented to the Board in March.

The proposed operating budget includes an increase of 8.3%. The budget increase will be funded by the assessments, which will increase by 5%, and a small portion of the General Reserve. The cost of the operating budget to the water customers in the service area will be less than \$2 per person per year.

The distribution of the proposed operating budget reflects the current priorities of the agency. Most of the budget increase is in the water supply reliability component of the work plan because there are new water resources activities necessary to implement the Strategy and achieve the critical results for the water customers in the BAWSCA service area. The budget also funds the agency's continued efforts with the settlement agreement with San Francisco, and addressing actions taken by Restore Hetch Hetchy.

Increased efforts in the area of water supply reliability moves the Strategy forward and address the question of where future water supply will come from. Work will include analysis on the drought, the agencies' and water customers' response to the drought, and how these actions might impact future planning. Implementation of the Strategy will be expanded through BAWSCA's involvement in the groundwater reliability partnership.

Ms. Sandkulla stated that BAWSCA leverages consultant services to achieve critical results. Majority of BAWSCA's consultant contracts need to be in place by July 1<sup>st</sup>. These annual contracts have historically been brought to the Board Policy Committee for its recommendation to the Board for approval. With the Committee's focus on policy, these annual contracts will go directly to the Board for approval in May.

Eleven of the contracts are associated with legal, engineering, financial and strategic support. Seven of the contracts support the subscription conservation programs. There are no costs in the budget for the seven contracts that support the subscription conservation programs because they are fully paid for by the agencies that participate in those programs.

New contracts associated with the additional water resources activities will be presented to the Board for approval in July. They will include the consultant contracts associated with the post-drought analysis BAWSCA will be conducting.

The proposed action is for the Committee to recommend Board approval of the:

- Proposed FY 2016-17 work plan and results to be achieved:
- Proposed operating budget of \$3,468,008; and
- Recommended funding plan which includes FY 2016-17 assessments of \$3,440,734 and a transfer of \$27,274 from the General Reserve.

Ms. Sandkulla explained that the 5% increase in assessments would fund 99% of the proposed operating budget. The remaining 1% would be funded by the use of \$27,274 from the General Reserve.

Director Schmid asked why legal counsel takes about 20% of the budget, and whether other efforts have been put aside to accommodate the budget increase in legal services.

Ms. Sandkulla explained that there are two issues that are driving the increase in the budget for legal services. The first is associated with resolving a contractual issue with San Francisco about cost allocation of certain critical facilities in the regional water system. Legal counsel is leading this work on the Settlement Agreement.

The second component is Restore Hetch Hetchy. Legal counsel will provide a progress report on both items at the May Board meeting under closed session.

Other efforts have not been put aside to accommodate the budget increase in legal services.

Discussions ensued on the increased activities directly related to the continued implementation of the Strategy, particularly in the expansion of the decision-making process.

Director Mendall stated his concern that the drought response analysis has the potential to make significant changes to what is currently known, and BAWSCA's planning efforts. Director Mendall expressed a feeling that developing a decision-making framework before identifying the groundwork is premature, and can present the potential for having to recalculate the region's water supply need.

Ms. Sandkulla stated that an alternative to the proposed work plan and results to be achieved is to reduce effort or remove one or more of the four new activities to implement the Strategy. Of the four activities, expanding the decision-making process is the least time sensitive towards the overall Strategy objective, and could be deferred, if necessary.

However, Ms. Sandkulla emphasized that while the board does not have to make decisions right away, expanding the decision-making process for implementing the Strategy involves important discussions that will inform the Board of what its priorities are, and how it will make its decisions so that staff can better serve the agencies as it investigates and implements the multiple actions identified in the Strategy.

She added that water planning is a constantly dynamic situation. The question is not whether things are going to change. Rather, the relevant question for BAWSCA is "what are BAWSCA's priorities and what actions will it have to make for the best interests of the member agencies and its water customers?"

For example, if the demands continue to be low, but there is an opportunity to make an investment that will provide a benefit to the region, how will BAWSCA address that opportunity? There are incremental decisions about when and what to invest in to move the Strategy forward and make progress in ensuring water supply when and where it is needed. Ms. Sandkulla stated that developing a decision-making framework is better done sooner rather than later.

Ms. Sandkulla clarified that the four new water resources activities are not listed in the memo in the order of priority or execution. The framework is going to be done in the second half of the year following the initial drought analysis.

The Committee requested that a prioritization of the four activities be added to the proposed budget memo for the Board's clear understanding.

In the order of importance, the four activities would be listed as follows:

1. Conduct Drought Response Analysis
2. Develop Independent Regional Water System and Supply Modeling Tool
3. San Mateo Plain Groundwater Reliability Partnership
4. Expand Decision Making Process for Implementing Strategy Actions

The Committee agreed that if there were needed reductions to the work plan and budget, the work on expanding the decision-making process for implementing the Strategy actions would be deferred.

In response to Director Schmid, Ms. Sandkulla explained that the potential prioritization of the new four water resources activities will not negatively affect BAWSCA in relation to San Francisco's WaterMAP. The WaterMAP is an effort by San Francisco to address the decisions that it must make by December 31, 2018. BAWSCA has no required role in the development of the WaterMAP, but will be actively engaged in the process as the member agencies' regional representative, and to bring further information on opportunities for BAWSCA in further meetings. BAWSCA's effort with developing a decision-making framework could potentially help BAWSCA in thinking through San Francisco's process with the WaterMAP, but the decisions will be San Francisco's.

Director Benton stated that the budget has significantly increased in the past three years. He asked what has driven the increase, and what would the CEO/General Manager amend in the work plan and budget if the Board only allowed an increase of no more than 5%.

Ms. Sandkulla stated that the efforts to address the actions by Restore Hetch Hetchy, and the Settlement Agreement with San Francisco contributes to the increase in the operating budget.

BAWSCA is also increasing its efforts to ensure reliable water supplies outside of what San Francisco is providing the service area. In 2009, the Board initiated the Long-Term Reliable Water Supply Strategy with a series of projects and plans. Today, staff continues the work BAWSCA committed to doing to ensure water supply reliability when and where it is needed in the service area.

Ms. Sandkulla suggested, and the Committee agreed, the addition of information in the staff report for the Board meeting in May that provides background information on BAWSCA's work plan prioritization process and historical budgets would be useful.



Director Benton stated that this historical information would serve as a helpful reminder of what grounds the previous budgets were approved on.

**Director O’Connell made a motion, seconded by Director Vella, that the Board Policy Committee recommend Board approval of the:**

- **Proposed FY 2016-17 work plan and results to be achieved:**
- **Proposed operating budget of \$3,468,008; and**
- **Recommended funding plan which includes FY 2016-17 assessments of \$3,440,734 and a transfer of \$27,274 from the General Reserve.**

**The motion passed unanimously.**

**6. Report and Discussion Item**

- A. Results of Survey on Board Meeting Time and Location Change: In response to the Board Policy Committee’s interest in evaluating the benefits of changing the Board meetings to a day time, primarily due to the worsening traffic conditions, staff reviewed with legal counsel the potential implications and requirements of making such a change, and conducted two surveys of alternative times.

Ms. Sandkulla noted that BAWSCA’s Rules of the Board establishes the day, time and location of the regular Board meetings. Changes to the regularly scheduled Board meetings would require an amendment to Rule II-D of the Rules of the Board, and an affirmative vote of the Board majority. The Chair or majority of the Board can call a Special Meeting, in which the date, time, and location can be different from what has been established by the Rules of the Board. This provides the flexibility for the Chair to call a meeting at a different time and/or location to assess the possibilities.

The survey results indicate that majority of the Board members are negatively impacted by traffic during their commute to the meetings. However, the results do not provide a clear answer on what time would work best for the Board members, and more importantly, whether changing the time of the meeting to day time would impact the current board members’ abilities to serve on the board.

In addition to surveying the alternative meeting times, staff also examined alternative locations that are walking distance to Cal Train.

The Belmont City Hall Emergency Operating Center is one location close to Cal Train. It can accommodate all potential meeting times under consideration, however, the room has structural columns that would be a slight obstruction for BAWSCA’s ideal set up.

The San Mateo Main Library is the second location that is close to Cal Train. It has a room that allows for an ideal setup, but is currently not available for the times under consideration, or at BAWSCA’s current meeting time of 7pm. Additionally, the library does not commit its public spaces to any agency, therefore its availability for the time the board chooses would be subject to the library’s reservation terms, and would require further discussion with the City Manager.

Staff also inquired with Sam Trans, which had no availability.

Other possibilities were reviewed. The Wind Room in Foster City's Community Building is available for all times under consideration. A later start time would result in the meeting running past the Community Building's closing time, and does not necessarily make commute traffic significantly better.

Ms. Sandkulla had no recommendations for the committee's consideration, and asked for the committee's feedback and further direction.

Director Schmid commented that the survey results do not indicate how much of an impact the meeting time change would have on Directors' abilities to serve on the Board. The intensity of the impacts should be investigated while keeping in mind that BAWSCA would not want to lose the talent it currently has. He stated that his drive to BAWSCA's meetings take him over one hour from Palo Alto, but 20 minutes going back. However, he will take the inconvenience from the traffic over having to lose directors because the meeting time has changed and they are unable to serve on the BAWSCA Board.

Because the results show that a daytime meeting would not be better for 39% of the Board, Director Breault noted that a time change would only result in a shift of the burden. The Board can choose to hold one or two meetings at a location that is walking distance to Cal Train to provide an opportunity for those who experience the worst traffic, to evaluate whether access to Cal Train will make their commute to the meetings better.

Director Larsson agreed that a weighting among the alternative times should be applied to get an idea of how much impact the alternative times would have on the Board members' ability to serve on the Board. He also suggested checking the Cal Train schedule to ensure its availability around the Board meeting time.

Ms. Sandkulla reported that the latest Cal Train at the Belmont station leaves at 9:30pm.

Director Breault stated that everyone would have to adapt if there are changes made. Traffic is going to get worse and not better, and using public transit is not always as convenient. But those are the realities everyone must face.

Director Benton stated that if traffic is the driver for changing the time, 1pm appears to be the best time to get around traffic congestion. All the other times would just shift the delay.

Ms. Sandkulla stated that that was the thinking behind the 10am and 1pm times in Question #3 of the first survey. But comments came back with alternative times of 3pm and 5pm.

Director Mendall commented that he would drop the alternative location that is close to Cal Train from the list of alternatives. Moving the meeting location closer to Cal Train and having to end the meeting in time to catch the last train is going to be more disruptive than having board members coming in late or a little frazzled because of traffic. He suggested a binary poll to get a clear answer as to whether a time change

would be better than the current time of 7pm. The binary choice that appears to be worth offering is the 1pm time. If 1pm is not a better alternative, then the time should be left as is.

He added that attendance is good despite the late arrivals due to traffic. While he is negatively impacted by traffic going to the BAWSCA Board meeting, given all other alternatives reviewed, he prefers the meeting time to remain at 7pm.

Director O'Connell added that BAWSCA's meetings are only six times a year. She would be willing to adjust her schedule to avoid arriving late.

The Committee discussed whether it would be worth sending another survey to see whether 1pm would be preferred over the current time of 7pm.

Director Schmid was hesitant on a binary poll and would rather ask whether the time would affect the Board Members' ability to serve on the Board.

Director Breault polled the Committee. Out of the eight members present, 1 would consider using Cal Train. Three prefer a 1pm meeting. The Committee suspects that the poll of the Committee might be representative of the Board as a whole.

Director Breault stated that while majority of the Board can agree that traffic negatively affects their commute to the Board meetings, the survey provides no common answer among the Board members as to what would be better than the current time of 7pm. With the Committee's approval, Chair Breault will further discuss the matter with the CEO/General Manager.

## **7. Reports**

- a. Water Supply and Drought Update: Water Resources Manager, Michael Hurley, reported that SFPUC's overall reservoir storage levels are in good shape. SFPUC is re-prioritizing water to replenish the water bank, which is currently at 62% of maximum storage.

Total system storage is currently at 64% of maximum, compared to 81% of normal maximum storage at this time.

Given the recent storms, precipitation is slightly above normal. Snowpack remains below median, but better than previous years.

The current water year is providing an improved forecast for water that will be available to San Francisco after meeting environmental and irrigation district obligations. Water year 2016 has achieved 293 thousand acre feet (TAF) compared to 50 TAF in WY 2015.

Year to date precipitation index at the upcountry 6-station and Bay Area 7-station continue to be above the historic mean every month between December and April, with the exception of February.

Total deliveries remain well below the water use reduction target, reflecting the continued decrease in demand.

Between June 2015 and February 2016, all but one of the BAWSCA member agencies exceeded their conservation standards, achieving a weighted average of 26.5% in water savings, with nine agencies having achieved and exceeded their total savings requirement. Within an 8 month period, agencies have collectively achieved 81% of the 17-month savings target.

Ms. Sandkulla explained that a savings of 81% is equivalent to almost 17 billion gallons of water saved, which is enough water to serve all of the BAWSCA member agencies for 3 months, or the City of Hayward for approximately 3 ½ years, or all of the San Mateo County water agencies for 7 ½ years. The water saved stays at Hetch Hetchy and adds to the water supply for the region in case the current water year continues to be dry.

Current conditions have enabled San Francisco to re-prioritize water out of Eleanor and Cherry into the Water Bank. Mr. Hurley noted that Water Bank has been an asset to the region in the past couple of years.

Director Quigg was impressed how much water was now stored in the Water Bank considering it was down to 17%.

Ms. Sandkulla added that there is a 25% probability of completely filling every reservoir, with the exception of Calaveras, which will not fill to its historic capacity because it is mandated to operate at a reduced level for seismic concerns and is now managed due to construction.

Ms. Sandkulla further reported that San Francisco, for the first time in 7 years, declared surplus water and is working with the Groundwater Storage and Recovery Project partners to take delivery of more Hetch Hetchy water with a resulting in-lieu increase in groundwater storage.

Mr. Hurley reported that the State Water Resources Control Board (SWRCB) is currently dealing with the differing conditions between the north and the south, but all indications suggest that the mandatory conservation targets will be relaxed.

SWRCB is reaching out to agencies throughout the State for feedback on short-term and long-term proposals.

A workshop is scheduled for April 20<sup>th</sup> where SWRCB staff will give an overview of the water conditions across the state, and discuss 3 key topics: 1) What elements of the regulations should be modified; 2) How should SWRCB account for regional differences in precipitation and drought impacts; 3) Should SWRCB consider reliability of a water supplier's supply portfolio in emergency regulations?

BAWSCA will submit comments ahead of the workshop to highlight the member agencies' response to the emergency regulations, relay BAWSCA's commitment to promote efficient water use in the service area, and support SWRCB's efforts to incorporate the agencies' supply reliability portfolio in emergency regulations.

Comments are due by April 14<sup>th</sup>, and actions by SWRCB on a new or modified regulations are expected in May.

- b. SFPUC's Water Management Action Plan (Water MAP): Ms. Sandkulla reported that San Francisco has started its development of the Water Management Action Plan (WaterMAP) to address water management questions left unanswered when the Program Environmental Impact Report (PEIR) was adopted for the WSIP in 2008.

The PEIR documents require SFPUC to conduct additional water supply planning before 2018. The 2009 Water Supply Agreement (WSA) requires SFPUC to identify the process of the specific discretionary actions related to the water supply decisions it will make by 2018.

Additionally, recent changes have come up including the change in the system's demands, as well as changes in the system's yield. The SFPUC have had to increase in-stream releases on the creeks in the East Bay and San Mateo County, which have decreased the yield of the system.

The WaterMAP is expected to address key questions: 1) How should SFPUC maintain delivery reliability of 184 mgd to its wholesale customers while addressing reductions in supply availability caused by new in-stream flow reductions; 2) What options should SFPUC consider to make San Jose and Santa Clara permanent customers; 3) Should SFPUC revise its current performance objective on rationing, currently no more than 20%, to increase the system's drought year reliability; and 4) Should SFPUC provide additional firm supply to any individual BAWSCA agencies?

BAWSCA will have a range of roles in the development process of the WaterMAP. As it does with the administration of the WSA, BAWSCA will represent the collective interests of the member agencies and will review the WaterMAP for its consistency with the WSA.

BAWSCA will serve as a resource for the group, as well as for individual agencies. East Palo Alto, San Jose and Santa Clara have already, and will continue to, reach out to BAWSCA for help in clarifying elements in the WSA and understanding the potential impacts to the group in pursuing their supply needs.

An important role for BAWSCA is facilitating the discussions among the 26 member agencies and SFPUC. There will be difficult discussions that will occur and will require financial resources to resolve issues, as well as identification of who pays and who benefits.

Ms. Sandkulla stated that the questions of cost allocations, impacts on rates, increases and decreases in sales will all come up in the discussions. BAWSCA will develop a tool to help aide those discussions with facts and keep focus on representing the collective interest of the member agencies.

The BAWSCA Board has no defined contractual role. The WSA states that BAWSCA and the SFPUC will work with the Santa Clara Valley Water District to address the issue of San Jose and Santa Clara. This, however, does not mean that the Board does not have a role at all. BAWSCA will be engaged in this process at a technical as well as at a policy level. This is why it is important for the Board to fully understand the course of the discussions.

BAWSCA has initiated discussions with the Water Management Representatives from each agency to get a greater understanding of the technical information as the process moves toward the policy level. The SFPUC is expected to present the WaterMAP document to the Commission in May for their initial discussion and input.

BAWSCA will monitor SFPUC's process closely and provide comments. A progress report will be provided to the Board in May. SFPUC's decisions by 2018 are the driver of the WaterMAP, and SFPUC anticipates completion of necessary CEQA documents in FY 2017-18. Commission approval of what SFPUC has developed is expected in 2018.

In response to Director Schmid, Ms. Sandkulla reported that BAWSCA's FY 2016-17 work plan includes the development of the San Mateo Groundwater Reliability Partnership, which will facilitate, as a stakeholder driven process, the discussion between San Mateo County and stakeholders about sustainable use of the San Mateo Plain Sub-basin. BAWSCA is heavily involved in the process because of the basin's interconnectivity with neighboring groundwater basins and its impacts to BAWSCA agencies in the three counties, as well as to Santa Clara Valley Water District and EBMUD.

Director Breault commented that supporting San Jose, Santa Clara, and East Palo Alto is consistent with BAWSCA's philosophical view of implementing the WSA. He asked staff to take into consideration the demands of those systems. It would be a downside if a large number of the member agencies had the potential to have the reliability of their supply negatively impacted by bringing new allocations to existing customers because the insisting demands of those customers were not considered.

In response to Director Mendall's question, Ms. Sandkulla explained that if San Francisco increases the supply assurance to accommodate San Jose, Santa Clara, East Palo Alto, or all three, each of the member agencies would need to agree as part of a contract amendment.

If San Francisco entered into a bilateral agreement outside of the WSA, the other BAWSCA agencies would have no role in that contract as long as the agencies are not impacted. BAWSCA's role would be to ensure that there are indeed no impacts to the agencies.

Ms. Sandkulla is meeting with the staff of both San Jose and Santa Clara to understand their interests and level of commitment to this effort. BAWSCA is acting under the direction it received from San Jose and Santa Clara during the negotiations of the new WSA, to pursue permanent customer status. The agencies supported San Jose and Santa Clara as long as the new allocations were not within the 184mgd.

Ms. Sandkulla emphasized the importance of understanding the process because it will likely impact the WSA and require individual contract amendments. All member agencies will have to unanimously agree to it.

In response to directors' questions, Ms. Sandkulla stated that San Jose and Santa Clara's supplies have never been interrupted. They have always been supplied by San Francisco since the late 1960's, early 1970's and have paid the same amount as everyone.

The 2018 deadline was a self-imposed deadline by San Francisco. While becoming permanent customers is not urgent, East Palo Alto's need for additional supplies is imminent.

- c. **CEO's Letter**: Committee members had no questions or comments on the items reported in the CEO letter.
  - d. **Board Policy Committee Calendar**: Identified upcoming action items for the Board in September are not associated with new or changing policy. Unless new policy items come up, a Committee meeting in August may not be required. Ms. Sandkulla will have more information in the coming months.
8. **Comments by Committee Members**: Director Quigg stated that since he will not be at the May Board Meeting, he expressed his support for the proposed FY 2016-17 Work Plan and Operating Budget and stated that his last choice for a meeting time change would be the 5pm alternative, but it would be better than 7pm.
9. **Adjournment**: The meeting was adjourned at 3:18pm. The next meeting is June 8, 2016.

Respectfully submitted,

Nicole Sandkulla, CEO/General Manager

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Attachments: 1) Attendance Roster

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE – April 13, 2016**

**Roster of Attendees:**

**Committee Members Present**

Dan Quigg, City of Millbrae (Chair)  
Gustav Larsson, City of Sunnyvale (Vice Chair)  
Jay Benton, Town of Hillsborough  
Randy Breault, City of Brisbane/GVMID (BAWSCA Chair)  
Al Mendall, City of Hayward (BAWSCA Vice Chair)  
Irene O’Connell, City of San Bruno  
Gregg Schmid, City of Palo Alto  
Louis Vella, Mid-Peninsula Water District

**Committee Members Absent**

Rob Guzzetta, California Water Service Company  
Kirsten Keith, City of Menlo Park  
Jerry Marsalli, City of Santa Clara

**BAWSCA Staff:**

Nicole Sandkulla	CEO/General Manager
Michael Hurley	Water Resources Manager
Adrienne Carr	Sr. Water Resources Specialist
Andree Johnson	Sr. Water Resources Specialist
Christina Tang	Sr. Administrative Analyst
Lourdes Enriquez	Assistant to the Chief Executive Officer
Deborah Grimes	Office Manager
Julie Sherman	Legal Counsel, Hanson Bridgett, LLP
Bud Wendell	Strategic Counsel, Management Communications

**Public Attendees:**

Michelle Novotny San Francisco Public Utilities Commission



**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**        **Professional Services Contract with ReNUWIt to Complete a Demand Reduction Study as part of BAWSCA’s Drought Response Analysis**

**Summary:**

One of the key efforts included in BAWSCA’s adopted FY 2016-17 Work Plan and Operating Budget is the development of a Drought Response Analysis. A critical element of the Drought Response Analysis is the investigation of factors impacting water demand reduction in the BAWSCA service area (Demand Reduction Study).

The Demand Reduction Study will investigate the extent to which various factors, including media coverage of the drought, new regulations, climate, and active conservation programs, influenced water use patterns within the service area during the current drought. Other elements of the Drought Response Analysis, to be completed in tandem with the Demand Reduction Study, include the review of regional wholesalers and member agencies’ shortage provisions and drought preparedness. Together, the results from these efforts will better prepare the service area from a technical and policy perspective for the transition out of the current drought, planning for the next drought, and informing BAWSCA’s long-term planning.

Since FY 2014-15, BAWSCA staff have been collaborating with Stanford researchers affiliated with the Re-inventing the Nation’s Urban Water Infrastructure (ReNUWIt) research center. The Stanford researchers have been using BAWSCA member agency data to examine regional water management strategies, while BAWSCA has benefited from these new analyses done by Stanford faculty and students. There is significant overlap between ReNUWIt’s ongoing research efforts and the analysis that BAWSCA seeks to complete in the Demand Reduction Study of the Drought Response Analysis. In particular, the Stanford researchers have already begun an evaluation of the impacts of media coverage of the drought on customer water use. Given the potential to leverage ReNUWIt’s ongoing work to complete scope of work in a cost effective manner on an accelerated timeframe, a sole source contract with ReNUWIt to complete the Demand Reduction Study is recommended.

**Recommendation:**

**That the Committee recommend the Board authorize the CEO/General Manager to negotiate and execute an agreement with ReNUWIt, subject to legal counsel review, to complete the Demand Reduction Study of the Drought Response Analysis.**

**Fiscal Impact:**

A contract for a not-to-exceed amount of \$20,000 is recommended to complete the Demand Reduction Study. This amount represents a portion of the FY 2016-17 Operating Budget allocated for the Drought Response Analysis. The remainder of the FY 2016-17 Operating Budget allocated for the Drought Response Analysis will be reserved for additional activities to assess the longer term implications associated with the significant water use reductions observed during the drought and future drought preparedness.

**Discussion:**

The adopted BAWSCA FY 2016-17 Work Plan and Operating Budget includes a Drought Response Analysis as one of the key activities. The purpose of the Drought Response Analysis is to assess the impacts to water use resulting from the recent drought conditions and associated actions to reduce water use in order to inform BAWSCA's long-term planning. Understanding the drivers for these water use reductions, and the long-term impacts on water use within the region, is necessary to ensure that water management efforts implemented as part of the Long Term Reliable Water Supply Strategy (Strategy) are in line with the region's long term water supply needs.

The Demand Reduction Study of the overall Drought Response Analysis is an evaluation of factors impacting recent water demand reductions experienced in the BAWSCA service area. The Demand Reduction Study will investigate the extent to which various factors, including media coverage of the drought, new regulations, climate, and active conservation programs, influenced water use patterns within the service area. The results will better prepare the service area from a technical and policy perspective for the transition out of the current drought as well as preparation for the next drought, which may include modifications to the regional water demands and conservation savings projections.

**The Demand Reduction Study - Scope of Work**

The proposed Scope of Work for this study includes:

1. Collecting and updating data on climate, population, socioeconomics (e.g., unemployment), water use, conservation programs, water use restrictions, and water pricing.
2. Mapping the historical and current urban water use patterns across the BAWSCA service area.
3. Evaluating the impact of:
  - a. climate variability and economic factors on water use;
  - b. technological advancements, such as smart meter and demand management software, in changing customer behaviors;
  - c. earned media coverage of the drought on water use; and
  - d. various water conservation programs, policies, pricing strategies, and regulations on reducing customer water use.

Deliverables for the Demand Reduction Study include a technical memorandum describing the results of the work performed and documenting the quantitative impacts on water use associated with each of the factors evaluated.

**The Demand Reduction Study - Schedule**

Work on the Demand Reduction Study would begin after the contract is finalized at the start of FY 2016-17. The Demand Reduction Study work would be completed by January 2017.

**Justification for the Sole Source Approach**

ReNUWIt is a collaboration of researchers at Stanford University, the University of California-Berkeley, Colorado School of Mines, and New Mexico State University, funded by the National Science Foundation. With over 40 water resources experts, the ReNUWIt

Program contains an extensive breadth and depth of knowledge in water resources management and hydrologic modeling.

BAWSCA staff has been successfully collaborating with Dr. Newsha Ajami, Director of Urban Water Policy with Stanford University's ReNUWIt initiative, for over a year and a half to cultivate a mutually beneficial relationship in which ReNUWIt researchers work with BAWSCA to develop capabilities to investigate regional water management strategies for the BAWSCA service area. In April 2016, BAWSCA became an Associate Member of ReNUWIt which enabled collaboration and access to educational and research expertise to improve water management.

There is significant overlap between the ongoing research activities that Dr. Ajami and her research team are conducting and the analysis that BAWSCA seeks to develop in the Demand Reduction Study. In particular, ReNUWIt researchers have already begun an evaluation of the impacts of media coverage of the drought on customer water use. Given the ability to leverage ReNUWIt's ongoing work to complete the Demand Reduction Study scope of work in a cost effective manner on an accelerated timeframe, a sole source contract with ReNUWIt to develop the Demand Reduction Study is recommended.

**Alternatives to the Recommended Action:**

Alternatives to the recommended action included herein are to: (1) not move forward with the Demand Reduction Study, or (2) select a potentially different consultant through a competitive bid process.

BAWSCA does not recommend the above alternatives. As part of the Drought Response Analysis, the Demand Reduction Study is a key item in the FY 2016-17 Work Plan and is critically important to informing long-term water supply planning in the region. ReNUWIt is uniquely qualified to complete the Demand Reduction Study of the Drought Response Analysis within the proposed budget and timeframe given the work its researchers are already performing and the shared resources that ReNUWIt is providing as part of this work to decrease cost and increase overall cost-effectiveness. Given ReNUWIt's qualifications, it is appropriate to contract with the research center for this project.

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**        **Professional Services Contract with ReNUWIt to Develop Independent Regional Water System & Supply Modeling Tool**

**Summary:**

A key effort included in BAWSCA's adopted FY 2016-17 Work Plan and Operating Budget is the initial development of an Independent Regional Water System & Supply Modeling Tool. To date, BAWSCA has relied on the SFPUC's modeling resources to inform long-term planning decisions. However, as BAWSCA's and the member agencies' needs have grown, it is not effective to rely on the SFPUC for modeling work to meet BAWSCA's analytical and schedule needs. Developing an independent modeling tool would allow BAWSCA to run independent alternative scenarios to meet BAWSCA's planning needs and understand the impacts of the reliability of other regional water supplies (e.g., surface water from Santa Clara Valley Water District, State Water Project supplies).

Since FY 2014-15, BAWSCA staff have been collaborating with Stanford University (Stanford) researchers affiliated with the Re-inventing the Nation's Urban Water Infrastructure (ReNUWIt) research center on water supply reliability and conservation planning efforts. The Stanford researchers have started building a water supply modelling tool for their own research efforts using data from the BAWSCA service area as a test case. The effort proposed here would leverage the reliability modeling work that is already being done to provide BAWSCA with critical analyses. Given the potential to leverage ReNUWIt's ongoing work to complete the scope of work in a cost effective manner on an accelerated timeframe, a sole source contract with ReNUWIt to perform initial development of the Independent Regional Water System & Supply Modeling Tool is recommended.

**Recommendation:**

**That the Committee recommend the Board authorize the CEO/General Manager to negotiate and execute an agreement with ReNUWIt, subject to legal counsel review, to perform initial development of an Independent Regional Water System & Supply Modeling Tool.**

**Fiscal Impact:**

A contract for a not-to-exceed amount of \$40,000 is recommended for the work to be completed during FY 2016-17 for the initial development of the Independent Regional Water System & Supply Modeling Tool. This amount is included in the adopted FY 2016-17 Operating Budget for this effort.

Development of this modeling tool is a multi-year effort. As presented in the FY 2016-17 Work Plan and Operating Budget memo, additional funds will need to be budgeted in FY 2017-18 to complete the development of the Independent Regional Water System & Supply Modeling Tool and perform scenario analysis with an estimated total multi-year development cost of \$60-\$100k.

**Discussion:**

As part of the Long-Term Reliable Water Supply Strategy (Strategy), BAWSCA's modeling of potential future hydrologic conditions were performed by SFPUC staff through a cooperative agreement with SFPUC to analyze the probability of supply shortages on the San Francisco Regional Water System (SF RWS). The reliance on SFPUC's modeling capabilities have become restrictive for BAWSCA's analytical and schedule needs. In addition, the reliability analyses done as a part of the Strategy did not account for potential shortages in other supplies utilized by BAWSCA member agencies (e.g., State Water Project supplies or local groundwater). Circumstances seen during the current drought have provided insight on the potential impacts that shortages on other regional supplies can have on BAWSCA member agency reliability and potential SF RWS purchases.

BAWSCA has an opportunity to establish independent modeling capabilities by supporting and building on efforts already under way at Stanford. Stanford ReNUWIt researchers have started developing a water supply reliability modelling tool for their own research efforts using data from the BAWSCA service area as a test case. Leveraging this research to develop independent modeling capabilities would allow an analysis of the SFPUC's reliability based on BAWSCA's scenarios, and provide an additional benefit of being able to integrate other regional and local supplies into the analysis to further understand their implications to regional water supply reliability. The need for integration of other regional and local supplies as part of regional reliability analyses was highlighted during the current drought.

In addition, continued collaboration between BAWSCA and ReNUWIt is ideal for BAWSCA's long term water supply planning needs. After the initial development of the model, continued collaboration with ReNUWIt would enable BAWSCA to complete development of the model and to perform additional analyses with the model, as needed, which would avoid the need to add additional staff to satisfy planning needs. In addition, working with ReNUWIt is anticipated to be more cost effective than hiring an engineering consulting firm to provide these ongoing services as BAWSCA is able to leverage and build upon work that is being independently developed by Stanford researchers for their own purposes.

On May 19, 2016 the Board approved the FY 2016-17 Work Plan that contained the initial development of an Independent Regional Water System & Supply Modeling Tool, which when completed, would provide the following capabilities to BAWSCA and its member agencies:

- Evaluating the benefits of new water resources
- Evaluating the effects of changed water demands
- Assessing potential water shortage frequency considering all supplies utilized by BAWSCA member agencies,
- Assessing impact shortage on supplies other than SFRWS supplies has on SFPUC purchases
- Evaluating the overall effectiveness of water supply projects in enhancing regional reliability

BAWSCA's intention is to perform initial development of the tool during FY 2016-17. Deliverables during FY 2016-17 would be two technical memorandums. The first memo would summarize the proposed modeling approach and outline the potential scenarios to be analyzed. The second memo would summarize the existing models and their underlying

assumptions, identify additional data needs or uncertainties in evaluating reliability of other supplies, and identify methodologies to evaluate reliability of the other supplies.

Completion of project is anticipated to be a multi-year effort with further work, including model completion and scenario analyses, anticipated during FY 2017-18.

**Scope of Work**

Development of the Independent Regional Water System & Supply Modeling Tool would be a multi-year effort. The first year of work would consist of planning the approach to building the model and identifying potential scenarios to be evaluated. The proposed Scope of Work for this effort in FY16-17 includes:

1. **Formulate the appropriate modeling approach to evaluate regional-scale reliability considering all of the available supplies to the BAWSCA service area.** This task will also include scenario planning, in which BAWSCA and ReNUWIt staff will coordinate to list potential modeling scenarios to be performed after the model is completed.

**Deliverable** - a technical memorandum summarizing the proposed modeling approach and outlining the potential scenarios to be analyzed.

2. **Develop the approach and capabilities to evaluate reliability of other water supplies.** ReNUWIt team will identify and become familiar with tools used to evaluate reliability of regional water supplies other than SFPUC supplies (e.g., State Water Project, local groundwater), as well as potential new supply projects (e.g. expanding recycled water use) that directly or indirectly impact the reliability of BAWSCA's member agencies.

**Deliverable** - a technical memorandum summarizing existing models and their underlying assumptions, identifying additional data needs or uncertainties in evaluating reliability of other supplies, and identifying methodologies to evaluate reliability of the other supplies.

3. **Develop capabilities to evaluate the supply reliability of the SF RWS.** This task develops the approach to simulating reliability of the SF RWS. If a new or revised model is used, ReNUWIt would verify the accuracy through a comparison to existing model results.

**Deliverable** - regular status reports on progress throughout FY 2016-17. The work would be completed by the end of FY 2016-17 and a memorandum would be anticipated early in FY 2017-18. If a new or revised model is created, BAWSCA would obtain the new model.

If BAWSCA chose to continue this work, funds will be needed in FY 2017-18 for completing the development of the Independent Regional Water System & Supply Modeling Tool and perform scenario analysis. Potential tasks for FY 2017-18 include:

4. **Construct and calibrate a regional reliability modeling tool.** Using at least one scenario agreed to by BAWSCA and ReNUWIt. Using the approach formulated in tasks 1-3, described above, ReNUWIt will construct a numerical model that incorporates reliability of both SF RWS and other supplies that is capable of investigating regional reliability questions posed above.

**Deliverable** – Results of one or more planning-level scenarios, as defined during work completed for Task 1, will be presented in a memorandum. In addition, BAWSCA will receive a copy of the model.

5. **Use the modeling tool to evaluate additional scenarios.** ReNUWIt will use the calibrated Regional Reliability Model to investigate additional regional reliability questions formulated in Task 1.

**Deliverable** – Results of the additional scenarios would be presented in a memorandum.

Schedule

Work on development of BAWSCA’s Independent Regional Water System & Supply Modeling Tool would begin after the contract is finalized at the start of FY 2016-17. Two memorandums would be produced in FY 2016-17 and additional work would be done in the following fiscal year on the following schedule:

<b>TASK</b>	<b>SCHEDULE</b>
Memorandum on formulating the modeling approach for regional-scale reliability	Jan. 2016
Memorandum on evaluating the reliability of other water supplies	April 2017
Memorandum on evaluating the reliability of the SF RWS	Oct. 2017
Memorandum on constructing and calibrating the regional reliability model	Feb. 2018
Submit copy of regional reliability model	March 2018
Memorandum presenting evaluation results for additional scenarios	June 2018

Justification for the Sole Source Approach

ReNUWIt is a collaboration of researchers at Stanford University, the University of California-Berkeley, Colorado School of Mines, and New Mexico State University, funded by the National Science Foundation. With over 40 water resources experts, the ReNUWIt Program contains an extensive breadth and depth of knowledge in water resources management and hydrologic modeling. BAWSCA staff has been successfully collaborating with Dr. Newsha Ajami, Director of Urban Water Policy with Stanford University’s ReNUWIt initiative, for over a year and a half to cultivate a mutually beneficial relationship in which ReNUWIt researchers work with BAWSCA to develop capabilities to investigate regional water management strategies for the BAWSCA service area. In April 2016, BAWSCA became an Associate Member of ReNUWIt which enabled collaboration and access to educational and research expertise to improve water management.

Providing the desired work products requires professional services with expertise in hydrological and water resources numerical modeling, and also familiarity with the SF RWS



and BAWSCA member agencies' other water supplies. ReNUWIt researchers have already begun to construct a regional reliability model for their own research using BAWSCA member agency data as a case study. This effort is being funded in part by the National Science Foundation (the sponsor of ReNUWIt as mentioned above), which will reduce the overall cost to BAWSCA. Given the potential to leverage ReNUWIt's ongoing work to complete the scope of work in a cost effective manner on an accelerated timeframe, a sole source contract with ReNUWIt to perform the initial development of the Independent Regional Water System & Supply Modeling Tool is recommended.

**Alternatives to the Recommended Action:**

Alternatives to the recommended action included herein are to: (1) not move forward with the development of an Independent Regional Water System & Supply Modeling Tool, or (2) select a potentially different consultant through a competitive bid process.

BAWSCA does not recommend the above alternatives. The development of an Independent Regional Water System & Supply Modeling Tool is a key item in the FY 2016-17 Work Plan and is important to informing long-term water supply planning in the region.

ReNUWIt is uniquely qualified to develop an Independent Regional Water System & Supply Modeling Tool within the proposed budget and timeframe given the work its researchers are already performing. ReNUWIt researchers have already begun to construct a regional reliability model for their own research using BAWSCA member agency data as a case study. This effort is being funded in part by the National Science Foundation, which will reduce the overall cost to BAWSCA. No other entity is thought to have all of the necessary expertise and resources to pursue this work at the proposed cost. A private consulting firm would charge significantly more for the same work product, and the work could take significantly longer, as the staff at the firm could require significant effort to come up to speed. Given ReNUWIt's qualifications, it is appropriate to contract with the research center for this project.

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# **BAWSCA**

**Bay Area Water Supply & Conservation Agency**

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155 Bovet Road, Suite 650  
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## MEMORANDUM

**TO:** BAWSCA Board of Directors  
**FROM:** Nicole Sandkulla, CEO/General Manager  
**DATE:** June 3, 2016  
**SUBJECT:** Chief Executive Officer/General Manager's Letter

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### Mountain Tunnel Status:

BAWSCA continues to meet monthly with the SFPUC to discuss efforts to address the preparation for and implementation of necessary improvements to structural defects in the Mountain Tunnel lining. The SFPUC is focused on three key efforts: 1) the Mountain Tunnel Improvement Project, which consists of a series of capital projects to improve access to the facility and ultimately, the inspection and repair or replacement of the tunnel, 2) an Emergency Restoration Plan to return the facility to service within 3 months of a tunnel failure, and 3) an Emergency Response Plan to provide for alternative water supplies under both planned and unplanned outage scenarios.

At the latest meeting, SFPUC provided an update on the capital projects currently underway as part of its Mountain Tunnel Improvement Project. These include improvements to access roads to the tunnel and tunnel adits (i.e., entrances) in preparation for the initial tunnel restoration work scheduled for January 2017. SFPUC staff also continues to perform both real-time and simulated emergency exercises in preparation for the execution of the Emergency Restoration Plan should there be an unforeseen outage of the Mountain Tunnel. Upcoming exercises include a joint emergency exercise with the BAWSCA member agencies in June.

Finally, BAWSCA and the SFPUC continue discussions on the implementation of the Emergency Response Plan, which identifies the necessary actions to manage and supplement existing supplies to meet Bay Area water needs in the event of a Mountain Tunnel outage. SFPUC committed to the development of a template for source shifting agreements to expedite BAWSCA member agencies' ability to switch to alternative supplies during an outage to extend the use of SFPUC local supplies by other BAWSCA member agencies.

### Pilot Water Transfer Plan:

BAWSCA continues work on implementation of a pilot water transfer with its partners, SFPUC, East Bay Municipal Utilities District (EBMUD), and the City of Hayward. BAWSCA recently sent EBMUD an updated draft of the Wheeling Agreement between BAWSCA and EBMUD, and is scheduling a meeting to discuss new agreement terms

with EBMUD prior to the end of the fiscal year. BAWSCA has also been in conversations with SFPUC and the City of Hayward about the potential opportunity to implement the pilot water transfer during an upcoming extended shutdown of the Hetch Hetchy system to accommodate repairs of Mountain Tunnel. SFPUC plans to prepare the interties in case they are needed during the extended shutdown. As such, BAWSCA would not need to perform flushing of the Hayward Intertie prior to the pilot water transfer, and would result in cost savings for implementation of the pilot water transfer.

**Silicon Valley Clean Water:**

In July 2015, Silicon Valley Clean Water (SVCW) approached BAWSCA to investigate potential potable water reuse project partnerships. BAWSCA reached out to SFPUC and Cal Water which began discussions with SVCW in November 2015 that have resulted in a Memorandum of Understanding (MOU) to perform an initial exploration of a potential potable reuse project. The MOU sets forth the respective roles and responsibilities of BAWSCA, Cal Water, SFPUC, and SVCW regarding a study of potable reuse feasibility, and the development of a Potable Reuse Exploratory Plan. The MOU is under final review by each of the agencies with execution scheduled this fiscal year.

SVCW operates a wastewater treatment plant located in Redwood Shores that serves residents from Belmont in the north to Menlo Park in the south. SVCW is considering facility upgrades to include advance treatment and production of up to 10 mgd of potable water supply. Staff from the four entities have been meeting regularly to discuss the potential for the water agencies to be potential customers of the new potable recycled supply that SVCW could develop.

In May 2016, the agencies finalized a scope of work with SVCW's consultant to perform an initial project screening phase. The purpose of the initial phase is to provide sufficient information for the agencies to determine whether to proceed with continued exploration of, and investment in, potable reuse through this plan. The cost of this work is not to exceed \$60,000 and will initially be split between SVCW and the water agencies, with the cost share to be finalized shortly.

**Conservation Management System:**

The ConserveTrack Water Conservation Management System (ConserveTrack) is scheduled to launch at the end of June. The project experienced delays due to challenges in integrating ConserveTrack with member agency utility billing systems; however, this integration is now complete for most agencies. ConserveTrack will improve the rebate process for customers and enhance the administration of conservation programs for both BAWSCA and the member agencies.

ConserveTrack will include two distinct but related components: 1) an online rebate application system (Online Rebate System) and 2) a Data Management System, which enables BAWSCA member agencies to track and manage each individual agency's conservation programs. The Online Rebate System will be used by all BAWSCA member agencies participating in BAWSCA's subscription rebate programs. The Data Management System is offered to all BAWSCA member agencies as a new subscription program. For FY 2015-16, two BAWSCA member agencies are participating in the Data Management System

The beta testing of ConserveTrack has been completed, and BAWSCA staff is currently working with the consultant on data transfer from the existing system, user training, and final testing. The utility billing system integration has been configured for most agencies, and BAWSCA is working closely with ConserveTrack to complete utility billing system integration for the remaining agencies. A "soft launch" for the system, with a sub-group of BAWSCA member agencies, is scheduled for late June. The full-scale launch is planned for July 1, in coordination with the FY 2016-17 rebate program launch.

**Stanford Study on Best Management Practices for Turf Removal Programs:**

A Stanford Public Policy Senior Seminar recently completed a study titled "Best Management Practices for Turf Removal and Landscape Programs". The study was completed under the direction of Dr. Newsha Ajami, a Stanford University researcher affiliated with Re-inventing the Nation's Urban Water Infrastructure (ReNUWIt), a research center on water supply reliability and conservation planning efforts. This is the latest collaboration between BAWSCA, its member agencies and Stanford and was performed at no cost to BAWSCA or the participating agencies.

The study explored: 1) the impacts of turf removal programs, such as BAWSCA's Lawn Be Gone! Program, on participants' water use, 2) the elements of a turf removal program that contribute to its effectiveness, and 3) recommended best management practices for turf removal programs. The study found an observable amount of water savings among turf replacement program participants and recommended several modifications to the Lawn Be Gone! program to increase participation and improve the data quality for further analyses. The results of the study are being used to modify the FY 2016-17 Lawn Be Gone! Program and will inform BAWSCA's Drought Response Analysis.

**GFOA Certified Public Finance Officer Designation:**

BAWSCA staff, Christina Tang, earned the designation of Certified Public Finance Officer (CPFO) by the Government Finance Officers Association (GFOA) in May 2016. This accomplishment demonstrates Christina's proficiency and specialty within her profession. To achieve this CPFO designation, Christina successfully completed five exams in the disciplines of all the key areas of public finance. There are over 600 CPFOs in the United States.

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# Board Policy Committee Policy Calendar through June 2016

BPC Meeting	Purpose	Issue or Topic
June 2016	D&A	Consideration of Contract with ReNUWI to Complete a Demand Reduction Study
	D&A	Consideration of Contract with ReNUWI to Develop Independent Regional Water System & Supply Modeling Tool
	R&D	Review of SFPUC's Water Management Action Plan (MAP)
<b>August 2016</b>		<b>MEETING CANCELLED</b>
October 2016	D&A	Annual Review and Consideration of BAWSCA's Statement of Investment Policy
	D&A	Consideration of Additional Consultant Contracts to Support BAWSCA Drought Response Analysis
	R&D	BAWSCA Mid-Year Review for FY 2016-17 Work Plan and Budget
December 2016	D&A	BAWSCA Mid-Year Review for FY 2016-17 Work Plan and Budget
	R&D	Work Plan and Budget Planning for FY 2017-18