



BOARD OF DIRECTORS MEETING

Thursday, July 21, 2022

6:30 P.M.

DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED AS A TELECONFERENCE PURSUANT TO THE PROVISIONS OF GOVERNMENT CODE SECTION 54953(e). MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON.

The following members of the BAWSCA Board are listed to permit them to appear telephonically at the Board Meeting on July 21, 2022: Angela Andrews, Jay Benton, Randy Breault, Tom Chambers, Drew Combs, Alison Cormack, Tom Hamilton, Karen Hardy, Sam Hindi, Steve Jordan, Gustav Larsson, Sam Liccardo, Antonio López, Juslyn Manalo, Lisa Matichak, Chris Mickelsen, Carmen Montano, Ann O'Brien, Tom Piccolotti, Barbara Pierce, Dan Quigg, Tom Smegal, Lou Vella, John Weed, Sepi Wood, and Tom Zigterman.

Members of the public wanting to participate in the meeting may do so by:

Participating via Video Conference:

Click on the link to Join the meeting, <https://us02web.zoom.us/j/83788647478>

- Meeting ID: 837 8864 7478
- Password: 258644
- The web browser client will download automatically when you start or join your first Zoom meeting. It is also available for [manual download here](#).

OR,

Participating via Telephone:

- **Dial (888) 788-0099** US Toll-free, and entering **Meeting ID 837 8864 7478** and **Password 258644** when prompted.
- To Mute or UnMute, Press *6.
- To Raise Hand, Press *9.
- The Presentation will be available prior to the meeting at www.bawasca.org.

All audio and video will be OFF upon entry. Remaining on mute will reduce background noise.

Videos of non-Board Member meeting participants will be kept OFF at all times during the meeting. Audio for non-Board Member meeting participants will be enabled during allocated public speaking times and will be disabled when public comment time has expired.

In the event of technical malfunction on Zoom, the meeting will be conducted via the Call-In #.

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BOARD OF DIRECTORS MEETING

Thursday, July 21, 2022

6:30 P.M.

AGENDA

<u>Agenda Item</u>	<u>Presenter</u>	<u>Page</u>
1. Call to Order/Roll Call/Salute to Flag	(Larsson)	
2. Comments by the Chair	(Larsson)	
3. Consent Calendar (<i>Attachments</i>)	(Larsson)	
A. Adoption of Resolution #2022-09, Declaring that the Board Meetings will Continue to be Held Via Teleconference (<i>Attachment</i>)		Pg 5
B. Approve Minutes of the May 19, 2022 Meeting		Pg 9
C. Receive and File Budget Status Report – As of May 31, 2022		Pg 19
D. Acceptance of BAWSCA's Amended Conflict of Interest Code		Pg 21
E. Authorization of Professional Services Contract with Maddaus Water Management to support member agencies with water use efficiency legislation <i>The Committee voted unanimously to recommend Board approval of the proposed Board actions for items 3D and 3E.</i>		Pg 35
4. Board Policy Committee Report (<i>Attachment</i>)	(Breault)	Pg 43
5. Public Comments <i>Members of the public may address the Board on any issues not listed on the agenda that are within the purview of the Agency. Comments on matters that are listed on the agenda may be made at the time the Board is considering each item. Each speaker is allowed a maximum of three (3) minutes.</i>	(Larsson)	
6. SFPUC Report	(Ritchie)	
7. Action Calendar		
A. Authorization of Professional Services Contract to Support the Redesign and Implementation of BAWSCA's Water Conservation Database (WCDB). (<i>Attachment</i>) <i>The Committee voted unanimously to recommend Board approval of the proposed Board action.</i>	(Francis)	Pg 55
8. Report and Discussion		
A. CEO/General Manager Performance Evaluation Process	(Larsson)	

9. CEO Reports

(Sandkulla)

- A. Water Supply and Use Update
- B. Lawn Be Gone! Program Terms & Conditions (*Attachment*) Pg 63
- C. New Tier 2 Plan Negotiations Status Report (*Attachment*) Pg 65
- D. FERC/Bay Delta Plan Update
- E. Future Board Meeting Location Update
- F. CEO/General Manager's Letter (*Attachment*) Pg 67
- G. Board Policy Calendar (*Attachment*) Pg 71
- H. Correspondence Packet ([Under Separate Cover](#))

10. Closed Session

(Schutte)

- A. Conference with Legal Counsel – Existing Litigation pursuant to**
Paragraph (1) of subdivision (d) of Government Code Section 54956.9
Federal Energy Regulatory Commission Final License Application
Proceedings for Don Pedro Hydroelectric Project, P-2299-082, and La
Grange Hydroelectric Project, P-14581-002.
- B. Conference with Legal Counsel – Existing Litigation pursuant to**
Paragraph (1) of subdivision (d) of Government Code Section 54956.9
State Water Board Cases (Sacramento County Superior Court Case
No. 5013).

11. Report after Closed Session

(Schutte)

12. Directors' Discussion: Comments, Questions and Agenda Requests

(Larsson)

13. Date, Time and Location of Future Meetings (See attached schedule of meetings)

(Larsson) Pg 73

14. Adjourn to next meeting scheduled for September 15, 2022 at 6:30 pm

(Larsson)

Accessibility for Individuals with Disabilities

Upon request, 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 and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least two days before the meeting. Requests should be emailed to bawzca@bawzca.org or submitted by phone at 650-349-3000. Requests will be granted whenever possible and resolved in favor of accessibility.

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD OF DIRECTORS MEETING

Agenda Title: **Adoption of Resolution #2022-09, Declaring that Board Of Directors Meetings Will Continue to be Held via Teleconference**

Summary:

On May 19, 2022, the Board of Directors (Board) adopted Resolution #2022-07 in response to the passage of Assembly Bill (AB) 361 which allowed the Board to continue meeting via teleconference. Pursuant to Government Code § 54953(e), Resolution #2022-07 is only valid for 30 days. The attached Resolution #2022-09 follows the prior Resolution #2022-07 and once again declares the Board's intent to continue meeting via teleconference under AB 361.

Fiscal Impact:

This item has no impact on BAWSCA's annual operating budget.

Recommendation:

That the Board adopt Resolution #2022-09 declaring that it will continue to meet via teleconference, in accordance with AB 361 and the provisions of Government Code Section 54953(e).

Discussion:

On March 4, 2020, Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State prepare for a broader spread of COVID-19. On March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20, which suspended certain provisions of the Ralph M. Brown Act in order to allow local legislative bodies to conduct meetings electronically without a physical meeting place.

On September 16, 2021, the Governor signed Assembly Bill (AB) 361 into law, effective October 1, 2021, to allow agencies to use teleconferencing for public meetings during proclaimed state of emergencies without requiring the teleconference locations to be accessible to the public or a quorum of the members of the legislative body of the agency to participate from locations within the boundaries of the agency's jurisdiction. AB 361 will sunset on January 31, 2024.

Under AB 361, a local agency is allowed to meet remotely without complying with traditional Brown Act teleconference requirements when:

1. The local agency holds a meeting during a state of emergency declared by the Governor, and either
 - State or local officials have imposed or recommended measures to promote social distancing, or
 - The legislative body finds that meeting in person would present imminent risks to the health or safety of attendees.

Since late February, the Governor has rescinded a number of prior Executive Orders and the California Department of Public Health (CDPH) has lifted its universal mask mandate. However,

masks are still required in San Mateo County courts and statewide in healthcare settings and shared housing. The CDPH continues to strongly recommend that individuals wear masks in childcare facilities and schools. Furthermore, the relaxed mask mandates and rescinded Executive Orders did not change social distancing recommendations. The San Mateo County Health Officer, CDPH, and the Department of Industrial Relations all continue to recommend social distancing. Finally, the Governor's proclaimed State of Emergency remains in effect.

Therefore, the Board can continue to conduct meetings via teleconference, as long as it adheres to the following emergency requirements under Government Code Section 54953(e)(2), added by AB 361:

1. The legislative body gives notice and posts agendas as otherwise required by the Brown Act, including directions for how the public can access the meeting.
2. The legislative body does not take formal action on any item whenever there is a disruption in the meeting broadcast.
3. The public is allowed to provide comment in real time.
4. The legislative body allows time during a public comment period for members of the public to register with any internet website required to submit public comment.

Once a local agency passes an AB 361 resolution, the agency can meet under the emergency teleconference requirements for 30 days, at which point the resolution will expire. The agency can either make certain ongoing findings prior to the 30-day expiration to continue under its first resolution, or the agency can allow the first resolution to expire and pass a new resolution at a later date.

The Board has passed the following AB 361 resolutions:

1. Resolution 2021-05 (November 18, 2021)
2. Resolution 2022-01 (January 20, 2022)
3. Resolution 2022-04 (March 17, 2022)
4. Resolution 2022-07 (May 19, 2022)

Each of these Resolutions have since expired. Because the Board meets only every other month, this will continue to be the case. Therefore, the Board will pass a new AB 361 resolution via the consent calendar at each meeting, provided that the State of Emergency and social distancing recommendations remain in effect.

Attachment:

1. Resolution # 2022-09, Declaring that Board meetings will continue to be held via Teleconference

**RESOLUTION NO. 2022 – 09
BY THE BOARD OF DIRECTORS OF THE
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**DECLARING THAT BOARD OF DIRECTORS MEETINGS WILL CONTINUE TO BE HELD
VIA TELECONFERENCE**

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State prepare for a broader spread of COVID-19; and

WHEREAS, on September 16, 2021, the Governor signed Assembly Bill 361 into law as urgency legislation that went into effect on October 1, 2021, amending Government Code Section 54953 of the Brown Act to allow legislative bodies to continue to meet remotely during a proclaimed state of emergency where state or local officials have recommended measures to promote social distancing; and

WHEREAS, the Board of Directors of the Bay Area Water Supply and Conservation Agency has previously passed the following Resolutions to declare its intent to meet via teleconference in accordance with Assembly Bill 361 and the provisions of Government Code Section 54953(e):

1. Resolution 2021-05 (November 18, 2021)
2. Resolution 2022-01 (January 20, 2022)
3. Resolution 2022-04 (March 17, 2022)
4. Resolution 2022-07 (May 19, 2022)

which have all since expired; and

WHEREAS, the Governor's proclaimed State of Emergency remains in effect, and State and local officials, including the San Mateo County Health Officer, California Department of Public Health and the Department of Industrial Relations, continue to impose or recommend measures to promote social distancing.

NOW, THEREFORE, BE IT RESOLVED that, in order to ensure the health and safety of the public, meetings of the Board of Directors of the Bay Area Water Supply and Conservation

Agency will continue to be held via teleconference in accordance with Assembly Bill 361 and the provisions of Government Code Section 54953(e).

Regularly passed and adopted this 21st day of July, 2022 by the following vote:

AYES:

NOES:

ABSENT:

CHAIR, BOARD OF DIRECTORS

ATTEST:

Board Secretary

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
BOARD OF DIRECTORS MEETING****May 19, 2022 – 6:30 p.m.**

DUE TO COVID-19, THIS MEETING WAS CONDUCTED AS A TELECONFERENCE PURSUANT TO THE PROVISIONS OF GOVERNMENT CODE SECTION 54953(e). MEMBERS OF THE PUBLIC COULD NOT ATTEND THIS MEETING IN PERSON.

MINUTES

1. Call to Order/Pledge of Allegiance/Roll Call – 6:33 pm following introductory instructions for conducting the meeting virtually through Zoom.

BAWSCA Chair, Gustav Larsson, called the meeting to order. Nicole Sandkulla called the roll. Twenty-two (22) members of the Board were present. A list of Directors present (22), absent (4) is attached.

2. Comments by the Chair:

Chair Larsson noted that the agenda includes the Board's consideration of the proposed FY 2022-23 budget that will fund the work plan designed to achieve the results needed in order to continue providing a reliable supply of high-quality water at a fair price for water users in Alameda, San Mateo, and Santa Clara Counties.

He emphasized that the work plan is focused on water conservation, which as well as water supply, is part of BAWSCA's strong and descriptive name, which the California legislature gave the agency twenty years ago. Conservation is a fundamental part of BAWSCA's mandate and strategy and is critical for the agency as it embraces and supports Governor Newsom's call for water use reductions by at least 15 percent.

While the BAWSCA service area has one of the lowest average residential per-capita water-use levels in California of 66 gallons per person per day, the BAWSCA region will strive vigorously to meet the Governor's target.

Lastly, Chair Larsson reported that BAWSCA replied to the letter it received from a long list of respected, non-government, environmental organizations requesting BAWSCA to "drop" its legal intervention into the Bay Delta Plan. BAWSCA's reply letter states that BAWSCA cannot do this because several important issues related to one part of the Bay Delta Plan have not been resolved. It is the San Francisco Public Utilities Commission's responsibility to resolve the issues, and BAWSCA is charged by State legislature to represent the region's water users who depend on the water supply from the Tuolumne River. As such, BAWSCA intervened to ensure that the eventual solution to this issue protects the water users.

3. Consent Calendar:

Director Benton made a motion, seconded by Director Pierce, that the Board adopt Resolution #2022-07, declaring that Board meetings will continue to be held via teleconference; approve, with corrections, the Minutes of the March 17, 2022 meeting; and receive and file the Budget Status Report, Bond

Surcharge Collection Report, Investment Report, and Directors' Reimbursement Report as of March 31, 2022.

The motion passed by roll call vote of 22 in favor of all items under Consent Calendar and 1 opposed Item 3A of the Consent Calendar.

Director Cormack voted "Yes" on Items 3B through 3F and "No" on Item #3A in the Consent Calendar, Adoption of Resolution #2022-07, declaring that Board meetings will continue to be held via teleconference.

4. Board Policy Committee Report:

Board Policy Committee (BPC) Chair Breault reported that the BPC met on April 13, 2022. The summary notes for the meeting are included in the agenda packet and accurately reflect the substance of the discussion held by the Committee.

There were no public comments.

5. Public Comments on Items Not on the Agenda:

Public comments were provided by:

1. Jeff Brown
2. Dave Warner
3. John McManus, President of Golden State Salmon Association
4. Peter Drekmeier, Tuolumne River Trust
5. Blare Beekman
6. Shannon McEntee
7. Heinrich Albert, Co-Chair of Sierra Club SF Bay Chapter Water Committee
8. Denise Lui, Member of Center for Bio-Diversity
9. Jessie Raeder
10. Libby Higgs
11. Kasil Willie, Staff Attorney, Save California Salmon

6. SFPUC Report:

Ms. Alison Kastama, SFPUC's BAWSCA Liaison provided a report on the Regional Water System's water supply conditions.

There were no comments from members of the Board.

Public comments were provided by:

1. Peter Drekmeier
2. Mark Gonzalves, caller with phone # 707-292-4312

7. Water Management Representatives (WMR) Report

Mr. Leonard Ash, appointed WMR for Alameda County Water District, provided the Board an update on the current work being done by the WMR, and noted the benefits and value of WMR meetings, as well as the topics discussed at the meetings.

8. Action Calendar:

- A. Proposed Fiscal Year 2022-23 Work Plan, Results to be Achieved, and Operating Budget.

There were no comments from members of the Board following Ms. Sandkulla's presentation.

Public comments were provided by:

1. Barry Nelson
2. Carol Steinfeld, Co-Chair of Sierra Club Loma Prieta Chapter Water Committee
3. Steve Rosenblum, Palo Alto Resident
4. Dave Warner
5. Sonia Diermayer
6. Cedric Pitot de la Beaujardiere
7. Tonia Sole, Docktown RWC Resident, Ca. State Assembly District 21 Candidate
8. Jesse Raeder
9. Kasil Willie, Staff Attorney, Save California Salmon
10. Peter Drekmeier, Tuolumne River Trust
11. Hillary Bayer, Co-Founder of Silicon Valley Barcode of Life, a Bay Area Biodiversity Conservation and Education Project

Follow up comments on the proposed budget were provided by Director Barber, Chair Larsson, Vice-Chair Chambers, and Director Benton.

Director Benton made a motion, seconded by Director Hardy, that the Board approve the:

- 1. Proposed FY 2022-23 Work Plan and results to be Achieved;**
- 2. Proposed Operating Budget of \$4,720,885;**
- 3. Proposed funding plan of a 25% assessment increase (\$4,838,897) and a \$75,000 transfer from the Balancing Account; and**
- 4. Authorization of a transfer of \$193,012 to the General Reserve**

The motion passed by roll call vote of 20 in favor and none opposed.

Director Breault left the meeting at the start of Item #8A

There was no response from Director Piccolotti.

- B. Approval of Professional Services Contracts of FY 2022-23.

Comments were provided by Directors Benton and Wood.

Public comments were provided by:

1. Steve Rosenblum
2. Cedric Pitot de la Beaujardiere
3. Jeanelle Steiner

Director Wood made a motion, seconded by Director Chambers, that the Board approve the 23 consultant contracts for legal, engineering, financial, strategic and water conservation services needing to be in place by July 1, 2022.

The motion passed by roll call vote of 18 in favor and none opposed.

Directors Barber and Montano abstained.

There was no response from Director Piccolotti.

9. CEO Reports:

Ms. Sandkulla provided a report on water supply and demand status; an update on the Bay Delta Plan; and the completion of a report summarizing BAWSCA's pilot water transfer efforts from 2011-2020. The Pilot Water Transfer report has been posted on the BAWSCA website and offers useful insight into future transfer efforts by BAWSCA and others.

There were no comments from members of the Board.

Public comments were provided by:

1. Barry Nelson
2. Peter Drekmeier, Tuolumne River Trust
3. Steve Rosenblum
4. Kasil Willie, Staff Attorney, Save California Salmon
5. Dave Warner
6. Carol Steinfeld
7. John Rosapepe
8. Molly Culton

10. Closed Session:

Prior to adjourning to Closed Session, the Board voted to extend the meeting.

Director Pierce made a motion, seconded by Director Andrews to extend the meeting by an additional 25 minutes.

The motion passed by roll call vote of 20 in favor and none opposed .

There was no response from Director Piccolotti.

Public comments were provided by Peter Drekmeier.

The meeting adjourned to Closed Session at 9:16pm.

10. Report After Closed Session:

Closed Session ended at 9:47 pm. Legal Counsel, Allison Schutte, convened Open Session and reported that no reportable action was taken during Closed Session.

11. Directors' Discussion: Comments, Questions and Agenda Requests:

Director Hardy suggested having an abbreviation list the Board and public can use as reference.

Director Jordan noted the challenge the WSA amendment presents to Purissima Hills Water District.

Director Barber announced his decision to relocate to Oregon and therefore his resignation from the BAWSCA Board. He expressed his appreciation for the opportunity to serve on the Board.

Director Larsson thanked Director Barber for his service. He reported that the CEO performance evaluation will be conducted in the Summer. An RFP will be released for a consultant to conduct a 360° review and a salary survey. He plans to convene a small subcommittee of Directors to provide guidance on the processes for both the 360° review and salary survey. The Board will be updated at the July Board meeting.

12. Date, Time and Location of Next Meeting: The next meeting is scheduled on July 21, 2022 at 6:30pm.**13. Adjournment:** The meeting adjourned at 9:52 pm.

Respectfully submitted,

Nicole M. Sandkulla
Chief Executive Officer/General Manager

NMS/le

Attachments: 1) Roll Call & Voting Log
2) Attendance Roster

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Roll Call & Voting Log - BAWSCA

Meeting Date: 19-May-22

Agency	Director	Simple Voting ⁽¹⁾					Weighted Voting ⁽²⁾	
		Present/ Absent	Item #3 Consent	Item #8A Budget	Item #8B Consultants	Extend Mtg	Weighted "Yes" Votes	Weighted "No" Votes
Hayward	Andrews, Angela	y	y	y	y	y		
Cal Water	Barber, George	y	y	y	a	y		
Hillsborough	Benton, Jay	y	y	y	y	y		
Guadalupe	Breault, Randy	y	y	0	0	0		
Westborough	Chambers, Tom	y	y	y	y	y		
Menlo Park	Combs, Drew	y	y	y	y	y		
Palo Alto	Cormack, Alison	y	y , n on 3A	y	y	y		
San Bruno	Hamilton, Tom	y	y	y	y	y		
Santa Clara	Hardy, Karen	y	y	y	y	y		
Foster City	Hindi, Sam	y	y	y	y	y		
Purissima	Jordan, Steve	y	y	y	y	y		
Sunnyvale	Larsson, Gustav	y	y	y	y	y		
San Jose	Liccardo, Sam	0	0	0	0	0		
East Palo Alto	Lopez, Antonio	0	0	0	0	0		
Daly City	Manalo, Juslyn	0	y	0	0	0		
Mountain View	Matichak, Lisa	y	y	y	y	y		
Coastside	Mickelsen, Chris	0	0	0	0	0		
Milpitas	Montano, Carmen	y	y	y	a	y		
Burlingame	O'Brien, Ann	y	y	y	y	y		
North Coast	Piccolotti, Tom	y	y	0	0	0		
Redwood City	Pierce, Barbara	y	y	y	y	y		
Millbrae	Quigg, Dan	y	y	y	y	y		
Mid-Peninsula	Vella, Lou	y	y	y	y	y		
ACWD	Weed, John	y	y	y	y	y		
Brisbane	Wood, Sepi	y	y	y	y	y		
Stanford	Zigterman, Tom	y	y	y	y	y		

Vote Tally

	Simple Vote Summary					Weighted Vote Summary	
						"Yes"	"No"
Yes (y)	22	22	20	18	20		
No (n)		1 on 3A					
Absent (0)	4	3	6	6	6		
Abstain (a)				2			
Item Carries by Simple Vote?	Y	Y	Y	Y	Y		
Item Carries by Weighted Vote?							

(1) Under simple voting, item carries if it receives an affirmative vote of a majority of the total membership (15 votes)

(2) Under weighted voting, item carries if it receives the affirmative vote of directors representing both

a) A majority of the members present and voting, and

b) a majority of the number of votes represented by directors present

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Bay Area Water Supply and Conservation Agency

Board of Directors Meeting Attendance Roster

Director	Agency	May 19, 2022	Mar. 17, 2022	Jan. 20, 2022	Nov. 18, 2021	Sept. 16, 2021	July 15, 2021
Andrews, Angela	Hayward	✓	✓	✓*	✓*	✓*	✓*
Barber, George	Cal Water	✓	✓	✓	✓	✓	✓
Benton, Jay	Hillsborough	✓	✓	✓	✓	✓	✓
Breault, Randy	Guadalupe	✓	✓	✓	✓		✓
Chambers, Tom	Westborough	✓	✓	✓	✓	✓	✓
Combs, Drew	Menlo Park	✓	✓	✓	✓	✓	✓
Cormack, Alison	Palo Alto	✓	✓	✓	✓	✓	✓
Hamilton, Tom	San Bruno	✓	✓	✓	✓	✓	✓
Hardy, Karen	Santa Clara	✓	✓	✓	✓	✓	
Hindi, Sam	Foster City	✓	✓	✓	✓	✓	✓
Jordan, Steve	Purissima	✓	✓	✓	✓	✓	✓
Larsson, Gustav	Sunnyvale	✓	✓	✓	✓	✓	✓
Liccardo, Sam	San Jose						
Lopez, Antonio	East Palo Alto		✓	✓			
Manalo, Juslyn	Daly City	✓	✓	✓	✓	✓	✓
Matichak, Lisa	Mountain View	✓	✓	✓	✓	✓	✓
Mickelsen, Chris	Coastside		✓	✓	✓	✓	✓
Montano, Carmen	Milpitas	✓	✓	✓	✓	✓	✓
O'Brien, Ann	Burlingame	✓	✓	✓	✓		✓
Piccolotti, Tom	North Coast	✓	✓	✓	✓	✓	✓
Pierce, Barbara	Redwood City	✓	✓	✓	✓	✓	✓
Quigg, Dan	Millbrae	✓		✓	✓	✓	✓
Vella, Lou	Mid-Peninsula	✓	✓	✓	✓	✓	✓
Weed, John	ACWD	✓	✓	✓	✓	✓	✓
Wood, Sepi	Brisbane	✓	✓	✓	✓	✓	✓
Zigterman, Tom	Stanford	✓	✓	✓	✓	✓	✓

✓ : Present

* : Predecessor

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Bay Area Water Supply & Conservation Agency

155 Bovet Road, Suite 650
 San Mateo, California 94402
 (650) 349-3000 tel. (650) 349-8395 fax

TO: Nicole Sandkulla, CEO/General Manager

FROM: Deborah Grimes, Office Manager

DATE: July 12, 2022

SUBJECT: Budget Status Report as of May 31, 2022

This memorandum compares approved budget to actual expenses through May 31, 2022 for FY 2021-22. It includes major areas of spending, provides an assessment of the overall budget, and summarizes reserve fund balances. This report covers the budget and expenses for BAWSCA, RFA and BAWUA.

Operating Budget Summary:

For the eleven-month period ending May 31, 2022, 92 percent into the fiscal year, total expenditures were \$3,933,046 or 82 percent of the total budget of \$4,799,544.

Table 1. Operating Budget Summary as of May 31, 2022

Cost Category	Year-To-Date		
	Budget	Expenses	Percent
Consultants /Direct Expenditures			
Reliability	1,522,350	1,208,688	79%
Fair Pricing	565,700	421,536	75%
Administration	140,000	137,888	98%
Subtotal	2,228,050	1,768,112	79%
Administration and General			
Salary & Benefits	2,122,019	1,894,706	89%
Other Expenses			
BAWSCA	385,900	267,704	69%
BAWUA	1,050	0	0%
Subtotal	4,737,019	3,930,522	83%
Capital Expenses	3,000	0	0%
Budgeted Contingency	57,500	0	0%
Regional Financing Authority	2,025	2,524	125%
Grand Total	4,799,544	3,933,046	82%

Overview:

Overall expenditures for FY 2021-22 are tracking within budget.

Consultants

The \$88,200 budget for technical review and tracking of the SFPUC's Water System Improvement Program was 33 percent expended. The budget allocation of \$150,000 for strategic counsel was 94 percent expended. The budget allocation of \$723,500 for legal counsel was 103 percent expended as of May 31, 2022, however a first amendment was in process and completed in June as reflected below under the CEO's discretionary spending. The \$308,350 budget for water management and conservation-related activities was 54 percent expended.

Administration and Other Expenses

Budgets for salaries and other expenses were 89 percent and 69 percent expended respectively.

Use of CEO's Discretionary Spending Authority:

In June, the CEO entered into the following agreements under her discretionary spending authority:

- A contract amendment in the amount of \$24,999 for Management Communications (Bud Wendell) for increased work related the proposed WSA amendment and BAWSCA's efforts related to the adopted Bay Delta Plan.
- A contract amendment in the amount of \$24,999 Hanson Bridgett for legal services.

Use of Reserve and Reserve Fund Balance:

Unspent funds at the end of FY 2020-21 were \$43,727. In accordance with the adoption of the FY 2021-22 annual budget in May 2021, the Board approved transferring \$281,676 from the General Reserve to fund the FY 2021-22 Operating Budget. Both transfers were executed in November 2021. The General Reserve balance as of May 31, 2022 shown below reflects the transfers.

Table 2. General Reserve Fund Balance

Fund	Account Balance (As of 03/31/21)	Account Balance (As of 05/31/22)
General Reserve	\$758,794	\$758,794

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD OF DIRECTORS MEETING

Agenda Title: **Acceptance of BAWSCA's Amended Conflict of Interest Code**

Summary:

Pursuant to California Government Code Section 87306.5, BAWSCA must review the Conflict of Interest Code (Code) every even-numbered year or as needed when applicable organizational changes necessitate amendments.

For the 2018 Code review, BAWSCA staff and legal counsel, in concert with the Fair Political Practices Commission (FPPC), amended the Code to revise the title of a designated position to "Finance Manager."

The Code approved in 2018 did not reflect the current organizational chart in the list of designated positions, specifically the position of Senior Water Resources Engineer. The 2021 Code review by BAWSCA staff and legal counsel, in concert with the FPPC, resulted in FPPC approving an amended Code that includes a new designated position of "Senior Water Resources Engineer."

Fiscal Impact:

No impact on BAWSCA's annual operating budget.

Board Policy Committee Action:

The Committee voted unanimously to recommend approval of the proposed Board action.

Recommendation:

That the Board accept the amended Conflict of Interest Code, as approved by the FPPC.

Discussion:

Two of BAWSCA's Water Resources staff level positions are approved by the board to be flexibly staffed as a Water Resources Specialist/Senior Water Resources Specialist or Water Resources Engineer/Senior Water Resources Engineer depending upon the specific qualifications of the staff member hired in that position.

In September 2019, BAWSCA hired a Water Resources Engineer. The designated positions listed in the Code that was approved by the FPPC in 2018, did not include this position. BAWSCA initiated an amendment of the Code with the FPPC in April of 2021, resulting in FPPC's approval of the addition of Senior Water Resources Engineer, a new designated position effective April 1, 2022.

BAWSCA and the FPPC each were required to issue a 45-day public notice period of the Code's amendments before the FPPC's final approval. BAWSCA worked with legal counsel to go through the process in concert with the FPPC. BAWSCA's 45-day notice period commenced on February 9, 2022 and ended on March 25, 2022. FPPC's notice period commenced in December 31, 2021 and ended on February 14, 2022. No comments were received.

On April 29th, the FPPC approved the Code with no further changes. The Code will become effective on May 29, 2022, which is 30 days after the Commission's approval of the Code.

The FPPC's interpretation of California law is such that the FPPC is the only entity whose action is legally binding in the adoption of a multi-county agency's Conflict of Interest Code, leaving this Board to accept rather than adopt the updated Code.

Attachments:

1. FPPC-Approved Conflict of Interest Code
2. Conflict of Interest Code mark up

**CONFLICT-OF-INTEREST CODE FOR
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
AND
SAN FRANCISCO BAY AREA REGIONAL WATER SYSTEM FINANCING AUTHORITY**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the **Bay Area Water Supply and Conservation Agency (BAWSCA)** and **San Francisco Bay Area Regional Water System Financing Authority (RFA)**.

Individuals holding designated positions shall file their statements of economic interests with **BAWSCA**, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All original statements will be retained by **BAWSCA**.

Note: RFA is administratively run by BAWSCA.

**CONFLICT-OF-INTEREST CODE FOR
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
AND
SAN FRANCISCO BAY AREA REGIONAL WATER SYSTEM FINANCING AUTHORITY**

**APPENDIX A
DESIGNATED POSITIONS**

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Attorney, BAWSCA	1, 2, 3
Office Manager, BAWSCA	1
Finance Manager, BAWSCA	1
Senior Water Resources Specialist, BAWSCA	1, 3
Senior Water Resources Engineer, BAWSCA	1, 3
Water Resources Specialist, BAWSCA	1, 3
Water Resources Manager, BAWSCA	1, 3
Consultants/New Positions	*

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitations:

The CEO/General Manager may determine in writing that a particular consultant/new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's/new position's duties and, based on that description, a statement of the extent of the disclosure requirements. The CEO's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Sec. 81008).

Note: The position of Attorney is held by an outside consultant, but acts in a staff capacity.

Public Officials Who Manage Public Investments

The following positions are NOT designated in BAWSCA and RFA's Conflict-of-Interest Code because they must file under Government Code Section 87200, and therefore, are listed for informational purposes only:

- Members, Board of Directors, BAWSCA
- CEO/General Manager, BAWSCA
- Members, Board of Directors, RFA
- General Manager, RFA
- Secretary, RFA
- Financial Officer, RFA

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by section 87200.

**CONFLICT-OF-INTEREST CODE FOR
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
AND
SAN FRANCISCO BAY AREA REGIONAL WATER SYSTEM FINANCING AUTHORITY**

**APPENDIX B
DISCLOSURE CATEGORIES**

Disclosure Category 1

Designated positions in this category must disclose all investments and business positions in business entities, and all sources of income (including receipt of gifts, loans, and travel payments), from businesses of the type to contract with BAWSCA to provide services, supplies, materials, commodities, books, machinery, vehicles or equipment utilized by BAWSCA.

Disclosure Category 2

Designated positions in this category must disclose interests in real property, located in whole or in part within the boundaries of BAWSCA, or within two miles of the boundaries of BAWSCA, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.

Disclosure Category 3

Designated positions in this category must disclose all investments and business positions in business entities, and all sources of income (including receipt of gifts, loans, and travel payments), entities of the type to receive grants from or through BAWSCA.

This is the last page of the conflict of interest code for the **Bay Area Water Supply and Conservation Agency and San Francisco Bay Area Regional Water System Financing Authority**.



CERTIFICATION OF FPPC APPROVAL

Pursuant to Government Code Section 87303, the conflict of interest code for the **Bay Area Water Supply and Conservation Agency and San Francisco Bay Area Regional Water System Financing Authority** was approved on 5/29/ 2022. This code will become effective on 5/29/ 2022.



John M. Feser, Jr.

Senior Commission Counsel

Fair Political Practices Commission

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BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

CONFLICT OF INTEREST CODE

Adopted on September 24, 2003 by Resolution No. 2003-2
Approved by the California Fair Political Practices Commission
on January 20, 2004

Appendix Amended November 18, 2004 by Resolution No. 2004-08
Approved by the California Fair Political Practices Commission on July 25, 2005

Appendix Amended September 16, 2010 by Resolution No. 2010-01

Amended and Approved by the California Fair Political Practices Commission on May 5, 2015
Accepted by the BAWSCA Board of Directors on May 21, 2015

Amended and Approved by the California Fair Political Practices Commission on September 7, 2018

**CONFLICT-OF-INTEREST CODE FOR
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
AND
SAN FRANCISCO BAY AREA REGIONAL WATER SYSTEM FINANCING AUTHORITY**

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Senior Water Resources Specialist, BAWSCA	1, 3
<u>Senior Water Resources Engineer, BAWSCA</u>	<u>1,3</u>
Water Resources Specialist, BAWSCA	1, 3
Water Resources Manager, BAWSCA	1, 3
Consultants/New Positions	*

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitations:

The CEO/General Manager may determine in writing that a particular consultant/new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's/new position’s duties and, based on that description, a statement of the extent of the disclosure requirements. The CEO’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Sec. 81008).

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**CONFLICT-OF-INTEREST CODE FOR
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
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BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD OF DIRECTORS MEETING

Agenda Title: **Authorization of Professional Services Contract with Maddaus Water Management to Support Member Agencies with Water Use Efficiency Legislation**

Summary:

This item requests that the Board authorize the CEO/General Manager to negotiate and execute a contract with Maddaus Water Management (MWM) to assist BAWSCA with the development of compliance strategies related to new State required water use efficiency standards.

On April 22, 2022, BAWSCA released a Request for Proposals (RFP) seeking qualified consultants to support BAWSCA member agencies with understanding and complying with the new requirements. One proposal, submitted by MWM, was received by the deadline.

A review panel, consisting of two BAWSCA staff members and three external experts, conducted a thorough and rigorous review and unanimously agreed that the MWM team possesses the necessary skills and experience to support BAWSCA member agencies in this effort. BAWSCA is working with MWM to finalize the scope of work to ensure the best final work product for the BAWSCA member agencies. The scope of work is expected to be finalized by July 30, 2022.

The Santa Clara Valley Water District (Valley Water) is also interested in supporting its retail agencies with the water use efficiency requirements and has agreed to provide 50% of the cost of the project up to \$75,000 for its share. Collaborating with Valley Water will improve the project outcome by incorporating their knowledge and expertise as well as increasing the overall budget available for the consultant to investigate and develop a comprehensive roadmap for compliance with the State requirements. Legal Counsel has confirmed that the CEO/General Manager can sign a Memorandum of Agreement (MOA) with Valley Water under her existing authority presuming the Board authorizes the recommended contract with MWM. The full project amount will not exceed BAWSCA's and Valley Water's combined budget of \$161K.

Fiscal Impact:

The adopted FY 2022-23 budget includes a \$86,000 allocation for this project. The final project scope will be completed within the approved project budget. Additionally, the MOA with Valley Water has been finalized and will to be executed following Board authorization. Valley Water will share 50% of the cost up to \$75,000.

Board Policy Committee Action:

The Committee voted unanimously to recommend approval of the proposed Board action.

Recommendation:

That the Board authorize the CEO/General Manager to negotiate and execute a contract between BAWSCA and Maddaus Water Management, subject to legal counsel's final review, for an amount not to exceed \$86,000 to provide support services to develop compliance strategies for new California water use efficiency standards.

Discussion:

BAWSCA's efforts to provide support on water use efficiency is in keeping with its strategic plan to assist member agencies in addressing the "Making Conservation a Way of Life" requirements passed by the State in 2018.

BAWSCA has closely followed development of the efficiency standards and CII performance measures and represented member agencies in discussions with DWR and the State Water Resources Control Board (State Board). In keeping with BAWSCA's commitment to support member agencies on this topic, it was determined that BAWSCA should develop as needed materials for member agencies to address upcoming State reporting and compliance requirements. Consultant support was seen as a necessary element in producing those materials.

With consultant support, roadmaps will be produced that illustrate how agencies should: 1) Address CII Water Use Classification System performance measure; 2) Comply with the CII DIM Conversion Threshold performance measure; and 3) Approach the development and implementation of a CII Best Management Practices (BMP) program.

All work will be completed within FY 2022-23 such that the roadmaps and other supporting materials will be available for member agencies as they work to address the State's reporting requirements.

Consultant Selection Process

BAWSCA released a Request for Proposals (RFP) for the work on April 21, 2022. RFPs were sent to 17 firms that BAWSCA determined may be qualified to provide the services. In addition, the RFP was posted on BAWSCA's website. Proposals were due to BAWSCA by May 20, 2022. Only one proposal was received. A panel consisting of staff representatives from BAWSCA, a member agency, and two outside agencies reviewed that proposal, deeming it highly appropriate.

Several firms that did not propose were contacted and asked as to why they elected not to submit. One expressed a concern that some firms likely to propose were performing work similar in nature for BAWSCA, either currently or in prior years, and that those firms had a competitive advantage as it related to this particular work effort. Others noted that their in-house expertise was insufficient to perform the work, and that teaming opportunities with potential subconsultants were limited.

Negotiations are now taking place with MWM regarding the scope of work and cost estimate, taking into account suggestions that were raised by the proposal review panel. BAWSCA anticipates that those negotiations will be completed by the end of July 2022.

Partnership with Santa Clara Valley Water District (Valley Water)

Santa Clara Valley Water District is interested in participating with BAWSCA on this work effort. A draft MOA for cost sharing has been developed, and indications are that the MOA is likely to be entered into prior to the Notice to Proceed. Valley Water has agreed it will share 50% of the cost up to \$75,000.

Background:

In 2018, the California State Legislature passed SB 606 and AB 1668, commonly referred to as the water use efficiency legislation to support California's "Making Water Conservation a Way of Life". The legislation directed DWR and the State Board to conduct studies and adopt long-term

standards for water use efficiency and performance measures for commercial, industrial, and institutional (CII) water use.

The long-term standards for urban water use efficiency and commercial, industrial, and institutional (CII) performance standards are expected to be adopted by the end of 2022. Urban water suppliers will be required to report on compliance with the urban water use efficiency standards by January 1, 2024. Based on draft recommendations from DWR, suppliers may need to begin reporting on compliance with the CII performance measures around the same time.

Now that DWR has released draft recommendations for the water use efficiency standards, and with adoption expected by late 2022, BAWSCA is preparing to assist member agencies with reporting and compliance. This work effort is part of that preparation. The results of this effort will enable member agencies to better understand reporting requirements, identify necessary data to gather, and provide actionable steps to gain compliance.

Scope of Work and Billing Rates:

A draft scope of work and billing rates are provided in Exhibit A.

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Exhibit A

Draft Scope of Work

Scope of Work

The following tasks will be performed to meet the Project’s objectives. All parties will have an important role in this study. The proposed project plan will engage BAWSCA’s/Valley Water’s staff and individual member agencies at all levels of the Project in a streamlined manner. The Table 1 below indicates our each group’s fundamental and beneficial involvement listed by scope task.

Table 1. Summary of Project Roles and Responsibilities

Task	Timeline	Roles and Responsibilities			
	Proposed Milestones	MWM Project Team	BAWSCA Staff	Valley Water Staff	BAWSCA & Valley Water Member Agencies
Project Kickoff Meeting with BAWSCA & Valley Water Staff (Task 1)	August 2022	Create timeline and attend kickoff meeting	Attend kickoff meeting; review timeline and provide feedback	Attend kickoff meeting; review timeline and provide feedback	N/A
Data Collection (Tasks 2-4, if needed)	August – October 2022	Request any needed information; review data provided by agencies	Provide data and answer questions from MWM Project Team	Provide data and answer questions from MWM Project Team	Provide data and answer questions from MWM Project Team
CII Billing Classification (Task 2)	October 2022 – January 2023	Develop material for kickoff, TM-1, and roadmap results meetings	Review kickoff meeting agenda and TM-1; attend kickoff and roadmap results webinars	Review kickoff meeting agenda; attend webinars	Attend virtual kickoff webinar; review TM-1; attend roadmap results meeting
Landscape CII Mixed-Use Meters (MUMs) (Task 3)	October 2022 – January 2023	Develop material for kickoff, TM-2, and roadmap results meetings	Review kickoff meeting agenda and TM-2; attend kickoff and roadmap results webinars	Review kickoff meeting agenda; attend webinars	Attend virtual kickoff webinar; review TM-2; attend roadmap results meeting
CII BMPs (Task 4)	October 2022 – January 2023	Develop material for kickoff, TM-3, and roadmap results meetings	Review kickoff meeting agenda and TM-3; attend kickoff and roadmap results webinars	Review kickoff meeting agenda; attend webinars	Attend virtual kickoff webinar; review TM-3; attend roadmap results meeting

Task 1 Project Management

MWM will provide administrative services to oversee the day-to-day implementation of the Project. To keep the work on schedule and budget, MWM will provide BAWSCA with monthly status and budget updates by task. These updates will be shared via email and include a cover letter summarizing the work effort in combination with updated Excel spreadsheets detailing budget and schedule status.

Additionally, MWM will meet regularly with the BAWSCA project manager and leadership, either via phone or video conference, to discuss Project goals, progress, and outcomes. We recommend a global project kickoff meeting prior to starting Task 2, as shown in Table 2.

Task 2 CII Classification System Roadmap

Woodard & Curran, with the support of MWM, will conduct a study and develop a roadmap for BAWSCA and Valley Water agencies to comply with the CII Water Use Classification System performance measure as per DWR's current draft recommendations based on SB 606 and AB 1668 requirements. The study will identify and evaluate a list of resources available to assist with the classification of CII accounts. Potential resources include, but are not limited to, county assessor data and private companies such as ParcelQuest. Woodard & Curran will evaluate the assessor data for all three counties in BAWSCA's and Valley Water's service areas: Alameda County, San Mateo County, and Santa Clara County.

The roadmap will describe reporting requirements and best practices for mapping and maintaining the required classification system. The list of best practices will include, but is not limited to, 1) a process for determining which classification is most appropriate when a CII account fits multiple classification descriptions, 2) formal procedures to collect classification information and update classifications with modified or new service requests, and 3) a process for conducting periodic reviews and updating account mapping.

Task 3 CII Dedicated Irrigation Meter Conversion Threshold Roadmap

The MWM Project Team, led by Western Policy Research, will conduct a study and develop a roadmap for BAWSCA and Valley Water agencies to comply with the CII Dedicated Irrigation Meter (DIM) Conversation Threshold performance measure. The study will identify and evaluate a list of resources available to assist with identifying CII landscapes that meet the established threshold and determining whether a Mixed-Use Meter (MUM) serves those landscapes.

The roadmap will describe reporting requirements for the CII DIM Conversation Threshold performance measure and provide best practices for 1) identifying CII landscapes that meet this requirement, and 2) determining which compliance pathway is most technically and financially feasible.

Task 4 CII Best Management Practices Roadmap

DWR hired MWM to develop a TM with a list of CII BMPs, case studies, and results from a statewide survey on existing agency level CII programs. MWM will use this TM as the primary resource for identifying CII BMPs that meet DWR's draft recommendations.

The roadmap will describe reporting requirements and best practices for developing and implementing a CII BMP program. The development of the list of best practices will include, but is not limited to, 1) a process for determining CII customers or classifications where process

water comprises 80% or more of total water use, and are therefore categorically exempt from this performance measure; 2) a system for tracking implementation, success, and challenges of a Water Supplier's CII BMP program; and 3) coordinating with the corresponding land use authority(ies) to add a requirement for consulting Water Suppliers, where appropriate, for awareness of changes and potential reclassifications and updates of fixtures, appliances, and infrastructure.

Task 5 Optional Work/Additional Meetings

The MWM Project Team will provide additional meetings with BAWSCA and Valley Water member agencies at an estimated cost to be negotiated. The dollar per meeting basis will be based on the following assumptions:

1. Pre-meeting preparation time required
2. Estimated length (in hours) of meetings
3. The number of hours of follow-up required to finalize meeting notes and engagement with BAWSCA staff

Additional work may include a Subscription Program to provide customized support for individual BAWSCA and Valley Water agencies that elect to participate. Potential activities may include, but are not limited to, 1) calculating an agency's Urban Water Use Objective (UWUO), comparing it to actual water use in the previous year, and support with reporting to the SWRCB; 2) agency-specific support for any of the CII performance measures; and 3) as-needed support for agencies to understand, prepare for, comply with, and report on the long-term standards. To facilitate this optional work, MWM has included a single unit hourly billing rate for each key personnel it anticipates will provide technical (or other) support to agencies interested in participating in a Subscription Program.

Billing Rates

Maddaus Water Management

Michelle Maddaus	\$281
Lisa Maddaus	\$287
Sierra Orr	\$165
Andrea Pacheco	\$138
Nicki Powell	\$121
Hannah Braun	\$121

Western Policy Research

Anil Bamezai	\$200
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Woodard & Curran

Andree Johnson	\$295
Stephanie Hubli	\$235
Christopher Hewes	\$260

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BAWSCA

Bay Area Water Supply & Conservation Agency

155 Bovet Road, Suite 650
San Mateo, California 94402
(650) 349-3000 tel. (650) 349-8395 fax

MEMORANDUM

TO: BAWSCA Board Members

FROM: Nicole Sandkulla, Chief Executive Officer/General Manager

DATE: July 15, 2022

SUBJECT: Summary of Board Policy Committee meeting held June 8, 2022

1. **Call to Order:** Committee Chair, Randy Breault, called the meeting to order at 1:33 pm following reminders of the protocols to conduct the virtual meeting successfully.

CEO/General Manager, Nicole Sandkulla called the roll. Eight (8) members were present at roll call. One (1) member logged in after roll call. A list of Committee members who were present (9) and other attendees is attached.

Ms. Sandkulla introduced BAWSCA's intern, Brene Pita, to the Committee. Ms. Pita is studying Environmental Science at CSU, San Bernardino and will be working with the Water Resources team on BAWSCA's conservation, greywater and drought efforts.

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

2. **Comments by Committee Chair:** Chair Breault welcomed the Committee members and meeting participants. He noted that the action items before the Committee are associated with two important projects included in BAWSCA's adopted FY 2022-23 work plan. Both projects provide direct benefits to BAWSCA member agencies in a manner that is more cost-effective than they could achieve individually, including supporting the member agencies efforts to meet the new state requirements for water use efficiency.

3. **Consent Calendar:**

Director Cormack registered a "No" vote for Consent Calendar Item #3A.

Director Larsson made a motion, seconded by Director Pierce, that the Committee adopt Resolution #2022-08, declaring that the Committee will continue to meet via teleconference, in accordance with AB 361 and the provisions of Government Code Section 54953(e), and approve the Minutes of the April 13, 2022 Board Policy Committee meeting.

The motion passed by roll call vote.

Director Wood noted that virtual meetings provide the ability for people to participate remotely.

There were no further comments from members of the Committee. There were no comments from members of the public.

4. **Public Comments:** Public comments were provided by Peter Drekmeier, Cedric Pitot de la Beaujardiere, and Carol Steinfeld.

Ms. Sandkulla noted that there was a member of the public who was experiencing issues with the passcode, and that an additional public comment period will be needed when he successfully logs in.

5. **Action Calendar:**

- A. **Authorization of Professional Services Contract to Support the Redesign and Implementation of BAWSCA's Water Conservation Database (WCDB):** Water Resources Manager, Tom Francis, reported that a Request for Proposal (RFP) was issued on May 13th for database development services to assist BAWSCA in the development and implementation of a redesigned and enhanced WCDB. The RFP was posted on the BAWSCA website and distributed to over a dozen firms.

Proposals are due on June 10th followed by interviews as necessary. The selection process is anticipated to be completed by June 30th. The Board will be presented with the selected consultant for its approval at its meeting on July 21st. Completion of the effort is anticipated on or before the 4th quarter of FY 2022-23.

BAWSCA's adopted FY 2022-23 budget includes an allocation of \$120K for this effort.

Mr. Francis noted the key objectives and tasks for improving the WCDB, and highlighted the need for it to be a reliable and user-friendly interface for input of water use and conservation data by the member agencies. The WCDB is the primary repository hub for data used by BAWSCA and the member agencies for several purposes including: member agencies' reports to the State in accordance with SB 606 and AB 1668; BAWSCA's Annual Survey and Annual Conservation Report, which serve as reference documents by member agencies and organizations region-wide; Tier 2 drought allocation plan efforts; and BAWSCA's regional demand studies. For these reasons, the WCDB needs to be a platform that provides a simple, updated process that can adapt to future database modifications. For example, if a new conservation program is developed, the WCDB needs to be able to accommodate a new module for data input.

The scope of work requires the selected consultant to perform a thorough review of the existing WCDB. While the bulk of the work will be in the development and programming of the WCDB, the selected consultant will engage with the Water Management Representatives and other appropriate member agency staff, collectively and individually, as needed, to scope the redesign and particularly, to understand and address the needs and wants of the member agencies from the WCDB. Upon completion, there will be user training for both BAWSCA and member agency staff.

BAWSCA will require that the selected consultant provide ongoing technical support after the deployment of the redesign, as well as offer a one-year warranty on the package developed to cover the costs of any technical repairs that may arise after deployment.

Mr. Francis presented the staff recommendation and welcomed questions from members of the Committee.

In response to Director Cormack's question, Mr. Francis stated that the levels of data input and output will include:

- agency level data as far as water use;
- sector level data according to customer class, which includes single-family and multi-family; and
- Commercial, Industrial, Institutional (CII) level data that is broken down by business types.

While the WCDB will be detailed, it will not include personal or exclusive information such as water service addresses.

Director Cormack commented that databases often are based on prior usage, and she trusts that part of the work will be to make sure that prior usage is lined up with current usage, time, and customer class. She was pleased to see specific requirement that will enable import of relevant data from Santa Clara Valley Water District (Valley Water), which is crucial.

In response to Director Jordan, Mr. Francis explained that the redesign of the WCDB will be scoped so that it can function effectively for member agencies who need to respond to state required reports.

Director Hardy noted her expectations for multiple responses to the RFP, and expressed her support for the effort.

There were no further questions and comments from members of the committee.

There were no comments from members of the public.

Director Wood made a motion, seconded by Director Hardy, that the Committee recommend the Board authorize the CEO/General Manager to negotiate and execute a contract with a selected consultant, subject to legal counsel's final review, for an amount not-to-exceed \$120,000 to support the redesign and implementation of BAWSCA's WCDB.

The motion passed by roll call vote.

- B. Authorization of Professional Services Contract with Maddaus Water Management to Support Member Agencies with Water Use Efficiency Legislation. Mr. Francis reported that BAWSCA's work plan for FY 2022-23 includes supporting member agencies in meeting new State standards for water use efficiency in Commercial, Industrial, Institutional (CII) accounts. Member agencies expressed their desire for BAWSCA's support to thoroughly understand the provisions for meeting the new State requirements. The new standards stem from the State's "Making Conservation a Way of Life" legislation passed in 2018. BAWSCA closely followed the State's development of the efficiency standards and CII performance measures, and represented the member agencies in discussions with DWR and the State Board.

BAWSCA's work with the consultant will develop, identify, and implement requirements for CII performance measures. Roadmaps will be produced that illustrate how agencies should address water use classification, comply with conservation thresholds, and approach development and implementation of best management practice programs to effectively document and report those performance measures to the State.

Mr. Francis reported that Valley Water expressed its interest to partner with BAWSCA on this effort on behalf of Valley Water's retail agencies. In response, BAWSCA prepared a Memorandum of Agreement (MOA) which is being reviewed by the legal teams of both agencies. The MOA includes Valley Water's cost share of 50%, up to a maximum of \$75K, which will help BAWSCA with the cost while achieving the work that needs to be done for the BAWSCA region.

The RFP was issued on April 22nd and was sent to seventeen firms as well as posted on the BAWSCA website. One proposal was received from Maddaus Water Management which was reviewed and deemed highly appropriate by a review panel consisting of a BAWSCA staff member, a representative from a member agency, and staff from two outside agencies.

Given the lack of significant response to the RFP, BAWSCA reached out to the firms that did not respond. The firms' reasons included insufficient in-house expertise, and the perception of a lack of competitive advantage against other firms that were seen as likely RFP respondents.

The scope of work is currently being refined to ensure that the cost estimate remains the same. The approved operating budget for FY 2022-23 includes an \$86k budget allocation for this effort. Completion of the work is anticipated by or before the 4th quarter of FY 2022-23.

Mr. Francis explained the key tasks and work product of the effort. Task 2 will prepare a CII Classification System Roadmap. Because agencies often classify business accounts differently, the state has developed a proposed system to unify the classifications. This roadmap will describe reporting requirements and best practices for mapping, complying with, and maintaining the classification system developed by the State.

Task 3 will prepare a CII Dedicated Irrigation Meter (DIM) Conversion Threshold Roadmap. The State has developed requirements for CII accounts that are a certain threshold size from a water use and or a property size perspective. The roadmap will describe reporting requirements and provide best practices for 1) identifying CII landscapes that are subject to the requirements, and 2) determining which compliance pathway is most technically and financially feasible.

Task 4 will prepare a CII Best Management Practice (BMP) Roadmap that will help agencies identify the best practice for developing and implementing a BMP program that can meet the State's reporting requirements. Each BMP for different types of CII customers are likely unique and this roadmap will provide agencies guidance on an approach for compliance.

Mr. Francis noted that each roadmap will provide solutions to the challenges agencies will encounter when implementing the State's CII performance measure requirements and ensure agencies will achieve compliance.

The floor was then opened to Committee members for questions and comments.

Director Jordan noted that if the effort is looking beyond meeting the state requirements, he suggested looking into the criteria of local or onsite water recycling by certain industries, for example, commercial laundry industries, particularly in South San Francisco and San Jose. He noted that Valley Water currently has an established rebate program for recycling and this could fit into their conservation goals, particularly if they are interested in partnering with BAWSCA on this effort.

Mr. Francis stated that the specific effort is intended to address the need for agencies to meet the upcoming State requirements. But BAWSCA will continue to consider discussion opportunities for recycled water.

Director Cormack asked if the combination of data from the WCDB and the roadmaps can help agencies identify what commercial organizations are subject to the turf watering restrictions. She echoes the comment on agencies' various ways of categorizing CII customers and stated that agencies need to be able to differentiate the customer classifications.

Mr. Francis stated that details of the new legislation on turf watering restrictions remain to be seen.

Director Hardy asked why the recommendation has no mention of the Valley Water's potential partnership and cost share for the effort.

Mr. Francis explained that the MOA with Valley Water is not yet final, and the recommendation to the Committee is based on what is currently known. If the MOA with Valley Water does not move forward, the cost for the effort remains not-to-exceed \$86K, which is what the Committee would be recommending to the Board. The goal is to finalize the MOA prior to the Board's July 21st meeting.

There were no further comments from members of the Committee or members of the public.

Director Hardy made a motion, seconded by Director Jordan, that the Committee recommend the Board authorize the CEO/General Manager to negotiate and execute a contract between BAWSCA and Maddaus Water Management, subject to legal counsel's final review, for an amount not-to-exceed \$86,000 to provide support services to develop compliance strategies for new California water use efficiency standards.

The motion passed by roll call vote.

The Chair noted his intention to open the floor for general public comments following Item #5C. This is to provide the general public the opportunity to speak since, while it was resolved, there was an issue with the password to log into the zoom meeting.

- C. Acceptance of BAWSCA's Amended Conflict of Interest Code: Ms. Sandkulla reported that BAWSCA is required to review its Conflict of Interest Code (Code) on even-numbered years, or when applicable organizational changes necessitate amendments to the Code.

The last update to the Code was done in 2018 when it was amended to revise the title of a designated position to "Finance Manager". The list of designated positions in the 2018 Code

does not reflect the current organizational chart. Specifically, the position of Senior Water Resources Engineer needed to be added.

Ms. Sandkulla noted that the water resources staff level positions of Water Resources Specialist/Engineer and Senior Water Resources Specialist/Engineer are approved by the Board to be flexibly staffed depending upon the specific qualifications of the staff member hired in that position. Negin Ashoori, Senior Water Resources Engineer, was hired in 2019.

The 2021 review of the Code by staff and legal counsel, in concert with the FPPC, resulted in the FPPC approving an amended Code that includes the new designated position of Senior Water Resources Engineer. The process requires the BAWSCA Board to accept the approved amended Code. Staff titles listed under the designated positions in the Code are required to file FPPC Form 700 Conflict of Interest Code.

In response to Director Pierce, Legal Counsel Allison Schutte explained that in the event that an intern does have decision-making authority that would implicate the Code, Legal Counsel would advise the intern to file an FPPC Form 700 Conflict of Interest Code. The scope of work for the current intern does not include such decision-making authority and therefore would not trigger the need to file an FPPC Form 700.

There were no further comments from members of the Committee or members of the public.

Director Chambers made a motion, seconded by Director Cormack, that the Committee recommend the Board accept the amended Conflict of Interest Code, as approved by the FPPC.

The motion passed by roll call vote.

Chair Breault opened the floor for General Public Comments since there were difficulties to log in the meeting. Comments were made by Spreck Rosekrans and Mark Stechbart (650) 274-5193.

Chair Breault stated that while the period for general public comment is not for discussion, he asked Ms. Sandkulla if Mr. Stechbart's communication with BAWSCA staff and North Coast County Water Agency was responded to. Ms. Sandkulla stated that she communicated with Mr. Stechbart and that the General Manager of North Coast County Water Agency has also responded.

6. CEO Reports:

- A. Water Supply Conditions: Ms. Sandkulla reported on water supply conditions and drought conditions.

She was pleased to report that as of June 6th, Hetch Hetchy is full. The deficit and impact of the drought is in the water bank which is only at 42% of its normal percent of maximum storage at this time of year. The system is at a fairly decent position given the ongoing drought the State is experiencing. Total system storage is at 73% versus 86% of normal at this time of year. A contributing factor for this is the low water use the region had leading into the drought as well as the conservation activities that is maintained in the service area.

Water available to San Francisco is currently at 201 TAF, which is the amount of water San Francisco has been able to divert to storage during the current water year. To fill the system, the estimate is to have 598 TAF. The difference is what the system needs for the water bank.

By comparison, however, the water available to San Francisco in 2021 was 57 TAF, and 22 in 2014. Ms. Sandkulla noted that as dry as this year has been, the region has had some significant amount of precipitation that supplied water to San Francisco and enabled the system to capture water for storage as drought conditions continue.

The region's goal for this water year is to remain below the 200 mgd average in deliveries, and to work to eliminate the typical summer water use peak. The greatest opportunity to achieve significant savings is to keep outdoor water use and irrigation down during the summer months, especially for a region that has a very low residential per capita use. This message was emphasized with the Water Management Representatives at its June meeting, and it is emphasized in the billboards of the regional drought campaign, as well as in the Governor's recent calls for water use reduction throughout the State. BAWSCA will continue to monitor the region's water use closely.

The BAWSCA agencies' total potable water use for the month of April 2022 was 13.7% less than in April 2021. Ms. Sandkulla noted that with increased calls for rationing by Valley Water and State Water Project, agencies like ACWD and those in Santa Clara County may be using more water from San Francisco but yet, their overall customer use appears to be reducing. BAWSCA will continue to follow the region's water use trend to be prepared to speak to the data in the event that an anomaly arises, and to continue assisting agencies during the drought.

On May 24th the State Water Board adopted regulations requiring urban water suppliers to implement by June 10th their locally adopted plans meant to address at least a water shortage level of 10 to 20 percent, also known as a Stage 2 Water Shortage Contingency Plan. This pertains to agencies that submit Urban Water Management Plans.

Ms. Sandkulla was pleased to report the member agencies' ability to respond to the regulations quickly. Fifteen (15) agencies have already declared Stage 2 water shortage, and 5 agencies plan to. Two agencies are reviewing how they can best implement actions for compliance. Four agencies are not required to submit Urban Water Management Plans to the State but are evaluating how to best comply with the regulations based on their local rules and their current actions in place.

Additionally, urban water suppliers were also required to submit preliminary Water Supply and Demand Assessments (WSDA) to the Department of Water Resources by June 1st. The final reports are due July 1st.

Lastly, a recent State Water Board order bans the use of potable water for irrigating non-functional turf in CII properties, as well as in properties owned by Homeowners Associations (HOA). Non-functional turf is defined as ground cover surface of mowed grass that is ornamental and not otherwise used for human recreation purposes. Non-functional turf does not include school fields, sports fields, and areas regularly used for civic and community events. The ban does not apply to irrigation with recycled or non-potable water, nor does it apply to watering trees.

- B. **Bay Delta Plan/FERC Update:** Ms. Sandkulla reported that BAWSCA continues its efforts to protect the water users' interests in the State's Bay Delta Plan efforts. She reminded the Committee that in 2019, BAWSCA intervened in the Bay Delta lawsuit to protect the unique interests of the Wholesale Customers. Specifically, Wholesale Customers will be subject to paying 2/3rd of the costs; in money and in water supply, of whatever San Francisco agrees to, or is subject to, as a result of the Bay Delta Plan lawsuit. By intervening, BAWSCA will be able to participate directly in settlement negotiations.

BAWSCA is continuing to press the SFPUC to clarify its plan to protect the water supply for its constituents in light of the impacts of the adopted Bay Delta Plan. It is the SFPUC's responsibility to resolve this issue given its obligations to the environment and the water users.

BAWSCA will continue its efforts on multiple fronts as it has been in the past several months, including pressing SFPUC for progress in its planning for alternative water supplies, looking at the design drought, and how to effectively plan for the next water supply project.

Director Jordan asked whether the new curtailment order from the State applies to all of the SFPUC's water supply including supply in the water bank.

Ms. Sandkulla stated that the State Water Board's recently issued curtailment notice applies to all water rights holders from 1900 forward in the San Joaquin tributaries basin, including the Tuolumne.

There were no further questions or comments from members of the Committee.

Public comments were provided by Peter Drekmeier.

7. **Closed Session:** The Committee adjourned to Closed Session at 2:40 pm.

There were no comments from members of the public prior to adjournment to Closed Session.

8. **Report from Closed Session:** The Committee reconvened to Open Session at 2:58 pm. Ms. Schutte reported that no reportable action was taken during Closed Session.

9. **Comments by Committee Members:**

Director Wood encouraged members of the Board who attended the recent Hetch Hetchy tour to share their experience and "take-aways" from the tour, perhaps in the next CEO letter.

Director Cormack noted that she is pleased to have Ms. Pita as BAWSCA's intern and is pleased with her assignment to work on greywater.

Director Hardy reported that she participated in the Hetch Hetchy tour and appreciated the better understanding she gained of the system, the water bank, and how the lower Tuolumne is governed.

Director Jordan requested 2 agenda items: a report from the SFPUC on their cost estimates for the Los Vaqueros Expansion (LVE) project, and a review of liabilities and indemnifications for contaminants that can enter the system as a result of recycling in the Crystal Springs program.

Director Zigterman reported that Stanford University recently adopted a greywater policy for single family residential units and offered a copy of the policy to Ms. Pita for her reference.

Director Larsson reported that he participated in the Hetch Hetchy tour and noted the new Alameda Creek Watershed Center being constructed. It will be an education resource for learning about where our water comes from and how watersheds function. The center is planned to open in 2023.

Director Wood thanked members of the Committee who shared what they learned and appreciated from the tour.

10. **Adjournment:** The meeting was adjourned at 3:07 pm. The next meeting is August 10, 2022 with the format to be announced.

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Bay Area Water Supply and Conservation Agency

Board Policy Committee Meeting Attendance Roster

Agency	Director	Jun. 8, 2022	Apr. 13, 2022	Feb. 9, 2022	Dec. 8, 2021	Oct. 13, 2021	Sept. 7, 2021	Aug. 11, 2021
GVMID	Breault, Randy	✓	✓	✓	n/a	n/a	n/a	Meeting Cancelled
Santa Clara	Hardy, Karen	✓		✓	✓		✓	
Westborough	Chambers, Tom	✓	✓	✓	✓	✓	✓	
Palo Alto	Cormack, Alison	✓	✓	✓	✓	✓	✓	
Purissima	Jordan, Steve	✓	✓	✓	✓	✓	✓	
Sunnyvale	Larsson, Gustav	✓	✓	✓	✓	✓	✓	
Redwood City	Pierce, Barbara	✓	✓	✓	✓	✓	✓	
Brisbane	Wood, Sepi	✓	✓	✓	✓	✓	✓	
Stanford	Zigterman, Tom	✓	✓	✓	✓	✓	✓	

✓: present

☎: Teleconference

June 8, 2022 Meeting Attendance (Via Zoom pursuant to provisions of Gov. Code Section 54953(e))

BAWSCA Staff:

Nicole Sandkulla	CEO/General Manager	Allison Schutte	Legal Counsel, Hanson Bridgett, LLP
Tom Francis	Water Resources Manager	Nathan Metcalf	Legal Counsel, Hanson Bridgett, LLP
Danielle McPherson	Sr. Water Resources Specialist	Bud Wendell	Strategic Communications
Negin Ashoori	Sr. Water Resources Engineer		
Kyle Ramey	Water Resources Specialist		
Christina Tang	Finance Manager		
Lourdes Enriquez	Assistant to the CEO/GM		
Deborah Grimes	Office Manager		
Brene Pita	Intern		

Public Attendees:

Jenny Gain	Brown & Caldwell	Cedric Pitot dela Beaujardiere	Self
Cheryl Munoz	Hayward	Mark Stechbart	Self
Lisa Bilir	Palo Alto	Alison Kastama	SFPUC
Spreck Rosekrans	Restore Hetch Hetchy	Julia Nussbaum	Stanford
Carol Steinfeld	Self	Peter Drekmeier	Tuolumne River Trust

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BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD OF DIRECTORS MEETING

Agenda Title: **Authorization of Professional Services Contract to Support the Redesign and Implementation of BAWSCA's Water Conservation Database (WCDB)**

Summary:

This item requests the Board authorize the CEO/General Manager to negotiate and execute a contract with Woodard & Curran to support the redesign and implementation of BAWSCA's Water Conservation Database (WCDB). Information detailing the proposed scope of work and billing rates are provided in Exhibit A.

BAWSCA solicited proposals from qualified database development service providers to assist in the development of a formal redesign of the BAWSCA WCDB and implement the redesigned WCDB. The WCDB serves as the repository for BAWSCA member agency water use and water conservation program information. The redesign itself would be performed in FY 2022-23. The implementation and use of the WCDB would take place in the fiscal years that follow.

Following a rigorous review of the five proposals received, including selected interviews, the review panel unanimously agreed that the Woodard & Curran team possessed the necessary skills and expertise to support BAWSCA member agencies in this effort and recommended them for selection for this effort. BAWSCA is working with Woodard & Curran to finalize the scope of work and cost to ensure the desired final work product meets the needs of BAWSCA and its member agencies.

Although the bulk of the work is to take place during FY 2022-23, the effort associated with providing on-going technical support services during the first year of the new WCDB implementation, as well as the cost of obtaining a one-year warranty, will extend into FY 2023-24 and beyond, and will be reflected in the proposed FY 2023-24 Work Plan and Budget for Board consideration in May 2023.

Fiscal Impact:

The approved FY 2022-23 budget includes an allocation of \$120,000 for the WCDB redesign work to be performed in FY 2022-23.

Board Policy Committee Action:

The Committee voted unanimously to recommend the Board authorize the CEO/General Manager to negotiate and execute a contract with the selected consultant for an amount not to exceed \$120,000 to support the redesign and implementation of BAWSCA's WCDB.

Recommendation:

That the Board authorize the CEO/General Manager to negotiate and execute a contract with Woodard & Curran, Inc., subject to legal counsel's final review, for an amount not to exceed \$120,000 to support the redesign and implementation of BAWSCA's WCDB.

Discussion:

BAWSCA's WCDB serves as the repository for BAWSCA member agency water use and water conservation program information. A need to update the WCDB has been identified, and that update will be extensive. BAWSCA's current WCDB was launched in October 2010 and was last updated in FY 2016-17. The WCDB is used to collect data in a consistent format for three

specific efforts: (1) conservation activity reporting, (2) BAWSCA Annual Survey reporting on water use and demographic data and (3) DSS modeling and demand projections support. The WCDB is designed to facilitate data collection, provide data monitoring, and compile data for reporting.

For FY 2022-23, the work will include scoping what is needed for the update, which will include a review of the existing WCDB, engagement with member agencies, and determination of the approach and platform that is most appropriate. Once that is determined, an updated WCDB will be developed and made ready for implementation. Prior to implementation, there will be training provided to member agencies such that the WCDB can then be put to use. Based on the proposed schedule provided by Woodard & Curran, that training would be completed in FY 2022-23. Work provided in FY 2023-24 is associated with on-going technical support and warranty services during the first year of the implementation of the new WCDB. FY 2023-24 services will be subject to a contract amendment, which will further be subject to approval by BAWSCA's Board of Directors as part of its FY 2023-24 budget and work plan approval at the May 2023 board meeting.

Consultant Selection Process

As part of the consultant selection process, BAWSCA released a Request for Proposals (RFP) for the work on May 13, 2022. RFPs were sent to eight firms that BAWSCA determined may be qualified to provide the services. The RFP was also posted on BAWSCA's website. All proposals were to be submitted to BAWSCA on or before June 10, 2022.

A panel consisting of staff representatives from BAWSCA, a member agency, and an outside agency reviewed all five proposals received. Two proposals were invited to interview.

Proposals were evaluated based on the following criteria:

- Qualifications and experience of firm and key personnel (25%);
- Understanding of the project and approach to the scope of work (25%);
- Ability to meet project timeline (25%); and
- Overall value illustrated by the proposer as provided within the project budget (25%).

Following a rigorous evaluation of the written proposals and the subsequent interviews, Woodard & Curran was unanimously recommended for selection by the review panel. The panel's assessment was that Woodard & Curran possessed the necessary skills and expertise to support BAWSCA's redesign and implementation of the WCDB. Negotiations are now underway with Woodard & Curran to finalize their scope and cost proposal as well as to finalize a proposed contract.

The FY 2022-23 budget allocation of \$120,000 reflects the need to secure specialized, technical consultant services to complete this work. This budget estimate is based on prior costs incurred for WCDB development and in keeping with the budget as prepared by Woodard & Curran for work to be performed in FY 2022-23.

Scope of Work and Billing Rates:

A copy of the draft scope of work and consultant rates as submitted by Woodard & Curran is provided in Exhibit A.

Exhibit A

BAWSCA's Water Conservation Database

Redesign and Implementation

Draft Scope of Work

Work to be Performed in FY 2022-23

Task 1 – Project Management

Woodard & Curran will provide general project management and administrative services to oversee the day-to-day implementation of the project. To keep the work on schedule and budget, Woodard & Curran will provide BAWSCA with monthly status and budget updates by task. This monthly status and budget update information will be shared via email with an attached cover letter summarizing the work completed, planned activities, and any problems encountered in combination with updated Excel spreadsheets detailing budget and schedule status. Woodard & Curran will work with the BAWSCA project manager to develop appropriate templates for reporting.

Woodard & Curran will periodically meet with the BAWSCA project manager and management to discuss Project goals, progress, and outcomes.

Task 2 – Review Existing WCDB

Woodard & Curran understands that BAWSCA envisions that the development of the redesign of the WCDB will consider the need to improve the functionality and workflow of the existing system, increase efficiency in the user experience, and enable efficient management and future modifications. Woodard & Curran will conduct a thorough review of the existing WCDB to gain an understanding of how the WCDB is used to support the needs and interests of BAWSCA and its member agencies.

Our review will include the following documents and materials:

- Prior WCDB scoping documents
- The existing WCDB training manual
- The existing WCDB system specifications and interface
- The methodology utilized within the existing WCDB that allows for data input and transfer (by both member agency users as well as by BAWSCA staff)
- Miscellaneous reports generated from the WCDB data
- Current BAWSCA database data fields
- Current data utilization from WCDB for BAWSCA activities such as Annual Survey, Conservation Report, and DSS model updates

Woodard & Curran will develop a preliminary requirements matrix based on review of these materials and will work with BAWSCA to identify and review any additional materials, data, and systems that can help build an understanding of the existing functionality and workflows.

Woodard & Curran will participate in a meeting with the BAWSCA Water Resources Committee to discuss the materials that will be reviewed and to ask preliminary questions. Woodard & Curran will coordinate with members of the BAWSCA Water Resources Committee as needed throughout the task.

Task 3 – WCDB Redesign Scope & Needs Assessment

The purpose of this Task is to develop a shared vision for the future WCDB by collaboratively reviewing the data and functionality of the existing database, collecting information on desired enhancements and functionality changes, and identifying additional data sources and resources to be included in the future WCDB. To kick-off this task, Woodard & Curran and BAWSCA staff will hold a two (2) hour session with BAWSCA member agencies (Wholesale Customers), the BAWSCA Water Resources Committee, and other identified participants. The purpose of this meeting will be to build consensus and collectively formulate a shared vision for the WCDB and its functionality requirements. This outcome will set a collective direction for the project which will save time in WCDB development and implementation in future tasks.

Prior to holding the kick-off meeting, Woodard & Curran will prepare a web-based survey based on our review in Task 2. The survey will be sent to the kick-off meeting participants at least one (1) week prior to the meeting.

In preparation for the meeting, Woodard & Curran will work with BAWSCA to develop an agenda and facilitation plan for the meeting. It is anticipated the meeting will include the following:

- Identify and discuss the objectives of the WCDB redesign.
- Hold visioning session to collectively set-the-stage for the outcome of the WCDB.
- Identify the Joint User Group which will serve as key users and superusers to help in answering questions and completing end user testing, along with defined communication protocols within the group.
- Present and review preliminary survey results on the existing functionality.
- Collect and discuss additional requirements and design preferences from the Wholesale Customers on the WCDB's existing functionality and what they desire as part of the redesign.

During the kick-off meeting, Woodard & Curran will collect and discuss detailed information on:

- Materials reviewed in Task 2 (including the current database fields and data utilization from various programs and surveys);
- Other data entry requirements for BAWSCA member agencies;
- Redundant or similar requirements;
- Data needs for planned or anticipated BAWSCA efforts (Tier 2 Plan, enhanced demand modeling, support for urban water use objectives) and data availability to meet these data needs; and
- Requirements for user interface design preferences, visualization, and reporting formats.

Using the preliminary requirements gathered in Task 2, input from the kick-off meeting, and follow-up coordination, Woodard & Curran will review, organize, and prioritize the user requirements and design preferences according to end-user functionality type, user category, and priority. Woodard & Curran will develop a project implementation plan based on the user requirements and design preferences which will be used as a road map for the configuration and implementation of the WCDB.

Woodard & Curran will hold a second two (2) hour requirements confirmation meeting with BAWSCA and the member agencies to present and confirm the collected requirements and design preferences, and to collect any additional feedback. Woodard & Curran will also present the project implementation plan during this confirmation meeting and will incorporate feedback as needed.

Because this will be a collaborative project with BAWSCA, Woodard & Curran will engage with the team throughout the Task to collect additional feedback and ask questions. This

engagement may include phone conversations, virtual one-on-one meetings with BAWSCA and its member agencies, and email exchanges.

The result of this Task will include a draft and final technical memorandum on the user requirements, user interface design preferences, and project implementation plan. The specific functionality to be included in the WCDB will be determined based on meeting the high priority and “must have” features and data identified in the technical memorandum along with BAWSCA’s allocated budget for the project.

Task 4 – Develop WCDB

The purpose of this Task is to develop the enhanced WCDB based on the outcomes and needs identified and documented in Task 3 to improve functionality and meet both current and planned uses. The WCDB will be web-based, GIS-enabled, mobile-friendly, and have an open architecture that provides a flexible framework to allow it to be connected to other internal and external systems. It will be a custom web application which will utilize an existing platform developed by Woodard & Curran for efficiency and cost savings. Our proposed platform includes comprehensive user management, program management, administrative functionalities, and reporting capabilities that can be easily configured to meet BAWSCA’s multi-user needs.

The WCDB will be configured to include existing required functionality and address the needs identified in Task 3 to improve usability for BAWSCA and the member agencies and to streamline key reporting tasks. The WCDB will be implemented and maintained according to the Technology Overview provided at the end of this section.

It is anticipated the following activities will be performed under this Task according to the outcome of the prioritization of functionality developed in Task 3:

- Install and configure a “sandbox” environment for testing and review: Woodard & Curran will setup a development and testing environment and provide BAWSCA access to the testing environment. BAWSCA will have ongoing access to the testing environment in order to review and approve functionality in the WCDB.
- Implement database: Woodard & Curran will develop a preliminary database structure and populate with sample data. The database will be designed with all planned features in mind such that system integration will work without any difficulty as new features and modules are added to the WCDB in the future. As the WCDB is developed and additional functionality is added, the database structure will be refined and updated.
- Configure administrator tools: Woodard & Curran will configure tools to allow administrators to:
 - Create and manage user accounts.
 - Enable multiple levels of user access for BAWSCA staff and member agency personnel.
 - Provide basic content management capabilities for administrators.
 - Manage notifications and alerts.
 - Manage workflows for reporting and data processing.
 - Perform desired administrative functionalities available in the current system.

Woodard & Curran will also develop a landing page and login screen as part of this module.

- Configure program management tools: Woodard & Curran will configure tools to allow users to:
 - Perform QA/QC of data within database as well as notifications to BAWSCA and agencies as data review moves through various steps (data entry, agency review, BAWSCA review, final) with built-in QA/QC protocols to support data review.
 - Import external data sources to streamline data entry for BAWSCA agencies and improve consistency.

- Import Santa Clara Valley Water District conservation reports to streamline data entry for Valley Water common customers.
- Implement desired unit conversions where applicable.
- Utilize multiple types of data and file imports (Excel, Word, Adobe, etc.)
- Compare historical data with annual survey agency data submittals.
- Perform multiple project tracking with percentage-based competition analytics and automatic deadline reminders to multiple users.
- Perform desired program management functionality available in the current system.
- Configure reporting module: Woodard & Curran will configure tools to allow users to:
 - Automatically generate key tables, figures, and data visualization for BAWSCA annual survey and conservation reports in preferred format.
 - Automatically update infographics and agency profiles on BAWSCA website once data has been finalized.
 - Customize export formats to support ongoing and planned BAWSCA and agency needs for WCDB data.
 - Export data for reporting purposes (AB 1668 & SB 606 water use objective reporting requirements).
 - Create and save custom queries.
 - Export desired standard reports and custom queries to Word, Excel, or CSV.
- Implement integration tools: Woodard & Curran will integrate the WCDB with GIS to support mapping of key service area information for website and report use. Woodard & Curran will work with BAWSCA to collect and implement any additional geospatial layers and data to support analysis and decision making. Woodard & Curran will also integrate the WCDB with the Droplet Portal for import of summary-level conservation program information into the WCDB for each agency.

The WCDB will be developed in a modular fashion using an incremental development approach, such that at every stage of development, BAWSCA's feedback is received, and the system is continuously enhanced for usability and user acceptance. Because there are overlapping functionalities between the modules, they will be integrated with each other at every stage of WCDB development to ensure seamless functionality and interconnection.

The sandbox environment will be updated as modules are completed. Woodard & Curran will perform system testing to ensure the WCDB is functioning as expected and will then notify BAWSCA and the Joint User Group of available updates for review. Woodard & Curran will utilize ad-hoc Teams meetings to review these incremental updates with BAWSCA and update the WCDB based on feedback as needed.

Woodard & Curran will hold a meeting with the BAWSCA member agencies at an agreed upon midpoint to review the draft WCDB to demonstrate the draft user interface and preliminary functionality and workflow. It is anticipated that this first review meeting will occur after the major components of the system have been implemented. Woodard & Curran will collect input at this review meeting and will incorporate changes as needed. Woodard & Curran will hold a second meeting with the BAWSCA member agencies to collect final input on the structure, functionalities, and design of the WCDB. This second review meeting will include review of the newly implemented modules along with the entire system.

Woodard & Curran will also work with BAWSCA to identify and convert historical data to the new WCDB as needed. Our approach to data conversion relies on documenting each step of the process carefully to avoid any rework. We will develop data conversion scripts to help streamline the process. The data will then be loaded into the WCDB and reviewed for completeness and consistency. Data conversion services will be limited to 16 hours.

Woodard & Curran believes that comprehensive testing by both the Woodard & Curran team and BAWSCA will lead to the most stable and bug free product, while also providing deep

knowledge to the BAWSCA team through usage and interaction with the WCDB. To facilitate this process, a small group of end-users from BAWSCA and the Joint User Group will be identified to perform system-wide testing of the WCDB. Woodard & Curran will work with BAWSCA to develop testing instructions along with the process for tracking requested changes to the WCDB. Woodard & Curran will work closely with the testing team to lead user testing and will make any additional changes to the WCDB based on feedback. It is anticipated that much of the testing and review will be completed through the collaborative development process and that the changes made at this phase will be minimal.

Upon completion of end user testing and approval that the system meets the functional and design requirements, the WCDB will be finalized.

Task 5 – User Training and Go Live

In preparation for launch, Woodard & Curran will configure the production environment and will migrate the final WCDB with historical data to the production environment and perform testing to ensure the migration was successful. Woodard & Curran will create user accounts for administrators as needed.

We will hold two training sessions which will focus on training BAWSCA staff and the BAWSCA member agencies on how to use and update the WCDB. In addition, Woodard & Curran will provide hands-on instruction to the WCDB administrators such that BAWSCA will be able to manage the WCDB without consultant support. Training will be held via webinar, on two separate dates to facilitate member agency participation. The training sessions will include a brief overview of the technology and thorough live demonstration of the WCDB. For the hands-on portion, attendees will be welcome to access the testing environment and upload data and use different features.

Prior to holding the training sessions, Woodard & Curran will develop a User Guide for end users and administrators, including a one-page Quick Start Guide to provide brief instructions on how to perform key tasks in the WCDB. The Quick Start Guide will be made available electronically as a link on the WCDB home page and will be focused on supporting BAWSCA's member agencies in performing regular tasks. The User Guide will also be made available electronically via email and within the WCDB. Woodard & Curran will incorporate key sections of the WCDB User Guide into the training presentation for the training sessions.

Post-go live, we recommend including an annual or biannual training workshop. These training workshops will be included in the maintenance and support of the WCDB. Additionally, user documentation will be updated as the system is enhanced over time.

Work to be Performed in FY 2023-24

Task 6 – Ongoing Technical Support

The work product from FY 2022-23 activities provides BAWSCA and its member agencies with a WCDB that can be independently managed by the system administrators in an easy-to-use manner; however, we do recognize that there may be required support to ensure a seamless transition to the new system and to meet future needs. Woodard & Curran will continue to provide ongoing technical support to BAWSCA and its member agencies which may include, but is not limited to, ongoing maintenance, refinement, support to end users (BAWSCA and member agencies) on technical questions on the usage of the WCDB, implementing bug fixes, or addressing other requested changes or enhancements.

Woodard & Curran's Azure cloud-based hosting for the WCDB will be available 7 days a week. Woodard & Curran's technical support will be available during the hours of 7 AM to 6 PM Monday through Friday. Woodard & Curran may need to schedule system downtime outside of the business hours for regular system maintenance, but any required updates or maintenance during business hours will be conducted with advance notice and coordination of schedule with

BAWSCA. If Woodard & Curran is notified of the need for an immediate fix or update (via email or phone call) by BAWSCA or a member agency, Woodard & Curran will respond with acknowledgement of the request within 4 hours and will provide a status update on the fix or update within 24 hours.

Woodard & Curran will provide after-hours support for catastrophic failures or events and has a team of individuals from both the development team and our internal Information Services team who can address these types of issues if needed. Woodard & Curran will be notified by BAWSCA of the need for after-hours support via either text messages, phone calls, emails, or the ticketing system.

Woodard & Curran uses a Jira help desk ticketing system that allows us to have help desk tickets automatically routed to the appropriate project and alert the relevant staff. This allows us to efficiently track the status of the issue/request and respond quickly to BAWSCA and its member agencies.

When an issue or request is received through the Jira ticketing system, it will first be assessed for criticality. Woodard & Curran will then contact the submitter to obtain clarification if needed. If the issue or request is complex, Woodard & Curran will develop a timeline and communicate that to BAWSCA. For more critical issues, additional team members will be notified to assist in implementing a solution in a timely manner.

The annual cost for this task is \$10,000 and includes up to 24 hours of user support and enhancements as described above. If additional support is needed, we will work with BAWSCA to customize a plan to meet your needs.

Task 7 – Warranty

Woodard & Curran shall provide a one (1) year warranty for the WCDB commencing on delivery and approval of the final WCDB in Task 4 by BAWSCA. During the warranty period, Woodard & Curran warrants that the redesigned WCDB, when used in accordance with the instructions in the WCDB User Guide or subsequent training documentation, shall operate as described in the finalized Technical Memorandum on the scope of the redesign developed in Task 3 in all material respects. Woodard & Curran shall, at its own expense and as its sole obligation remedy for any breach of this warranty, (a) correct any reproducible error in the WCDB reported to the Woodard & Curran in writing during the warranty period, or (b) if Woodard & Curran determines that it is unable to correct the error or replace the WCDB, Woodard & Curran shall refund to BAWSCA all Ongoing Technical Support fees (as described in Task 6) actually paid for the defective WCDB, in which case the agreement and BAWSCA's right to use the WCDB shall terminate.

Hourly Billing Rates

Woodard & Curran billing rates for staff assigned to WCDB redesign and implementation effort:

Persephene St. Charles	Jeanna Long	Chris Hewes	Thierry Rutaganira	John Nguyen	Andrew Vu	Andree Johnson	Admin.
Principal In Charge (PIC)	Project Manager (PM)	Technical Liaison	Senior Software Engineer	Software Engineer 3	Software Engineer 1	Member Agency Coordinator	Project Coordinator
\$330	\$315	\$260	\$210	\$200	\$165	\$295	\$120

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD OF DIRECTORS MEETING

Agenda Title: **Lawn Be Gone! Program Terms & Conditions Including the 50% Plant Cover Requirement**

Summary:

Through BAWSCA's Lawn Be Gone! (LBG) Program, participating member agencies have been providing rebates to approved customers that convert water-thirsty lawns to water-efficient landscapes for twelve years.

To be eligible for this program, an applicant must be a customer of one of the participating BAWSCA member agencies and must adhere to the program terms and conditions. These terms and conditions, developed in coordination and agreement with the member agencies, range from program eligibility requirements (e.g., lawn size, lawn condition, and pre-conversion site inspections) to landscaping requirements for converted areas (e.g., plant type restrictions, impermeable surfaces, mulch requirements, efficient irrigation system requirements and the fifty percent plant cover rule).

Due to the nature of some of these requirements, BAWSCA would like to provide additional context to inform the Board of why these conditions were adopted during program inception, specifically regarding the 50% plant cover rule. This requirement states that, "The converted area must include a sufficient number of plants to ensure at least 50% of the converted area is covered with plants, when fully grown. Plants outside the converted area are not considered in the plant coverage calculation even if they are adjacent to, or overhanging into, the converted area."

The below discussion will provide important information related to this rule, including why it has been a requirement since the program began and why it continues to be a part of the LBG program terms and conditions. Participating member agencies can direct BAWSCA to waive any particular program requirement on a case-by-case basis if determined necessary.

Recommended Action:

This item is for information purposes only. No action is requested at this time.

Discussion:

When the LBG Program was first implemented in FY 2010-11, the primary goal of the program was to reduce water use by removing water-thirsty lawns. The secondary goal of the program was to encourage the use of water-efficient landscaping to maintain aesthetically pleasing and sustainable landscaping. Trees, shrubs, and ground covers provide shade, absorb carbon dioxide, supply oxygen, reduce soil erosion, give wildlife a home, decrease energy, reduce storm water runoff, and save water. For these reasons, both goals have remained important to the LBG Program's successful implementation.

The LBG Program rules allow for permeable hardscape such as gravel, brick, or flagstone with permeable, mortar-less materials for grout lines (such as sand or gravel) in up to 50 percent of the converted area. However, the remaining 50 percent of the converted area must be drought

tolerant, California native plants selected from the [BAWSCA Approved Plant List](#) for the reasons listed above.

This requirement is not unique to BAWSCA. Several water suppliers throughout the state have similar requirements with the same goal in mind including the [Metropolitan Water District](#), [California Water Service Company](#), [County of San Diego](#), [Municipal Water District of Orange County \(MWDOC\)](#), [West Basin Municipal Water District](#), and [Los Angeles Department of Water & Power \(LADWP\)](#).

The 50 percent plant cover requirement is also meant to promote sustainable landscape design and Green Infrastructure (GI). Examples of GI include bioretention, rain gardens, rainwater harvesting, pervious paving, or a combination of these things. GI design should achieve three primary stormwater management goals: water quality improvement, flow reduction and volume reduction. Additional details regarding these goals are provided below:

Improve Water Quality

GI facilities can filter and remove excess sediments and other pollutants from runoff. By allowing water to interact with plants and soil, water quality improvements are achieved through a variety of natural, physical and chemical processes. Even if soils are not conducive to infiltration, or if there is a high-water table, water quality is still enhanced through green infrastructure via pollutant settling, absorption into the soil, and uptake by plants.

Reduce Water Flow

GI can slow the velocity of runoff by detaining stormwater in the landscape. Flow rate reduction can often be achieved by integrating design strategies such as pervious paving, bioretention planters, rain gardens, green roofs, and other green infrastructure measures that provide stormwater detention.

Reduce Water Volume

Whenever possible, GI should collect and absorb stormwater to reduce the overall volume of runoff. Retention facilities offer long-term stormwater collection and storage for reuse or groundwater recharge. Plants contribute to retention capacity by intercepting rainfall, taking up water from the soil, and assisting infiltration by maintaining soil porosity. Where native soil conditions support infiltration, GI can remove pollutants prior to the stormwater infiltrating into native soils.

GI better supports the natural hydrologic cycle because plants intercept and transpire water through the process of evapotranspiration, while also supporting improved pore space in soils for effective soil holding and infiltration. Paving systems can clean runoff as effectively, but they don't often have the same hydrologic benefits. In some cases, they may infiltrate too quickly, or not fast enough, depending on the materials used. Ultimately, the goal behind the LBG Program and its requirements is to promote lively, appealing, and sustainable drought tolerant landscaping in place of basic turf.

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD OF DIRECTORS MEETING

Agenda Title: **New Tier 2 Drought Response Implementation Plan (Tier 2 Plan or Plan) Negotiations – Status Report**

Summary:

BAWSCA kicked off negotiations with the BAWSCA member agencies' designated Water Management Representatives (WMR) for the Tier 2 Plan update in January of this year, with technical support from its consultant, Woodard & Curran. The Tier 2 Plan is the methodology used to allocate Regional Water System (RWS) supplies among the Wholesale Customers during shortages caused by drought. The current Plan expired in 2018 as had been extended on a yearly basis since then by the Board with the understanding that the Wholesale Customers would negotiate and adopt a new Plan with the assistance of BAWSCA.

This memo provides a status report on the negotiations and is for informational purposes only.

Fiscal Impact:

BAWSCA staff resources and funding for consultant support is included in the adopted FY 2022-23 Work Plan and Operating Budget.

Recommendation:

This item is for information only and no action is requested.

Discussion:

BAWSCA's role in this effort is to help guide the negotiations so that the final Plan can gain unanimous approval by all 26 member agencies.

As with all negotiations, the Tier 2 Plan negotiations are an iterative process that will take several months or longer to complete. Once agreed to by the member agencies, it will require unanimous approval by each member agency's governing body. In addition, progress will continue to be impacted by the competing priorities experienced by the member agencies, particularly the current drought response and ongoing pandemic.

Given the need for continued negotiations and approval by the agencies, this update will not be completed by the end of calendar year 2022. As such, it will be necessary for the Board to consider extending the existing Tier 2 Plan prior to the current December 31, 2022 expiration date. That action will be calendared for the November 2022 Board meeting.

The following sections provide a summary of progress to date on the Tier 2 Plan negotiations. Board Members are encouraged to engage with their appointing agency staff on this topic.

Consultant Support Secured in January 2022 through a Competitive Selection Process

The BAWSCA Board approved a contract with Woodard & Curran in January 2022 following a competitive selection process. At the time the contract was approved, it was understood that the project would be for support in both FY 2021-22 and FY 2022-23.

Lead Negotiators Designated for Each Member Agency

The first task was for each agency to designate a lead negotiator to represent their agency. Each BAWSCA Board Director was sent a copy of a letter from BAWSCA to each agency's City or General Manager confirming that agency's chosen representative for the negotiations.

Policy Principles Developed and Agreed Upon to Guide Development of Updated Tier 2 Plan

The second task for the agencies was to develop and agree to a set of policy principles to guide the development of an updated Tier 2 Plan methodology. Successful completion of the Tier 2 Plan update will require unanimous adoption by the 26 member agencies' governing boards. Each of the agencies have unique situations and interests. The purpose of the policy principles is to identify a common set of goals to achieve with the updated Tier 2 Plan.

In May 2022, the agencies agreed to the following policy principles:

1. Provide sufficient water for the basic health and safety needs of customers.
2. Minimize economic and other adverse impacts of water shortages on customers and the BAWSCA region.
3. Provide predictability of drought allocations through consistent and predetermined rules for calculation, while allowing for flexibility to respond to unforeseen circumstances.
4. Recognize benefits of, and avoid disincentives for, water use efficiency and development of alternative of water supply projects.

Initial Model Concepts Developed and In Discussion with Agencies

With the policy principles at the forefront, BAWSCA, with the support of Woodard & Curran, has begun developing model concepts for the agencies to review and provide feedback on. Further information will be provided to the Board on successful model concepts or approaches in upcoming reports.

Background:

The 2018 Amended and Restated Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers (WSA) includes a Water Shortage Allocation Plan to allocate water from the RWS to SFPUC Retail and Wholesale Customers during system-wide shortages of 20 percent or less (Tier 1 Plan). The WSA also authorizes the Wholesale Customers to adopt a methodology for allocating RWS supply which is collectively available to the 26 Wholesale Customers among themselves (Tier 2 Plan). The WSA commits the SFPUC to honor allocations of water unanimously agreed to by the Wholesale Customers or adopted by the Board of Directors. If BAWSCA or all Wholesale Customers do not provide the SFPUC with Tier 2 Allocations, SFPUC may make a final allocation decision.

The Wholesale Customers unanimously adopted a Tier 2 Plan in 2011 with a December 31, 2018 term end date. This was intended to coincide with SFPUC's planned 2018 decision on whether to make interruptible customers permanent customers. That decision has subsequently been delayed until 2028.

Between 2018-2021, the Board has adopted the 2011 Plan, extending it through the end of the successive calendar year. On November 18, 2021, the Board adopted the 2021 Amended and Restated Tier 2 Plan, extending it to the end of calendar year 2022.

The WMR have determined, and BAWSCA agrees, that the current Tier 2 Plan is no longer sufficient to meet the Wholesale Customers' water supply planning needs and an update is necessary to account for changes in water use and supplies since it was developed and adopted in 2011.

BAWSCA

Bay Area Water Supply & Conservation Agency

155 Bovet Road, Suite 650
San Mateo, California 94402
(650) 349-3000 tel. (650) 349-8395 fax

MEMORANDUM

TO: BAWSCA Board of Directors
FROM: Nicole Sandkulla, CEO/General Manager
DATE: July 15, 2022
SUBJECT: Chief Executive Officer/General Manager's Letter

SF-Peninsula Regional PureWater (PREP) Update:

BAWSCA has been investigating potable reuse opportunities in the service area in keeping with future water supply planning recommendations made as part of the Long-Term Reliable Water Supply Strategy finalized in 2015. In 2016, BAWSCA along with local partners, including Silicon Valley Clean Water (SVCW), Redwood City, Cal Water, SFPUC and other wastewater providers and recycled water users in the area, initiated studies to explore potable reuse opportunities in San Mateo County. The partners developed the Potable Reuse Exploratory Plan (PREP) to utilize an integrated approach to identifying projects that enhance local water supply resiliency and reduce discharge to the San Francisco Bay, with the goal of developing a regional project with multiple economic, environmental, and social benefits. There have been three phases of the project so far.

The three phases include:

- The PREP Phase 1 Initial Study (completed in 2018) considered potable reuse alternative concepts, including groundwater replenishment reuse and reservoir water augmentation (RWA) at Crystal Springs Reservoir (CSR) and Bear Gulch Reservoir.
- The PREP Phase 2 Concept Study (completed in 2019) further defined the concept of a RWA project at CSR. Phase 2 also included a parallel study of PREP Institutional Considerations, which provided a preliminary evaluation of institutional considerations related to the implementation of a potable reuse project that augments CSR with purified water.
- The PREP Phase 3 Feasibility Study was initiated in 2020 to further simulate the impact of reservoir augmentation on the Regional Water System and explore direct potable reuse opportunities through raw water augmentation and treated drinking water augmentation. The outcomes of Phase 3 have identified a short-list of projects to move forward for further analysis.

In 2022, the Partners initiated scoping of a Basis of Design Report (BODR) to develop a 6-12 mgd project, resulting from the short list of alternatives identified in Phase 3, to be "California Environmental Quality Act (CEQA) Ready". "CEQA Ready" means preparation of a conceptual-level design at or near the 10-percent level which would allow the project to move forward with CEQA.

While much of the analysis needed for the BODR has been completed as part of Phase 3 including the planned submittal of a draft BODR to the Bureau of Reclamation for its review later this month, the remaining effort to complete the BODR will commence following the execution of an updated Memorandum of Agreement (MOA) among the PREP partners. The MOA will be presented to the Board for approval at its September 2022 meeting. BAWSCA's share of the MOA costs are included in the adopted FY 2022-23 budget. The final BODR is anticipated to be completed by end of June 2023.

Update on Certain Recent Drought Activities:

FY 2021-22 Rebate Program Highlights:

As part of its regional water conservation program, BAWSCA offers participation in multiple programs to its member agencies on a subscription basis to assist with water conservation and overall sustainability. In FY 2021-22, member agency and water customer participation in BAWSCA's subscription rebate programs increased, likely in response to the current drought and increased marketing by the member agencies.

Particularly, the Rain Barrel Rebate Program had the largest increase in program activity in FY 2021-22. BAWSCA approved 368 total rebate applications which included 608 barrels with a total capacity of 33,734 gallons. This was the second most approved applications since the program's inception in FY 2015-16. The City/County Association of Governments of San Mateo County (C/CAG), BAWSCA's program partner, hosted several giveaway events throughout the year which is believed to have attributed to the large increase in program participation. Additionally, BAWSCA's Lawn Be Gone! Program saw an increase in participation including 18 total applications approved with a total of 21,269 square feet of turf replaced. Lastly, BAWSCA's Smart Irrigation Controller Rebate Program saw a slight decrease in participation this year, but still issued 401 rebates totaling \$30,927 in rebates paid to residents.

Sustainable Silicon Valley Sustain-a-Palooza:

Sustainable Silicon Valley hosted the Sustain-a-Palooza! event, held on the afternoons of June 22 and June 23, 2022. The event included numerous presentations by Bay Area experts and decision-makers that focused on efforts, insights, and visions on sustainable living. The event spanned healthy food, water, energy, and air to build a more resilient, equitable and prosperous Bay Area. The event was attended by consumers and citizens interested in building better communities.

BAWSCA's Senior Water Resources Engineer, Negin Ashoori, presented on "The Water Smart Home". Negin's presentation focused on the conservation programs available through BAWSCA to make a home more water smart. The recording of her presentation can be found here: <https://www.youtube.com/watch?v=jQoYD3pDKLI>

San Mateo County Fair:

The San Mateo County Fair was held June 4th through June 12th at the San Mateo County Event Center in which BAWSCA had a presence for the second year to promote water conservation and sustainability. BAWSCA provided drought information, conservation item giveaways, and a display of the Residential Self-Audit Tool Kit, which is a subscription program item offered to the member agencies.

Filoli Exhibit: Blue Gold: The Power & Privilege of Water:

In June, Filoli in Woodside installed a new property-wide exhibition that explores how water systems shaped the Bay Area and how controlling water resources was a path to power and wealth for Filoli's families. Today, water is more precious than ever in drought-stricken

California, and clean water is a privilege some are still denied. Stories in the House and Garden connect California's water history with the hope for a sustainable future.

This special exhibition will run from June 2 to November 7, 2022. BAWSCA will be participating in this event by tabling at Filoli's popular summer nights every month, providing Filoli with regional drought campaign graphics, and handing out water conservation items and information to the attendees.

SFPUC Alternative Water Supply Plan:

As of June 2022, the SFPUC is now a full two years into the development of its Alternative Water Supply (AWS) Program, including associated planning work and reporting out. The SFPUC is now developing preliminary cost estimates and alternative scenarios for most of the projects that it has been evaluating. The goal of this cost evaluation step is to develop more accurate budgets for individual projects and determine possible rate impacts when and if such projects move into a more formalized design and construction stage.

The latest quarterly report prepared for the AWS Program was issued in June 2022 and is available at this link: [AWS Quarterly Report June2022.pdf \(sfpuc.org\)](https://www.sfpuc.org/AWS-Quarterly-Report-June2022.pdf). SFPUC and BAWSCA met on June 16, 2022 to discuss the report contents and the SFPUC's overall effort to develop an Alternative Water Supply Plan that will be proposed for adoption by the SFPUC Commission in June of 2023.

Some recent AWS Program efforts include:

- Los Vaqueros Reservoir Expansion Project - The focus of the discussions in Spring and early Summer 2022 have remained on operational priorities and capacity sharing among partners of Contra Costa Water District (CCWD) and LVE facilities. The SFPUC is also investigating options to fill the storage they are securing in LVE. In addition, the SFPUC has prepared an initial draft of a conveyance agreement to share with DWR for use of capacity in the South Bay Aqueduct.
- Daly City Recycled Water Expansion Project - SFPUC staff continue to work with the Town of Colma on outreach to cemeteries who could receive recycled water in lieu of groundwater pumping.
- Crystal Springs Purified Water Project (now formally the SF-Peninsula Regional PureWater Project) - Partner agencies, including BAWSCA, continue work on a Basis of Design Report (as detailed in the above section of this CEO report).
- ACWD-USD Purified Water Study - Work continues to move forward with the consultant team working on the development of project costs.
- South Bay Purified Water Project - A Notice-to-Proceed on the project's feasibility study was issued. Subsequently, the kickoff meeting between SFPUC, San Jose, Santa Clara, and the consultant team has been scheduled for July 12, 2022.

BAWSCA continues to be closely engaged with the SFPUC as it develops the AWS Plan. Ms. Manisha Kothari, SFPUC AWS Program Manager, has accepted Chair Larsson's invitation to provide a short presentation on the program to the Board at its September 15, 2022 meeting.

Reliability Roundtable:

Two meetings of the BAWSCA Water Supply Reliability Roundtable (Roundtable) were held in FY 2021-22: May 24, 2022 June 28, 2022. Invited participants in the Roundtable include representatives from BAWSCA's member agencies as well as wastewater agencies, County government, Valley Water, and NGO groups (environmental and business).

The purpose of the first meeting was to introduce the concept of "One-Water" projects. Participants were asked to share their thoughts on what the definition of One-Water meant to them. Presentations were given by the consultant in charge of developing the Los Angeles' One-Water LA 2040 Plan. In addition, a representative from the City of Palo presented on its upcoming efforts to develop its own One-Water plan.

The purpose of the second meeting was to present information regarding how One-Water projects could be financed. Presentations were given to detail how BAWSCA is funded and in turn how that should be considered when and if regional funding was sought. The General Manager of San Bernadino Valley Municipal District's (SBVMWD) presented its approach to regional funding of One-Water projects. C/CAG presented details of a recently completed green infrastructure funding evaluation prepared in support of upcoming C/CAG stormwater projects, many of which are regional in nature.

Two additional meetings of the Roundtable will be scheduled in Fall 2022. The focus of those meeting will be to share details of specific projects that participants may have in development that could fall within a One-Water concept, and which could be of interest given potential regional participation. Upon completion of the fourth Roundtable meeting, a report will be prepared summarizing the discussions as well as documenting projects of regional interest.

Regional Water System Tour with SFPUC:

On May 31st, BAWSCA participated in a 2-day tour of the Regional Water System that was hosted by SFPUC Assistant General Manager Steve Ritchie. Tour participants included Board Chair Larsson, Board Members Andrews and Hardy, BAWSCA CEO Sandkulla and several staff members, and other invited participants from the service area. The tour followed the Regional Water System facilities from West to East and included a visit to the SFPUC's new Sunol Educational Facility that is still under construction, Moccasin Powerhouse, and an overnight stay at Hetch Hetchy.

California-United Water Conference & Caldor Fire Tour

BAWSCA was a host agency for the June 22-24 "California-United Water Conference: Caldor Fire Tour". Seventy-five people in total attended the conference, which was held in El Dorado Hills, California. Board Chair Larson attended, as did CEO/GM Sandkulla and Water Resources Manager Francis. Mr. Francis served as moderator for a portion of the discussions that took place at the event.

The primary focus of the event was a bus tour of fire damaged areas within El Dorado County, and the opportunity to view and discuss local efforts underway to promote the recovery of the associated forest and watershed(s). There were also several speakers prior to, during, and following the tour including Wade Crowfoot, Secretary of California's Natural Resources Agency, as well as Dorene D'Adamo, a long-serving member of the State Water Resources Control Board. Both provided their insights on a number of topics such as the current drought and its impact on the State's water supply.

Board of Directors

Policy Calendar Through March 2023

Meeting Date	Purpose	Issue or Topic
Sept 2022	D&A D&A R&D	CEO/General Manager Performance Evaluation Consideration of MOA for SF-Peninsula Regional PureWater Project Update on the Long-Term Reliable Water Supply Strategy Scoping Effort
Nov 2022	D&A D&A D&A	Annual Review and Consideration of BAWSCA's Statement of Investment Policy Review and Consideration of BAWSCA's General Reserve Policy Review of Agency Personnel Handbook
January 2023	D&A R&D R&D R&D S	Mid-Year 2022-23 Work Plan, Budget and General Reserve Review BAWSCA's OPEB Liability Funded Status Update, incl. the SFPUC's Status BAWSCA's Pension Liability Funded Status Update, incl. the SFPUC's Status Water Supply Update FY 2023-24 Work Plan and Budget Study Session
March 2023	D&A R&D	Consideration of FY 2023-24 Bond Surcharges Discussion of Preliminary FY 2023-24 Work Plan and Budget

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**Bay Area Water Supply and Conservation Agency
and Regional Financing Authority**

Meeting Schedule through January 19, 2023

DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED AS A TELECONFERENCE PURSUANT TO THE PROVISIONS OF GOVERNMENT CODE SECTION 54953(e). MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON.

Schedule for BAWSCA Board Meetings (Meetings are held from approx. 6:30 – 8:45 p.m.)	
<u>Date</u>	<u>Location</u>
Thursday – September 15, 2022	Virtual Meeting, unless announced otherwise
Thursday – November 17, 2022	Virtual Meeting, unless announced otherwise
Thursday – January 19, 2023	Virtual Meeting, unless announced otherwise

Schedule for RFA Board Meetings (Meeting time will be announced)	
<u>Date</u>	<u>Location</u>
Thursday – January 19, 2023	Virtual Meeting, unless announced otherwise

Schedule for BAWSCA Board Policy Committee Meetings (Meetings held from 1:30-4:00 p.m.)	
<u>Date</u>	<u>Location</u>
Wednesday, August 10, 2022	Cancelled
Wednesday, October 12, 2022	Virtual Meeting, unless announced otherwise
Wednesday, December 14, 2022	Virtual Meeting, unless announced otherwise