



## **BOARD POLICY COMMITTEE**

**April 13, 2022**

**1:30 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 Policy Committee are listed to permit them to appear telephonically at the BPC Meeting on April 13, 2022: Randy Breault, Tom Chambers, Alison Cormack, Karen Hardy, Steve Jordan, Gustav Larsson, Barbara Pierce, 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/84453409232>

- Meeting ID: **844 5340 9232**
- Password: **229078**
- 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 US Toll-free
  - Meeting ID: **844 5340 9232**
  - Password: **229078**
- To Mute or UnMute, Press \*6.
- To Raise Hand, Press \*9.
- The Presentation will be available prior to the meeting at [www.bawasca.org](http://www.bawasca.org).

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

Videos of Non-Board meeting participants will be kept OFF at all times during the meeting. Audio for Non-Board 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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# BAWSCA

Bay Area Water Supply & Conservation Agency

## BOARD POLICY COMMITTEE

April 13, 2022

1:30 p.m.

### AGENDA

<u>Agenda Item</u>	<u>Presenter</u>	<u>Page#</u>
<b>1. <u>Call To Order, and Roll Call</u></b>	(Breault)	
Roster of Committee Members ( <i>Attachment</i> )		Pg 5
<b>2. <u>Comments by Chair</u></b>	(Breault)	
<b>3. <u>Public Comment</u></b>	(Breault)	
<i>Members of the public may address the committee on any issues not listed on the agenda that are within the purview of the committee. Comments on matters that are listed on the agenda may be made at the time the committee is considering each item. Each speaker is allowed a maximum of three (3) minutes.</i>		
<b>4. <u>Consent Calendar</u></b>	(Breault)	
A. Adoption of Resolution #2022-06, declaring that Board Policy Committee meetings will continue to be held via teleconference ( <i>Attachment</i> )		Pg 7
B. Approval of Minutes from the February 9, 2022 meeting ( <i>Attachment</i> )		Pg 11
<b>5. <u>SFPUC Report</u></b>		
A. Water Supply Update	(Ritchie)	
<b>6. <u>Action Item</u></b>		
A. Proposed Fiscal Year 2022-23 Work Plan, Results to be Achieved, and Operating Budget ( <i>Attachment</i> )		Pg 27
<u>Issue:</u> What critical results must be achieved in FY 2022-23 to accomplish BAWSCA's goals and water reliability objectives?		
<u>Information to Committee:</u> Memorandum presenting Proposed Fiscal Year 2022-23 Work Plan, Results to be Achieved, and Operating Budget.		
<u>Committee Action Requested:</u> That the Committee recommend the proposed Board action.		
<b>7. <u>Report and Discussion</u></b>	(Larsson)	
A. Considerations for Resumption of In-Person Board Meetings		Pg 57
<u>Issue:</u> What factors need to be considered for resuming in-person meetings		
<u>Information to Committee:</u> Memorandum and oral report		
<u>Committee Action Requested:</u> Questions and comments		

## 8. CEO Reports

(Sandkulla)

- A. Water Supply Conditions
- B. FERC/Bay Delta Plan Update
- C. CEO/General Manager's Letter (*Attachment*)
- D. Board Policy Committee Calendar (*Attachment*)
- E. Correspondence Packet ([Under Separate Cover](#))

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## 9. 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).

## 10. Report from Closed Session

(Schutte)

## 11. Comments by Committee Members

(Breault)

## 12. Adjournment to the Next Meeting

(Breault)

**Unless otherwise noticed:**

June 8, 2022 at 1:30pm via Zoom

### **Accessibility for Individuals with Disabilities**

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE**

**2022 Committee Roster:**

Randy Breault, Guadalupe Valley Municipal Improvement District (Chair)

Karen Hardy, City of Santa Clara (Vice Chair)

Thomas Chambers, Westborough Water District (BAWSCA Vice Chair)

Alison Cormack, City of Palo Alto

Steve Jordan, Purissima Hills Water District

Gustav Larsson, City of Sunnyvale (BAWSCA Chair)

Barbara Pierce, City of Redwood City

Sepi Wood, City of Brisbane

Tom Zigterman, Stanford University

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**           **Adoption of Resolution #2022-06, Declaring that Board Policy Committee Meetings Will Continue to be Held via Teleconference**

**Summary:**

On February 9, 2022, the Board Policy Committee (BPC) adopted Resolution #2022-03, in response to the passage of Assembly Bill (AB) 361 which allowed the BPC to continue meeting via teleconference. Pursuant to Government Code § 54953(e), Resolution #2022-03 is only valid for 30 days. The attached Resolution #2022-06 follows the prior Resolution #2022-03 and once again declares the BPC'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 BPC adopt Resolution #2022-06 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, congregational facilities and on public transportation. 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 BPC 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 BPC has passed the following AB 361 resolutions:

1. Resolution 2021-02, October 13, 2021
2. Resolution 2021-06, December 8, 2021
3. Resolution 2022-03, February 9, 2022

Each of these Resolutions have since expired. Because the BPC meets only every other month, this will continue to be the case. Therefore, the BPC 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 # 2022-06, Declaring that Board Policy Committee meetings will continue to be held via Teleconference



**RESOLUTION NO. 2022 – 06  
BY THE BOARD POLICY COMMITTEE OF THE  
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**DECLARING THAT BOARD POLICY COMMITTEE 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 Policy Committee 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 2021-02 (October 13, 2021)
2. Resolution 2021-06 (December 8, 2021)
3. Resolution 2022-03 (February 9, 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 Policy Committee 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 13th day of April, 2022 by the following vote:

AYES:

NOES:

ABSENT:

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CHAIR, BOARD OF DIRECTORS

ATTEST:

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Board Secretary

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY****BOARD POLICY COMMITTEE****February 9, 2022 – 1:30 p.m.****Zoom Video Conference**

**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.**

<b>MINUTES</b>
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1. **Call to Order:** Committee Chair, Randy Breault, called the meeting to order at 1:32 pm following reminders of the protocols to conduct the virtual meeting successfully. A list of Committee members who were present (9), absent (0) and other attendees is attached.

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 thanked Chair Larsson for his confidence in his and Director Hardy's leadership to serve as Chair and Vice Chair of the Committee. As an original appointee on the BAWSCA Board since its inception, serving as Chair of the Board in 2015 and 2016, and having more than 30 years of professional experience in the management of water districts and municipalities for the City of Brisbane and in Ventura County, he is familiar with the issues that BAWSCA addresses on behalf of the member agencies. The agenda includes discussion of the preliminary work plan and results to be achieved, in which he emphasized the committee's thoughtful consideration of what needs to get done, as well as focusing on BAWSCA's role of ensuring a reliable supply of high-quality water at a fair price.

3. **Consent Calendar:**

**Director Cormack made a motion, seconded by Director Wood, that the Committee adopt Resolution #2022-03, 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 December 8, 2021 Board Policy Committee meeting.**

**The motion passed by roll call vote. Director Breault abstained from item 3B; Approval of the Minutes from the December 8, 2021 meeting.**

4. **Public Comments:** Public comments were provided by Dave Warner and John Weed.

5. **Action Calendar:**

- A. **Proposed Fiscal Year 2022-23 Bond Surcharges:** BAWSCA Finance Manager, Christina Tang presented this item. Ms. Tang reported that the calculation and adoption of the Bond Surcharge is an annual process BAWSCA does to meet the financial obligations associated with the 2013 revenue bonds. The surcharges pay for the debt service payments, reimburse expenses incurred in association with the bond administration, and replenish the stabilization fund, as necessary. Based on the current review, the stabilization fund requires no replenishment at this time.

Ms. Tang reminded the Committee that in October 2021, BAWSCA completed the sale of the 2023A refunding bonds to refund the callable portion of 2013A bonds based on a tax-exempt forward delivery. The settlement date for 2023A refunding bonds is January 5, 2023. This transaction does not change the methodology for calculating the surcharges that is based on the actual water usage. This is consistent with the collection of the wholesale revenue requirement in accordance with the Water Supply Agreement (WSA)

To meet the requirements of the existing Bond Indenture and to accommodate a mid-year adjustment as a result of the bond refunding, there are two actions needed for the approval of the FY 2022-23 bond surcharges.

First is to approve the proposed surcharges effective July 2022 based on the existing 2013 bonds' debt service obligations.

After the settlement of the 2023A refunding bonds in January 2023, BAWSCA will revise the monthly surcharge amount to be effective March 2023 to reflect the reduced debt service associated with the refunding bonds.

To avoid going back to the Board for approval of the mid-year adjustment, the second action is to seek advanced Board authorization to implement the reduced surcharge immediately following the settlement of the 2023A bonds.

Ms. Tang presented a table that shows the proposed surcharges by agency under the existing bond indenture. The same table was included as Table 1 in the staff report of the agenda packet.

These surcharges, if collected for the full FY 2022-23, would be sufficient to cover the debt service obligations of 2013A and 2013B bonds. The total proposed bond surcharges of \$24,694,272 is approximately \$1,700 greater than last fiscal year's.

Assuming that the settlement of the 2023A refunding is completed on January 5, 2023, the debt service to be funded by the FY 2022-23 surcharges will be reduced by approximately \$2.5M. The reduced monthly surcharges would be applied to the March through June 2023 billings.

Ms. Tang presented a table that shows the proposed surcharges following the 2023A refunding bond settlement. The same table was included as Table 2 in the staff report of the agenda packet.

The proposed adjusted annual surcharges for 2023 is \$22,179,324.

Ms. Tang presented the recommended committee action.

There being no questions from the Board or comments from members of the public, Chair Breault asked for a motion.

**Director Hardy made a motion, seconded by Director Zigterman, that the Committee recommend the Board approve the following two actions:**

- 1. Approve the proposed FY 2022-23 bond surcharges as presented in Table 1; and**
- 2. Authorize the CEO/General Manager to implement the revised FY 2022-23 bond surcharges as presented in Table 2, immediately following the settlement of the 2023A refunding bonds.**

**The motion carried unanimously by roll call vote.**

- B. Agreement with Outfront Media for Digital Billboard Advertisements Associated with a drought Messaging Campaign: BAWSCA Water Resources Manager, Tom Francis presented this item. Mr. Francis reported that the billboard advertisements are a part of a larger media campaign developed by the SFPUC to address the current drought conditions.

For contractual and procurement reasons, SFPUC is unable to pay for billboard placements outside of San Francisco. As proposed by the SFPUC to address this issue, BAWSCA has engaged directly with SFPUC's billboard advertisement vendor, Outfront Media, for electronic billboard placements in the BAWSCA service area. The contract is under review, and is anticipated to be ready for execution pending Board approval in March.

Draft images for the digital billboard advertisements have been prepared by the SFPUC. Both the SFPUC and BAWSCA logos will appear on the billboard advertisements. BAWSCA will have final review and approval of the images.

Multiple images will cycle during a 24-hour period at an 8 second duration every 64 seconds. Two examples of the draft images were shown to the Committee. BAWSCA can adjust the cycles and images as needed in coordination with Outfront Media.

The advertisement period will be March 21<sup>st</sup> through July 15<sup>th</sup> 2022. There will be a total of 14 billboards throughout the three counties of the BAWSCA service area; San Mateo, Alameda, and Santa Clara counties. Locations focus on major highways including 880, 101, and 92. The billboards are double-sided so that the messages are seen from both directions of the traffic.

The total cost is \$71,750 which must be paid as an upfront charge. Because funds are currently not available in BAWSCA's adopted FY 2021-22 budget, staff is recommending a transfer from the Balancing Account as a source of funds.

Mr. Francis noted that had the SFPUC been able to pay for billboard ads in the BAWSCA service area through its media contract, BAWSCA agencies would have the same financial responsibilities and would pay it through the wholesale water rates.

Chair Breault opened the floor for Committee member questions and comments at the conclusion of Mr. Francis' presentation.

In response to Director Hardy, Mr. Francis stated that the advertising images will run during a 24-hour period every 64 seconds. BAWSCA will be able to coordinate with

Outfront Media to make adjustments to the cycle, if necessary, to increase the exposure during peak traffic hours, provided that the cost will not be affected.

Director Cormack asked if the cost of San Francisco's advertising is embedded in the wholesale water rates. She requested confirmation that BAWSCA will not be paying for 2/3rds of the cost of the advertising within San Francisco.

Ms. Sandkulla noted that during the last drought, because there were distinct costs associated with developing a drought outreach campaign, the SFPUC categorized these costs so that the Wholesale Revenue Requirement process could distinguish the retail customer costs from the wholesale customer costs. She expects the same administration for this drought. What SFPUC and BAWSCA would share are the costs of the marketing and creative services that are applicable to both San Francisco retail and wholesale customers.

Director Cormack noted that 2 billboard locations are in East Palo Alto as opposed to Palo Alto, and provided comments on the draft images.

Director Wood concurred with Director Cormack's request to look into San Francisco's in-city costs being passed down to the wholesale customers. She supports the advertising effort and finds the costs to BAWSCA as reasonable.

Director Jordan echoed concerns about costs being passed down to wholesale customers in addition to the costs member agencies are paying on their own.

In response to Director Jordan's questions, Mr. Francis stated that the billboards will be placed in San Mateo, Santa Clara, and Alameda Counties to reach member agencies' water users. The billboards will not include percentages of cutbacks.

Ms. Sandkulla added that the media buy is for digital billboards, which are more cost-effective than print billboards. Staff will provide that clarity in the memo that goes to the Board, along with clarification, to address the Committee's concern, that the wholesale customers will only pay their share of the costs for the drought campaign. Ms. Sandkulla emphasized that ensuring fair pricing is what BAWSCA does for its member agencies and staff takes this role very seriously.

Director Chambers supported Ms. Sandkulla's comments, and noted that if charges were applied to the wholesale customers, he trusts that Ms. Tang's meticulous efforts with the wholesale revenue requirement review process would identify those charges. Additionally, the proposed billboard locations along the major highways, particularly the 101 corridor, are traveled by water users from across the BAWSCA region and should provide sufficient coverage.

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

**Director Wood made a motion, seconded by Director Larsson, that the Committee recommend the Board:**

- 1. Approve the agreement with Outfront Media for billboard advertisements at a total cost of \$71,750;**

**2. Authorize a request for a transfer of \$71,750 from the Balancing Account in accordance with BAWSCA's Balancing Account Policy Resolution #2020-02.**

**The motion carried unanimously by roll call vote.**

**6. Reports and Discussion**

**A. Preliminary Fiscal Year 2022-23 Work Plan and Results to be Achieved:**

CEO/General Manager, Nicole Sandkulla presented this item. Ms. Sandkulla noted that the preliminary work plan is aligned with BAWSCA's legislated authority and its three goals of ensuring a reliable supply of high-quality water at a fair price. The staff report in the agenda packet includes Table 1, which presents the draft Preliminary Work Plan, and Table 2, which presents activities not included in the work plan.

The preliminary work plan addresses the critical issues identified between now and 2050 that were discussed at the budget planning session during the January Board meeting. Among the major efforts for FY 2022-23, the preliminary work plan puts focus on five key efforts:

1. Providing staff-led drought support for member agencies
2. Scoping for an update to BAWSCA's 2009 Long-Term Reliable Water Supply Strategy (Strategy)
3. Participation in the next steps for the Potable Reuse Exploratory Plan (PREP)
4. Supporting member agencies with meeting water use efficiency legislation standards for Commercial, Industrial, Institutional (CII) performance measure requirements
5. Updating BAWSCA's Water Conservation Database (WCDB)

The preliminary work plan also includes the continuation of two previously approved multi-year efforts which includes the refreshing and updating of the 2020 Demand Study, and facilitating the update of the Tier 2 Drought Allocation Plan. Ms. Sandkulla noted that unlike many public agencies, BAWSCA does not generally appropriate funds for multi-year projects, therefore, these two efforts will be presented to the Board over multiple years.

Comments received from the Board at the January budget planning session are reflected in the preliminary work plan. Responses to the eight comments received are provided in Table 3 of the staff report. Ms. Sandkulla elaborated on her responses to three particular comments.

With regards to SFPUC's OPEB Liability, Ms. Sandkulla is proposing a task for staff to perform a limited analysis of available data to BAWSCA and report the findings as part of the regular OPEB and pension report provided to the Board. The analysis will stay within the scope of BAWSCA's staff, auditors, and legal counsel to take the next steps in understanding the issues of concern.

For the comments regarding steps needed for the General Reserve balance to be in compliance with its budgetary guidelines, Ms. Sandkulla was forthcoming in stating

that it will be an issue that the Board will need to be heavily engaged in. There will be two opportunities for the Board to discuss the General Reserve. The Board will be presented with a preliminary work plan and budget funding options at its meeting in March, in which it can provide further guidance to the CEO in developing the budget and funding alternatives. The proposed work plan and budget will be presented to the Board in May, along with budget funding alternatives that the Board can consider.

In response to the comment regarding staff retention and development, the CEO added a work plan item "Maintain a Motivated and Effective Workforce" to highlight this issue and capture the ongoing efforts. Ms. Sandkulla stated that this has always been a part of BAWSCA's annual work plan but have never been discussed with the Board. She expressed her appreciation for the comment and the opportunity to present BAWSCA's efforts in maintaining a strong and effective workforce.

Ms. Sandkulla reported that BAWSCA does cross training to support staff development and succession planning. As needed, desk audits by a third party independent consultant are performed to analyze position classification and make adjustments as necessary. Recommendations to Title and/or Salary range are presented to and approved by the Board. Additionally, BAWSCA does bi-annual salary surveys to maintain overall market parity as its employees are not represented by a union. Similarly to desk audits, adjustments are presented to, and approved by, the Board. Lastly, a budget allowance for salary and merit increases is included in the budget process every year. The allowance includes a combined COLA adjustment to the top step, and a merit increase of up to 5% or top salary step, whichever is less. The board acts on this as part of its approval process of the proposed budget. This process has created an environment that supports long-standing staff that brings value to the agency, and speaks to the successes that the agency has achieved.

Ms. Sandkulla presented the preliminary work plan highlighting major tasks under each component of BAWSCA's goal; Water supply reliability, water quality, and fair price.

Under water supply reliability, BAWSCA will continue to monitor the Regional Water System's facility reliability by actively staying engaged with SFPUC's completion of the WSIP, and implementation of the 10-year CIP, Asset Management Program, and Emergency Response.

BAWSCA's efforts on long-term water supply solutions is mainly its implementation of the Long-Term Reliable Water Supply Strategy (Strategy). This involves the update and refresh of the demand study and use of the Reliability Model to support water resources planning efforts. Additionally, BAWSCA will continue to participate in the Bay Area Regional Reliability efforts in developing regional planning studies that has been effective in securing USBR grant funds that promote regional projects. A project example is the Shared Water Access Program (SWAP) which is a study of water transfers in the region that is aimed at identifying the barriers and institutional issues and ways to best resolve them. BAWSCA has an active role in this effort given its relationships with Alameda County Water District (ACWD) and San Francisco, who are involved in the effort, and its knowledge of the WSA. The final report will serve as a helpful tool to inform future efforts.



A new effort for water reliability in FY 2022-23 is BAWSCA's quarterly meetings of a Regional Water Supply Reliability Roundtable. This is a stakeholder group facilitated by BAWSCA that will look into and provide input on alternative water supply development, options, and potential collaborations. Ms. Sandkulla hopes that the effort can lead to greater relationships that can be rolled into BAWSCA's long-term planning.

Key efforts under water reliability includes the scoping activity to update the Strategy and participation in the next steps for the Potable Reuse Exploratory Plan (PREP) project.

BAWSCA's Strategy was initiated in 2009 and completed in 2015. It was a significant effort and a success for BAWSCA in developing its first comprehensive regional assessment of the member agencies' water supply reliability needs. It identified recommended actions to increase regional reliability, and BAWSCA's implementation of those recommended actions has been a part of BAWSCA's annual work plan since then. These activities include the Pilot Water Transfer effort, engagement in the Los Vaqueros Expansion Project, PREP, BARR, and development of BAWSCA's regional reliability model. They are efforts that have put BAWSCA in a better position to see a regional picture for long-term water supply planning for the region.

But since then, there has been changes to the region's water supply projections, SFPUC's anticipated actions, the Regional Water System reliability, and State efficiency requirements. The combined changes indicate an appropriate time to update the Strategy.

This effort was included in the FY 2021-22 work plan with a \$50K budget allocation. But given the ongoing drought conditions, it was deferred to FY 2022-23 during the mid-year review of the work plan and budget.

Ms. Sandkulla reported that the FY2022-23 work plan proposes a staff-led effort for the scoping of the update to the Strategy. This speaks to the staff's expertise in the field, and its understanding of the conversations taking place in the industry. She looks forward to a strong scoping document that will be instrumental in finding the right consultant to assist BAWSCA in the development of an update to the Strategy.

This effort will require a significant staff time, but a minimal cost allocation of \$5K to cover the necessary support, mainly for legal guidance.

Another key effort in the FY 2022-23 work plan is BAWSCA's continued participation in the next steps of the PREP project. It is a purified water project that could provide 6-12 mgd of water supply through reservoir water augmentation at Crystal Springs Reservoir. It is a multi-party project in which BAWSCA, along with San Mateo, Foster City, Silicon Valley Clean Water, several BAWSCA member agencies, and San Francisco are engaged in.

Ms. Sandkulla noted that BAWSCA's active and independent participation in PREP since the beginning has contributed to the project's development. BAWSCA has pushed the feasibility investigations of this project to address San Francisco's potential reliability issues resulting from implementation of the adopted Bay Delta

Plan, and to bring potential partners to the table to consider the best configuration for this project. For example, Mid-Peninsula Water District recently identified its potential interest to become a project partner because the existing infrastructure runs through its service area. Continued participation in this effort will enable BAWSCA to directly affect the project's development to benefit member agencies regardless of whether it becomes a San Francisco project only or if it becomes a joint project with San Francisco and others.

Phase 3 of the project development is scheduled for completion in Spring 2022. The effort will include the preparation of a Basis of Design Report (BODR) which will bring the project components to a 10% design level, and can be used to support state and federal grant applications. This effort is estimated at \$1M, with BAWSCA's potential share of the cost at 5% or \$50K.

BAWSCA's efforts on near-term water supply solutions include drought response and water conservation. A key effort in FY 2022-23 is providing the necessary drought support to member agencies and their customers as the drought persists.

BAWSCA will continue its efforts with its twelve core and fourteen subscription conservation programs, coordination of the AMI implementation and data management, and development of a leak repair and training certification program for execution in FY 2023-24.

Additionally, BAWSCA will pursue opportunities to partner with San Mateo County City/County Association of Governments (C/CAG) related to a potential Greywater Pilot Program. C/CAG is responsible for San Mateo County's storm water management. They have had an existing partnership with BAWSCA on a rain barrel rebate program which has been successful. The opportunity to partner will meet the member agencies', as well as their water customers' growing interests in the use of greywater as dry conditions continue to occur more often. A review of greywater efforts in the region and documenting the findings in a report will be done as part of BAWSCA's summer internship program under the direction of the water conservation team. This report will help in understanding the state of current efforts and where the opportunities exist.

A key effort under near-term water supply solutions is supporting member agencies with meeting water use efficiency legislation standards for Commercial, Industrial, Institutional (CII) performance measure requirements. This is part of the implementation of the State's water use efficiency legislation adopted in 2018 to support California's "Making Water Conservation a Way of Life." To date, BAWSCA has provided support to member agencies to comply with residential efficiency requirements and outdoor irrigation efficiency by providing the tools to achieve the requirements as well as data management for calculation.

The Department of Water Resources (DWR) recently released preliminary recommendations for CII efficiency and performance measures which the State Water Resources Control Board will consider for adoption. Conservation in the CII customer class has been a very difficult to measure for the BAWSCA region because of the variations within this customer class among the member agencies.

The preliminary FY 2022-23 work plan includes a proposal to support member agencies in this area by developing an approach to meet the new State requirements as well as a subscription program that offers additional consultant support to agencies who need them. The estimated cost is \$80K.

Administration of the 2009 Water Supply Agreement protects the member agencies' water supply reliability interests. BAWSCA will continue to monitor SFPUC's development of new water supplies through its Alternative Water Supply Planning program, ensure the SFPUC meets its legal and contractual obligations to its wholesale customers, and protect the member agencies' supply and financial interests in the SFPUC's 2028 decision on whether to make San Jose and Santa Clara permanent customers. BAWSCA will facilitate negotiations on an updated Tier 2 drought allocation plan, and continue to protect the member agencies' water supply interests by staying engaged with activities related to the Bay Delta Plan and FERC relicensing process.

BAWSCA will continue its practice to pursue grant opportunities with regional partners to support member agencies' conservation programs and strategy implementation.

Ms. Sandkulla noted that reporting and tracking water supply and conservation activities is a critical activity for BAWSCA. The Annual Survey, which is a huge repository of historical data that is relied upon for information, has been done since the formation of BAWSCA's predecessor agency, Bay Area Water Users Association (BAWUA). Similarly, the Annual Conservation Report provides information on conservation activities within the service area.

A compilation of all this data and information on water use and conservation activities is contained in BAWSCA's Water Conservation Database (WCDB), which is used to collect conservation activity data, annual survey data and support for demand projections and modeling. It was initially developed in 2010 at a cost of \$261K, and updated in FY 2016-17 for \$39K. The existing platform is old and needs to be updated before it becomes inoperative. It is a critical tool in BAWSCA's work on behalf of the member agencies, and the scoping, development and implementation of an update to the WCDB at an estimated cost of \$120K is included in the preliminary FY 2022-23 work plan and budget.

Efforts under the area of water quality involves supporting member agencies in receiving critical communication on water quality issues. BAWSCA facilitates member agencies' participation in the Joint Water Quality Committee, in accordance with the WSA, to ensure it addresses the wholesale customers' needs in the communication and resolution of water quality issues. It is an area of work that is of high priority.

Under fair price, Ms. Sandkulla noted that BAWSCA is delegated to administer the WSA to protect the financial interests of the member agencies, as well as administer the bonds issued by BAWSCA to pay off the capital debt owed to San Francisco including completion of the settlement of 2023A refunding bonds.

The preliminary FY 2022-23 work plan includes efforts to maintain the agency's effectiveness. Activities in this area of work involve keeping close relationships with

local legislators and allies to safeguard the health, safety and economic well-being of residents and communities in the BAWSCA region; continuing dialogue with responsible environmental and other stakeholder groups for support of maintaining reliability of the Regional Water System; and working with San Francisco in conducting water system tours for members of the Board and member agency officials and staff members.

Additionally, BAWSCA will continue to maintain a professional and effective workforce. For FY 2022-23, BAWSCA will execute the Board approved Student Internship Program in Summer 2022, implement the Board's directive for management of BAWSCA's unfunded OPEB and pension liability obligations, and maintain a motivated and effective workforce.

Ms. Sandkulla re-iterated the two previously approved multi-year projects in the work plan. Because BAWSCA does not appropriate funds for multi-year projects, they will be brought to the board for consideration on a yearly basis.

The first is the update to BAWSCA's Demand Study that was included in the adopted FY 2021-22 Work Plan and Budget. In September 2021, the Board approved the use of the Balancing Account as the funding plan to complete this project in December 2023 at a total cost of \$350K. The estimated cost for this effort in FY 2022-23 is \$75K.

The second project is the development of an updated Tier 2 Drought Allocation Plan. This was included in the FY 2021-22 work plan and budget. As part of the Mid-Year Work Plan and Budget review process, the Board acted to approve Phase 1 of the project at a cost of \$98K during FY 2021-22. As planned and discussed with Board, FY 2022-23 will include Phase 2 of the project at an estimated cost of \$72K.

In summary, Ms. Sandkulla reported that the preliminary work plan is responsive to the identified results that need to be achieved between now and 2050, the feedback received from the Board at the January Budget planning session, and in continuing to meet BAWSCA's goals.

The budget development will be based on the work plan which reflects the implementation of the Strategy, ensuring reliability from the Regional Water System, supporting member agencies during the ongoing drought, and keeping engaged in the Bay Delta Plan and FERC processes. Ms. Sandkulla will examine the forecast for end of year spending as it impacts the year-end General Reserve balance. The Board will be provided with this information for its consideration in the budget funding discussion at its meeting in March, along with options for bringing the General Reserve back within the budgetary guidelines.

Ms. Sandkulla noted that BAWSCA's enabling legislation, AB 2058, identifies the assessments as the agency's primary source of funding. BAWSCA has relied heavily on its General Reserve to fund a portion of the budget and moderate the need for assessment increases since FY 2007-08, with the exception of FY 2015-16. The Water Supply Agreement Balancing Account has also been used to fund qualifying special projects.

Currently, assessments fund 81% of the current adopted budget for FY 2021-22. As a result, there is a significant gap between the assessment and the operating budget which the Board will need to address in assessing the budget for FY 2022-23. The funding considerations that will be presented to the Board at the March meeting will likely include assessment increases given the current level of the General Reserve balance and SFPUC's plan to use the Balancing Account to offset wholesale water rate increases in the next 2 years.

The committee is asked to provide feedback that will be incorporated in the preliminary work plan and operating budget that will be presented to the Board in March. The Board's feedback will be incorporated in the proposed work plan and operating budget that will be presented to the Committee in April for further discussion. The Board will act on a recommended action at its meeting in May.

Director Hardy asked about the challenges in water transfer efforts, the substantial difference in costs for scoping the Strategy, and the potential for greywater and its implications to the region's true groundwater.

In response, Ms. Sandkulla stated that a combination of infrastructure, policy, and legal contractual issues make water transfers challenging. The Shared Water Access Program (SWAP) is a table-top exercise - a water transfer on paper - that looks into using existing infrastructure and agreements between ACWD, the State Water Project, San Francisco and BAWSCA. BAWSCA is knowledgeable of the infrastructure, policy, and contractual pieces from its experience with two pilot water transfer efforts between 2012 and 2020, and its involvement can be instrumental in finding resolution to the challenges. The SWAP effort is also looking into the Enlarged Los Vaqueros Reservoir project and how it can assist in moving water in the region.

Ms. Sandkulla explained that the initial estimate of \$50K to scope the update to the Strategy was not based on historical information but rather the anticipated level of consultant support needed to complete the effort. Additionally, it was estimated during a time when half of BAWSCA's water resources team were new hires. Since then, staff has proven to have the expertise and capabilities to scope the work needed to update the Strategy. Given the budgetary issues expected for FY 2022-23, the estimate cost of 5K is at minimum to cover outside support that may be required.

Ms. Sandkulla stated that the results from the Pilot Greywater Program remains to be seen. The effort is about taking advantage of BAWSCA as a regional agency and its strong partnership with C/CAG to address the increasing interests of the water customers on greywater as well as C/CAG's interest in improving stormwater management. The effort can also inform development of future ordinances, BAWSCA's efforts to the Strategy update, and potential for a subscription conservation program opportunity.

Director Zigterman supported the thoughtful development of the work plan, particularly the efforts in hosting roundtables to identify alternative supplies and alternative modes of operating water systems. He looks forward to the results of the effort.

Director Pierce noted that with increasing desires for conservation, SFPUC's anticipation for rate increases, and the given fact that the less water used-the higher the rates, it would be helpful to hear Ms. Sandkulla's perspectives; as she looks at the various factors that influence the development of the FY 2022-23 budget, on how a long-range view is developed to manage these various factors. This can help Board members better understand the link between conservation requirements, water projections, and SFPUC's rate settings, and feel comfortable with the implications of the efforts the agency has to include in its work plan.

Public comments were provided by John Weed and Janine Zacharia.

## **7. Reports:**

- A. Water Supply Conditions: Using data from the SFPUC as of February 7, 2022, Ms. Sandkulla reported that total system storage is at nearly 75% of maximum capacity. While this is a decent level given ongoing dry conditions, it remains lower than the 81% of normal maximum capacity. Ms. Sandkulla was pleased to report that Calaveras reservoir, completed during the last drought, is slowly increasing its storage capacity. The curtailment remains lifted as of February 8<sup>th</sup> and this provides inflows into Hetch Hetchy water bank, which is at 61% of maximum storage level. Curtailment orders will remain as a week-by-week decision by the State.

The December storms has brought California reservoirs to a better state in comparison to last year, but they remain below historical average. The California drought monitor has also improved, but conditions remain at moderate, severe, and extreme drought levels, indicating that the drought continues.

Hetchy Hetchy precipitation is at the historical median level while upcountry snowpack is slightly below historical median.

Water available to the San Francisco has improved to 127 TAF from the December storms. However, Ms. Sandkulla noted that while the numbers does not yet include the inflow from the Spring runoff, the system will need 598 TAF to achieve full storage by July 1, 2022.

Upcountry and local precipitation index have improved but highlights the dry conditions of January and February.

In comparison to a 5-year average and from calendar year 2021, the Regional Water System total deliveries show January's water use at a record low following very wet conditions, and rising up as the weather continues to be warmer and drier.

For the period of July 1, 2021 through January 28, 2022 and in comparison to FY 2019-2020, SFPUC's water use tracker show that San Francisco's retail customers have achieved a 14.9% water use reduction, and the wholesale customers a 6.2% reduction. Ms. Sandkulla noted that San Francisco has been impacted significantly by the pandemic and the reduction can be attributed to the reduced economic activity due to COVID. The wholesale customers, on the other hand, did not see as significant of a reduction and instead experienced an increase in water use during COVID due to water customers staying home. In total, a 9% water use reduction has been achieved regionally, coming very close to the regional 10% reduction target for

a 12-month period. Ms. Sandkulla noted that the 9% achieved has just been from a 6-month period.

Using BAWSCA's data, total potable water use in December 2021 is 20% less than the predrought period of December 2013, and 13.6% less than in December 2021.

Ms. Sandkulla presented a new slide that shows the percent change in BAWSCA service area population and water demand from 1990 to present. She noted that since 1990 there has been a 30% growth in population, a 12% reduction in total water use and a 30% reduction in residential water use on a per capita basis.

Ms. Sandkulla pointed to areas of the graph that represents drought years and how water use rebounds in the years following the drought. She noted that the demand study update will focus on the question about the region's sensitivity with droughts now occurring almost back to back.

- B. Bay Delta Plan/FERC Update: Ms. Sandkulla reported that in response to the SFPUC's January 14<sup>th</sup> 2022 letter to Secretaries Blumenfeld and Crowfoot, her recent statement to the Commission at its January 25<sup>th</sup> meeting called for a strategic and results driven leadership from the SFPUC. The statement expressed that BAWSCA is pleased with the Commission and General Manager's direct and full involvement to ensure greater Tuolumne River fish and environment protection, as well as the assurance of water supply needed by the BAWSCA agencies, and called for SFPUC's leadership to participate promptly in VA negotiations.

BAWSCA will continue to provide its leadership in forming and providing strong support for the SFPUC to ensure reliable water supply in the region. Ms. Sandkulla noted that the statement emphasized that success requires action and responsibility at the highest levels of the Commission, the State, and other suppliers who have water rights on the Tuolumne River, and that the SFPUC's high-level leadership by its Commission and General Manager to produce results, is encouraging.

Ms. Sandkulla's remarks to the Commission on January 25<sup>th</sup> also included her comments on San Francisco's Long-Term Vulnerability Assessment (LTVA). San Francisco received a letter from non-governmental organizations regarding the LTVA, and it was important for BAWSCA to emphasize its importance and value. The LTVA provides a science-based, robust framework and analytical tools that supports long-term planning for the Regional Water System. Any changes to the SFPUC's planning assumptions, including key parameters such as the design drought, must be based on the best available scientific and analytical data including the LTVA, not extrapolations and casual calculations. BAWSCA is excited that the LTVA has been published and looks forward to working with SFPUC in using its information to ensure water reliability for BAWSCA's constituents.

Ms. Sandkulla reported that there has been no further developments at the State level or by the SFPUC in the last month on voluntary agreement negotiations. Given the State's schedule to implement the Bay Delta Plan in the spring BAWSCA provides a narrowing opportunity for successful negotiations, therefore BAWSCA is continuing to press the SFPUC of their responsibility to resolve this issue given their obligations to BAWSCA agencies and the environment.

BAWSCA remains focused on protecting the interests of the water users and will continue its efforts to stay engaged with legislative and other allies.

Public comments were provided by Dave Warner.

8. **Closed Session:** The Committee adjourned to Closed Session at 3:10 pm.

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

9. **Report from Closed Session:** The Committee reconvened to Open Session at 3:18 pm. Ms. Schutte reported that no action was taken during Closed Session.

10. **Comments by Committee Members:** Director Jordan commended Director Cormack for her efforts in bringing consideration of a potential transfer of its Individual Supply Guarantee before the Palo Alto City Council.

Director Wood concurred and thanked the staff and committee members for their continued efficiency.

Director Pierce expressed her appreciation for a thoughtful preliminary work plan, and echoed the appreciation for Director Cormack's efforts.

11. **Adjournment:** The meeting was adjourned at 3:20 pm. The next meeting is April 13, 2022 with the location and format to be announced.

Respectfully submitted,

Nicole Sandkulla, CEO/General Manager

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Attachments: 1) Attendance Roster



# Bay Area Water Supply and Conservation Agency

## Board Policy Committee Meeting Attendance Roster

Agency	Director	Feb. 9, 2022	Dec. 8, 2021	Oct. 13, 2021	Sept. 7, 2021	Aug. 11, 2021	Jun. 9, 2021	Apr. 14, 2021	Feb. 10 2021	Dec. 9 2020
GVMID	Breault, Randy	✓	n/a	n/a	n/a	Meeting Cancelled	n/a	n/a	n/a	n/a
Santa Clara	Hardy, Karen	✓	✓		✓		n/a	n/a	n/a	n/a
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

### February 9, 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	Bud Wendell	Strategic Communications
Danielle McPherson	Sr. Water Resources Specialist		
Negin Ashoori	Sr. Water Resources Engineer		
Kyle Ramey	Water Resources Specialist		
Christina Tang	Finance Manager		
Lourdes Enriquez	Assistant to the CEO/General Manager		
Deborah Grimes	Office Manager		

#### Public Attendees:

Leonard Ash	ACWD	Cade Cannedy	Self
John Weed	ACWD	Dave Warner	Self
Cheryl Munoz	Hayward	Janine Zacharai	Self
Lisa Bilir	Palo Alto		
Alison Kastama	SFPUC		
Julia Nussbaum	Stanford		

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**        **Proposed Fiscal Year 2022-23 Work Plan, Results to be Achieved, and Operating Budget**

**Summary:**

This memorandum presents the proposed Fiscal Year 2022-23 Work Plan and results to be achieved. The proposed Work Plan includes the CEO's recommendations for addressing comments received during the January 20, 2022 Budget Planning Session and March 17, 2022 Board meeting.

The proposed Work Plan remains aligned with BAWSCA's legislated authority and its three goals: a reliable supply of high-quality water at a fair price. Major work areas include review of SFPUC's 10-year Capital Improvement Program and Asset Management Program; complete refresh and update of BAWSCA's 2020 Regional Water Demand and Conservation Projections Study (Demand Study); scoping for an update to BAWSCA's 2009 Long Term Reliable Water Supply Strategy (Strategy); provide drought support to member agencies and their customers; provide assistance to member agencies in meeting new State water efficiency mandates; implement BAWSCA's core and subscription conservation programs; take action necessary to ensure that the SFPUC meets its legal and contractual water supply reliability obligations to its Wholesale Customers; monitor SFPUC's development of new water supplies through its Alternative Water Supply Planning Program; facilitate negotiations of a new Tier 2 drought implementation plan; participate in the State Water Resources Control Board (SWRCB) Bay Delta Water Quality Control Plan Update to ensure member agency interests are represented; participate as an intervenor on Federal Energy Regulatory Commission (FERC) proceedings associated with the licensing of New Don Pedro Reservoir; administer the Water Supply Agreement (WSA) with San Francisco to protect financial interests of the member agencies; administer BAWSCA's bonds including the final refunding settlement; implement Board policy directives for management of BAWSCA's unfunded pension liability obligations; implement BAWSCA's diversity internship program, and maintain a motivated and effective workforce.

The proposed Operating Budget is \$4,720,885, which is 1.3% below the approved FY 2021-22 Operating Budget. The proposed Operating Budget represents approximately a 0.07-cent decrease in annual cost per person in the service area for an estimated cost to the water customer of \$2.56 per person per year.

A 25% assessment increase to \$4,838,897, along with the already approved transfer of \$75,000 from the Balancing Account is recommended, which will fund the Operating Budget and allow for a \$193,012 transfer to the General Reserve, resulting in the General Reserve level being brought back within the agency's budgeting guidelines.

**Recommendation:**

**That the Committee recommend the:**

- 1. Proposed Fiscal Year 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.**

**Discussion:**

**Proposed Work Plan:**

Next year's Work Plan addresses all of the anticipated issues and results to be achieved discussed with the Board Policy Committee in December and February and with the Board in January.

The Proposed FY 2022-23 Work Plan includes the following major efforts:

- Oversight of the SFPUC's WSIP, 10-Year Capital Improvement Program (CIP), and Regional Water System (RWS) Asset Management Program.
- Implement BAWSCA's 2009 Strategy, including the following actions:
  - Complete Update and Refresh of 2020 Demand Study;
  - Complete scoping activity for an update to BAWSCA's 2009 Strategy;
  - Participate in the development of the Bay Area Regional Reliability Partnership (BARR) Bay Area Regional Water Market (Exchange/Transfer) Program, including a completion of the BARR Shared Water Access Program (SWAP) Final Report;
  - Continue participation in Potable Reuse Exploratory Plan (PREP), pending results of Phase 3, due this Spring;
  - Promote the continued sustainable use of San Mateo Plain Groundwater Basin through Groundwater Reliability Partnership and other multi-party efforts; and
  - Facilitate development of other local water supply options by member agencies.
- Provide staff-level drought support to member agencies and their customers, assuming dry conditions in FY 2022-23.
- Monitor the status of the water use efficiency legislation, represent member agency interests in discussions with the State, and develop resources and programs to assist member agencies with reporting and compliance requirements.
- Provide regional coordination to support Advanced Metering Infrastructure (AMI) implementation and data management, including a report on AMI status in service area.
- Develop 1-2 new subscription conservation programs
- Implement regional core and subscription conservation programs to support member agencies and their customers.
- Take actions to protect member agencies' water supply interests in administration of the 2009 WSA including the following:
  - Monitor SFPUC's development of new supplies through its Alternative Water Supply Planning Program and participate as appropriate to ensure that the SFPUC can meet its water supply reliability obligations to its Wholesale Customers; and
  - Facilitate negotiations of an updated Tier 2 drought allocation plan.
- Participate in the SWRCB's Bay Delta Water Quality Control Plan Update to ensure member agency interests are represented.
- Participate in the New Don Pedro and La Grange FERC proceedings to protect regional water supplies.
- Administer the 2009 WSA.
- Administer BAWSCA's bonds, including the final refunding settlement in January 2023.
- Implement BAWSCA's Diversity internship program.
- Implement Board policy directives for management of BAWSCA's unfunded OPEB and pension liability obligations.
- Maintain a motivated and effective workforce.

Table 1 presents the draft proposed FY 2022-23 Work Plan and major results to be achieved. The activities are grouped according to the agency goals they support.

Table 2 lists the items that are not included in the proposed Work Plan. Any of these items could be added at a later date, if needed, following further discussion with the Board concerning available resources and priorities.

**New or Significantly Re-scoped Activities for FY 2022-23:**

There are four new or significantly rescoped, or expanded activities included in the proposed FY 2022-23 Work Plan. In each case, these activities relate directly to ensuring water supply reliability for the customers served by the BAWSCA member agencies.

**1. Complete Scoping for an Update of BAWSCA's 2009 Strategy**  
**Estimated FY 2022-23 Cost: \$5K**

This work was initially scheduled for FY 2021-22 with a \$54K budget allocation, but was deferred to FY 2022-23 as part of the mid-year review given the need to shift focus to the ongoing drought conditions.

In 2009, BAWSCA initiated the development of its Strategy to provide a comprehensive, regional assessment of the BAWSCA member agencies' water supply reliability needs, complete an evaluation of potential water management actions that could be implemented to meet these needs, and identify potential actions for consideration by the Board to achieve an increased level of regional reliability. The 2009 Strategy effort spanned several fiscal years and was completed in 2015. The total technical cost for the 2009 Strategy was \$1.9M, including \$117K for scoping.

Implementation of the 2009 Strategy recommendations has been incorporated into the adopted work plan annually since FY 2015-16. BAWSCA efforts to develop new sources of water supply, as well as to engage and promote the development of new alternative water supplies by the SFPUC were performed in accordance with the Strategy. For example, BAWSCA's participation in the Los Vaqueros Reservoir Expansion Project, the Pilot Water Transfer, and the current participation in the PREP Project, all resulted from the direction given in the 2009 Strategy.

Since the completion of the 2009 Strategy in 2015, there have been significant changes that impact the region's long-term water supply planning efforts. For example, the region has weathered the 2014-17 drought, new Urban Water Management Plans (UWMP) have been prepared, COVID-19 has impacted the region, customer behavior has changed as a result of conservation measures being adopted and embraced, SFPUC has made progress toward completing the WSIP, BAWSCA completed its 2020 Demand Study, and there have been profound regulatory actions at the State and Federal level that have an impact on water supply reliability.

Given all that has transpired since the completion of the 2009 Strategy, it is appropriate to consider preparing an update. For FY 2022-23, the proposed Work Plan reflects this scoping activity being led by BAWSCA staff with engagement of the Board and the Water Management Representatives, rather than using an outside consulting firm, and would support a Request for Proposal solicitation for the Strategy Update in FY 2023-24, pending Board approval. This approach has a reduced budget impact and takes advantage of current staff expertise. The draft proposed budget includes an estimated \$5,000 for legal support.

**2. Continue Participation in Next Steps for PREP Project**  
**Estimated FY 2022-23 Cost: \$51K**

Phase 3 of the PREP Project will be complete in Spring 2022 and will include recommended actions for moving the project's development forward, including preparation of a Basis of Design Report (BODR). BAWSCA's active and independent participation in PREP to date has benefitted the project development.

BAWSCA's continued participation will enable BAWSCA's continuing ability to directly affect the project's development to the benefit of the member agencies.

At this time the project partners estimate an increase in the costs for the next level of planning work. Specifically, this next effort will be the preparation of a BODR that will do a more thorough review and development of the leading project alternatives including engineering costs and complexities, land availability and constraints, potential project phasing, and bringing the project components to a 10% design level. Once completed, the BODR would be ready for submittal to the Bureau of Reclamation and others for potential future grant funding.

The proposed FY 2022-23 budget allocation reflects the current understanding of BAWSCA's potential share of the next cost, and represents 5% of the current estimated \$1M total cost. The proposed budget includes an estimated \$51,000 for BAWSCA's share of costs.

**3. Support Member Agencies with Water Use Efficiency Legislation CII Performance Measure Requirements**  
**Estimated FY 2022-23 Cost: \$86K**

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 the Department of Water Resources (DWR) and the State Water Resources Control Board (Water Board) to conduct studies and adopt long-term standards for water use efficiency and performance measures for commercial, industrial, and institutional (CII) water use. BAWSCA has closely followed development of the efficiency standards and CII performance measures and represented member agencies in discussions with DWR and the Water Board.

Over the last three months, DWR released proposed recommendations for both the water use efficiency standards and CII performance measures that the Water Board will consider for adoption. BAWSCA's regional and subscription water conservation programs have prepared, and will continue to support, member agencies to meet the water use efficiency standards. However, the CII performance measures will require a significant new work effort for most member agencies. For FY 2022-23, BAWSCA proposes to support member agencies by developing an approach to meet the new CII performance measure requirements as well as a possible subscription program for professional consulting services for those agencies interested in more hands-on assistance. The proposed budget includes an estimated \$86,000 for this work.

**4. Update BAWSCA's Water Conservation Database**  
**Estimated FY 2022-23 Cost: \$121K**

BAWSCA's Water Conservation Database (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, as a first step, the scoping of 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.

The proposed 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. Specifically, the cost to develop the original database in FY 2009-10 and FY 2010-11 totaled \$261K followed by an update in FY 2016-17 for \$39K. The update costs are anticipated to fall somewhere between what was expended during 2009-11 and 2016-17. The proposed budget includes \$121K for this update, which falls within the range of prior costs for the WCDB development and update.

**Proposed FY 2022-23 Work Plan Includes Continuation of Several Previously Approved Multi-Year Projects**

There are two major multi-year projects included in the proposed FY 2022-23 Work Plan that were previously approved or anticipated by the Board. In each case, these activities relate directly to ensuring water supply reliability for the customers served by the BAWSCA member agencies.

**1. Refresh and Update BAWSCA 2020 Demand Study**

**Estimated FY 2022-23 Cost: \$77K**

At its September 16, 2021 meeting, the Board authorized a professional services contract with Maddaus Water Management to prepare a refresh and update of the BAWSCA 2020 Demand Study for a total cost of \$350K (\$275K in FY 2021-22 and \$75K in FY 2022-23) and a scheduled completion of December 2022. The Board also approved a transfer from the Balancing Account to fully fund this project, with transfers to BAWSCA occurring over the two fiscal years in accordance with planned expenditures. This project is progressing on schedule and on budget, and a project update will be provided for the March Board meeting.

**2. Facilitate Development of an Updated Tier 2 Drought Implementation Plan**

**Estimated FY 2022-23 Cost: \$109.5K**

As part of the FY 2021-22 Work Plan, the Board directed BAWSCA to facilitate a renegotiation and update to the existing Tier 2 Drought Response Implementation Plan (Tier 2 Plan). At its January 20, 2022 meeting, the Board authorized a professional services contract with Woodard & Curran to support BAWSCA's facilitation of negotiations among the member agencies for a new Tier 2 Plan. As planned and discussed with the Board as part of its January approval, additional support from Woodard & Curran is proposed for FY 2022-23 to support BAWSCA's facilitation efforts. There is no pre-approved funding for this effort in FY 2022-23.

**Results of January 20, 2022 Work Plan and Budget Preparation Planning Session:**

During BAWSCA's January 20, 2022 meeting, the Work Plan and Budget Preparation Planning Session was held with the Board as part of its regular meeting agenda. The focus of the planning session was to receive input from Board members on possible work plan items for the coming fiscal year. Table 3 presents the detailed comments provided by Board members during the planning session and the staff response that was subsequently prepared. These comments and responses are reflected in the proposed FY 2022-23 Work Plan and results to be achieved.

**Anticipated Future Work Plan Efforts and Potential Future Large Cost Project Expenditures:**

Looking forward over the next 10 years, major areas of increased focus for BAWSCA will be:

- Developing an updated Long-Term Water Supply Strategy, and thereafter implementing the Strategy recommendations to assure a reliable, high quality water supply at a fair price;
- Expanding efforts to monitor SFPUC's development of its Alternative Water Supply Program that will result in the implementation of water supply projects to meet its level of service requirements, including the multiple projects necessary to address Bay Delta Plan impacts;
- Overseeing SFPUC's increasing 10-Year CIP, consistent with recently adopted WSA amendments and BAWSCA's expanded oversight role; and
- Ongoing assessment of SFPUC's asset management program, to ensure that SFPUC continues to maintain the assets it is responsible for to ensure reliable water supply.

Table 4 presents a rough estimate for the outside consultant or other expenses associated with future large cost project expenditures or budget items. Increased staff or legal counsel time is not reflected in Table 4 at this time.

This information is provided to assist the Board in its deliberation of both the current funding plan for FY 2022-23 and beyond.

**Alternatives to the Proposed Work Plan and Results to be Achieved:**

An alternative to the proposed Work Plan is to delay the update to BAWSCA's Water Conservation Database (WCDB) another year to FY 2023-24.

BAWSCA's WCDB serves as the repository for BAWSCA member agency water use and water conservation program information. A need to update the WCDB was originally identified in Fall 2019 to ensure its continued operation to meet the needs of BAWSCA and the member agencies. The required update will be extensive. BAWSCA's current WCDB was launched in October 2010 and was last updated in FY 2016-17.

This alternative is not recommended because BAWSCA has already delayed this update and it is critical that the WCDB continues to function smoothly for BAWSCA and the member agencies.

**PROPOSED FY 2022-23 OPERATING BUDGET:**

The proposed Operating Budget of \$4,720,885 presented in Table 5 reflects the funding necessary to achieve the full Work Plan and includes an estimated pre-funding contribution for Other Post-Employment Benefits (OPEB). This is included as a separate line item to highlight its inclusion in this eighth year of funding.

**Explanation and Alternatives for Salaries and Benefits:**

The increase for salaries and benefits of \$83,171 shown in the proposed Operating Budget is a result of a variety of changes.

Historically, BAWSCA budgets for an allowance for salary increases based on a Cost-of-Living Allowance (COLA) adjustment plus a merit allowance separate and in addition to the COLA adjustment such that the size of the merit allowance would permit potential salary increases of up to 5%, or to top step for the position, whichever is less.

This year, for the first time in BAWSCA's history, the COLA adjustment, based on the December value of the Consumer Price Index for the Urban Wage Earners and Clerical Workers in the San Francisco-Oakland-San Jose area, is greater than 5% at 5.52%. As such, the proposed Operating Budget also includes the following for all employees except the CEO:

- An increase to the top step of salaries by 5.52% to ensure that the approved salary ranges stay competitive moving forward; and
- \$56,679 total budget allowance for salary increases, which represents a potential 5% adjustment to existing FY 2021-22 salaries for both COLA and merit increases.

COLA increases for employees are not automatic, but can be granted by the CEO on the basis of merit. The history of salary and benefit adjustments for BAWSCA is presented in Appendix B to this memo.

Consistent with practice over the past two years, a budget allowance of \$23,930 for a potential merit increase for the CEO has been included in the proposed Operating Budget. For budgeting purposes, this amount is consistent with the merit increase budgeted for the CEO since FY 2017-18.

**Funding Considerations for the Proposed Operating Budget:**

Four principles have historically been used by BAWSCA when considering how to fund the proposed Operating Budget:

1. Budget sufficient resources to achieve the desired Work Plan results.
2. Spend only what is needed to achieve the results.
3. Apply incremental and prudent increases in assessments as necessary.
4. Maintain a prudent General Reserve balance within Board guidelines.



The adopted FY 2021-22 funding plan included a 5% increase in assessments, a \$281,676 transfer from the General Reserve, a transfer of \$331,000 from the Balancing Account, and use of \$300,000 in excess Stabilization Funds for funding the Operating Budget. The General Reserve has a current balance of \$758,794. That balance includes the \$281,676 transfer out of the General Reserve noted above. The resulting General Reserve is therefore 16% of the adopted FY 2021-22 budget of \$4,783,794, which is outside the BAWSCA budgetary guidelines. Specifically, BAWSCA's General Reserve Policy identifies a range of 20% to 35% of the budget year's operating expense as a budgetary guideline for the General Reserve balance.

Each year, unspent funds (if available) are moved to the General Reserve to fund special needs and future budgets. Appendix K presents historical budget data including use of the General Reserve to fund special studies, fund the Operating Budget, and provide a one-time refund to the member agencies in November 2011.

At this time, it is estimated that the FY 2021-22 Operating Budget will be 95-98% expended at year end. The CEO will continue to closely review the anticipated end of year expenses over the next few months, especially in light of increased expenses for legal counsel and others. Any post-audit excess funds will be transferred to the General Reserve in Fall 2022, however for budget funding purposes, it is assumed that no funds will be available for transfer at the end of FY 2021-22 given the combination of substantial use of General Reserve to fund the budget and the expectation of nearly fully spending the budget this fiscal year.

**Funding Options Evaluated and a Funding Recommendation:**

In developing funding options to address FY 2022-23 budgetary needs, BAWSCA has three distinct funding sources to consider given the proposed Work Plan items:

1. Member Agency Assessments
2. BAWSCA General Reserve
3. Water Supply Agreement Balancing Account: In accordance with Section 6.05.B.2.a of the WSA and BAWSCA's Balancing Account Policy, Balancing Account funds may be used for certain water resources work including the scoping of the update to BAWSCA's Strategy and the update of BAWSCA's 2020 Demand Study. In September 2021, the Board authorized use of the Balancing Account to fund the 2020 Demand Study update, including \$75K for FY 2022-23. Given the SFPUC's planned use of the Balancing Account to offset increases to the FY 2022-23 Wholesale Water Rate, no further use of the Balancing Account is examined at this time.

Table 6 presents a range of three funding alternatives based on an increase in assessments and an associated target for the General Reserve:

- **Option 1 "Low Assessment Increase":** A 20% increase in assessments (\$4,645,885) and a transfer of \$75,000 from the Balancing Account. This alternative results in a General Reserve balance of \$758,794, which is below the target range at 16% of the proposed Operating Budget.
- **Option 2 "Modest Assessment Increase":** An 25% increase in assessments (\$4,838,897) and a transfer of \$75,000 from the Balancing Account. This alternative results in a General Reserve balance of \$951,806, which is at the low end of the target range at 20% of the proposed Operating Budget.
- **Option 3 "Significant Assessment Increase":** A 30% increase in assessments (\$5,032,453) and a transfer of \$75,000 from the Balancing Account. This alternative results in a General Reserve balance of \$1,145,362, which is within the target range at 20-35% of the proposed Operating Budget.

The alternatives above present a range of funding options, including one that does not achieve the Board's target range for the General Reserve. **Funding Option 2 is recommended as it will fund the proposed FY 2022-23 Operating Budget and result in a General Reserve level that is within the agency's budgetary guidelines.**

**Table 1. Draft Proposed FY 2022-23 Work Plan and Results to Be Achieved**  
 (Percent of Proposed Operating Budget for Each Item Shown in Parenthesis, *New/Expanded Items Shown in Blue Italic Font*)

BAWSCA OBJECTIVE & FY 2022-23 WORK PLAN ITEM	
<b>RELIABLE WATER SUPPLY</b>	
(6.1%)	<p><b>1. <u>Facility Reliability: Monitor SFPUC's WSIP, 10-Year CIP, Asset Mgmt. Program, and Emergency Response</u></b></p> <ul style="list-style-type: none"> <li>a. Monitor WSIP scope, cost, and schedule as San Francisco continues an aggressive construction schedule through to completion. Press the SFPUC and the city's political leadership to meet the adopted schedule, satisfy the requirements of AB 1823, and respond promptly to BAWSCA's reasonable requests. Track WSIP projects designated as critical drought water supply components to verify they have been completed in such a fashion that they can meet their intended Level of Service (LOS) goals.</li> <li>b. Review and monitor SFPUC's Regional 10-Year Capital Improvement Program to ensure that identified projects and programs meet the needs of the members in a cost-effective and appropriate manner.</li> <li>c. Review and monitor SFPUC's Asset Management Program to ensure ongoing long-term maintenance and protection of RWS assets, including performing tasks or deeper reviews identified in the audit of SFPUC's asset management practices per WSA Section 3.10.c. including participation in SFPUC's roll out of their recently adopted Asset Mgmt. Policy.</li> <li>d. Provide assistance to members and help facilitate engagement with the SFPUC regarding emergency response matters.</li> </ul>
(12%)	<p><b>2. <u>Long-Term Supply Solutions: Implement the Long-Term Reliable Water Supply Strategy to Ensure a Reliable, High-Quality Supply of Water is Available Where and When Needed</u></b></p> <ul style="list-style-type: none"> <li>a. Complete Update and Refresh of BAWSCA 2020 Demand Study</li> <li>b. <i>Complete staff-led scoping activity for an update to BAWSCA's Long-Term Reliable Water Supply Strategy (Strategy).</i></li> <li>c. Participate in development of Bay Area Regional Reliability (BARR) Phase 2 (Water Marketing Strategy) in partnership with other Bay Area water agencies, including completion of the BARR Shared Water Access Program (SWAP) final report.</li> <li>d. <i>Continue participation in Potable Reuse Exploratory Plan (PREP) pending results of Phase 3, due Spring 2022, including preparation of a Basis of Design Report (BODR).</i></li> <li>e. Promote the continued use of San Mateo Plain Groundwater Basin (Basin) for long-term water supply reliability.</li> <li>f. Facilitate development of other local water supply options including tracking and reporting to the Board on members efforts, identifying potential grant funding, monitoring of related policy development, etc.</li> <li>g. Use the BAWSCA Reliability Model (Model) to evaluate climate change impacts on water supply, Bay Delta Plan Voluntary Agreement impacts on reliability, the prospective benefits that new alternative water supplies may provide, and to estimate the corresponding need to ration during droughts.</li> <li>h. Facilitate use of the BAWSCA Reliability Model by members via Subscription Program.</li> <li>i. Host quarterly meetings of BAWSCA's Regional Water Supply Reliability Roundtable to identify possible water supply options for consideration by BAWSCA and its member agencies as well as potential local partnership opportunities.</li> </ul>

**BAWSCA OBJECTIVE & FY 2022-23 WORK PLAN ITEM**

- (13.3%) **3. Near-term Supply Solutions: Water Conservation and Drought Response**
- a. Provide staff-only drought support to members & their customers, assuming dry conditions in FY 2022-23.
  - b. Represent members' interests in regional and statewide discussions on the development of and compliance with California's "Making Water Conservation a Way of Life" requirements, including *developing an approach for member agencies to meet the new CII performance measure requirements as well as a possible subscription program for professional consulting services for those agencies interested in more hands-on assistance.*
  - c. Provide regional coordination to support members Advanced Metering Infrastructure (AMI) implementation and data management, including preparation of a report summarizing the status of AMI in the service area.
  - d. Administer and implement BAWSCA's core water conservation programs.
  - e. Administer BAWSCA's subscription conservation rebate programs that benefit and are paid for by participating members.
  - f. Continue development of a leak repair and training certification program for implementation in FY 2023-24.
  - g. *Pursue partnership opportunities with San Mateo County's C/CAG related to a potential greywater pilot program.*
  - h. *Perform a review of greywater efforts within the BAWSCA region and document findings in a report.*
  - i. Represent agencies in regional and State-level discussions relative to water conservation-related regulations, grant funding opportunities, and programs where regional participation is possible.
- (7.1%) **4. Take Actions to Protect Members' Water Supply and Financial Interests in WSA Administration**
- a. Monitor SFPUC's development of new supplies through its Alternative Water Supply Planning Program (AWSP) and participate as appropriate to ensure that the SFPUC can meet its water supply reliability obligations to its Wholesale Customers.
  - b. Protect members' water supply interests to ensure that the SFPUC meets its legal and contractual obligations for water supply from the Regional Water System in light of ongoing risks.
  - c. Adopt a temporary extension of the existing Tier 2 drought allocation plan that expires Dec. 2022 if necessary.
  - d. Facilitate negotiations of an updated Tier 2 Drought Allocation Plan.
  - e. Protect members' water supply and financial interests in the SFPUC's required 2028 decisions.
- (14.4%) **5. Protect Members' Interests in a Reliable Water Supply**
- a. Participate in SWRCB Bay Delta Plan Update to ensure members' interests are represented, including ongoing legal intervention.
  - b. Participate in the Don Pedro Project/La Grange Project FERC licensing process to protect customers' long-term interests in Tuolumne River water supplies, including ongoing legal intervention.
- (0.1%) **6. Pursue Grant Opportunities Independently and in Coordination with Regional Efforts**
- a. Pursue and use grant funds for water conservation programs and for regional supply projects and programs, including Prop 1 Integrated Regional Water Management conservation grant.
  - b. Pursue, with regional partners, grant funding to support studies that aim to improve regional water supply reliability.
  - c. Investigate potential for grant funds to support the implementation of the LTRWS Strategy.

BAWSCA OBJECTIVE & FY 2022-23 WORK PLAN ITEM	
(0.8%)	<p><b>7. <u>Reporting and Tracking of Water Supply and Conservation Activities</u></b></p> <ul style="list-style-type: none"> <li>a. Complete BAWSCA FY 2021-22 Annual Survey.</li> <li>b. Complete BAWSCA FY 2021-22 Annual Water Conservation Report.</li> <li>c. In partnership with members, operate and maintain BAWSCA's Water Conservation Database (WCDB). <i>Scope, develop, and implement an update of the WCDB by June 30, 2023.</i></li> </ul>
(0.5%)	<p><b>HIGH QUALITY WATER</b></p> <p><b>8. <u>Support Members in Receiving Reliable Communication of Water Quality Issues</u></b></p> <ul style="list-style-type: none"> <li>a. Coordinate members participation in Joint Water Quality Committee to ensure it addresses Wholesale Customer needs.</li> <li>b. Relay important water quality information (notices as received from SFPUC) to members when made aware of changes that have the potential to impact water quality (e.g., taste, odor, blending, etc.).</li> <li>c. Review and act on, if necessary, State legislation affecting water quality regulations.</li> </ul>
(11.8%)	<p><b>FAIR PRICE</b></p> <p><b>9. <u>Perform Matters that Members Agencies Delegated to BAWSCA in the WSA</u></b></p> <ul style="list-style-type: none"> <li>a. Administer the WSA with SF to protect the financial interests of members.</li> <li>b. Administer bonds issued by BAWSCA to retire capital debt owed to San Francisco, including completing the settlement of 2023A refunding bonds in January 2023.</li> </ul>
(7%)	<p><b>AGENCY EFFECTIVENESS</b></p> <p><b>10. <u>Maintain Community Allies and Contacts with Environmental Interests</u></b></p> <ul style="list-style-type: none"> <li>a. Maintain close relationships with BAWSCA's local legislators and allies, and activate them, if necessary, to safeguard the health, safety, and economic well-being of residents and communities.</li> <li>b. Maintain a dialogue with responsible environmental and other groups, who will participate in the permitting and approval process for efforts to maintain system reliability.</li> <li>c. Maintain effective communications with members, customers, and others to achieve results and support goals.</li> <li>d. In conjunction with San Francisco, conduct or co-sponsor tours of the water system for selected participants.</li> </ul>
(15.8%)	<p><b>11. <u>Manage the Activities of the Agency Professionally and Efficiently</u></b></p> <ul style="list-style-type: none"> <li>a. Implement BAWSCA's Student Internship Program.</li> <li>b. Implement Board policy directives for management of BAWSCA's unfunded OPEB and pension liability obligations.</li> <li>c. Maintain a Motivated and Effective Workforce</li> </ul>

**Table 2: Activities Not Included in Proposed Work Plan and Operating Budget for FY 2022-23**

<p><b>RELIABLE SUPPLY</b></p> <ol style="list-style-type: none"><li>1. Engage in extended or complex applications for State or Federal grant funds. Application for water conservation grants will continue to be made through or with the Bay Area Water Agency Coalition, the California Urban Water Conservation Council, or other agencies.</li><li>2. Introduce major new legislation or supporting/opposing legislation initiated by others including legislation related to the Bay-Delta and California Water Fix. If needed, the agency could support major legislative efforts by redistributing resources, using the contingency budget, or accessing the general reserve, subject to prior Board approval.</li><li>3. Initiate new unanticipated litigation or support/oppose new unanticipated litigation initiated by others. If needed, the agency could support major litigation efforts by redistributing resources, using the contingency budget, or accessing the general reserve, subject to prior Board approval.</li></ol>
<p><b>FAIR PRICE</b></p> <ol style="list-style-type: none"><li>4. Develop alternative wholesale rate structures that the SFPUC might consider. Actions will be limited to facilitating communication with SFPUC, development of goals and objectives relevant to Wholesale Customers, and addressing the potential relationship to alternative retail rate structures member agencies might consider to stabilize water rates and water revenues.</li><li>5. Arbitrate issues related to the 2009 Water Supply Agreement.</li></ol>
<p><b>HIGH WATER QUALITY</b></p> <ol style="list-style-type: none"><li>6. Perform technical studies of water quality or San Francisco's treatment of the water it delivers to the BAWSCA agencies.</li><li>7. Advocate changes to water quality regulations or the manner in which San Francisco treats water for drinking and other purposes.</li></ol>
<p><b>AGENCY EFFICIENCY</b></p> <ol style="list-style-type: none"><li>8. Add resources to support additional Board, Board committee, or technical committee meetings.</li><li>9. Conduct tours of member agency facilities to acquaint Board members with potential supply projects and their neighboring jurisdictions, other than tours done in coordination with San Francisco.</li></ol>

**Table 3. FY 2022-23 Work Plan and Budget Planning Session – Comments and Suggested Work Plan Items for Further Consideration**

#	Board Member	Board Member Comment/Question	Staff Response
1	Pierce	Can we get more clarity on SFPUC's OPEB and Pension unfunded liability and potential risk to BAWSCA agencies?	The proposed Work Plan includes a task for BAWSCA's Financial Manager to work with the agency's auditing/financial consultant and legal counsel to perform a limited analysis of data available to BAWSCA and to report the resulting findings as part of the regular OPEB and pension report to the Board.
2	Pierce	Can we get more information about the current status and projected use of the Balancing Account for things like rate stabilization? Can we get more information regarding the policies that guide the use of the Balancing Account?	The annual Balancing Account Update will be presented to the Board at its March 2022 meeting. This update will address not just the current status and projected uses of the Balancing Account, but also the policies that guide its use.
3	Weed	BAWSCA should consider asking the SFPUC to look into system reoperation / administrative changes as a means to increase storage and dry year yield	BAWSCA will suggest that the SFPUC consider this as part of its Alternative Water Supply Planning Program (AWSP)
4	Weed	Regarding recycled water projects, Director Weed expressed disfavor with indirect and direct potable reuse projects and instead asked that desalination projects be championed	The SFPUC includes both recycled water (direct and indirect potable) projects as well as a regional desalination project in its AWSP evaluation as more than one project is likely needed in future years, and all will face significant implementation challenges. There are no project preferences identified in the AWSP at this time.
3	Zigterman	Are there mechanisms & opportunities that should be considered as a fall back to the regulatory risks associated with the Bay-Delta Plan? What is the cost of alternative supply development as opposed to the continued litigation and voluntary agreement approach, which could prove unsuccessful?	BAWSCA has successfully advocated for SFPUC's development of the AWSP, which includes as a goal, the identification and early planning for the necessary water supply projects to back-fill the potential loss of RWS supply from the implementation of the Bay Delta Plan. As part of this early planning work, SFPUC will be developing cost and water supply yield benefits for the projects. BAWSCA is actively engaged in the AWSP development including participation on a subset of projects as well as overall oversight and monitoring of progress. SFPUC is on track for

		Believes a brainstorming session is appropriate	<p>having the identified projects to a level of early planning to begin necessary environmental evaluation in Summer 2023.</p> <p>BAWSCA is actively engaged with and supporting its member agencies in their potential development of new, local water supplies including groundwater and recycled water.</p> <p>Regarding brainstorming opportunities, beginning Spring 2022, BAWSCA is convening the Water Supply Reliability Roundtable discussions on a quarterly basis with a multitude of parties (agencies, NGOs, etc.). One of the goals of the Roundtable is to support “out of the box thinking” with a diverse group and identify potential water supply opportunities with a focus on local options and efforts.</p>
4	Hardy	Noted that BAWSCA employees serve as the agency’s “brain trust” and that hiring can be difficult. Asks that BAWSCA have a focus on employee retention and retirement planning	<p>Agreed that BAWSCA’s efforts in this area should be identified. A new workplan item 11c “Maintain a Motivated and Effective Workforce” has been added to ensure that this is highlighted moving forward.</p> <p>Currently, BAWSCA regularly budgets and implements activities that support employee growth and retention including a budget allocation for training and conference attendance for all staff; bi-annual salary surveys to maintain overall market parity; and support for desk audits and associated promotions as justified.</p> <p>Regarding succession planning, given its small staff size, BAWSCA strongly supports and relies upon cross training among staff. This also has the added benefit of supporting some aspects of succession training. The CEO will continue to brief the Chair and Vice-Chair on succession planning moving forward.</p>
5	Barber	BAWSCA should take steps to get its General Reserves balance in compliance with its budgetary targets	BAWSCA’s FY 2022-23 Budget, presented to the Board for adoption in May of 2022, will propose budget level and funding options, including evaluating various targeted General Reserve balances.

6	Cormack	Supports Director Zigterman's comment regarding brainstorming of water supply options	See answer to question #3.
7	Cormack	Supports Director Hardy's comment on need to focus on employee retention and development	See answer to question #4.
8	Cormack	Is concerned with the SFPUC unfunded liabilities including SF's OPEB funded ratio of 4.5%	BAWSCA will work with its auditing consultant and legal counsel to further investigate the risks to BAWSCA member agencies of SFPUC's unfunded obligations and provide this information as part of its annual OPEB and Pension report to the Board.



**Table 4. Potential Future Large Efforts NEEDS TO BE UPDATED**

Project Name	Cost Updates				Discussion
	FY 2020-21 (Actual)	FY 2021-22 (Budget as Amended)	FY 2022-23 (Proposed Budget)	FY 2023-24 & Beyond	
Develop an updated Long-Term Water Supply Strategy, and thereafter implement Strategy recommendations to assure a reliable, high quality water supply at a fair price;	\$0	\$0	\$5K	\$1.5-\$2.5M; estimated based on \$2.2M cost for initial Strategy development	BAWSCA initiated its first regional long-term planning effort in 2009. It would be appropriate for BAWSCA to update the Strategy by 2025 given updated conditions including demands, supply reliability, regulatory and climate change impacts, etc.  In FY 2022-23, work will begin on scoping the update effort. Scoping will be a staff driven effort with little need for consultant support. The update itself is proposed to be included in the FY 2023-24 budget. The update may take two to three fiscal years to complete.
Expand efforts to monitor SFPUC's development of its Alternative Water Supply Program that will result in the implementation of water supply projects to meet its level of service requirements, including the multiple projects necessary to address Bay Delta Plan impacts <sup>1</sup>	\$17.5K	\$123K	\$148.2K	\$400K thru 2028 – additional costs associated with specific projects are anticipated after FY 2027-28.	The Alternative Water Supply Plan is intended by the SFPUC to be a decision-support framework document that outlines guiding principles, delivery goals (LOS), priorities, risks and tradeoffs to help the Commissioners determine how projects should continue to progress into the proposed design and CEQA phase and beyond. By the time that plan is ready in 2023, SFPUC will simultaneously be developing CEQA project descriptions for each project. The SFPUC is targeting each project having CEQA completed in the 2023-2028 timeframe, so they are ready for Commission decisions in 2028. Some projects may require less time, and others the full 5 years.  BAWSCA will be engaged with the SFPUC in a review and oversight capacity during the Plan development, individual project development, and associated CEQA efforts. From a cost perspective, much of the work will involve BAWSCA staff vs. support from consultants.

					<p>However, some consultant support is envisioned for evaluating the water supply benefits of respective projects.</p> <p>Included in BAWSCA's work effort will be the active engagement and review and comment on Alternative Water Supply Plan Quarterly Reports prepared by the SFPUC.</p>
Overseeing SFPUC's increasing 10-Year CIP, consistent with recently adopted WSA amendments and BAWSCA's expanded oversight role; and <sup>2</sup>	\$47K	\$27K	\$27K	\$25-\$50K yearly dependent on a particular FY's anticipated work effort	BAWSCA's role in the review of the SFPUC's Capital Improvement Program (CIP) has expanded with the approval of the 2018 Amended and Restated Water Supply Agreement. BAWSCA has a defined role, through the WSA, to participate in the SFPUC development of their 10-year CIP, as well as review and have input into the CIP implementation, including but not limited to the review of the SFPUC's quarterly reports.
Ongoing assessment of SFPUC's asset management program, to ensure that SFPUC continues to maintain the RWS assets it is responsible for.	\$82K	\$47K	\$47K	\$50K yearly	BAWSCA conducted an audit of SFPUC's Asset Management Program in FY 2018-19. Additional Asset Management work continues as BAWSCA engages with the SFPUC with its efforts to implement the SFPUC's new Asset Management Policy. BAWSCA anticipates this work continuing, though possibly, at a lower overall level as the SFPUC's Asset Management Program is further implemented.

**Footnotes:**

1. BAWSCA has been participating as a primary partner in projects such as Los Vaqueros Reservoir Expansion (LVE) and the Potable Reuse Exploratory Plan (PREP). While BAWSCA is no longer a LVE local agency partner, BAWSCA continues to participate in PREP, Costs for FY 2022-23 include \$50k for BAWSCA's share in the costs to prepare a Basis of Design Report (BODR). It is uncertain if BAWSCA what future costs for participation in the PREP project may be, yet the cost of participation would be significant over time (those have not been estimated). The bulk of consultant costs for FY 2022-23 and beyond are for use of BAWSCA's Regional Reliability Model.
2. BAWSCA costs for WSIP monitoring are not included in the costs reported in Table 4.

**Table 5. Proposed FY 2022-23 Operating Budget by Major Expenditure Category**

<b>Cost Category</b>	<b>Approved FY 2021-22 Budget (\$) <sup>(1)</sup></b>	<b>Proposed FY 2022-23 Budget (\$)</b>	<b>Change from FY 2021-22 Budget (\$)</b>
<b>Consultants/ Direct Expenditures</b>			
Reliability	1,506,600	1,591,820	85,220
Fair Pricing	565,700	284,200	(281,500)
Administration	140,000	118,000	(22,000)
<i>Subtotal Consultants</i>	2,212,300	1,994,020	(218,280)
<b>Administration</b>			
Employee Salaries & Benefits	2,045,019	2,128,190	83,171
Other Post-Emp. Benefits (net)	77,000	70,000	(1,000)
Operational Expenses	385,900	465,100	79,200
<i>Subtotal Administration</i>	2,507,919	2,663,290	155,371
<b>Total Operating Expenses</b>	<b>4,720,219</b>	<b>4,657,310</b>	<b>(62,909)</b>
<b>Capital Expenses</b>	3,000	3,000	0
<b>Budgeted Contingency</b>	57,500	57,500	0
<b>Regional Financing Authority</b>	2,025	2,025	0
<b>Bay Area Water Users Assn.</b>	1,050	1,050	0
<b>Grand Total Operating Budget</b>	<b>4,783,794</b>	<b>4,720,885</b>	<b>(62,909)</b>

Note:

(1) Does not reflect the changes made by the Board at its January 2022 and March 2022 meetings to the approved FY 2021-22 budget and funding plan. Those changes will be reflected in materials presented to Board at its May 2022 meeting.

**Table 6. Analysis of Funding Options**

	FY 2021-22	FY 2022-23		
Fund Source	Adopted Funding Plan as of 3/17/2022 <sup>(2)</sup>	Option 1 Proposed Work Plan & 20% Assessment Increase	Option 2 Proposed Work Plan & 25% Assessment Increase	Option 3 Proposed Work Plan & 30% Assessment Increase
Assessments	\$3,871,118	\$4,645,885	\$4,838,897	\$5,032,453
Transfer from/(to) General Reserve	\$281,676	\$0	(\$193,012)	(\$386,568)
Transfer from Balancing Account	\$331,000	\$75,000	\$75,000	\$75,000
Use of Excess Bond Stabilization Funds on Cost of Issuance for Bond Refunding	\$300,000	\$0	\$0	\$0
Total Available Operating Funds/Operating Budget	\$4,783,794	\$4,720,885	\$4,720,885	\$4,720,885
Potential End of FY22-22 Transfer to General Reserve		\$0	\$0	\$0
Estimated Year-End Reserves	\$758,794	\$758,794	\$951,806	\$1,145,362
% of Total Budget	16%	16%	20%	24%
% of Total Budget Excludes One-Time Expenses <sup>(1)</sup>	18%	16%	20%	25%
Assessment to Budget Ratio	81%	98%	102%	107%
Assessment to Budget Ratio Excl. One-Time Expenses <sup>(1)</sup>	93%	100%	104%	108%

Note:

- (1) The one-time expenses include the Board authorized \$75K for completing the update to 2020 Demand Study during FY 2022-23, funded by the Balancing Account.
- (2) Does not reflect the changes made by the Board at its January 2022 and March 2022 meetings to the approved budget and funding plan. Those changes will be reflected in materials presented to Board at its May 2022 meeting.

## **APPENDICES**

Appendices A through J present additional detail about the proposed FY 2022-23 Work Plan and Operating Budget.

### **Appendix A: Uses of Professional Services**

Outside professional services are used to provide specialized services and augment staff:

1. Professional engineering services for: a) evaluating and monitoring SFPUC's Asset Management Program; b) evaluating and monitoring SFPUC's 10-Year Capital Improvement Program development and implementation; c) evaluating Water System Improvement Program project scopes during design and construction; d) monitoring WSIP project cost estimates, bids and schedules; e) monitoring and assessing San Francisco's performance in implementing the overall WSIP; f) assessing San Francisco's method for cost estimation, application of contingencies and addressing cost inflation during the WSIP; g) providing specific constructive recommendations for keeping the WSIP on or ahead of schedule; h) analyzing hydraulic records used by San Francisco in setting the wholesale water rates; and g) providing as needed groundwater technical assistance.
2. Water resources analysis and planning services to: a) evaluate potential water supply projects using BAWSCA's new regional water supply reliability modeling tool; and b) support BAWSCA member agency efforts to meet the new State of California "Making Water Conservation a Way of Life" requirements.
3. General legal services for BAWSCA and the RFA; specialized legal services to support administration of the Water Supply Agreement; specialized legal services for addressing matters related to water supply reliability including Restore Hetch Hetchy litigation, Bay Delta Plan Update, and FERC intervention.
4. Strategic counsel for identifying and addressing strategic and political issues associated with maintaining the progress of the Water System Improvement Program, assisting the Board and the CEO in developing and implementing an effective policy making process that supports implementation of the Long-Term Reliable Water Supply Strategy, providing legislative and political support, and providing advice to the CEO and the Board on other issues significant to the water customers and the effectiveness of the agency.
5. Financial advisory services to conduct specified capital financing and rate impacts analyses on a task order basis.
6. Accounting/auditing expertise to assist with implementing the Water Supply Agreement, as well as an independent auditor to prepare and review annual financial statements.

Legal, strategic, financial, and engineering consultants provide professional services critical to BAWSCA's work in achieving the agency's goals and achieving critical results. Many of BAWSCA's consultants have been under contract with BAWSCA since its creation, and a few of those consultants have been in place even longer, in that they served as consultants to Bay Area Water Users Association, BAWSCA's predecessor organization.

Each year, the Board acts on each consultant contract following consideration of the annual Work Plan and Operating Budget. Information provided to the Board at that time relates to expertise, current scope of work, budget, and billing rates.

**Appendix B: History of Salary and Benefits Adjustments**

The information below presents the history of salary and benefits adjustments for BAWSCA staff. Where Cost of Living Adjustments (COLA) to the salary ranges are considered by the Board, BAWSCA relies on the December value for the Consumer Price Index for Urban Wage Earners and Clerical Workers in the SF-Oak-SJ area. COLA increases for employees are not automatic but can be granted by the CEO on the basis of merit.

- FY 2009-10: There was no COLA adjustment. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2010-11: The Board approved a 3.01 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2011-12: The Operating Budget included no adjustment to the salary for any employee for COLA, merit, or any other reasons.
- FY 2012-13: The Board approved a 3.10 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2013-14: The Board approved a 2.312 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2014-15: The Board approved a 2.60 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2015-16: The Board approved a 2.09 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2016-17: The Board approved a 3.15 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2017-18: The Board approved a 3.025 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2018-19: The Board approved a 3.084 percent COLA increase to the top step of staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2019-20: The Board approved a 4.398 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2020-21: The Board approved a 3.01 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.
- FY 2021-22: The Board approved a 2.15 percent COLA increase to the top step for staff salary ranges. An allowance for merit adjustments was budgeted for employees not yet at top step.

**Appendix C: Proposed Budget for the Bay Area Water Users Association (BAWUA)**

The proposed FY 2022-23 budget for BAWUA is \$1,050 and includes legal counsel support and a small operations budget allowance. This budget amount appears as a separate line item in the BAWSCA budget and is included in the BAWSCA proposed FY 2022-23 Operating Budget.

**Appendix D: Proposed Budget for the Regional Financing Authority (RFA) Budget**

The BAWSCA Board of Directors has continued to agree to fund nominal administrative costs for the RFA, at least until it becomes more actively involved and required significant resources. Assuming a continued low level of activity in FY 2022-23, including only one planned meeting, the proposed RFA budget is \$2,025. This budget amount includes legal counsel support and a small operations budget allowance. This budget amount appears as a separate line item in the BAWSCA budget and is included in the BAWSCA proposed FY 2022-23 Operating Budget. The RFA will formally consider and adopt this budget in January 2023.

**Appendix E: Funding for Subscription Conservation Programs**

As in prior years, a portion of operating expenses would be reimbursed by agencies that participate in BAWSCA's subscription water conservation programs. The staff time to be devoted to those programs during FY 2022-23 is estimated to be 1,346 hours. Agencies participating in subscription programs pay for associated consultant support and direct expenses. As in prior years, those consultant costs and direct expenses are included in the Operating Budget and will be repaid to BAWSCA by participating agencies over the course of FY 2022-23.

**Appendix F: Select Financial Details for BAWSCA's Subscription Conservation Program**

Table F-1 provides select financial information for BAWSCA's subscription conservation programs for the past five years, including BAWSCA staff costs that are reimbursed by the participating member agencies. Other costs are not included in Table F-1, for example, rebates and other costs paid directly by the participating member agencies and quantification of grant funds used. More complete details on BAWSCA's subscription programs, cost, and level of activity are included in BAWSCA's Annual Water Conservation Report.

**Table F-1: Select Financial Details Related to BAWSCA  
Subscription Conservation Programs for Last Five Years**

Fiscal Year and Program Name	Direct Program Cost - Reimbursed	BAWSCA Staff Cost - Reimbursed	BAWSCA Admin. Cost - Reimbursed
<b>2016-17</b>			
EarthCapades	\$61,345	\$2,120	
Free Sprinkler Nozzles	\$7,585		
HET		\$6,340	\$300
Large Landscape Audit	\$94,260	\$1,184	
Lawn Be Gone		\$1,860	
Lawn Be Gone Inspections	\$2,858		
Water Wise Ed. Kits	\$104,716	\$1,860	
Washing Machine Rebate	\$114,530	\$1,900	\$1,055
Watersense Giveaways	\$20,886		
WaterSmart Reports	\$313,128		
Rain Barrel Rebate	\$2,300		
<b>Total</b>	<b>\$660,263</b>	<b>\$13,144</b>	<b>\$1,355</b>
<b>2017-18</b>			
EarthCapades	\$61,435	\$2,260	
Free Sprinkler Nozzles	\$1,577		
HET		\$4,055	\$13
Large Landscape Audit	\$85,793	\$1,184	
Lawn Be Gone		\$1,380	\$14
Lawn Be Gone Inspections	\$2,284		
Water Wise Ed. Kits	\$98,229.89	\$2,295	
Watersense Giveaways	\$10,734		
WaterSmart Reports	\$298,405		
Rain Barrel Rebate	\$3,395		
<b>Total</b>	<b>\$561,853</b>	<b>\$11,174</b>	<b>\$27</b>

Fiscal Year and Program Name	Direct Program Cost - Reimbursed	BAWSCA Staff Cost - Reimbursed	BAWSCA Admin. Cost - Reimbursed
<b>FY 2018-19</b>			
EarthCapades	\$66,500	\$2,480	
Free Sprinkler Nozzles	\$364		
HET		\$2,495	
Large Landscape Audit	\$94,900	\$1,184	
Lawn Be Gone		\$1,200	
Lawn Be Gone Inspections	\$2,420		
Water Wise Ed. Kits	\$75,483	\$1,946	
Watersense Giveaways	\$5,672		
WaterSmart Reports	\$288,081		
Rain Barrel Rebate	\$757		
Water Loss Program	\$128,403		
<b>Total</b>	<b>\$662,580</b>	<b>\$9,305</b>	<b>\$0</b>
<b>FY 2019-20</b>			
EarthCapades	\$79,720	\$2,960	
HET		\$1,600	
Large Landscape Audit	\$110,652	\$1,332	
Lawn Be Gone		\$880	
Lawn Be Gone Inspections	\$1,018		
Water Wise Ed. Kits	\$51,397	\$1,370	
Watersense Giveaways	\$4,382		
WaterSmart Reports	\$216,429		
Rain Barrel Rebate	\$900	\$200	
Water Loss Program	\$215,917		
Customer Meter Testing	\$4,570		
Smart Controller Rebate	\$1,200		
<b>Total</b>	<b>\$686,185</b>	<b>\$8,342</b>	<b>\$0</b>
<b>FY 2020-21</b>			
EarthCapades	\$95,515	2,200	
Large Landscape Audit	\$132,833	\$1,332	
Lawn Be Gone		\$360	
Lawn Be Gone Inspections	\$1,958		
Water Wise Ed. Kits	\$46,834	\$1,272	
Watersense Giveaways	\$2,902		
WaterSmart Reports	\$274,276		
Rain Barrel Rebate	\$400	\$390	
Water Loss Program	\$125,475		
Customer Meter Testing	\$17,280		
Smart Controller Rebate	\$1,600		
DSS Support Services	\$12,311.75		
<b>Total</b>	<b>\$711,384</b>	<b>\$5,554</b>	<b>\$0</b>



**Appendix G: Value for the Cost**

The formula for BAWSCA assessments results in equivalent cost per gallon throughout BAWSCA's members. All BAWSCA costs are ultimately passed on to water customers through the water rates of the local city, district, or private utility. Table G-1 below provides the estimate annual cost per person and per household (assuming three persons per household) for BAWSCA's Operating Budget.

**Table G-1. Historical Estimated Annual Cost of BAWSCA  
Operating Budget per Service Area Household**

Fiscal Year	Est. Annual Cost Per Person	Est. Annual Cost Per Household
2010-11	\$1.64	\$4.93
2011-12	\$1.53	\$4.60
2012-13	\$1.52	\$4.56
2013-14	\$1.82	\$5.47
2014-15	\$1.70	\$5.11
2015-16	\$1.84	\$5.51
2016-17	\$1.96	\$5.88
2017-18	\$2.08	\$6.24
2018-19	\$2.34	\$7.02
2019-20	\$2.50	\$7.51
2020-21	\$2.20	\$6.59
2021-22	\$2.58	\$7.75
2022-23	\$2.56	\$7.68

**Appendix H: Savings Resulting from BAWSCA's Annual Wholesale Revenue Requirement (WRR) Review**

Pursuant to Section 8.04 of the Water Supply Agreement, the Wholesale Customers delegated authority to BAWSCA to conduct the annual review of SFPUC's calculation of the Wholesale Revenue Requirement (WRR) and the Balancing Account. Table H-1 provides the annual financial impact to the Wholesale Customers resulting from BAWSCA's annual comprehensive review. Over the past 18 years, BAWSCA's reviews have resulted in a total of \$46.9 million savings to the Wholesale Customers. This total includes the savings resulting from resolution of issues discovered by BAWSCA prior to the WSA 7.06 process and savings from settlements during the formal 7.06 process.

Note that the savings shown in Table H-1 do not include the ongoing savings resulting from any specific year's settlement. For example, the revised 525 Golden Gate operating and capital cost allocation methodology, as a result of the FY11-12 and FY12-13 settlements, generates an ongoing WRR savings to the Wholesale Customers in an approximate amount of \$400,000 each year from FY13-14 until various final debt service payment dates, and the approximate annual savings of \$1.4 million plus interest as part of the debt service allocation through FY39-40 resulting from the FY15-16 settlement,

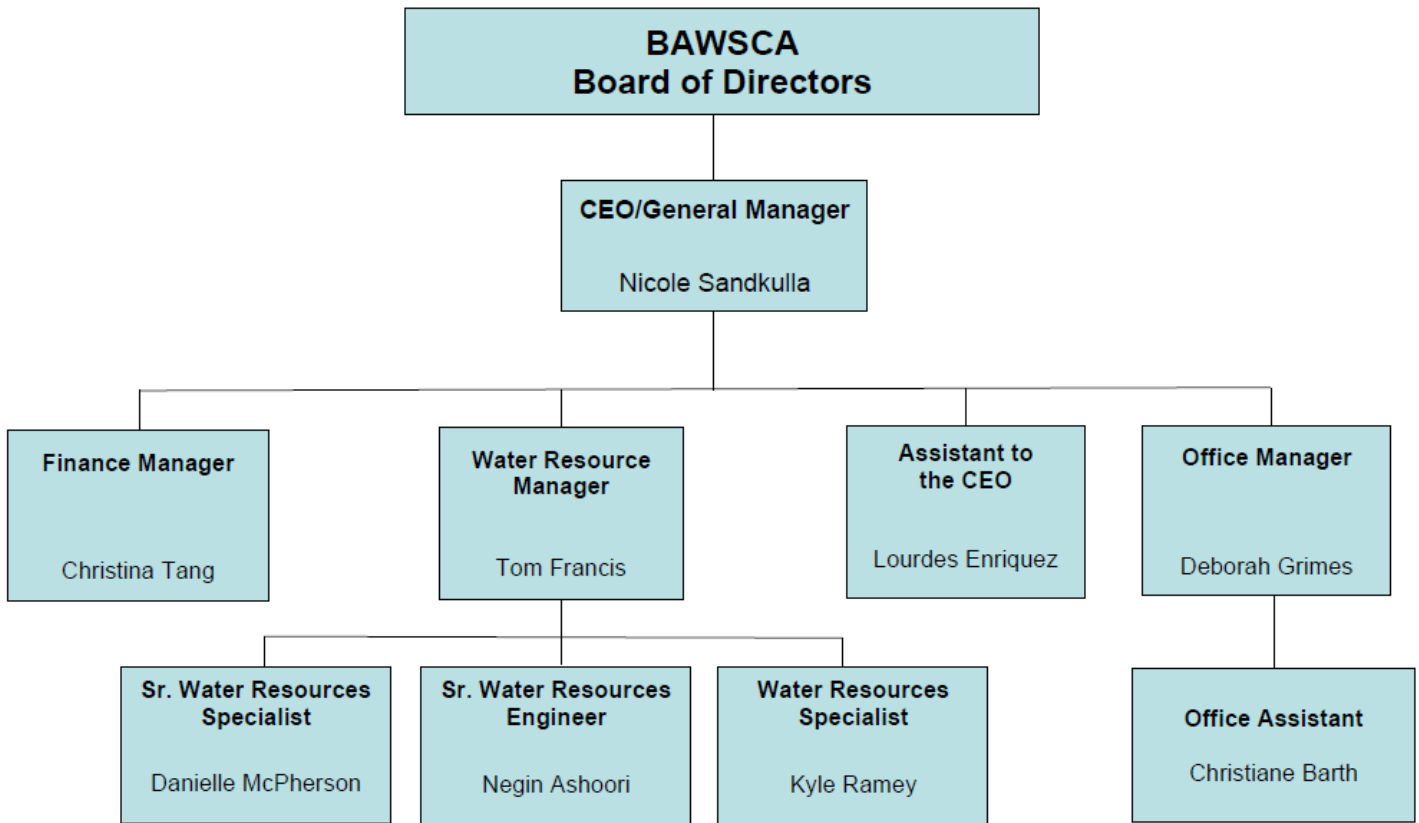
**Table H-1. Savings to Wholesale Customers Resulting from BAWSCA's Annual Wholesale Revenue Requirement Review**

Fiscal Year	Savings to Wholesale Customers
2001-02	\$698,095
2002-03	\$1,568,857
2003-04	\$476,825
2004-05	\$5,726,908
2005-06	\$1,229,604
2006-07	\$718,267
2007-08	\$1,917,328
2008-09	\$461,670
2009-10	\$1,635,005
2010-11	\$893,914
2011-12	\$5,352,720
2012-13	\$739,965
2013-14	\$102,952
2014-15	\$11,903,057
2015-16	\$7,079,780
2016-17	\$3,987,471
2017-18	\$2,323,997
2018-19	\$95,127
<b>Total</b>	<b>\$46,911,542</b>

**Appendix I: Current Organization and Staffing**

The figure below represents the current reporting relationships in the organization.

**BAWSCA Organization Chart**



**Appendix J: Future Challenges Facing BAWSCA, Member Agencies, and Their Customers**

Each year, BAWSCA's Work Plan development process starts by reviewing and updating the major activities over the next 20 to 30 years. These activities require coordinated action by BAWSCA and its member agencies to ensure a reliable supply of high-quality water at a fair price.

Table J-1 lists these activities as they were updated as part of the FY 2022-23 Work Plan development. In each case, the results identified in Table J-1 will take the form of agreements, legislation, or other legally enforceable work products. Development of these documents will result from skilled negotiations based on rigorous investigations of impacts and alternatives, costs, cost allocation, and other matters.

Table J-1: Future Challenges Facing BAWSCA, Member Agencies, and Their Customers (Preliminary FY 2022-23)

BAWSCA Goal and Associated Challenges	FY 2022-21 (Near-Term)	2023-2035 (Mid-Term)	2035-2050 (Long-Term)
<b>Reliable Supply: Ensure Long-Term Water Supply Reliability</b>			
Protection of member agencies' interests in long-term water supply reliability from the SF RWS and 184 MGD Supply Assurance in light of potential areas of risk, including climate change and regulatory challenges, as presented in the Long Term Vulnerability Analysis, and SFPUC's Alternative Water Supply Planning and associated CEQA initiation by June 2023.	X	X	X
Protection of BAWSCA member agencies from normal and dry year supply shortages and resulting excessive economic impacts, <i>including completion of Updated Demand Projections</i> .	X	X	X
Reflection of member agencies' long-term water supply needs and investments in regional planning efforts.	X	X	X
Support member agencies in their efforts to ensure system reliability during an emergency.	X	X	X
Representation of member agencies in Federal relicensing of New Don Pedro to protect SF RWS water supply reliability.	X	X	
Representation of member agencies in Bay Delta Plan Update to protect RWS water supply reliability.	X	X	
Assist member agencies in meeting the new Statewide "Making Water Conservation a California Way of Life" requirements thru 2035, including new Water Efficiency Targets to be finalized by June 2022	X	X	
Protection of member agencies' interests in San Francisco's December 2028 decisions including deciding whether to make San Jose and Santa Clara permanent customers.	X	X	
Development of a new Tier 2 Drought Implementation Plan.	X	X	
<b>Reliable Supply: Ensure SF RWS Facility Reliability</b>			
Protection of water supply and financial interests of water customers in SFPUC's development and implementation of its 10-Year CIP.	X	X	X
Protection of water supply and financial interests of water customers in SFPUC's asset management program to ensure ongoing maintenance and protection of RWS assets.	X	X	X
Promote emergency resiliency of the SF RWS to protect interests of water customers.	X	X	X
Protection of water supply and financial interests of water customers in SFPUC's WSIP implementation.	X	X	
<b>High Quality Supply &amp; Fair Price: Enforce 2009 Water Supply Agreement (WSA)</b>			
Enforcement and amendment as necessary, of the WSA to ensure San Francisco meets its financial, water supply, quality, maintenance and reporting obligations.	X	X	X
Protection of member agencies' water supply reliability interests against threats by outside forces including efforts by others to drain Hetch Hetchy that disregard their interests in reliability, quality and cost.	X	X	X
Protection of water customers interests in ensuring SF maintains its Tuolumne River water rights.	X	X	X
Extension or renegotiation of the WSA before it expires in 2034. The WSA can be extended 2 times, for a period of 5 years each. By December 2031, SFPUC must notify Wholesale Customers of desire to extend contract.		X	X
Management of BAWSCA's revenue bonds in accordance with Bond Indenture and other applicable laws to ensure accountability and ultimately to reduce overall cost to regional water customers (thru 2034).	X	X	
<b>Management of Agency</b>			
BAWSCA CALPERS pension & OPEB liability management			X

**Appendix K: Historical BAWSCA Operating Budgets and Assessments**

BAWSCA's annual Operating Budget is developed to pay for the cost of the annual work plan, which is reviewed by the Committee and approved by the Board. Each year, the Work Plan is designed to achieve results that support BAWSCA's three goals – a reliable supply of high-quality water at a fair price – and to implement BAWSCA's purpose as stated in AB 2058. As a special district, BAWSCA is not like a city council or other community agency. BAWSCA is an issue-driven organization that responds to the needs of its member agencies and the water users who pay for BAWSCA's work. BAWSCA uses experienced consultants to limit fixed costs.

Three historical examples of significant annual Operating Budget increases to address one-time or unexpected issues that required BAWSCA's actions, in addition to its on-going programs, are:

- In FY 2008-09, the approved budget was 10% higher than the previous year; issues included: increased conservation efforts, new contract with SF, and WSIP oversight.
- In FY 2013-14, the approved budget was 18% higher than the previous year; issues included: long-term water supply reliability, administration of bonds to accelerate paying off capital debt to save significant money for member agencies; administration of the Water Supply Agreement; an unexpected threat from Mountain Tunnel; and monitoring the SFPUC's Capital Improvement Plan and its Asset Management Program.
- FY 2018-19, the approved budget was 14.14% higher than the previous year; issues included: Restore Hetch Hetchy litigation, Bay Delta Plan, FERC, participation in Los Vaqueros Expansion planning studies. and BAWSCA's Demand Study.

Resolution of issues also reduces budgets as shown below in FY 2010-11 (-3%), FY 2011-12 (-2%), and FY 2014-15 (-10%). Table K-1 displays the history of BAWSCA's Operating Budget, assessments, and year-end reserves.

**Table K-1. Historical Annual Assessments, Budget, Reserve Balance, and Use of Reserves**

Fiscal year	Assessments	% Change	Budget	% Change	Audited Expenses	% of Budget Spent	Transfers from WSA Balance Account	Transfers from Reserve	Notes on Transfers from Reserve & WSA Balance Account	Unspent Funds Transfer to Reserve	Year-End Reserve Balance	Reserve as a % of Budget	# of Full Time Authorized Staff	Major New/Increased Work Plan Focus
2003-2004	\$1,668,550	22%	\$1,821,350										6	Operated under BAWUA budget
2004-2005	\$1,641,995	-2%	\$1,838,490	0.94%	\$1,488,908	80.99%				\$240,000			6	1st BAWSCA Budget Est.
2005-2006	\$1,953,998	19%	\$2,099,975	14.22%	\$1,666,462	79.36%				\$414,000	\$240,000	11%	7	WSIP Oversight, 2009 WSA neg.
2006-2007	\$2,117,904	8%	\$2,291,904	9.14%	\$1,875,822	81.85%				\$428,474	\$654,000	29%	7	2009 WSA negotiations
2007-2008	\$2,117,904	0%	\$2,508,967	9.47%	\$2,246,600	89.54%		\$391,000	To fund budget	\$270,000	\$691,474	28%	7	2009 WSA Negotiations, WSIP PEIR
2008-2009	\$2,309,000	9%	\$2,763,196	10.13%	\$2,633,567	95.31%		\$349,000	To fund budget	\$149,718	\$507,474	18%	7	WSIP PEIR, 2009 WSA, develop WCIP
2009-2010	\$2,517,000	9%	\$2,766,945	0.14%	\$2,345,993	84.79%		\$250,000 \$105,000	To fund budget WCIP	\$409,965	\$407,192	15%	7	WCIP Yr. 1 implementation, 2009 WSA Admin Yr. 1, Transition from old Contract, WSIP legislation
2010-2011	\$2,517,000	0%	\$2,680,394	-3.13%	\$2,231,809	83.26%		\$163,394	To fund budget	\$435,324	\$653,763	24%	7	WCIP Yr. 2, 2009 WSA (Strategy funded thru Water Mgmt. Charge)
2011-2012	\$2,517,000	0%	\$2,619,705	-2.26%	\$2,286,513	87.28%		\$172,190	Assessment refund	\$264,000	\$916,897	35%	7	WCIP Yr 3
2012-2013	\$2,517,000	0%	\$2,780,504	6.14%	\$2,600,475	93.53%		\$130,000 \$65,000	Pilot Transfer Demand Study		\$985,897	35%	7	Bond investigation, Demand Projections, Pilot Water Transfer, 2009 WSA
2013-2014	\$2,516,812	0%	\$3,280,188	17.97%	\$3,058,348	93.24%		\$300,000 \$98,000 \$66,000	Demand Study OPEB FY 13-14 Technical support		\$521,897	16%	8	1st year bond administration, funding one-time cost of OPEB, Regional Water Demand Projections, pilot water transfer, WSIP legislation, new water resources staff position authorized
2014-2015	\$2,642,653	5%	\$2,939,286	-10.39%	\$2,745,822	93.42%		\$296,436	To fund budget	\$198,781	\$225,461	8%	8	Net increase for OPEB, 10yr CIP oversight, increase legal support for Strategy, WSIP legislation
2015-2016	\$3,276,889	24%	\$3,201,679	8.93%	\$2,828,503	88.34%				\$453,246 \$352,378 <sup>(1)</sup>	\$776,620	24%	8	1st year Strategy implementation thru Operating Budget, 2014 Settlement Agmt.
2016-2017	\$3,440,734	5%	\$3,468,008	8.32%	\$2,934,077	84.60%		\$27,274	To fund budget	\$519,167	\$1,202,592	35%	8	RHH litigation, 2014 Settlement Agmt, 2018 decisions, WaterMAP
2017-2018	\$3,543,957	3%	\$3,704,572	6.82%	\$3,318,544	89.58%		\$160,615	To fund budget	\$253,892	\$1,561,144	42%	8	RHH litigation, Bay-Delta Plan, FERC
2018-2019	\$3,579,397	1%	\$4,278,585	15.49%	\$3,996,082	93.40%		\$321,688  \$177,500 \$150,000 \$50,000	To fund budget  Los Vaqueros Demand Study To fund budget	\$0	\$1,115,848	26%	8	RHH litigation, Bay-Delta Plan, FERC to participate in LVE Project and to fund Demand Study HB Amendment - Board approved 3/2019
2019-2020	\$3,686,779	3%	\$4,569,750	6.81%	\$4,116,485	90.08%	\$805,000	\$77,971	To fund budget	\$435,266	\$1,037,877	23%	9	Fund LVE participation, Demand Study, FERC, Bay Delta
2020-2021	\$3,686,779	0%	\$4,163,179	-8.90%	\$3,860,044	92.72%	\$197,000	\$333,900  \$142,500	To fund budget  To fund budget	\$43,727	\$996,743	24%	9	To fund contract increase for legal counsel; increased BAWSCA approved Operating Budget to offset identified approved expenses for BA funds use HB Amendment - Board approved 3/2021
2021-2022	\$3,871,118	5%	\$4,783,794	14.91%			\$275,000	\$281,676	To fund budget					To fund Demand Study

Footnotes

(1) Remaining unspent Strategy development funds transferred to General Reserve in 2015-16

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**            **Considerations for Resumption of In-Person Board Meetings**

**Summary:**

The Board has been meeting remotely via teleconference since March 2020 in accordance with State law in response to the COVID-19 pandemic. Currently, the Board meets via teleconference in accordance with Assembly Bill (AB) 361 given the ongoing state of emergency and the continuing concern for the health and safety of meeting participants.

In considering the resumption of in-person meetings at this time, the Board faces several challenges given the large size of the Board and that BAWSCA does not have its own meeting facilities.

This item is for discussion purposes only and for the Committee to provide input to the Chair to support any potential future change in Board meeting logistics in accordance with potential changes in state law.

**Recommendation:**

This item is for discussion purposes only.

**Discussion:**

BAWSCA and its Board of Directors has been successfully operating remotely since the onset of the COVID-19 pandemic with no identified negative impact on the overall agency operations or delivery of critical results to the water customers.

At this time, the Board continues to meet remotely via teleconference in accordance with AB 361. However, it is anticipated that at some point in the coming months it will be appropriate, and possibly required, for the Board to resume in-person meetings.

To support the Board's discussion regarding resuming in-person meetings, the following information is provided:

1. The Board's existing meeting location, the San Mateo Library, has changed its hours during the pandemic to close at 7 pm and will be starting, as of April 11<sup>th</sup>, a 6-month pilot of closing at 8 pm. In October, after the pilot is complete, the San Mateo Library will be deciding on its future hours. Therefore, at this time, the San Mateo Library is not available for the Board's regular 6:30 pm meeting start time. As a backup, the San Mateo Library has been booked to support a potential 3:30pm meeting time through the end of calendar year 2022.
2. The Foster City Community Center is not available for the Board's regular 6:30 pm meeting day and time until the September 15, 2022 Board meeting.
3. At this time, the only other alternative meeting location that is large enough to support the Board's size is a ballroom at the Crowne Plaza Hotel in Foster City. This facility rents for \$800 with a 50% non-refundable deposit.

4. With 26 members, a potential hybrid-style meeting is especially challenging and costly given the technical setup needed to support such a format, combined with BAWSCA's lack of owning its own meeting facilities and the lack of available meeting space that can accommodate BAWSCA's logistical needs and budget.

**Background:**

At all times, the Brown Act allows an agency's board of directors to use any type of teleconferencing in connection with any meeting. However, outside of emergency circumstances, a teleconference meeting must comply with the following requirements:

1. At least a quorum of the board must participate from locations within the agency's jurisdiction.
2. Each teleconference location must be identified in the notice and agenda of the meeting.
3. Agendas must be posted at each teleconference location.
4. Each location must be accessible to the public.
5. The agenda must provide the opportunity for the public to address the legislative body directly at each teleconference location.
6. All votes must be by rollcall.

In response to the COVID-19 pandemic, Governor Newsom issued Executive Orders lifting several of these requirements to allow agencies to hold public meetings while complying with shelter-in-place orders and social distancing recommendations. In September 2021, the Governor signed AB 361, which effectively incorporated those Executive Orders into the Brown Act. Under AB 361, Agencies are no longer required to make teleconference locations accessible to the public or have a quorum located within the jurisdiction when the agency holds a teleconference meeting during a state of emergency proclaimed by the Governor, and either

1. State or local officials have imposed or recommended measures to promote social distancing; or
2. The legislative body finds that meeting in person would present imminent risks to health or safety of attendees.

Therefore, BAWSCA would be required to move back to traditional Brown Act meetings if either (1) the Governor lifts his March 2020 COVID state of emergency declaration, or (2) if state and local officials rescind all recommendations for social distancing. It's not clear if or when either might happen. At this time, social distancing is recommended in Cal/OSHA safety regulations and in several other forms of guidance from state and local officials; therefore, we do not anticipate all social distancing recommendations being lifted in the foreseeable future. Typically, state of emergency declarations can last up to several years after the emergency event, and the Governor has said that he intends to leave the COVID state of emergency in place. However, the COVID state of emergency has attracted political attention, and as a result, the Governor may feel pressure to rescind it sooner than he would for other, lower-profile emergencies.

# **BAWSCA**

**Bay Area Water Supply & Conservation Agency**

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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:** April 8, 2022  
**SUBJECT:** Chief Executive Officer/General Manager's Letter

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### **Tier 2 Plan - Update:**

BAWSCA and the Water Management Representatives (WMR) continued the development of a Tier 2 Plan update at the April WMR meeting with ongoing discussions about the Tier 2 Plan policy principles and an initial review of the data sources available that will be considered for the Tier 2 Plan calculations. BAWSCA and the WMR will continue to evaluate the appropriateness of using each data source at the May WMR meeting, including considerations for when these data are made available and whether that timing is compatible with the constraints of implementing the Water Shortage Allocation Plan (Attachment H of the WSA). Simultaneously, Woodard & Curran, the technical consultant supporting the project, is developing one or more strawperson models for the WMR to consider, likely at the June WMR meeting. From there, the WMR will take an iterative approach to adjusting the model inputs and refining the chosen model design.

### **BAWSCA Efforts to Secure Grant Funding:**

BAWSCA has been engaged in a number of efforts to pursue and secure grant funding in recent years. Primarily, grants received by BAWSCA support regional water supply planning work. Grant funding has also been awarded that goes directly to our member agencies in support of the implementation of conservation programs or toward rebates. Further, BAWSCA is frequently asked to provide letters of support for member agency specific grant applications.

### **The Bay Area Regional Reliability Partnership (BARR)**

The Bay Area's largest water agencies, including BAWSCA, are working together to develop a regional solution to improve water supply reliability. In 2015, BARR secured \$200k in funding from the U. S. Bureau of Reclamation (USBR) to complete a Drought Contingency Plan. In 2019, BARR secured \$200k in funding from the USBR to fund the Bay Area Shared Water Access Program.

### **Las Vaqueros Reservoir Expansion**

BAWSCA, through its engagement with the SFPUC, is participating in the Los Vaqueros Reservoir Expansion Project. In July of 2018, LVE partners secured \$459M in Prop. 1 funding from the California Water Commission that is to be used toward the design and construction of the expansion.

**Bay Area Integrated Regional Water Management Plan (IRWMP)**

The Bay Area Integrated Regional Water Management Plan (IRWMP) is a nine-county effort to coordinate and improve water supply reliability. Since 2011, the Bay Area IRWMP participating agencies have been awarded substantial monies by the State. The most recent IRWMP grant, awarded in 2019, is providing BAWSCA member agencies with \$382,477 in funding to go towards various conservation programs offered by BAWSCA.

**Letters of Support for Specific Member Agency Grant Applications**

BAWSCA is frequently asked to provide letters of support for individual member agency grant applications. Most recently, BAWSCA supported the Peninsula Drought Resiliency Program grant applications to the State's 2021 Urban and Multi-benefit Drought Relief Funding Grant Program. These applications included water supply projects proposed by retail water suppliers located in San Mateo and Santa Clara Counties, including City of Brisbane, City of East Palo Alto, Mid-Peninsula Water District, North Coast County Water District, and Purissima Hills Water District. In prior years, BAWSCA has supported a number of grant requests from member agencies, ranging from applications aimed to expand recycled water programs, water conservation initiatives, and groundwater development.

**BAWSCA Annual Survey Completed:**

Each year, BAWSCA conducts an annual survey of its members in order to update key BAWSCA service area information including population, current and projected water use, and climatology. BAWSCA has recently completed the Annual Survey for FY 2021-22. Included in the report is a discussion (including accompanying tables and graphs) for the following: Population and water demand; Water use by source; Water use by customer class; Past and current SF RWS purchases; Per capita water use; and Climatology. Information is presented by member agency and by BAWSCA collectively. The document is posted on the BAWSCA website at this link <https://bawasca.org/water/supply/survey>

**Mr. Tom Francis Invited to Join Urban Water Institute Board of Directors:**

Tom Francis, BAWSCA's Water Resources Manager, has been invited to be a member of the Urban Water Institute Board of Directors, representing BAWSCA. The Urban Water Institute is a nonprofit public education organization in the State of California, with the mission to provide non-partisan information of timely and pertinent interest to the water resource industry, including public agencies and private firms, with particular emphasis on water economics, management and resource policies as they affect consumers and the general economy.

Mr. Francis will assume the position on the Board following approval of its Executive Committee, which is anticipated in early May of 2022. Ms. Andree Johnson previously served on this Board as a representative of BAWSCA during her tenure with the agency.

**Dr. Negin Ashoori Promoted to Senior Water Resources Engineer:**

In February 2022, a classification review was performed by Koff and Associates for Negin Ashoori, BAWSCA's Water Resources Engineer. This audit was done at the request of the CEO/General Manager to determine if the duties and responsibilities being performed by Dr. Ashoori were in line with her current Water Resources Engineer classification.

Koff and Associates' independent analysis evaluates and classifies positions based on such factors as the quality of duties performed, level of responsibility, complexity of work, independence of action, and decision-making responsibilities. The analysis determined that Dr.

Ashoori is working outside the scope of responsibility of her current classification of Water Resources Engineer and recommended that Dr. Ashoori's position be reclassified to Senior Water Resources Engineer. This position has been approved by the Board to be flexibly staffed by either a Water Resources Engineer/Specialist or a Senior Water Resources Engineer/Specialist, depending on the qualifications of the specific candidate or staff member.

Based on these findings, and on Dr. Ashoori's outstanding performance, the CEO/General Manager has promoted Dr. Ashoori to Senior Water Resources Engineer effective April 1, 2022.

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# Board Policy Committee

## Policy Calendar Through December 2022

Meeting Date	Purpose	Issue or Topic
April 2022	D&A R D	Consideration of Proposed FY 2022-23 Work Plan and Budget Review of Water Supply Forecast Considerations for Resumption of In-Person Board Meetings
June 2022	D&A R&D R&D	Discussion and Possible Action on CEO/GM Evaluation Procedure Update on Long-Term Reliable Water Supply Strategy Implementation Review of Agency Personnel Handbook
August 2022	R&D	Update on Tier 2 Drought Plan Efforts
October 2022	D&A D&A	Annual Review and Consideration of BAWSCA's Statement of Investment Policy Review and Consideration of BAWSCA's General Reserve Policy
December 2022	R&D	Mid-Year 2022-23 Work Plan, Budget and General Reserve Review
February 2023	D&A R&D	Consideration of FY 2023-24 Bond Surcharges Discussion of Preliminary FY 2023-24 Work Plan and Budget