



## **BOARD POLICY COMMITTEE**

**June 8, 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 June 8, 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/81490826849>

- Meeting ID: **814 9082 6849**
- Password: **051996**
- 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: **814 9082 6849**
  - Password: **051996**
- 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

June 8, 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>	<b>(Breault)</b>	
Roster of Committee Members ( <i>Attachment</i> )		Pg 5
<b>2. <u>Comments by Chair</u></b>	<b>(Breault)</b>	
<b>3. <u>Consent Calendar</u></b>	<b>(Breault)</b>	
A. Adoption of Resolution #2022-08, declaring that Board Policy Committee meetings will continue to be held via teleconference ( <i>Attachment</i> )		Pg 7
B. Approval of Minutes from the April 13, 2022 meeting ( <i>Attachment</i> )		Pg 11
<b>4. <u>Public Comment</u></b>	<b>(Breault)</b>	
<i>Members of the public may address the committee on any issues not listed on the agenda that are within the purview of the committee. Comments on matters that are listed on the agenda may be made at the time the committee is considering each item. Each speaker is allowed a maximum of three (3) minutes.</i>		
<b>5. <u>Action Items</u></b>		
A. Authorization of Professional Services Contract to Support the Redesign and Implementation of BAWSCA's Water Conservation Database (WCDB). ( <i>Attachment</i> )	<b>(Sandkulla)</b>	Pg 25
<u>Issue:</u> What resources are needed for BAWSCA to successfully update its WCDB to ensure its ongoing effective operation?		
<u>Information to Committee:</u> Memorandum and oral report.		
<u>Committee Action Requested:</u> That the Committee recommend Board approval of the proposed action.		
B. Authorization of Professional Services Contract with Maddaus Water Management to Support Member Agencies with Water Use Efficiency Legislation. ( <i>Attachment</i> )	<b>(Sandkulla)</b>	Pg 31
<u>Issue:</u> What resources are needed to support member agencies' compliance with new statewide efficiency requirements?		
<u>Information to Committee:</u> Memorandum and oral report.		
<u>Committee Action Requested:</u> That the Committee recommend Board approval of the proposed action.		
C. Acceptance of BAWSCA's Amended Conflict of Interest Code	<b>(Sandkulla)</b>	Pg 39
<u>Issue:</u> What changes needed to be made to keep BAWSCA's Conflict of Interest Code in compliance with the FPFC?		
<u>Information to Committee:</u> Memorandum and oral report.		
<u>Committee Action Requested:</u> That the Committee recommend Board approval of the proposed action.		

**6. 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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*Pg 57*

**7. 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).

**8. Report from Closed Session**

**(Schutte)**

**9. Comments by Committee Members**

**(Breault)**

**10. Adjournment to the Next Meeting**

**(Breault)**

**Unless otherwise noticed:**

August 10, 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 #2022-08, Declaring that Board Policy Committee Meetings Will Continue to be Held via Teleconference**

**Summary:**

On April 13, 2022, the Board Policy Committee (Committee) adopted Resolution #2022-06 in response to the passage of Assembly Bill (AB) 361 which allowed the Committee to continue meeting via teleconference. Pursuant to Government Code § 54953(e), Resolution #2022-06 is only valid for 30 days. The attached Resolution #2022-08 follows the prior Resolution #2022-06 and once again declares the Committee'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 Committee adopt Resolution #2022-08 declaring that it will continue to meet via teleconference, in accordance with AB 361 and the provisions of Government Code Section 54953(e).

**Discussion:**

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

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

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

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

Since late February, the Governor has rescinded a number of prior Executive Orders and the California Department of Public Health (CDPH) has lifted its universal mask mandate. However, masks are still required in San Mateo County courts and statewide in healthcare settings and shared housing. The CDPH continues to strongly recommend that individuals wear masks in childcare facilities and schools. Furthermore, the relaxed mask mandates and rescinded Executive Orders did not change social distancing recommendations. The San Mateo County Health Officer, CDPH, and the Department of Industrial Relations all continue to recommend social distancing. Finally, the Governor's proclaimed State of Emergency remains in effect.

Therefore, the Committee 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 Committee 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
4. Resolution 2022-06, April 13, 2022

Each of these Resolutions have since expired. Because the Committee meets only every other month, this will continue to be the case. Therefore, the Committee 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 # 2022-08, Declaring that Committee meetings will continue to be held via Teleconference



**RESOLUTION NO. 2022 – 08  
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
4. Resolution 2022-06, April 13, 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 8th day of June, 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**

**April 13, 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 1:33 pm following reminders of the protocols to conduct the virtual meeting successfully. A list of Committee members who were present (8), absent (1) 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 noted that items on the agenda include a report from the SFPUC by Steve Ritchie, Assistant General Manager of Water Enterprise, and Alison Kastama, BAWSCA's SFPUC Liaison; the proposed FY 2022-23 Work Plan, Results to be Achieved and Operating Budget for recommendation to the Board; discussion of the factors that impact the resumption of in-person Board meetings; report from the CEO; and a closed session. Director Breault noted that the Committee's consideration of the items is important to BAWSCA's successful operation to ensure a reliable supply of high-quality water at a fair price.

3. **Consent Calendar:**

**Director Pierce made a motion, seconded by Director Cormack, that the Committee adopt Resolution #2022-06, 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 February 9, 2022 Board Policy Committee meeting.**

**The motion passed by roll call vote.**

4. **Public Comments:** Public comments were provided by Dave Warner and Carol Steinfeld.

5. **SFPUC Report:**

- A. **Water Supply Conditions:** Mr. Ritchie reported that most of the State's drought conditions remain in the severe to extreme drought levels. The San Francisco watershed is in the severe category. California reservoirs remain below average level, specifically Shasta is at 38% and Oroville is at 48%. Mr. Ritchie noted that those two reservoirs are driving the state's outlook on water supply conditions and leads the State to conclude that more actions are necessary.

On March 28<sup>th</sup> the Governor issued an Executive Order that directs the State Water Board to adopt emergency regulations by May 25<sup>th</sup> that would potentially impact the SFPUC and its water customers. First, water suppliers would be required to submit

a draft annual water supply assessment and shortage report to the State by June 1<sup>st</sup>. The final report is due by July 1<sup>st</sup>. This requirement intends to provide the state with as much information as possible to help determine what actions need to be taken moving forward. Second, urban water suppliers would be required to implement a Level 2 shortage response action for up to 20% shortage.

The SFPUC is currently at Level 1 which implements a voluntary 10% systemwide reduction. This translates to an average of 13.7% reduction to the wholesale customers.

A Level 2 shortage response requires a reduction between 11% to 20%. If the SFPUC is required to implement a Level 2 shortage and institute an 11% reduction, the current 13.7% would go to 14.3%. The retail customers would continue with a 5% reduction as the minimum required reduction under the WSA. The SFPUC will evaluate the need to provide revised allocations once the emergency regulations are adopted by the State, which is anticipated to be May 24<sup>th</sup>.

Additionally, the Executive Order included a paragraph that, while it is not a requirement, encourages water agencies to voluntarily activate more stringent local requirements based on a shortage level of up to 30% if next year continues to be dry. This is a clear indication of the Governor's intention to increase the required level of conservation across the state should conditions get worse.

The SFPUC will communicate to the State Board and others that the same required shortage percent for every agency is not sensible where per capita usage is already below the statewide average. For San Francisco, the average is 42 gpcd and the wholesale customers is 63 gpcd.

The last requirement in the Executive Order is the banning of irrigation of non-functional turf in commercial, industrial, and institutional sectors during the emergency. Non-functional turf is defined as turf not used for recreational purposes. While urban water suppliers are not required to act, San Francisco is prepared to propose adoption of this prohibition as part of its local water waste restrictions.

As for the conditions of the Regional Water System, Mr. Ritchie reported that while the recent storm does not eliminate drought conditions, Hetchy Hetchy Reservoir is at 87% of maximum storage. Hetch Hetchy precipitation is slightly more than last year's.

Upcountry snowpack is starting to melt as evidenced by Hetch Hetchy starting to fill up. Mr. Ritchie noted that the atmospheric river storm at the end of October 2021 saturated the soil upcountry, and the ground underneath the snow remains saturated which will result in a good amount of runoff. Water available to the City is currently at 172-thousand-acre-foot (TAF) compared to last year's 57 TAF. The target to achieve full storage is 598 TAF by July 2022.

Upcountry precipitation year-to-date is at 20.46 inches compared to the average annual of 36.68 inches. The Bay Area precipitation year-to-date is at 21.29 inches compared to the average annual of 22.80 inches.

Mr. Ritchie presented the system's total deliveries to date and noted the significant increase in usage to 198 mgd between April 1<sup>st</sup> and 7<sup>th</sup> which was a warm and dry period. He emphasized that in order to meet the goal of 10% systemwide reduction, an overall demand that is similar to 2015 is key. Demand during 2015 did not exceed 200 mgd and was kept well below that level during the critical summertime period.

Mr. Ritchie presented a new graph that shows the level of savings that needs to be achieved during specific seasons of the year against the level of savings achieved so far. Since January to date, 714 million gallons (MG) of the 1,059 MG target savings for January-February has been saved. Mr. Ritchie noted that the summer period will be the time the region can save the most water.

Director Jordan asked if BAWSCA, as a whole, should look at the State's non-functional turf restrictions now, and whether the SFPUC has a timeframe on when they will call for a mandatory cutback.

Mr. Ritchie encouraged individual agencies to assess and address the impacts the Executive Order will have on their agency, including the prohibition for irrigation on non-functional turf. He noted that the Executive Order does not have an exclusion on the use of non-potable water and therefore, agencies that have that supply should communicate their concerns with the State Water Board.

As for a timeframe for mandatory cutbacks, Mr. Ritchie noted the Governor foreshadowed more stringent local requirements of up to 30% should conditions worsen. The State will do what it will decide to do. The SFPUC anticipates continuing its voluntary cutback requirements and will make necessary adjustments based on the potential need to go to Level 2 shortage condition. The need for mandatory rationing will depend on whether the target water savings is achieved during the summertime. He noted that the region can achieve the savings that it did in 2015 by cutting back significantly on outdoor water use. While the approach in 2015 was a mandatory cutback, water customers will listen to the water agencies and remember that it is possible to achieve the water savings.

- B. Drought Effort Analytics: Ms. Kastama provided a report on SFPUC's public outreach drought and conservation awareness campaign throughout the service area. Paid social media coverage includes content on Instagram and Facebook in the San Francisco region, and Google and Nextdoor in the entire service area. Paid advertising is also being done in media that cover other languages including Cantonese and Mandarin, Spanish, and Tagalog. Paid advertising in these languages are being pushed out on KTSF 26, SingTao Radio, KSQQ and KVTO for Cantonese and Mandarin, Univision Radio and Social Media for Spanish, and Philippine News Today and Fil-Am Radio for Tagalog.

Additional advertising and actions include paid advertising on fourteen (14) electronic billboards along Highway 92, 101 and 880; banners on member agency buildings and donated billboard spaces; webpages on the SFPUC and BAWSCA websites; and coordination with BAWSCA member agencies in providing regional campaign materials and assistance.

There is also earned media coverage that mainly pushes conservation and awareness on the need to save water and the actions individuals can take. Messages explain the process of evaluating toilet leaks, efficient fixtures and drought irrigation. Coverage includes San Francisco Chronicle, SF Examiner, Bay City News, KPIX Channel 5, KGO 7, KCBS and KQED.

Ms. Kastama presented the response metrics seen to date.

Media impressions represent the number of eyes that see the advertising content. Between January and March, there was a total of 26,741,503 impressions achieved. Of that, 14.9 million impressions were achieved in the wholesale customer service area region. For social media, there were 39,490 digital clicks and engagement generated, of which 17,088 were from Facebook and Instagram clicks.

SFPUC's and BAWSCA's website analytics for its drought and conservation pages show an increase in pageviews in March with an average of 2-3 minutes in the length of the visits. SFPUC will provide updates as the campaign continues through July.

Director Wood asked how performance is measured for the digital billboards.

Ms. Kastama explained that billboard performance is provided by the agency that manages the media buy service and are based on known statistics. The agency has a calculation on the average amount of traffic and the rotation of the graphics. Similarly with TV advertising, performance is based on calculations used in the industry's known statistics.

Director Cormack asked if the metrics can determine which graphics are generating audience engagement, and therefore are most effective.

Ms. Kastama stated that she will look into that information as that is known to be a typical process to track advertising effectiveness.

Director Breault asked if there is a performance indicator that states how well the message is getting out.

Ms. Kastama stated that the data presented are based on advertising that has a "click through" which shows that an action has been taken. Some of the advertising items have direct messages that do not require an action to sign up for a rebate or request a free item. Ms. Kastama will look into the additional data available that can be further reviewed to obtain a correlation between the impressions and how well the message is getting out.

## **6. Action Calendar:**

- A. Proposed Fiscal Year 2022-23 Work Plan, Results to be Achieved and Operating Budget: To reinforce the Committee's high-level discussions of the operating budget, Director Breault noted that the proposed FY 2022-23 budget is lower than the current FY 2021-22 budget by 1.3%. The proposed transfer of \$75,000 from the Balancing Account to the General Reserve and the increase of 25% to the assessments is to fund the work plan and get the results that need to be achieved

while bringing back the level of the General Reserve within the policy guideline of between 20%-35%.

Director Breault encouraged a high-level discussion on whether the budget should 1) follow the policy that requires the General Reserve to maintain a minimum balance of not-less-than 20% and be funded by assessments, or 2) be lowered.

Ms. Sandkulla agreed with Chair Breault's focus on the key elements of the proposed work plan and operating budget and in fact prepared a presentation that is condensed along the same lines. She continues, however, to highlight and keep sight of the critical issues that, and will continue to, challenge the BAWSCA region between now and 2050. Those challenges include a long list of items that both the Committee and the Board has had extensive discussions on, and Ms. Sandkulla was pleased to present a proposed work plan that maintains focus on all of those important issues.

Ms. Sandkulla added that the \$75,000 transfer from the Balancing Account to the General Reserve is to fund the Demand Study efforts included in the FY 2022-23 workplan, which the Board approved in September 16, 2021 as part of the scope changes to the professional services contract with Maddaus Water Management.

As Chair Breault stated, Ms. Sandkulla noted that the proposed budget is less than the current FY 2021-22 budget, and that a fundamental question is how the budget will be funded.

For the last few years, the Board has purposefully been funding the budget through the use of available funds in the General Reserve and the Balancing Account in an effort to prevent increases in the assessments.

The operating budget is allocated across BAWSCA's goals of ensuring a reliable supply of high-quality water at a fair price. Nearly 54% of the budget is applied to the reliable supply goal, and 12% is applied to maintaining a fair price with efforts on the bonds and administration of the WSA for the member agencies' financial interests. The budget fully funds the estimated OPEB Annual required contribution, and includes an allowance for adjustment to existing salaries for both COLA and merit-based increases up to a 5%, which is less than the COLA for 2022. The total cost of the proposed budget to water customers is \$2.56 per person.

The budget is developed consistent with the guiding principles of:

1. Budget sufficient resources to achieve results;
2. Spend only what is needed to achieve results;
3. Apply incremental & prudent assessment increases as necessary; and
4. Maintain a prudent General Reserve.

Review of the estimated FY 2021-22 expenditures indicate that the current budget will be 95%-98% expended and the amount of funds that will be rolled over to the General Reserve will be minimal, if any. Ms. Sandkulla reiterated that the budget has heavily relied upon the General Reserve and Balancing Account to fund previous budgets in order to moderate the need for assessment

increases in recent years. Currently, assessments fund approximately 80% of the operating budget.

It is important to maintain the General Reserve given the efforts included in the workplan. The budget is trimmed down to include the appropriate level of legal support needed and allows staff to manage within the resources available. Currently, the General Reserve balance is at 16% of the operating budget, which is outside of the budgetary guidelines of between 20%-35%.

Funding the proposed operating budget will require an assessment increase given the current level of the General Reserve and SFPUC's planned use of the Balancing Account in FY 2022-23 to offset impact of drought and wholesale rate increases.

Three funding options were presented to the BPC in February and to the Board in March. Based on the Board's feedback and Ms. Sandkulla's further assessment, she recommends funding option #2, which would increase assessments by 25%. This option brings the General Reserve balance within the budgetary guidelines and puts the agency in a stable situation. It also allows the assessments to be in line with the operating budget.

Ms. Sandkulla noted that while the budget has increased over time, BAWSCA's scope of work has also increased to continue meeting its goals and provide cost value savings to the water customers. BAWSCA's review of the Wholesale Revenue Requirement (WRR) has saved over \$47 million over the last 18 years, and BAWSCA's bond issuance and recent bond refunding will save water users \$87 million over the life of the bonds.

Ms. Sandkulla presented the recommendation and welcomed questions from members of the Committee.

Director Cormack expressed her support for the recommendation for option #2. Given the pandemic during FY 2020-21 and 2021-22, and the size of the Balancing Account at the time, which was at a level that has never been before, the Board's decisions on the previous budgets were rare and it is now time to resume business as usual.

She agrees with establishing a prudent reserve and noted the need to rebuild it. While she supports the recommendation, she would not call a 25% assessment increase as modest, and recommended the use of "moderate" in the language for Option #2 when it goes to the Board for consideration.

As for the workplan, Director Cormack appreciated the addition of greywater efforts and encouraged the pursuit for growth and opportunities in this area of work. She was pleased to see BAWSCA's success in its outdoor conservation programs which is consistent with what the region needs to do per Mr. Ritchie's report on the status for meeting the water use reduction goal. Finally, she emphasized BAWSCA's work on fair price as a huge function of the agency as it continues to bring more than \$46 million of savings to the water customers. She stated that while 25% seems like a large increase, it is defensible and is the responsible thing to do.



Director Pierce supports the idea of aligning the assessments with the budget. BAWSCA has managed to hold off on raising the assessments by using other funding sources which were appropriate at the time. The recommendation is a good direction to go.

She noted that over the years, BAWSCA has increased work efforts and associated costs of monitoring the SFPUC's 10-year CIP, and asked if this continues to be a valuable effort in terms of a way to avoid costly improvements to the system in the future. Can the CEO/General Manager anticipate the work plan and expenses for the next year or so to be similar so that we can maintain the assessments as they are without an increase.

Ms. Sandkulla stated that BAWSCA's efforts to monitor SFPUC's asset management efforts and 10-Year CIP will continue to be included in the work plan. While the progress is slow for a variety of reasons, including, but not limited to, the changing leadership and the pandemic, it remains a critical effort on behalf of the member agencies and the water customers.

As for next year's and future budgets, Ms. Sandkulla anticipates the update to the Strategy beginning in FY 2023-24. This will be a significant endeavor. However, as done in 2009 specifically for the Strategy, the Water Management Charge was used as a funding source in which the member agencies were charged through the SFPUC billing process as directed by the Board. She anticipates recommending the same funding for the Strategy efforts in FY 2023-24.

The proposed funding plan for FY 2022-23 should put BAWSCA in a position to maintain assessment increases at a normal rate.

Director Wood supports the recommended option but recognizes the significance of a 25% increase for member agencies. Since most of the work is known, she asked if developing a rate stability model is possible to avoid large increases in the future.

Ms. Sandkulla noted that the budget development process over the last 2 years has included a recommendation that was something other than what the Board adopted. There was a level of assessment increase included in the options presented to the Board given the growing gap Ms. Sandkulla saw between the assessment and the budget.

Ms. Sandkulla noted that while the Board's desire to take advantage of other funding sources, as appropriate, in the past two years, it was concerning to see the path towards a significant increase which we now face. To bring forth a 25% increase in assessment is not taken lightly and was a serious effort by staff to get the budget down as much as possible and an increase in assessments as low as possible.

Further, Ms. Sandkulla explained that nearly half of BAWSCA's budget is allocated towards consultant resources that is driven by the level of work that needs to be done and can vary quite significantly year to year. Ms. Sandkulla

appreciates the concern and interest in keeping the budget increases steady as BAWSCA tries to manage the work plan with its resources.

Ms. Sandkulla stated that she presented the proposed work plan and operating budget to the Water Management Representatives (WMR) at its meeting on April 7<sup>th</sup> and there were no concerns expressed by the WMRs.

Director Larsson commented to shift the focus away from the 25% assessment increase, and put focus on the decrease in the amount being drawn from the Balancing Account in FY 2022-23. The operating budget reflects what the water users are truly paying for, whether it is through assessments or the use of the Balancing Account. He reminded the Committee that the proposed operating budget is slightly lower than last year, and the agency, overall, is in fact holding the line on what water users pay for.

Director Chambers agreed with Board Chair Larsson. He also noted that the assessment increase could effectively be paid for by the savings achieved from the bond savings over the last quarter of FY 2022-23. BAWSCA, technically, can be funded by all the savings the agency achieves for its member agencies. But the enabling legislation requires that the agency be funded through assessments. Additionally, he agrees with Director Cormack that over the past two years, the Board chose not to increase the assessments because of the pandemic, and it is time to resume funding the budget through assessments, which now takes a 25% increase.

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

There were no comments from members of the public.

**Director Chambers made a motion, seconded by Director Larsson, that the Committee recommend Board approval of 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.**

**The motion passed by roll call vote.**

## **6. Reports and Discussion**

- A. Considerations for Resumption of In-Person Board Meetings: Board Chair Larsson reported on this item. He wanted to receive feedback from the Committee on the key points of consideration for deciding whether and when to resume in-person meetings: logistics, health and safety, and effectiveness of the Board.

He noted BAWSCA's unique situation presents some logistical limitations that make the resumption of in-person meetings more difficult compared to member agencies. BAWSCA's large Board size of 26 members and lack of a dedicated facility with the audio-visual and internet equipment needed for recording and/or live-streaming make it a more complicated process in comparison to cities and districts that have their own chambers for council and board meetings.

Key logistical challenges include:

- San Mateo Library has reduced its hours to and is unable to accommodate BAWSCA's meeting start time of 6:30pm. The rooms have been reserved for a meeting start time of 3:30pm as a placeholder alternative.
- The Foster City Wind Room is available beginning September for the Board's regular meeting time.
- From staff investigation, the Crowne Plaza Hotel in Foster City was identified as an alternative meeting location that is large enough to support BAWSCA's Board size at a cost of \$800/meeting.
- Currently, it is costly to reserve a space that can accommodate the large size of the Board and allow for all meeting attendees to social distance, and costly to provide a hybrid meeting format that requires audio/visual equipment to be set up and broken down before and after the meeting.

In terms of health and safety, Director Larsson noted the new sub-variants of COVID that continue to arise, and concerns with the mixed signals of its health impacts. He also noted that the County Health Officers of the region, San Mateo, Santa Clara and Alameda Counties, are advising their Boards of Supervisors against in-person meetings. Currently, the Boards of Supervisors in the region are not allowing in-person participation by members of the public, and some members of the Board themselves continue to participate remotely.

Assuming the Governor maintains the emergency declaration, BAWSCA has several options over the next few months. But if the emergency declaration is rescinded, BAWSCA will not have a lot of options for discussion, and will simply have to implement an in-person meeting with what is available. Staff is making the necessary planning for that circumstance.

Director Larsson welcomed the committee's feedback on the Board's effectiveness remotely compared to meeting in-person.

Director Wood believes that the current remote operations of the Board is working well and is keeping the Directors engaged given the circumstances of the pandemic. In addition to continuing concerns with sub-variants of COVID-19, gas prices continue to rise, there is an inflation, and traffic is picking up. She questions whether the Board would want to contribute to all of those factors. She supports maintaining the virtual meetings because it is working well, and perhaps re-assess the situation in January 2023.

Director Jordan reported that there are some bodies that are starting to meet in person. He sits on a committee at Valley Water that is meeting in-person on April 18<sup>th</sup>, as is the Valley Water Board on April 28<sup>th</sup>.

Director Chambers believes that BAWSCA's remote meetings are effective and, in his perspective, should be required for the Board to maintain social distancing given its large size. The agency should maintain virtual meetings for as long as it is appropriate and in accordance with the law as well as health and safety guidelines. When the Board does return to in-person, he would advise against using the Crown Plaza as a venue, nor changing the meeting time to 3:30pm as it would limit public participation. He encourages the Board to reconsider the Wind Room as it appears to be the venue that can accommodate the size and time frame needed to conduct the meeting.

Director Cormack appreciated the opportunity for discussion. She encourages the Board and staff to be prepared to resume in-person meeting at a month's notice. With schools open, groceries functioning, and courtrooms in session during the course of the pandemic, she does not believe that BAWSCA has a compelling argument on health and safety. BAWSCA is relying on the governor's order which could be revoked at any time, therefore having this discussion is appropriate.

While it is undeniable that the Board has successfully functioned, it is also undeniable that there have been some benefits lost including time before and after meetings to meet and greet other members of the Board and members of staff, or to ask questions. The virtual format provides a very strict schedule and takes away what is in between the formal work. The fact that BAWSCA has functioned well does not mean that there are no lack of the benefits and advantages of being back in person.

Director Cormack added that:

- BAWSCA can provide the option of wearing masks for the comfort and safety of those who choose to wear one.
- She shares Director Chamber's concerns with the 3:30 pm start time but also notes that there will be less traffic on the road.
- Directors who are unable to change their schedules for the remaining meetings in the fiscal year can continue to participate remotely as long as there is a quorum.
- The use of Foster City's Wind Room in September is reasonable because this is something the Board has done in the past when there is a conflict with the San Mateo Library.
- If BAWSCA has to pay to for a venue, it should be appropriate to do that.

Director Cormack believes that the BAWSCA Board should be oriented to resume in-person meetings in the near future.

Director Zigterman agreed that preparing to resume in-person meetings is appropriate and important. He encourages the Board and staff to consider the travel time involved for some of the Board and Committee members who are farther away. Perhaps looking into a meeting start time that is outside of rush hours to minimize commute impact.

Director Pierce agreed that BAWSCA has been effective in remote operations including the Board. She expressed her concern with the Foster City location at 6:30pm. Traffic is picking up and the Foster City location will have a commute impact for some members of the Board. The agenda may require some adjustments; for example, moving public comments to the end, if getting to the venue for the members of the public is problematic. She trusts that staff has looked at other possibilities, but encouraged further investigation to find an ideal mid-point location that provides the ability for Board members to call-in if needed and as done pre-pandemic.

Director Wood suggested the previously used venue off of El Camino, and perhaps school districts.

Ms. Sandkulla stated that BAWSCA is open to look at additional venue options. She stated that staff has been looking into public spaces as far south as Menlo Park and as far north as Burlingame. In addition to shortened hours, many facilities that are not public, such as library facilities, are reticent to re-engage in scheduling meetings with outside organizations. Similarly with school districts as they require security for after-hours operation.

College of San Mateo and the Department of Elections were venues that were contacted at the time BAWSCA transitioned to San Mateo Library, and those venues could not accommodate BAWSCA's meeting needs.

As a follow up to the comments, Director Larsson noted that staff looked into an earlier meeting start time in 2016 as part of the search for another meeting venue, and that effort was not successful. Boards that are indeed meeting in-person are bodies that are not directly advised by the County Health Officer. For the option to participate by phone as previously done, and after the Governor's emergency order has been lifted, Director Larsson noted that a proposed Assembly bill (AB 1944) would allow board participation remotely without having to open their location to the public, but would trigger the requirement for live-streaming of the meeting. BAWSCA, specifically, is not equipped to do live-streaming. If this bill passes, it will almost be impossible for BAWSCA to allow any member of the Board to participate by phone as done in the pre-pandemic past.

Director Larsson appreciated the members' comments which he will refer to in his ongoing review of the logistics with Ms. Sandkulla and BAWSCA staff.

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

## **7. CEO Reports:**

- A. Water Supply Conditions: Ms. Sandkulla presented the total potable water use in the service area for the month of February 2022 and emphasized the 11% increase in comparison to February 2021.

As Mr. Ritchie reported, there is a definite increase in water use and it is critical for the agencies to get the water customers to respond to the call for rationing. Ms. Sandkulla suspects that the water-use increase is in response to ongoing dry conditions, and that customers are experiencing message fatigue. She urges Board members to work with their agencies in their role as appointed representatives of the region to emphasize the need for conservation. The region is capable of achieving the 10% voluntary water use reduction goal. It is critical for the region to move in that direction to get through the drought and avoid the SFPUC from calling a mandatory rationing, and the Governor from triggering restrictions that could be devastating for the region.

Ms. Sandkulla reported that BAWSCA is out in the community in response to invitations to have a presence and/or speak at events and talk about the drought and benefits of water conservation, as well as the Regional Water System and BAWSCA's goals and role on behalf of the water users. BAWSCA tabled at the Rotary Day of Service for the broader Bay Area on April 9th, spoke at a March event hosted by Sustainable San Mateo, and presented to C/CAG Resource Management & Climate Protection Committee. Upcoming events include participation in Filoli's Summer exhibition called Blue Gold: The Power & Privilege of Water. Filoli intends to focus on the importance of water and cover all aspects of the history and development of the system. Events like these provide an opportunity for BAWSCA to communicate with the community.

- B. Bay Delta Plan/FERC Update: Ms. Sandkulla reported that on March 30<sup>th</sup>, the State, Federal and certain local water leaders signed an MOU, which outlines an 8-year plan with measures to provide additional flows and habitat to help improve conditions in the Sacramento-Delta watershed. Signatories are the large export interests as well as the large agricultural districts on the Sacramento River and North of the Delta that participate in water transfers. They include State and Federal Water Contractors, Metropolitan Water District, State Water Contractors Association, Westlands Water District, and Yuba County Water Agency.

There were no signatories from the San Joaquin Tributaries, including the SFPUC. The MOU offers the potential for future participation by water suppliers on the San Joaquin tributaries. SFPUC is reviewing the details of the MOU to determine exactly what is included for the Tuolumne River, and they are engaging in discussions with the State on a potential voluntary alternative for the Tuolumne River. Ms. Sandkulla is optimistic and hopes to see positive developments moving forward.

BAWSCA will continue to push the SFPUC to resolve this issue given its obligations to the wholesale customers and the environment. BAWSCA's efforts are on multiple fronts as it has been for several years now. It focuses on protecting the water users interests by pushing for negotiations on a voluntary agreement, advocating for the Tuolumne River Voluntary Agreement as a potential viable alternative, monitoring the SFPUC's Alternative Water Supply Program to develop new supplies as needed, and working to identify other avenues for legislative support. BAWSCA remains actively engaged with legislative and other allies.

Director Cormack recognized Dr. Ashoori's promotion to Sr. Water Resources Engineer that was listed on the CEO's letter. She expressed her congratulations to Dr. Ashoori and acknowledged the talents she brings to the agency.

In response to Director Jordan, Ms. Sandkulla stated that the Governor's Executive Order to address the drought provides the indication that more stringent restrictions will be enforced if water use is not reduced. She noted that Governor Brown's Executive Order in 2015 received significant push back from many agencies that had made significant investments in locally developed water supplies and felt that the state's mandatory water rationing was excessive and beyond what was required of their local jurisdictions. This was part of the reason why the State is asking agencies to do annual water supply demand and supply analysis.

Ms. Sandkulla responded to Director Zigterman's question on what particular details on the MOU the SFPUC is reviewing. She explained that the MOU speaks to the whole Bay Delta Plan and acknowledges that the signatories and participants in the negotiations are only those from the Sacramento tributaries and not from the San Joaquin tributaries. Yet, the details of the MOU include numbers associated with the San Joaquin tributaries. The SFPUC is inquiring where those numbers in the MOU details are derived from.

8. **Closed Session:** The Committee adjourned to Closed Session at 3:13 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 3:32 pm. Ms. Schutte reported that no action was taken during Closed Session.
10. **Comments by Committee Members:** There were no further comments from Committee members or members of the public.
11. **Adjournment:** The meeting was adjourned at 3:33 pm. The next meeting is June 8, 2022 with the location and format to be announced.

Respectfully submitted,

Nicole Sandkulla, CEO/General Manager

NS/le

Attachments: 1) Attendance Roster

# Bay Area Water Supply and Conservation Agency

## Board Policy Committee Meeting Attendance Roster

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

### April 13, 2022 Meeting Attendance (Via Zoom pursuant to provisions of Gov. Code Section 54953(e) )

#### BAWSCA Staff:

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

#### Public Attendees:

Leonard Ash	ACWD	Dave Warner	Self
Cheryl Munoz	Hayward	Carol Steinfeld	Self
Lisa Bilir	Palo Alto		
Steve Ritchie	SFPUC		
Alison Kastama	SFPUC		
Julia Nussbaum	Stanford		



**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

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

**Summary:**

This item requests the BPC to recommend the Board authorize the CEO/General Manager to negotiate and execute a contract to support the redesign and implementation of BAWSCA's Water Conservation Database (WCDB). Consultant selection will be completed before the July 21, 2022 Board meeting. Information detailing the proposed scope of work and cost will be provided in the Board package provided prior to the meeting.

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

BAWSCA issued a Request for Proposal (RFP) for services on May 13, 2022. Proposals are due by June 10, 2022. BAWSCA anticipates that proposal review and consultant selection will be completed by June 30, 2022 and that this item will be brought to the Board for consideration in July with a request for authorization to negotiate and execute a contract with the selected consultant.

**Fiscal Impact:**

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

**Recommendation:**

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

**Discussion:**

BAWSCA's WCDB serves as the repository for BAWSCA member agency water use and water conservation program information. A need to update the WCDB has been identified, and that update will be extensive. BAWSCA's current WCDB was launched in October 2010 and was last updated in FY 2016-17. The WCDB is used to collect data in a consistent format for three specific efforts: (1) conservation activity reporting, (2) BAWSCA Annual Survey reporting on water use and demographic data and (3) DSS modeling and demand projections support. The WCDB is designed to facilitate data collection, provide data monitoring, and compile data for reporting.

For FY 2022-23, the work will include scoping what is needed for the update, which will include a review of the existing WCDB, engagement with member agencies, and determination of the approach and platform that is most appropriate. Once that is determined, an updated WCDB will be developed and made ready for implementation. Prior to implementation, there will be training provided to member agencies such that the WCDB can then be put to use.

**Consultant Selection Process**

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

A panel consisting of staff representatives from BAWSCA, a member agency, and an outside agency will review proposals received. The selection process also includes the potential for consultant interviews. BAWSCA anticipates finalizing consultant selection by June 30, 2022.

Consultants will be evaluated based on the following criteria:

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

The FY 2022-23 budget allocation of \$120,000 reflects the need to secure specialized, technical consultant services to complete this work. This budget estimate is based on prior costs incurred for WCDB development.

**Scope of Work and Billing Rates:**

A draft scope of work as developed by the selected consultant coupled with a cost proposal and billing rates will be included in the agenda memo for this item for the July 21, 2022 Board meeting.

A copy of the project description and tasks as detailed in the RFP is provided in Exhibit A.

## **Exhibit A**

### **PROJECT DESCRIPTION**

BAWSCA seeks to select a firm (Consultant) to assist BAWSCA in developing a new Water Conservation Database. BAWSCA anticipates that the work will be completed by the close of FY 2022-23 (June 30, 2023).

The work is expected to include the following tasks:

#### **Task 1 – Project Management**

#### **Task 2 – Review Existing WCDB**

The selected Consultant will review the existing WCDB. The purpose of that review will be to gain an understanding of how the WCDB is used to support the needs and interests of BAWSCA and its member agencies. BAWSCA envisions that the development of the redesign will consider the need to improve the functionality of the existing system, increase efficiency in the user experience, and enable efficient management and future modifications.

WCDB components to review include, but are not limited to:

- Prior WCDB scoping documents
- The existing WCDB training manual
- The existing WCDB system specifications and interface
- The methodology utilized within the existing WCDB that allows for data input and transfer
- Misc. reports generated from the WCDB data

In an effort to gain insight into what a redesigned WCDB should incorporate, Consultant will participate in meeting with the BAWSCA Water Resources Committee, which is comprised of representatives from each of the BAWSCA member agencies,

#### **Task 3 – WCDB Redesign Scope & Needs Assessment**

Consultant and BAWSCA staff will convene with the Wholesale Customers, specifically the BAWSCA Water Resources Committee, to kick off the scoping process. BAWSCA envisions a kick-off meeting, approximately two (2) hours in length. During the kick-off, there would be a discussion as to what the objectives of the coming WCDB redesign should be. In addition, the Wholesale Customers would be engaged to obtain their feedback on the WCDB's existing functionality and what they may desire as part of a redesign. While that engagement will begin at the kick-off meeting, it is anticipated that such engagement will continue as follow-up activities. Those activities may include phone conversations, virtual one-on-one meetings with BAWSCA and its member agencies, or email exchanges.

Once the scope and needs assessment has been completed, there will be an additional two (2) hour meeting with BAWSCA and the member agencies to present the findings of the assessment and introduce the project implementation plan.

For proposal purposes, the Consultant should assume that the Wholesale Customer meeting would be held in person, yet the fallback option of virtual meetings may be necessary due to COVID-19 considerations. BAWSCA is responsible for room reservations and meeting set-up.

The purpose of this Task is to develop a shared vision for the future WCDB by collaboratively reviewing the data and functionality of the existing database, collecting information on desired enhancements and functionality changes, and identifying additional data sources and resources to be included in the future WCDB.

This Task will include the following activities:

- Hold visioning session with member agency designees to collectively set-the-stage for the outcome of the WCDB;
- Review the current BAWSCA database data fields;
- Review other data entry requirements for BAWSCA agencies;
- Identify redundant or similar requirements;
- Review current data utilization from WCDB for BAWSCA activities such as Annual Survey, Conservation Report, and DSS model updates;
- Review of data needs for planned or anticipated BAWSCA efforts (Tier 2 Plan, enhanced demand modeling, support for urban water use objectives) and data availability to meet these data needs; and
- Collect requirements for user interface design preferences, visualization, and reporting formats.

The above activities will be completed in collaboration with BAWSCA, and the outcome will include a technical memo on user requirements and preferences. The specific functionality to be included in the WCDB will be determined based on meeting the high priority and “must have” features and data identified in the user requirements document along with BAWSCA’s allocated budget for the project.

#### **Task 4 – Develop WCDB**

The purpose of this Task is to develop the enhanced WCDB based on the outcomes and needs identified in Tasks 2-3 to improve functionality and meet both current and planned uses. To increase efficiency and flexibility, an existing platform (such as MS Sharepoint or alternative platform) will be utilized for the basic framework of the WCDB. The proposed platform must include comprehensive user management, administrative functionalities and reporting capabilities that can be easily configured to meet BAWSCA’s multi-user needs.

The WCDB will be configured to address the needs identified in Tasks 2-3 to improve usability for BAWSCA and member agencies and to streamline key reporting tasks. The additional functionality included in the WCDB (beyond current database capabilities) are anticipated to include, but are not limited to:

- Enable QA/QC of data within database as well as notifications to BAWSCA and agencies as data review moves through various steps (data entry, agency review, BAWSCA review, final) with built-in QA/QC protocols to support data review.
- Automatically generate key tables, figures, and data visualization for BAWSCA annual survey and conservation report in preferred format.
- Automatically update infographics and agency profiles on BAWSCA website once data has been finalized.
- GIS integration to support mapping of key service area information for website and report use.
- Enable import of external data sources to streamline data entry for BAWSCA agencies and improve consistency.
- Enable multiple levels of user access for BAWSCA staff and member agency

personnel.

- Integrate with Droplet Portal for import of summary-level conservation program information into the WCDB for each agency.
- Enable import of Santa Clara Valley Water District conservation reports to streamline data entry for Valley Water common customers.
- Customize export formats to support ongoing and planned BAWSCA and agency needs for WCDB data.
- Enable desired unit conversions where applicable.
- Allow multiple types of data and file imports (excel, word, adobe, etc.)
- Ability to compare historical data with annual survey agency data submittals.
- Enable multiple project tracking with percentage-based competition analytics and automatic deadline reminders to multiple users.
- Provide basic content management capabilities for administrators.
- Ability to export data for reporting purposes (AB 1668 & SB 606 water use reporting requirements).

### **Task 5 – User Training**

Consultant will conduct a training session for the BAWSCA member agencies and BAWSCA staff. Training will be held via webinar, on two separate dates to facilitate member agency participation. Consultant will also incorporate key sections of the newly designed WCDB User Training Guide into the training session. The Consultant should assume that three BAWSCA staff members and two staff members from each of BAWSCA's member agencies will require database training.

### **Task 6 – Ongoing Technical Support**

While the level of technical support that will be needed following the completion and implementation of a redesigned database is uncertain, BAWSCA believes that some ongoing technical support will be required. Technical support may include, but is not limited to, ongoing maintenance, refinement, support to end users (BAWSCA and member agencies) on technical questions on the usage of the WCDB, implementing bug fixes, or addressing other requested changes or enhancements. As part of a response to this RFP, proposers must describe the ongoing support processes, procedures, and methods they envision would be employed for the proposed database. The description should identify hours of supports, methods to access support, after-hours support, and response time commitments. Any associated customer support fees should also be identified in the Cost Proposal Form.

### **Task 7 – Warranty**

At a minimum, the proposer must provide a one (1) year warranty for the WCDB commencing on Final Acceptance by BAWSCA. During the warranty period, Consultant warrants that the Redesigned WCDB, when used in accordance with the instructions in the user's manual or subsequent training documentation, shall operate as described in all material respects. Consultant shall, at its own expense and as its sole obligation remedy for any breach of this warranty, (a) correct any reproducible error in the WCDB reported to the Consultant in writing during the Warranty Period, or (b) if Consultant determines that it is unable to correct the error or replace the WCDB, Consultant shall refund to BAWSCA all License Fees and Support Service Fees actually paid for the defective WCDB, in which case this Agreement and BAWSCA's right to use the Software shall terminate.

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

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

**Summary:**

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

On April 22, 2022, BAWSCA released a Request for Proposals (RFP) seeking qualified consultants to support BAWSCA member agencies with understanding and complying with the new requirements. The RFP was posted on the BAWSCA website and sent directly to 17 firms with experience in water use efficiency program planning and/or that have had participated in working groups convened by the California Department of Water Resources (DWR) as they develop the long-term standards. One proposal, submitted by MWM, was received by the May 20, 2022 deadline.

BAWSCA convened a proposal review and selection panel consisting of two BAWSCA staff members and three external experts. The panel conducted a thorough and rigorous review and unanimously agreed that the MWM team possesses the necessary skills and experience to support BAWSCA member agencies in this effort. The review panel identified a few discrete areas of the scope of work in the proposal that could benefit from more detail and may require additional consultant time to complete. BAWSCA is working with MWM to finalize the scope of work to ensure the best final work product for the BAWSCA member agencies. That finalization will take place by June 30, 2022.

**Fiscal Impact:**

The adopted FY 2022-23 budget allocated \$86,000 for this water use efficiency support services project. BAWSCA does not anticipate that the final project scope will exceed the approved project budget.

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

**Recommendation:**

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

**Discussion:**

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

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

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

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

**Consultant Selection Process**

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

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

Negotiations are now taking place with MWM regarding the scope of work and cost estimate, taking into account suggestions that were raised by the proposal review panel. BAWSCA anticipates that those negotiations will be completed by the end of June 2022 such that a final scope of work and cost estimate will be included in the July 21, 2022 Board meeting agenda packet.

**Potential Partnership with Santa Clara Valley Water District (Valley Water)**

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



**Background:**

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

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

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

**Scope of Work and Billing Rates:**

A draft scope of work and billing rates are provided in Exhibit A. A final scope of work and project cost will be provided as part of the July 21, 2022 Board meeting agenda packet.

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## Exhibit A

### Draft Scope of Work

#### Scope of Work

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

**Table 1. Summary of Project Roles and Responsibilities**

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

## **Task 1 Project Management**

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

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

## **Task 2 CII Classification System Roadmap**

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

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

## **Task 3 CII Dedicated Irrigation Meter Conversion Threshold Roadmap**

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

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

## **Task 4 CII Best Management Practices Roadmap**

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

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

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

### **Task 5 Optional Work/Additional Meetings**

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

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

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

### **Billing Rates**

#### **Maddaus Water Management**

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

#### **Western Policy Research**

Anil Bamezai	\$200
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#### **Woodard & Curran**

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

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

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

**Summary:**

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

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

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

**Fiscal Impact:**

No impact on BAWSCA's annual operating budget.

**Recommendation:**

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

**Discussion:**

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

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

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

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

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

Attachments:

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



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

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

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

Note: RFA is administratively run by BAWSCA.

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

**APPENDIX A  
DESIGNATED POSITIONS**

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

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

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

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

### **Public Officials Who Manage Public Investments**

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

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

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

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

**APPENDIX B  
DISCLOSURE CATEGORIES**

**Disclosure Category 1**

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

**Disclosure Category 2**

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

**Disclosure Category 3**

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

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



### CERTIFICATION OF FPPC APPROVAL

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

  
\_\_\_\_\_  
John M. Feser, Jr.

Senior Commission Counsel

Fair Political Practices Commission

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# **BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

## **CONFLICT OF INTEREST CODE**

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

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

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

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

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

**CONFLICT-OF-INTEREST CODE FOR  
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY  
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**CONFLICT-OF-INTEREST CODE FOR  
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**APPENDIX B  
DISCLOSURE CATEGORIES**

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# **BAWSCA**

**Bay Area Water Supply & Conservation Agency**

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

## **MEMORANDUM**

**TO:** BAWSCA Board Policy Committee  
**FROM:** Nicole Sandkulla, CEO/General Manager  
**DATE:** June 8, 2022  
**SUBJECT:** Chief Executive Officer/General Manager's Letter

### **BAWSCA Water Supply Reliability Roundtable**

BAWSCA hosted its first of four Water Supply Reliability Roundtable (Roundtable) workshop on May 24, 2022. The workshop was two hours in length and brought together area leaders and experts in the water, wastewater, stormwater, and recycled water fields. In order to encourage open discussions, the invitee list was limited to staff and agency / organization management level, and does not include elected officials at this time. Approximately 40 individuals were in attendance.

This first workshop was titled "Demystifying the One Water Concept". BAWSCA's Water Recourses Manager, Tom Francis, led the workshop by detailing the purpose and objective of the overall Roundtable effort. EKI Environment and Water, Inc. (EKI) discussed the definition of "One Water". Two guest speakers presented their respective agencies' work. Inga Wiersema, PE, ENV SP at Carollo Engineers, Inc, spoke about the efforts associated with the development of the "One Water Los Angeles 2040 Plan". Lisa Bilir, Resource Planner for City of Palo Alto, spoke about Palo Alto's efforts to develop a One Water Plan. The workshop included an interactive session that enabled discussion between participants on identifying how One Water concepts may fit into their specific agency's or organization's project plans and interests.

Materials associated with the Roundtable workshops, such as meeting agendas, presentations, etc., will be posted on BAWSCA's website at this location:  
<https://bawasca.org/water/reliability/Roundtable>.

The Roundtable discussions provide an opportunity for networking, information sharing, and learning. The next Roundtable workshop will be held virtually on June 28, 2022. The topic for the next workshop will focus on financing options for One Water projects and overall programs.

### **San Francisco Peninsula Regional PureWater Project (SFPREP) Memorandum of Agreement (MOA)**

The Potable Reuse Exploratory Project (PREP) has now been retitled as the San Francisco Peninsula Regional PureWater Project (SFPREP). SFPREP is a purified water project that could provide 6-12 mgd of water supply through reservoir water augmentation at Crystal Springs Reservoir, a Regional Water System (RWS) facility. Treated wastewater from Silicon Valley Clean Water (SVCW) and/or the City of San Mateo would go through an advanced water treatment plant to produce purified water that meets state and federal drinking water

quality standards. The purified water would then be delivered via a pipeline 10-20 miles (depending on the alignment) to Crystal Springs Reservoir, blended with regional surface water supplies and treated again at Harry Tracy Water Treatment Plant. BAWSCA has been a partner agency on the SFPREP efforts since the concept's inception in 2017. Partners also include California Water Service Company, Redwood City, SFPUC, City of San Mateo, Mid-Peninsula Water District, and Silicon Valley Clean Water.

Early studies analyzed the feasibility of treatment and distribution and provided feasible scenarios for institutional structure and costs. More recently, the partner agencies developed a proposed scope of work for initiating a more formal feasibility study that meets State and Federal requirements for funding support. The formal feasibility study will include a "Basis of Design Report (BODR)" that advances key project components to a 10% design level. The estimated cost of the development for this feasibility study / BODR is \$1,030,000. BAWSCA's proposed share of that cost is \$51,500. BAWSCA's adopted FY 2022-23 budget includes that anticipated financial commitment.

A Memorandum of Agreement (MOA) would be used to guide the proposed work effort for this most recent phase of SFPREP. It documents the responsibilities of the partner agencies, including their financial commitments. The MOA is currently in the process of being finalized. Once ready, the MOA will be brought to the BAWSCA Board for approval.

BAWSCA's active and independent participation in SFPREP 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.

### **Tier 2 Drought Plan Efforts – Update**

The Water Management Representatives (WMR) finalized the draft Tier 2 Drought Plan policy principles at the April WMR meeting. Woodard & Curran, the technical consultant supporting the project, developed two model concepts that the WMR provided feedback on at the May WMR meeting. These initial model concepts were simple by design to solicit feedback on specific elements. That feedback was used to modify one model concept and develop a new model concept, both of which were reviewed and discussed at the June WMR meeting.

The Tier 2 discussions to date have focused on whether a contract-based or needs-based approach is more appropriate, and which approach meets the agreed upon principles. Additionally, the agencies are negotiating model inputs, such as a health and safety minimum, minimum and maximum cutback thresholds, and whether a single or multiple base years should be used. Board members interested in learning more about the Tier 2 Plan update should consult with their WMR. A short status presentation will be provided to the Board at its upcoming July meeting.

### **Drought Update**

On May 24, 2022, the State Water Resources Control Board (State Board) adopted emergency drought regulations aimed at curtailing water use in the summer months. By June 10, 2022, all urban water suppliers must implement, at a minimum, all demand reduction actions identified in the supplier's water shortage contingency plan associated with a shortage level of 10% to 20% (Level 2). To prevent the unreasonable use of water and to promote water conservation, the use of potable water is prohibited for the irrigation of non-functional turf at commercial, industrial, and institutional sites. Additionally, the Governor maintains the call for all Californians to voluntarily reduce water use by 15% compared to 2020 levels.

On May 24, 2022, in response to the State's emergency drought regulations, the San Francisco Public Utilities Commission (SFPUC) adopted Level 2 of its water shortage contingency plan

and called for a voluntary 11% systemwide reduction in water use based on Fiscal Year 2019-20 levels. This results in approximately a 16% reduction to the Wholesale Customers collectively. However, individual agencies will need to reduce water use by 7% to 34% based on the Tier 2 Drought Response Implementation Plan.

The Santa Clara Valley Water District (Valley Water) is maintaining its call for 15% mandatory reduction in water use compared to Calendar Year 2019 levels.

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# Board Policy Committee

## Policy Calendar Through February 2023

Meeting Date	Purpose	Issue or Topic
August 2022	D&A R&D	CEO/General Manager Performance Evaluation OPEB Report
October 2022	D&A D&A R&D	Annual Review and Consideration of BAWSCA's Statement of Investment Policy Review and Consideration of BAWSCA's General Reserve Policy Review of Agency Personnel Handbook
December 2022	D&A R&D R&D R&D	Mid-Year 2022-23 Work Plan, Budget and General Reserve Review BAWSCA's OPEB Liability Funded Status Update, incl. the SFPUC's Status BAWSCA's Pension Liability Funded Status Update, incl. the SFPUC's Status Water Supply Update
February 2023	D&A R&D	Consideration of FY 2023-24 Bond Surcharges Discussion of Preliminary FY 2023-24 Work Plan and Budget