



**October 9, 2024**  
**1:30 p.m.**

**Burlingame Community Center – Sequoia Room**  
[850 Burlingame Ave., Burlingame](#)

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*One member of the Board will participate in this meeting by teleconference. Locale shall be: 1025 East Strawberry Ln., Boise, ID 83712. When any member of the board participates by teleconference, all votes taken at this meeting will be by roll call vote.*

## AGENDA

<u>Agenda Item</u>	<u>Presenter</u>	<u>Page#</u>
<b>1. <u>Call To Order, and Roll Call</u></b> Roster of Committee Members ( <i>Attachment</i> )	(Hardy)	Pg 5
<b>2. <u>Comments by Chair</u></b>	(Hardy)	
<b>3. <u>Consent Calendar</u></b> A. Approval of Minutes from the June 12, 2024 meeting ( <i>Attachment</i> )	(Hardy)	Pg 7
<b>4. <u>Public Comment</u></b> <i>Members of the public may address the committee on any issues not listed on the agenda that are within the purview of the committee. Comments on matters that are listed on the agenda may be made at the time the committee is considering each item. Each speaker is allowed a maximum of three (3) minutes.</i>	(Hardy)	
<b>5. <u>Action Calendar</u></b> A. Adoption of Resolution #2024-03 Approving the Extension of the 2021 Amended and Restated Tier 2 Drought Response Implementation Plan ( <i>Attachment</i> ) <u>Issue:</u> What is the negotiation status and BAWSCA's recommendation to address the December 2024 expiration of the Tier 2 Drought Response Implementation Plan? <u>Information to Committee:</u> Staff memo and oral report. <u>Committee Action Requested:</u> That the Board Policy Committee recommend Board adoption of Resolution #2024-03 extending the term of the 2021 Amended and Restated Tier 2 Plan through December 31, 2025.	(McPherson)	Pg 21
B. Annual Review and Consideration of BAWSCA's Investment Policy ( <i>Attachment</i> ) <u>Issue:</u> BAWSCA's Investment Policy requires the Board to act on it annually irrespective of any changes. No changes are recommended. <u>Information to Committee:</u> Staff memo and oral report. <u>Committee Action Requested:</u> That the Board Policy Committee recommend Board re-affirmation of the current Statement of Investment Policy.	(Tang)	Pg 29

- C. Creation of Transition Manager Position, Adopting Revised Publicly Available Pay Scale, and Appointing Nicole Sandkulla to the Transition Manager Position (*Attachment*) **(Schutte)** Pg 37
- Issue: What resources are needed for a smooth transition to a New CEO/General Manager?
- Information to Committee: Staff memo and oral report.
- Committee Action Requested: That the Board Policy Committee recommend the Board approve the creation of the Transition Manager position, add the Transition Manager position to BAWSCA's publicly available pay scale for FY 2024-25, and appoint Nicole Sandkulla to the Transition Manager position effective December 1, 2024.
- D. Resolution Approving the Temporary Appointment of Nicole Sandkulla as Special Counsel to the CEO/GM and Adoption of the Pay Schedule for the Special Counsel Position (*Attachment*) **(Schutte)** Pg 43
- Issue: What resources are necessary to provide executive counsel and advice to the new CEO/General Manager?
- Information to Committee: Staff memo, resolution, and oral report.
- Committee Action Requested: That the Board Policy Committee recommend the Board adopt Resolution #2024-04 approving the temporary appointment of Nicole Sandkulla to the position of Special Counsel to the CEO/GM, adopting the pay schedule for the Special Counsel position, and making associated findings in support of such an appointment.
- E. Adoption of BAWSCA Retroactive Pay Schedules for FY 2020-21 to 2023-24 and Pay Schedule for FY 2024-25 (*Attachment*) **(Schutte)** Pg 53
- Issue: What information is needed to meet CalPERS requirements for public posting of approved staff salary schedules?
- Information to Committee: Staff memo and oral report.
- Committee Action Requested: That the Board Policy Committee recommend Board adoption of BAWSCA Retroactive Pay Schedules for FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, and Pay Schedule for FY 2024-25.
- F. Adoption of Ordinance #2024-01 to Increase Board Member Compensation (*Attachment*) **(Schutte)** Pg 65
- Issue: What actions are necessary to implement Board direction provided at the September 19, 2024 meeting to increase Board compensation and establish a regular review every five years?
- Information to Committee: Staff memo, Ordinance and oral report.
- Committee Action Requested: That the Board Policy Committee recommend that the Board hold a noticed public hearing in order to adopt Ordinance #2024-01 at the next available meeting, increasing the Board member stipend up to \$200/meeting; and require review of Board member compensation on a five (5) year interval.

**6. CEO Reports**

**(Sandkulla)**

- A. Los Vaqueros Expansion Project
- B. Bay Delta Plan/FERC Update
- C. CEO's Letter (*Attachment*)
- D. Board Policy Committee Calendar (*Attachment*)
- E. Correspondence Packet ([Under Separate Cover](#))

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**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 (Third Appellate District Court Case No. C101232).

**8. Report from Closed Session**

**(Schutte)**

**9. Comments by Committee Members**

**(Hardy)**

**10. Adjournment to the Next Meeting**

**(Hardy)**

December 11, 2024 at 1:30pm

**Accessibility for Individuals with Disabilities**

Upon request, BAWSCA will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least two days before the meeting. Requests should be emailed to [bawasca@bawasca.org](mailto:bawasca@bawasca.org) or submitted by phone at 650-349-3000. Requests will be granted whenever possible and resolved in favor of accessibility.

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE**

**2024 Committee Roster:**

Karen Hardy, City of Santa Clara (Chair)  
Leslie Marden Ragsdale, Hillsborough (Vice Chair)  
Thomas Chambers, Westborough Water District (BAWSCA Chair)  
Maria Doerr, City of Menlo Park  
Darin Duncan, California Water Service Company  
Barbara Pierce, City of Redwood City  
Ann Schneider, City of Millbrae  
Louis Vella, Mid-Peninsula Water District (BAWSCA Vice Chair)  
Tom Zigterman, Stanford University

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY****BOARD POLICY COMMITTEE****June 12, 2024 – 1:30 p.m.****MINUTES**

1. **Call to Order:** Committee Chair, Karen Hardy, called the meeting to order at 1:31pm. She noted that the meeting is a Special Meeting because it is being held at the San Mateo Main Library, 55 W. 3<sup>rd</sup> Ave., which is a location different from what is noted on the Rules of the Board. While one Committee member is participating via teleconference and the meeting is being livestreamed, it is not a hybrid meeting. All public comments shall be made in-person, or from the teleconferencing location. Accordingly, all committee actions require a roll call vote.

CEO/General Manager, Nicole Sandkulla called the roll. Eight members (8) of the Committee were present at roll call with one member via teleconference in accordance with the traditional Brown Act rules. 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:** Committee Chair Hardy welcomed members of the Committee. She thanked BAWSCA and SFPUC staff for putting together the June 4<sup>th</sup> and 5<sup>th</sup> Hetch Hetchy tour, in which she encourages Board members and members of the agencies' governing bodies to attend when possible. It is an educational tour of the Regional Water System.

3. **Consent Calendar:**

**Director Pierce made a motion, seconded by Director Schneider, that the Committee approve the Minutes of the April 10, 2024 Board Policy Committee meeting.**

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

There were no comments from members of the Committee and from members of the public on the consent calendar.

4. **Public Comments:** There were no public comments.

5. **Action Calendar:**

- A. **Contracting and Funding to Initiate the Development of BAWSCA's Long-Term Reliable Water Supply Strategy 2050 (Strategy 2050):** BAWSCA Sr. Water Resources Engineer, Negin Ashoori, was pleased to report that the scoping for the development of Strategy 2050 has been completed, and the next steps are to obtain and fund the technical and legal services needed to develop Strategy 2050.

Ms. Ashoori reminded the Committee that the scope of work for Strategy 2050 was developed by first defining its purpose and objectives. The purpose established for Strategy 2050 reflect input received from discussions with the Water Management Representatives and BAWSCA Board.

Six objectives were developed based on responses from a needs assessment survey of the member agencies. The objectives are in addition to BAWSCA's work to oversee the Water Supply Agreement (WSA), and are in alignment with BAWSCA's overall goal of ensuring reliable supply of high quality water at a fair price.

The established purpose and objectives of Strategy 2050 supported the identification of seven key tasks for the scope of work which will serve as the foundation of Strategy 2050. The scope of work for Strategy 2050 includes defined primary tasks and subtasks that were presented to the WMR in March, the BPC in April, and the full Board in May. Each task and subtasks within the scope tie directly back to the purpose and objectives of Strategy 2050. In completing the seven tasks, BAWSCA will hold workshops for WMRs and the Board and stakeholder engagement with outside parties.

The next steps are to initiate the development of Strategy 2050, which requires Board action to authorize the CEO/General Manager to 1) negotiate and execute professional services agreements with the necessary technical and legal support; and, 2) use the Water Management Charge as the source for funding.

To facilitate an efficient transition from the scoping of Strategy 2050 to its development, the contract for technical services that BAWSCA negotiated and executed for the scoping effort left open the potential to use the same consultant for subsequent phases, at BAWSCA's sole discretion.

EKI provided the technical support for scoping Strategy 2050. BAWSCA is recommending continuing with EKI for the development of Strategy 2050 for several factors including:

- the quality of work they performed, which reflected EKI's familiarity with the level of complexity associated with the work involved;
- EKI's demonstrated ability to complete the work within schedule and budget; and,
- the reasonableness of EKI's proposed key business terms for preparing Strategy 2050, which includes schedule, price, and key staff.

The proposed contract amount is \$2,267,000 which would cover the completion of all seven tasks.

The second consultant support needed is legal services with Hanson Bridgett. BAWSCA is recommending a separate contract for legal services specifically associated with the development of Strategy 2050. This would provide flexibility to pay for legal fees throughout the 2+ years of the Strategy development, the ability to track legal fees specifically associated with Strategy 2050, and ensure its direct relationship with the Water Management Charge.

The proposed contract amount for legal services is \$180,000

The proposed funding source for developing Strategy 2050 is the use of the Water Management Charge (WMC), which was a successful funding method used for the 2015 Strategy.

An estimated \$2,447,000 would be collected from member agencies over a period of 18 months, or \$135,944 per month collectively. The charges allocated to each agency would be in proportion to their FY 2000-01 Regional Water Supply purchases, which is consistent with the allocation of BAWSCA's annual assessments as was set by BAWSCA's enabling legislation, AB 2058, and is the same as used for the WMC that funded the 2015 Strategy.



At the direction of the BAWSCA Board, SFPUC would collect the funds via a new line item called "Water Management Charge" in each wholesale customer's water bill beginning September 2024. SFPUC would remit the funds to BAWSCA for its use on behalf of its member agencies. As required by the WSA, BAWSCA would provide an annual fiscal year report to San Francisco stating how much money was received and how the funds were expended.

The use of the WMC offers unique benefits including; having the flexibility to collect revenue & allocate costs specifically for Strategy 2050 as opposed to the assessment process which funds BAWSCA's operating budget; it represents a distinct project budget that is independent of BAWSCA's annual operating budget and offers a revenue stream that is not constrained by a fiscal year; and enables the member agencies to accommodate the costs of Strategy 2050 as part of the costs of water from San Francisco.

The development of Strategy 2050 is anticipated to begin in January 2025. As previously reported to the Board, the six month delay is due to staff time needed to get the Demand Study completed in time for the member agencies' use in developing their Urban Water Management Plans. The six month period would also provide time to accrue sufficient funds from the WMC before starting the work.

Ms. Ashoori noted that the time between July 2024 and January 2025 will allow BAWSCA to develop a more precise schedule for Board participation and input throughout the 2+ years scheduled for Strategy 2050. Receiving input from the Board during the scope development was critical and continuing the same level of engagement with the Board throughout the development of Strategy 2050 is important.

Committee members' comments and questions were taken following Ms. Ashoori's presentation.

In response to Director Zigterman, Ms. Sandkulla clarified that the professional services with EKI will be paid as a not-to-exceed the contract amount. She also explained that the use of FY 2000-01 as the basis of allocation to the member agencies for the water purchases is because it is also the basis of calculation for BAWSCA's annual assessments in which BAWSCA's normal operating budget is collected in that proportion. This allocation for BAWSCA's annual assessments was set by BAWSCA's enabling legislation, AB 2058, which was passed in 2002. The legislation does not allow for the basis of calculation to be changed without a legislative amendment. The recommendation is to charge the cost for Strategy 2050 in the same proportion that BAWSCA would charge any other planning study that is done by BAWSCA through its annual operating budget because there is no distinctive difference between the benefits received if it was done on an annual operational basis.

Director Schneider expressed her support for the Strategy but is sensitive to how much more Millbrae residents can be expected to pay. She asked how long would the WMC last and what would be the percentage of cost to each agency.

Ms. Ashoori stated that the WMC would last for 18 months and that Table 1 of the staff report provides the percentages per agency as well as the cost per month and total agency share. Ms. Ashoori noted that the impact is about \$0.02/ccf.

Director Schneider recognized the value of Strategy 2050 as well as the regional projects in general, and stated that it would help local government and districts if the messaging of the reasons behind them and what their benefits are to the rate payers are provided by the lead entities like BAWSCA.

Director Duncan stated his support for the recommendation and provided a comment similar to Director Schneider's regarding the impacts to rate payers. His preference would have been to have the increase concurrent with the SFPUC's rate increase. Water customers do not like rate changes throughout the course of the year, and having one impact would be better received. Additionally, as a private company, CalWater is required to file with the Public Utilities Commission to pass through rate increases. CalWater will complete this process for SFPUC's rate increases in July, and will have to repeat the process for the additional surcharge in September.

Ms. Sandkulla appreciated the point made and noted the comment for future reference.

Director Pierce noted that it is also helpful for Board members to remember that the member agencies' Water Management Representatives have input in the Strategy 2050 so that all of the tasks that will be undertaken are tasks that will benefit our agencies and water customers. Even if the WMC is an additional charge, it is for a limited time period, it will set the work plan for the next 10-15 years, and it will provide long-term benefits. It is an investment in the future for all of the residents and water customers.

Director Hardy added that the established purpose of Strategy 2050 clearly states the reasons for, and the benefits of, the effort. It indicates what the BAWSCA Board wants to do and why it is an effort the Board wants to support and invest in collectively to ensure water reliability and resilience within the BAWSCA region.

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

**Director Pierce made a motion, seconded by Director Zigterman, that the Board Policy Committee recommend the Board authorize the CEO/General Manager to:**

- **Negotiate and execute a contract with EKI for the development of Strategy 2050 for a cost not to exceed \$2,267,000;**
- **Execute a new contract with Hanson Bridgett to provide legal services to support of the development of Strategy 2050 with a cost of \$180,000;**
- **Enact the Water Management Charge to fund the development of Strategy 2050 work up to a not-to-exceed amount of \$2,447,000.**

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

## **6. Reports and Discussions:**

CEO/General Manager Performance Evaluation Process: Chair Chambers reported that the evaluation process for the CEO/General Manager will be initiated in July. No changes are being proposed to the process. Following the July 18<sup>th</sup> Board meeting, Board members will be emailed the evaluation materials that will include the CEO's Summary of Annual Activities report and a link to the evaluation form. Responses are requested by August 7<sup>th</sup>

A summary of the responses will be reported for discussion during Closed Session at the September Board Meeting. Changes to the evaluation process for FY 2024-25 and changes to the CEO compensation may be considered and acted on during open session.

There will be reminder emails to respond throughout the process to encourage Board participation.

Director Chambers noted the CEO's efforts to serve the Board and enable it to make informed policy decisions so the agency can achieve its goal of ensuring a reliable supply of high quality water at a fair price. He trusts that Board members can complete a google form and submit it electronically so that the CEO can receive a performance evaluation.

New Board members are encouraged to reach out to their predecessors for further information, and are requested to go through and submit the survey with the option of selecting "don't know" or "no comments" as opposed to not responding at all.

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

- B. Board Member Compensation and Expense Reimbursement: Legal Counsel, Allison Schutte presented and facilitated Committee discussions to help the Board's consideration of possible action at its July meeting. The staff report provides copies of previous reports from when the same topic was raised and discussed in 2023. The Board did not move forward with any changes after discussions, but the topic is being discussed again in response to a renewed request.

As a reminder, Ms. Schutte reported that BAWSCA Board member compensation is set by statute at the rate of \$100 per day of service for up to four days of service per month. Both can be increased by ordinance with a limit to no more than 5% for each year following the date of the last adjustment for compensation, and no more than 10 days of service in a calendar month.

As BAWSCA's Board compensation ordinance was adopted on June 17, 2004, becoming effective on September 1, 2004, the maximum allowable increase using a simple percentage increase calculation would be up to \$200 per day of service effective September 1, 2024.

Ms. Schutte presented data from 2023, shown in Table 1 of the staff report, that provides a compensation comparison between BAWSCA, 6 member agency districts, Contra Costa Water Districts, East Bay MUD, Golden Gate Bridge, Highway, and Transportation District, Irvine Ranch Water District, Marine Municipal Water District, Metropolitan Water District of Southern California, SFPUC, and Santa Clara Valley Water District. She pointed out that there are differences based on the number of days per month that is allowed for some agencies, which can increase the total compensation or the total compensation per meeting.

Ms. Schutte reminded the Committee that BAWSCA does have a reimbursement policy which allows Board members to be reimbursed for "actual, necessary, and reasonable expenses incurred in the performance of duties performed at the request of the Board". The policy lists the activities that are approved for reimbursement. To date, reimbursed expenses have been related to direct travel by the Board Chair, or designee, to a specific meeting or conference as a representative of the agency. Changes to the existing reimbursement policy must be adopted by the full Board in a public meeting.

The Committee discussed this issue in April and June of 2023 with no further action at that time. But the request has been renewed for the Board to consider an increase in compensation from \$100/meeting to \$200/meeting.

Increasing the stipend to \$200/month would have a \$21k increase in meeting costs which would need to be funded by a transfer from the General Reserve and an associated increase in the approved operating Budget for FY 2024-25, since the request came after the budget was adopted.

Given the interest in the topic, it was suggested that the Board consider modifying BAWSCA's ordinance related to compensation to require a review every specified number of years.

The desire is to have this item at the July 18th Board meeting for further discussion and possible action.

Ms. Schutte noted that as part of the Supplemental Correspondence packet, the Committee members were given a copy of comments received from a BAWSCA Board member that provides information on benefits in addition to board compensation offered by other agencies in the area.

Director Pierce shared her findings from her research on the Boards of the agencies that were listed in the comments provided by one of the Board member. She found that the scope and responsibilities of the Board members in comparison to BAWSCA's is very different. For the level of work and the expectations from the BAWSCA Board's oversight of the agency, the additional benefits should not be considered in addition to BAWSCA's Board compensation. Most of the work in terms of maintaining and managing agency operations are done by staff so that the level of involvement that the BAWSCA Board members have is at the higher policy level.

Committee Chair Hardy asked each committee member to provide their input on the level of compensation and on a scheduled review of Board compensation. She noted that it would be efficient and helpful for staff to have a schedule for reviewing this issue as opposed to it coming up randomly.

Director Schneider noted that BAWSCA is the only regional body in which she is paid for. She pointed out that there seems to be fewer people running for office because the demand for time to serve the public responsibly can mean time away from family and day job.

At the same time, she agrees with Director Pierce's findings that the BAWSCA Board's scope is different from the scopes of other agencies that provide additional benefits to their board compensation. She recommends reviewing Board compensation every 3-years, and noted that she would want to be cognizant of future public servants who may be coming from a more middle to low income.

Director Duncan understands the awkwardness of the Board voting to raise its compensation; however, he would support matching the compensation with inflation given the rate of \$100 per day of service was established in 2004. He would also support reviewing compensation every 4-5 years.

Director Zigterman noted that while he is not interested in getting compensated more, he sees the sense in recognizing the value of serving on the BAWSCA Board. It is not trivial, and requires hours of work to do the homework before coming to the meetings. The adjustment is warranted, and he would prefer to do it now than later. Most importantly, he wouldn't want a qualified individual to not serve in a Board role because it is another task on their plate that does not put food on the table. For that reason alone, he would support a compensation increase of \$175 - \$200, and would support a compensation review every 3-years. He suggested that perhaps there can be a mechanism that would allow for others to decline the stipend so that it can go back in the coffers and be available to those who need it.

Director Chambers noted that his appointing agency, Westborough Water District, has been paying its Board members \$100 per day of service for a long time, and he believes it is a fair compensation. He would not want BAWSCA to pay him more than what his

home agency is paying him for as its Board member. Additionally, he would not support additional benefits, such as healthcare, added to the compensation for this Board. That should be received through the individual's employment. He recommends keeping compensation at \$100 per day of service. He would support a periodic review every 4 years since many of the cities and districts' election terms are every 4 years.

Director Pierce could personally stay at \$100, but would support \$200 if that can serve as a benefit to other Board members and to help compensate costs incurred for serving. A review every 3-4 years is appropriate to avoid becoming out of date. She noted that the stipend was not meant to be compensation for hours put in. It was established to encourage the agencies to appoint people. She appreciates the topic being discussed and hopes that the issue can be resolved.

Director Ragsdale stated that should the Board decide to increase Board compensation at its meeting in July, she would recommend the increase to take effect in FY 2025-26 since the operating budget for FY 2024-25 has already been adopted. She supports the idea of discussing this topic on a scheduled basis no matter what the decision is moving forward, and a 4year cycle makes sense. She supports reimbursements for costs incurred to serve on the Board, particularly for those who travel long distances and for those who require care for family members while serving.

Director Schneider added to Director Ragsdale's comments about caregiving, which could be very expensive.

Director Vella noted that while many BAWSCA Board members would serve for \$0 dollars, it is worth considering that 20 years have passed and the token of appreciation that was established then no longer have the same value today. Additionally, if a Board Member was to charge for mileage or other expenses incurred for serving on the Board, the administrative costs for staff time to calculate and administer that process could potentially add up to being more than the \$200 compensation. He concurs with the comments made by committee members. He is interested in the outcome that is reached by the full Board.

Committee Chair Hardy commented that she values her time but recognizes the privilege to serve. Having to come from Santa Clara, she appreciates Director Vella's comments that increasing compensation would be more cost effective than having to calculate multiple and specific reimbursement requests.

She thanked committee members for their input, and staff for the time put into the issue raised.

There were no further comments from committee members and the public.

- C. Update on Negotiation of a New Tier 2 Drought Allocation Plan: Sr. Water Resource Specialist, Danielle McPherson, was pleased to report that the member agency lead negotiators reached an agreement on all of the elements of the new Tier 2 Drought Allocation Plan.

Part of reaching an agreement involved expanding the deal for the new Tier 2 Plan to include a WSA amendment to address minimum purchase challenges. Because the details of the WSA amendment on minimum purchases are still under negotiation and development, Ms. McPherson noted that her presentation will focus on the Tier 2 Plan negotiations.

BAWSCA continues to be confident that the new Tier 2 Plan will be adopted by the governing bodies of all agencies. However, given the additional minimum purchase element, the schedule may be impacted, and there is a likely potential that the Board will need to act in November to extend the existing Plan until the new Tier 2 Plan is unanimously adopted.

Currently, BAWSCA is meeting individually with member agencies' lead negotiators, executive staff, and advisory committees formed by some agencies to discuss key points of the new Tier 2 Plan and why the existing plan needed an update.

Ms. McPherson presented background information on the existing Plan, lessons learned from implementation in 2021, the process for updating the Plan, and how the updated Plan achieves the intended objectives and policy principles.

She walked through the major elements of the existing Plan, what conditions changed since it was adopted, how it resulted in unintended outcomes, and what the lead negotiators intended to achieve with an updated Plan.

The existing Plan:

- allocates water primarily based on a 1/3 weight on individual supply guarantee (ISG), and 2/3 weight on San Francisco purchases;
- has minimum and maximum cutbacks to limit the range of potential cutbacks;
- includes an adjustment for East Palo Alto (EPA); and,
- has special rules for San Jose and Santa Clara.

While the existing Plan allocates all the water based on the 1/3 ISG and 2/3 SFPUC purchases, it requires supplies to be shifted around between the agencies to meet the other objectives; and therefore, becoming very confusing to follow how an agency is allocated water through the process.

Changed Conditions, Unintended Outcomes, *Desired Update*:

- Since the Plan was adopted in 2011, the agencies are, on average, purchasing less of their ISG, resulting in a weaker correlation between actual purchases in the pre-drought years and ISG. The result is final cutbacks that are not intuitive.

Generally, an agency with very high per capita water use would be expected to have more discretionary water use, more opportunities to conserve, and might have a higher cutback. But because of the heavy weight of ISG in the existing Plan, that is not what actually happens.

*The lead negotiators wanted an updated Plan that was straightforward, doesn't require shuffling of supplies, and provides results that are more intuitive.*

- When the existing Plan was adopted, EPA had the lowest per capita water use, and because of the heavy weight of ISG in the Plan along with EPA's ISG value at the time, EPA would have had a very high cutback. To address this, the agencies agreed to limit EPA's cutback by creating a banking system or a "bucket" of water that would be allocated to EPA.

Since the Plan was adopted in 2011, however, EPA has received and purchased ISG and no longer needs the full "bucket" to achieve the limited cutback. This resulted in unallocated water.

*The agencies wanted a plan that allocates 100% of the available Tier 1 regional water system (RWS) supply.*

- In 2021, the Board extended the existing Plan with an amendment that ensured a 100% allocation.

But this resulted in some agencies' final cutbacks to be below the agreed upon minimum cutback.

*The agencies wanted to ensure that those limits are met in the new Tier 2 Plan.*

- Since 2010-11 there are many more agencies that developed similar water use profiles as EPA's very low per capita water use. The agencies have considered whether it would be appropriate to have similar protections for similarly situated agencies.

*The group decided to have an updated Tier 2 Plan that ensures sufficient supply for all wholesale customers, as opposed to carving out exceptions for one wholesale customer.*

- Since 2011, the terms of the water sales contract between San Francisco, San Jose and Santa Clara have changed.

The group considered whether the special rules were still appropriate. While it did not specify an intended outcome or objective, the group indicated its intention for its consideration during the negotiation process.

In January 2022, the 26 member agencies appointed a lead negotiator to represent the interests of their agency in the negotiations of a new Tier 2 Plan. This allowed the active engagement of all agencies throughout the entire process.

The group started with research of the existing shortage allocation plans to understand how other agencies allocate water during drought, and to be able to expand on what a Tier 2 Plan can look like beyond the existing one.

The group then developed policy principles to collectively define the intended objectives of the new Plan before they started dividing the supply.

It has been an iterative process for the agencies over the past 2 and a half years. The agencies would look at different steps that could implement the policy principles, select some, toss others, refine, analyze, and go back to the beginning to reconsider steps, look at new ones, refine, and do the cycle all over again until the final Plan was reached.

The member agencies are all very unique and the 2+ years process was necessary because of the education that agencies had to have about each other and the trust-building that needed to be established in the room.

As previously reported to the BPC and Board, the Policy Principles are:

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

The new Tier 2 Plan achieves the Policy Principles and intended objectives developed by the lead negotiators on behalf of the 26 agencies.

<b>New Tier 2 Plan Elements</b>	<b>Outcomes</b>
<ul style="list-style-type: none"> <li>• Maintains the minimum and maximum cutbacks;</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures all agencies contribute to overall Wholesale reduction</li> <li>• Limits adverse impacts by capping potential cutbacks</li> </ul>
<ul style="list-style-type: none"> <li>• Includes needs-based allocations at the very beginning of the process that allocates water based on demonstrated demand in the pre-drought years; and,</li> </ul>	<ul style="list-style-type: none"> <li>• Provide RWS supply for base indoor use</li> <li>• Have intuitive results</li> </ul>
<ul style="list-style-type: none"> <li>• Allocates the final remaining water based on the 1/3 ISG, 2/3 SFPUC purchases.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide measures of predictability</li> </ul>

Additionally, the Plan allocates water in an additive step-wise process, which means an allocation is provided in step one, and another allocation is provided in step-two that is added to step-one, and so on through the process; therefore providing an easier way to follow how water is allocated among the agencies. The new Plan also ensures all RWS supply is allocated.

The next steps are for BAWSCA, its technical consultants, and the legal team to develop adoption packet materials for the lead negotiators to review over the coming months. The terms of minimum purchase amendment are undergoing further evaluation.

The typical adoption process by all 26 agencies' governing bodies is about 6 months. But as previously stated, the matter of the minimum purchase amendment may impact the schedule, and there is a potential for the Board to extend the existing Tier 2 Plan in November until the new Tier 2 Plan is adopted by all member agencies.

Comments and questions from Committee members were taken following Ms. McPherson's report.

Committee Chair Hardy and members of the Committee expressed their appreciation for Ms. McPherson's heavy lift and a job well done. The visuals in the staff report and presentation effectively communicated the complexity of the negotiation process with 26 member agencies. They were succinct and clear in showing what needed to be addressed and what was resolved.

In response to Director Schneider, Ms. Sandkulla explained that administratively, BAWSCA staff and the legal team have begun writing the documents that will form a packet of staff reports, presentations and resolution templates. The packet will be provided to agencies in mid-August/September for its governing body adoption process. The BAWSCA staff and legal team will support agencies as needed, including being present at the meeting in which the item is agendaized.

Director Pierce noted that from previous processes, materials are developed by staff and goes through the WMRs and lead negotiators who then have conversations with the agency's executive team. The role that the BAWSCA Board has is to ensure that the item gets on the council agenda and to support it. It is typically not a big discussion item for the governing bodies.



Director Zigterman asked about the status of the minimum purchase amendment and how the Board can assist.

Ms. Sandkulla reported that it will be further discussed by the WMRs in July. Because it is a new issue, the WMR's agreed to engage with their agency management for due diligence. BAWSCA staff and legal team are available to meet with agencies, if needed. Ms. Sandkulla noted that the WMRs indicated their commitment to a solution.

The Board's comfort with the issue is critical, therefore Board members are encouraged to reach out to BAWSCA with their concerns and questions in order to reach that comfort level. Ms. Sandkulla added that it would be helpful if Board members can be the champion for the item as it makes its way through their councils and boards since agency governing bodies typically look to BAWSCA directors for their knowledge and judgement.

At this time, it is anticipated that the new Tier 2 Plan will not come back to the BPC or the Board. More details are expected in July/August and will be shared with the Board. The item will be packaged with the new Tier 2 Plan documents for agency governing body action.

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

## **7. CEO Reports:**

- A. Bay-Delta Plan and FERC Update: Ms. Sandkulla noted that while there are no recent developments from the last report provided in May, it does not diminish the importance of the effort. There are a lot of work being done by the State Board staff and other parties.

Ms. Sandkulla went over the schedules as a reminder. For Phase 2, which is the Sacramento/Delta Phase of the Plan, three workshops were held to inform development of the draft program of implementation language. State Board staff are evaluating the information received from the workshops. They anticipate releasing a draft in the Fall.

For the Phase 1 Update, which is the implementation of the adopted action by the State Board on the Bay Delta Plan, there are overall schedule delays in the efforts to develop proposed agreements for Lower San Joaquin River/South Delta including the Tuolumne.

The State Board staff is preparing the draft Environmental Impact Report (EIR) to implement the updates adopted in 2018. An early draft is anticipated in early 2025.

The State Board is considering a proposed agreement for the Tuolumne River in which they currently have ongoing environmental and technical review.

BAWSCA is actively engaged in regular discussions with SFPUC to monitor activities through the schedule.

There were no comments and questions from members of the committee or members of the public

- B. CEO Recruitment Ad Hoc Committee Report: Board Chair Chambers reported that an Ad Hoc Committee was formed to lead the recruitment process for the new CEO/General Manager. The Committee released Request for Proposals that generated several responses from which three candidate firms will be interviewed. The Committee will work with the selected firm to develop the recruitment materials. The schedule anticipates the release of recruitment announcement in early July, a recommendation of a candidate to the full Board at its September Board meeting, and the transition to the

selected CEO/General Manager in November. This schedule would allow for an overlapping “hand-off” with Ms. Sandkulla.

Serving on the Ad Hoc Committee with Board Chair Chambers are Directors Pierce, Breault, Vella, and Ragsdale. They were selected to represent majority of the Board Policy Committee. Directors Breault and Pierce were selected for the amount of time they have served as Directors during Nicole’s time as the CEO/General Manager, and particularly for Director Breault who was part of the Committee that recommended Ms. Sandkulla as CEO/General Manager in 2013.

8. **Closed Session:** Legal Counsel, Allison Schutte, reported that there were no further updates for the Committee. Unless members of the Committee have questions for discussions in Closed Session, Closed Session can be moved to the July Board meeting.

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

9. **Report from Closed Session:** Legal Counsel, Allison Schutte, reported that at 2:56pm the Committee did not go into Closed Session and returned to open session to conduct the general agenda.

10. **Comments by Committee Members:** Director Ragsdale supported Chair Hardy’s comments on the value of attending the Hetch Hetchy tour and encouraged members of the Board who have not yet attended to get on the waiting list to participate in the tour. It provides valuable information and is worth the time.

Director Schneider reported that the City of Millbrae will be moving over to a new City Attorney as of September 2024.

Director Hardy stated that the October Hetch Hetchy tour is on the 15<sup>th</sup> and 16<sup>th</sup>.

Ms. Sandkulla added that BAWSCA Board members are priority and are encouraged to get on the list of interested participants.

11. **Adjournment:** The meeting was adjourned at 3 o’clock m. The next meeting is August 14th in the regularly scheduled location of Burlingame Community Center, Sequoia Room.

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	Jun. 12, 2024	Apr. 10 2024	Feb. 14, 2024	Dec. 13, 2023	Oct. 11, 2023	Aug. 11, 2023
Santa Clara	Hardy, Karen (C)	✓	✓	✓	✓	✓	MEETING CANCELLED
Hillsborough	Ragsdale, Leslie (VC)	✓	✓	✓	n/a	n/a	
Westborough	Chambers, Tom	✓	✓	✓	✓	✓	
Menlo Park	Doerr, Maria		✓	✓	✓	✓	
CalWater	Duncan, Darin	✓	✓	✓	n/a	n/a	
Redwood City	Pierce, Barbara	✓	☎	✓	☎	✓	
Millbrae	Schneider, Ann	✓	✓	✓	✓	✓	
MPWD	Vella, Lou	☎	✓	☎	✓	✓	
Stanford	Zigterman, Tom	✓	✓	✓	✓	✓	

✓: present

☎ : Teleconference

### June 12, 2024 Meeting Attendance (*In-Person*)

#### BAWSCA Staff:

Nicole Sandkulla	CEO/General Manager	Allison Schutte	Legal Counsel, Hanson Bridgett
Tom Francis	Water Resources Manager		
Christina Tang	Finance Manager		
Danielle McPherson	Sr. Water Resources Specialist		
Negin Ashoori	Sr. Water Resources Engineer		
Lourdes Enriquez	Asst. to the CEO/General Manager		
Deborah Grimes	Office Manager		

#### Public Attendees:

Alison Kastama	SFPUC
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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**           **Adoption of Resolution 2024-03 Approving the Extension of the 2021 Amended and Restated Tier 2 Drought Response Implementation Plan**

**Summary:**

The Tier 1 Plan Shortage Allocation Plan (Tier 1 Plan) is the method for allocating water available from the San Francisco Regional Water System (RWS) between San Francisco retail customers and the Wholesale Customers collectively during shortages of 20 percent or less caused by drought. The Tier 2 Drought Response Implementation Plan (Tier 2 Plan or Plan) allocates the collective Wholesale Customer share among each Wholesale Customer.

The Tier 2 Plan was first adopted by each Wholesale Customer in 2011, pursuant to Section 3.11.C of the July 2009 Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers (WSA). That Tier 2 Plan, which initially expired on December 31, 2018, was extended three times in 2018, 2019, and 2020. In 2021, the Tier 2 Plan was amended to address unintended consequences as a result of changed circumstances over time, and extended in anticipation of starting a comprehensive update of the Plan. Thereafter, that Tier 2 Plan was extended twice in 2022 and 2023, and now expires December 31, 2024.

BAWSCA and its member agencies began negotiating an updated Tier 2 Plan in January 2022. While negotiations have concluded, achieving consensus on the updated Plan requires amending the WSA to update the Tier 1 Plan and address challenges with minimum purchase requirements. Currently, BAWSCA is negotiating the details of this WSA amendment and is optimistic that member agencies will reach an agreement soon. However, it is important to note that the updated Plan will not be unanimously adopted by all member agencies before the current Plan expires.

To allow member agencies more time to adopt the updated Tier 2 Plan through their governing bodies and to maintain a Plan in the event of a drought next year, it's recommended that the Board extend the 2021 Amended and Restated Tier 2 Plan for one calendar year, from January 1, 2025, to December 31, 2026. As outlined in this adopting resolution, the updated Tier 2 Plan will replace the current Plan once it is unanimously approved by all 26 member agencies.

**Recommendation:**

**That the Board Policy Committee recommend Board adoption of Resolution 2024-03 extending the term of the 2021 Amended and Restated Tier 2 Plan through December 31, 2025.**

**Discussion:**

The Tier 2 Plan describes the method for allocating the RWS supply made available by the SFPUC among the Wholesale Customers during shortages caused by drought. The Tier 2 Plan was adopted by each Wholesale Customer pursuant to Section 3.11.C of the WSA in the winter/spring of 2011. The Tier 2 Plan, which initially expired on December 31, 2018, was extended each subsequent year through action by the BAWSCA Board.

**Recommendation to Extend the Present Tier 2 Plan for One Year**

The WSA provides that the SFPUC will honor allocations of water among the Wholesale Customers provided by BAWSCA, or unanimously agreed to by all Wholesale Customers. Legal Counsel has determined that the Board may rely on the water allocations included in the present Tier 2 Plan and continue to use those for the current drought in accordance with Section 3.11.C.3 of the WSA.

Given that the WSA has a provision that gives the BAWSCA Board the authority to set an allocation method, BAWSCA staff recommends that the Board extend the term of the 2021 Amended and Restated Tier 2 Plan through December 31, 2025.

As outlined in this adopting resolution, the updated Tier 2 Plan will replace the current Plan once it is unanimously approved by all 26 member agencies.

**Status of Ongoing Tier 2 Plan and WSA Amendment Negotiations**

BAWSCA and its member agencies began negotiating an updated Tier 2 Plan in January 2022. While negotiations have concluded, achieving consensus on the updated Plan requires expanding the adoption package to amend the WSA to update the Tier 1 Plan and address challenges with minimum purchase requirements.

**Background:**

The WSA with San Francisco includes a Tier 1 Plan, which divides the available water supply between San Francisco retail customers and the collective Wholesale Customers during a drought. The WSA also provides that the SFPUC will honor allocation of water among the Wholesale Customers provided by BAWSCA, or unanimously agreed to by the Wholesale Customers. In 2011, the Wholesale Customers adopted the original Tier 2 Plan, which takes that collective Wholesale Customer allocation and further divides it among each Wholesale Customers. The Tier 2 Plan details the methodology used to divide the available supply during a drought.

The Tier 2 Plan applies when the SFPUC determines that a system-wide water shortage of 20 percent or less exists, as set forth in a declaration of water shortage emergency adopted by the SFPUC pursuant to California Water Code Sections 350 *et seq.* The Tier 2 Plan applies only to water acquired and distributed by the SFPUC to the Wholesale Customers and has no effect on water obtained by a Wholesale Customer from any source other than the SFPUC.

The Tier 2 Plan initially established December 31, 2018 as the Plan's expiration date to allow for the consideration of matters such as the inclusion of the cities of San Jose and Santa Clara as permanent customers, and to allow for the development of a new Tier 2 Plan. In May 2018, the Tier 2 Plan was extended by the Board's adoption of Resolution 2018-01 to provide formal drought allocations to the SFPUC through December 31, 2019. Resolutions with similar extensions were adopted by the Board in 2019, and 2020. In 2021, the Board acted to amend the Tier 2 Plan and extend the term through December 31, 2022. The current Tier 2 Plan was extended in November 2022 and expires December 31, 2023.

**Existing Tier 2 Plan Methodology**

The Tier 2 Plan's methodology consists of a stepwise process that is followed to determine each Wholesale Customer's allocation. More specifically, a seven-step allocation process is followed

which takes into account factors such as: volume of water purchased by each agency in most recent non-drought year(s); seasonal demand fluctuations; Individual Supply Guarantee (ISG) allocations; minimum and maximum cutback levels; and the public health and safety needs of East Palo Alto.

The estimation process is iterative, in that if after one “round” of calculations, one or more agencies has a proposed cutback of less than 10 percent of their normal supply or if a proposed cutback for a particular agency is quite severe, adjustments are made to the calculation procedure and a revised estimate is developed.

The above discussion is brief in that it does not go into the complexity and nuances of the estimation process. The estimate takes time to perform and a firm understanding of member agency water use specifics.

**BAWSCA’s Role in the Tier 2 Plan**

The Tier 1 Plan identifies BAWSCA as the party to perform the Tier 2 Plan calculations. The Tier 1 Plan requires SFPUC to allocate water to each Wholesale Customer in accordance with BAWSCA’s calculations. By adopting the WSA and the Tier 2 Plan, each Wholesale Customer thereby authorized BAWSCA to perform the allocation calculations. BAWSCA interacts with both the SFPUC and the Wholesale Customers to obtain needed input data.

BAWSCA’s role in developing the existing Tier 2 Plan was as follows:

- Assist agencies in agreeing on a formula that could be accepted unanimously;
- Providing the structure for the discussion and analyses to support decision making;
- Encouraging decisions regarding the adoption of a proposed method based on fact, analyses, and practicality; and
- Supporting agencies in the adoption process.

When a new Tier 2 Plan is developed, if the allocation method incorporated into the Plan is not unanimously adopted by the BAWSCA member agencies, the WSA provides that the BAWSCA Board has the authority to set an allocation method. If the BAWSCA Board does not set an allocation method, the SFPUC retains final authority to allocate water among the Wholesale Customers during a drought.

**Attachments:**

1. Draft Resolution #2024-03 Approving the Extension of the 2021 Amended and Restated Tier 2 Drought Response Implementation Plan

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**RESOLUTION NO. 2024-03  
BY THE BOARD OF DIRECTORS OF THE  
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**APPROVING THE EXTENSION OF  
THE AMENDED AND RESTATED TIER 2 DROUGHT RESPONSE IMPLEMENTATION  
PLAN**

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

**WHEREAS**, the July 2009 Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers in Alameda County, San Mateo County and Santa Clara County (WSA) sets forth the terms for ensuring the Wholesale Customers receive a reliable supply of high-quality water at a fair price; and

**WHEREAS**, section 3.11(C)(1) of the WSA established the Water Shortage Allocation Plan (Tier 1 Shortage Plan) to allocate water from the Regional Water System between Retail and Wholesale Customers during system-wide shortages of 20% or less; and

**WHEREAS**, pursuant to section 3.11(C)(2) of the WSA and section 5.5 of the Tier 1 Shortage Plan, the Tier 1 Shortage Plan will remain in effect for the term of the WSA; and

**WHEREAS**, subsequent to the Tier 1 Shortage Plan, the Wholesale Customers adopted the Tier 2 Drought Response Implementation Plan (Tier 2 Plan), to document the method of allocating, among the Wholesale Customers, the collective Wholesale Customer share of the water made available by the San Francisco Public Utilities Commission (SFPUC); and

**WHEREAS**, the Tier 2 Plan was adopted in the Winter and Spring of 2011 by the governing bodies of each Wholesale Customer; and

**WHEREAS**, the 2011 Tier 2 Plan established December 31, 2018 as an interim expiration deadline in order to allow for the consideration of matters such as the inclusion of the cities of San Jose and Santa Clara as permanent customers and to allow for the development of a new Tier 2 Plan; and

**WHEREAS**, in 2015, the State Water Resources Control Board implemented water conservation targets for each BAWSCA member agency that effectively negated the implementation of the Tier 2 Plan during the 2015 to 2017 drought; and

**WHEREAS**, in May 2018, the BAWSCA Board of Directors adopted Resolution 2018-01 extending the Tier 2 Plan for one year until December 31, 2019; and

**WHEREAS**, in 2018, the California Legislature adopted Senate Bill 606 and Assembly Bill 1668 which established a process for developing and implementing long-term water use efficiency targets for urban water suppliers; and

**WHEREAS**, in November 2019, the BAWSCA Board of Directors adopted Resolution 2019-02 extending the Tier 2 Plan for one year until December 31, 2020; and

**WHEREAS**, in November 2020, the BAWSCA Board of Directors adopted Resolution 2020-03 extending the Tier 2 Plan for one year until December 31, 2021; and

**WHEREAS**, in November 2021, the BAWSCA Board of Directors adopted the 2021 Amended and Restated Tier 2 Plan, by Resolution 2021-03 to amend the Tier 2 Plan and extend the term through December 31, 2022; and

**WHEREAS**, on November 23, 2021, the SFPUC adopted a system-wide voluntary water use reduction of 10% consistent with Shortage Level 1 of its Water Shortage Contingency Plan (WSCP) and initiated implementation of the Tier 1 and Tier 2 Plans for the first time; and

**WHEREAS**, in January 2022, BAWSCA and the member agencies began to negotiate an update to the Tier 2 Plan, with negotiations expected to continue into 2023; and

**WHEREAS**, in November 2022, the BAWSCA Board of Directors adopted Resolution 2022-11 extending the Tier 2 Plan for one year until December 31, 2023; and

**WHEREAS**, in November 2023, the BAWSCA Board of Directors adopted Resolution 2023-04 extending the Tier 2 Plan for one year until December 31, 2024; and

**WHEREAS**, the BAWSCA member agencies have determined that an extension of the allocation method in the 2021 Amended and Restated Tier 2 Plan is appropriate at this time given the additional time needed for the Wholesale Customers to finalize negotiations and unanimously adopt an updated Tier 2 Plan; and

**WHEREAS**, if the Wholesale Customers' governing bodies unanimously adopt an updated Tier 2 Plan, it will supersede the existing Tier 2 Plan; and

**WHEREAS**, section 3.11(C)(3) of the WSA provides that the SFPUC will honor allocations of water among the Wholesale Customers provided by BAWSCA or if unanimously agreed to by all Wholesale Customers; and

**WHEREAS**, pursuant to section 3.11(C)(3) of the WSA, BAWSCA is authorized to provide the SFPUC with the allocations set forth in the Tier 2 Plan; and

**WHEREAS**, the BAWSCA Board of Directors desires to continue to rely on the allocation methodology set forth in the 2021 Amended and Restated Tier 2 Plan for one year, thereby effectively extending the Tier 2 Plan for one year until December 31, 2025.

**BE IT RESOLVED**, that the Board of Directors of the Bay Area Water Supply and Conservation Agency will rely on the methodology provided in the 2021 Amended and Restated Tier 2 Drought Implementation Plan for one additional year, through December 31, 2025; and

**BE IT FURTHER RESOLVED**, if the Wholesale Customers' governing bodies unanimously adopt an updated Tier 2 Plan, it will supersede the existing Tier 2 Plan; and

**BE IT FURTHER RESOLVED** that the Board requests the CEO/General Manager to transmit the methodology to the San Francisco Public Utilities Commission for drought planning purposes.

**PASSED AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chair, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**           **Annual Review and Consideration of BAWSCA's Statement of Investment Policy**

**Summary:**

The Board's Investment Policy states that the CEO/General Manager shall annually submit a Statement of Investment Policy to the Board, which the Board will consider at a public meeting. The previous review occurred on May 18, 2023 and resulted in modifications to the Investment Policy, including a requirement that bank deposits in excess of the FDIC limit be collateralized with securities in accordance with State law and to eliminate the maximum deposit limit of \$250,000. Quarterly investment reports are provided to the Board as required by the policy. The last investment report was provided to the Board on September 19, 2024.

BAWSCA's Investment Policy applies to all funds and investment activities under the direction of the agency. It also specifies permitted investment instruments for the bond proceeds, and delegates the management and oversight of the investments to the CEO/General Manager. Based on a recent review of the agency's circumstances, BAWSCA believes the current permitted investment instruments are consistent with the agency's risk tolerances and primary investment objectives. In consideration of the long-term nature of the stabilization fund, BAWSCA has determined that the current 0-5 year ladder maturity investment strategy is appropriate and continues to provide the agency opportunities to benefit from longer maturity and higher yielding investments over time.

Legal counsel has confirmed that the current Statement of Investment Policy reflects language consistent with the State law. A copy of the policy is attached. No changes to the policy, including the investment strategy for the bond proceeds, are recommended at this time.

**Fiscal Impact:**

No impact on BAWSCA's annual operating budget.

**Recommendation:**

**That the Board Policy Committee recommend Board re-affirmation of the current Statement of Investment Policy.**

**Discussion**

The primary objectives of BAWSCA's Investment Policy are safety, liquidity and return on investment. All BAWSCA funds shall be invested in accordance with the Investment Policy and the California Government Code.

**Investment of Agency Funds**

The current Investment Policy requires the agency funds that are not invested in the Local Agency Investment Fund (LAIF) to be deposited only in state or national banks and state or federal savings associations with offices in California that meet the requirements and

conditions of the Government Code. The current policy also limits the maturity of any Certificate of Deposit to 12 months or less.

Although the current California Debt and Investment Advisory Commission (CDIAC) investment guidelines allow for community bank participation in holding local agency funds and for Certificate of Deposit with a maturity of up to 5 years, it is determined that a change to allow longer maturity of Certificate of Deposit is not needed at this time, given the agency's high liquidity needs. BAWSCA will continue investigating these additional investment options as the Investment Policy may be amended from time to time.

#### **Permitted Investment Vehicles for Bond Proceeds**

BAWSCA's bond proceeds are held in a separate trust account at the Bank of New York Mellon Trust Company (Trustee), and are invested in accordance with the Bond Indenture and the agency's Investment Policy. The Bond Indenture specifies investments in which BAWSCA is permitted to invest bond proceeds. BAWSCA's Investment Policy further restricts allowable investments for bond proceeds to four specific instruments: Federal Securities, US Agency Securities, Money Market Mutual Funds, and Certificates of Deposit.

Based on a recent review of the agency's circumstances, BAWSCA believes the current permitted investment instruments are consistent with the agency's risk tolerances and primary investment objectives. No changes to the permitted investments for the bond proceeds are recommended at this time.

#### **Bond Stabilization Fund Investment Strategy**

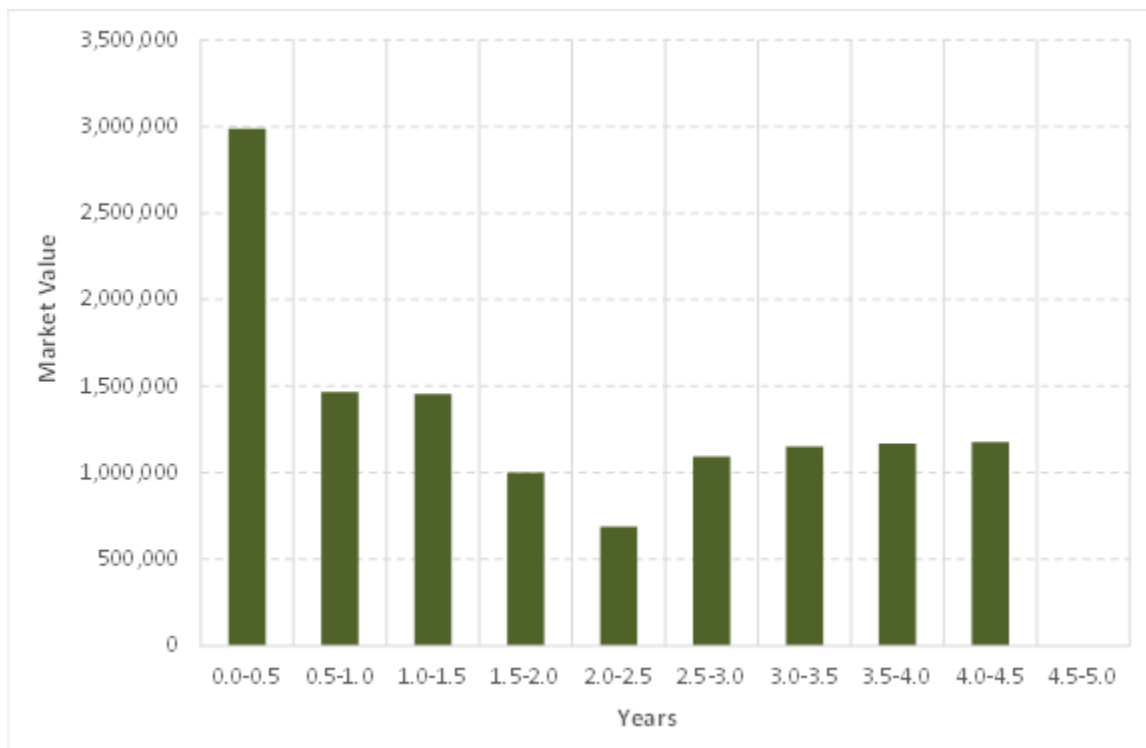
BAWSCA's bond stabilization fund held at the Trustee, Bank of New York, serves as a reserve to cover the debt service payments in case of shortfalls in the surcharge collection. As part of this annual review, BAWSCA reviewed the investment strategy for the stabilization fund given current market conditions.

With risks to price stability and full employment roughly in balance, the Federal Reserve has begun reducing interest rates from their highest level in over twenty years. While rates in the 0-5 year range still remain elevated from post-pandemic lows, future developments with regards to continued progress on inflation and the health of the labor market will have important implications going forward. BAWSCA's longer-term 0-5 year ladder maturity investment strategy continues to provide a disciplined approach for extending portfolio duration at prevailing market rates. With a ladder maturity distribution, the fund has taken advantage of being able to reinvest into the higher interest rates available on longer-term bonds. The current 0-5 year ladder maturity investment strategy continues to provide important yield curve diversification against both market price and reinvestment rate risks consistent with BAWSCA's risk tolerances and primary investment objectives. For this reason, BAWSCA and its investment advisor believe that the current 0-5 year ladder maturity investment strategy remains appropriate as such longer-maturity strategies have historically provided greater investment returns and income over time.

As of October 1, 2024, the total balance held by the bond trustee, Bank of New York, was \$17,197,045, which includes: (1) the bond surcharges of \$5,013,973 collected from the member agencies to pay the next semi-annual debt service payment, and (2) the stabilization fund of \$12,183,072 that is a reserve to cover the debt service payments in the event of potential shortfalls in the surcharge revenue received from the BAWSCA agencies.

A summary of the current investment portfolio maturity distribution for BAWSCA's stabilization fund is shown in Figure 1. The CEO/General Manager anticipates another evaluation of the investment strategy during next year's Investment Policy review. The result of the evaluation will be reported to the Committee and the Board.

**Figure 1: Stabilization Fund Investment Portfolio Maturity Distribution as of 10/1/2024**



**Background:**

**Results of Prior Evaluations of Investment Strategy for Bond Proceeds**

In July 2013, BAWSCA implemented an investment strategy that assumed 70% of the necessary bond surcharge revenues are collected on time and available for scheduled debt service payments. Therefore, 30% of the necessary debt service payment must be accessible to the bond trustee through the stabilization fund to supplement bond surcharge revenues. The stabilization fund was invested by purchasing US Treasury Securities (a subset of Federal Securities as defined in the Investment Policy) with 6 month or one-year maturities coinciding with the debt service payment dates.

In September 2015, the annual on-time surcharges collection assumption was changed from 70% to 80% based on BAWSCA's experience in collecting bond surcharge revenues. BAWSCA also implemented an investment strategy that involved both a 6-month rolling and a 0-3 year laddered security structure designed to provide the agency an appropriate balance of safety, liquidity, and yield.

In April 2018, BAWSCA determined that a modest extension of portfolio maturity was appropriate to pursue higher yields while still satisfying the primary objectives of safety and liquidity. Following the April debt service payment, BAWSCA began to transition to a 0-5 year laddered portfolio strategy without an on-time surcharge collection assumption. It was anticipated to take about 3 years to smooth out the ladder.

In October 2020, BAWSCA re-evaluated the credit quality, market price risk, and liquidity characteristics of all investment instruments permitted by the Bond Indenture. As a result of this review, BAWSCA determined that the U.S. Agency Securities would be appropriate for consideration to increase the portfolio's potential yield consistent with the prioritized objectives of safety and liquidity. Accordingly, BAWSCA Board approved a modification to the policy by including U.S. Agency Securities as permitted investments for the bond funds, in addition to the three specific investment vehicles (Federal Securities, Money Market Mutual Funds, and Certificates of Deposit) that were allowed by the policy at that time.

In October 2021, BAWSCA completed the pricing and sale of the 2023A bonds to refund the callable portion of the 2013A bonds, based on a tax-exempt forward delivery. This refunding transaction will generate approximately \$25.1 million in net present value savings over the term of the bonds. The settlement was completed on January 5, 2023. A total amount of \$2,212,770 from the stabilization fund was used to pay down the principal amount of the refunding bonds at the settlement. The 0-5 year ladder investment strategy continues to provide important yield curve diversification and generate attractive returns throughout market cycles. For this reason, BAWSCA and its investment advisor believe that the current 0-5 year ladder portfolio strategy remains appropriate.

Attachment:

1. Statement of Investment Policy



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

### **STATEMENT OF INVESTMENT POLICY**

#### **1. Introduction**

The investment policies and practices of the Bay Area Water Supply & Conservation Agency (BAWSCA) are based on state law and prudent money management. All funds will be invested in accordance with the Agency's Investment Policy and the California Government Code.

#### **2. Scope**

This policy applies to all funds and investment activities under the direction of the Agency, including funds held in the name of the Bay Area Water Users Association (BAWUA), a California nonprofit corporation of which the Agency is the sole member.

#### **3. Prudence**

The standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio. All persons investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and anticipated needs of the Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency.

Investments shall be made with the judgment and care which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived, and in accordance with the provisions of Government Code Section 53600 et seq.

#### **4. Objectives**

The primary objectives, in priority order, of the Agency's investment activities shall be:

A. Safety. Safety of principal is the foremost objective of the investment program. The Agency's funds shall be invested in a manner that seeks to ensure preservation of capital.

B. Liquidity. The Agency's investments will remain sufficiently liquid to enable the Agency to meet its cash flow requirements.

C. Return on Investment. The Agency's investments shall be designed with the objective of attaining a market rate of return consistent with the constraints imposed by its safety and liquidity objectives.

## 5. Delegation of Authority

The management and oversight responsibility for investments is hereby delegated to the CEO/General Manager who shall monitor and review all investments for consistency with this Investment Policy.

## 6. Investment of Funds

### A. Permitted Investments and Depositories

(i) Agency funds may be deposited only in state or national banks and state or federal savings associations with offices in California that meet the requirements and conditions of the California Government Code, as it may be amended from time to time.

(ii) Collateralization will be required on all deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limit, in accordance with Government Code Sections 53630-53687 and Section 16522. Funds not deposited in banks or savings associations shall be invested in the Local Agency Investment Fund administered by the Treasurer of the State of California, in accordance with Government Code Section 16429.1.

### B. Other Limitations

(i) The General Manager may maintain separate accounts for the Agency and for BAWUA.

(ii) Investment maturities shall be based on a review of cash flow forecasts and shall be scheduled so as to allow the Agency to meet all projected obligations. The maturity of any certificate of deposit shall not exceed 12 months.

## 7. Investment of Bond Proceeds

Permitted Investments and Depositories. Pursuant to Government Code section 53601(m), a local agency may invest bond proceeds "in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance of those bonds." Typically, a local agency will specify in its investment policy that the investment of bond proceeds is out of the scope of the investment policy because permitted investments are specified in the bond indenture.

Instead, BAWSCA has determined that it would like to at least temporarily use its Investment Policy to restrict the vehicles permitted for the investment of bond proceeds to more conservative investments than are permitted by the Revenue Bond Indenture, dated January 1, 2013, by and between BAWSCA and the Trustee (the "Indenture"). This gives BAWSCA the flexibility to, through amendments to future Investment Policies, gradually

expand permitted investments for bond proceeds to include some or all of the investment vehicles permitted in the Indenture. As such, notwithstanding language allowing a broader range of investment vehicles in the Indenture, bond proceeds may be invested only in the following instruments:

(i) “Federal Securities” meaning direct and general obligations of the United States of America, or those which are fully and unconditionally guaranteed as to timely payment of principal and interest by the same;

(ii) “Money Market Mutual Funds” meaning funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by Standard & Poor’s of “AAAm-G” or “AAAm” and, if rated by Moody’s, having a rating by Moody’s of “Aaa,” including money market funds from which the Trustee or its affiliates derive a fee for investment advisory or other services to the fund or for which the Trustee or any of its affiliates serve as investment administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from funds for services rendered, (ii) the Trustee collects fees for services rendered pursuant to this Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Trustee or an affiliate of the Trustee;

(iii) “Certificates of Deposit” (including those placed by third parties pursuant to an agreement between the Agency and the Trustee), trust funds, trust accounts, overnight bank deposits, interest bearing money market accounts, time deposits, savings accounts, deposit accounts, bankers’ acceptances or money market deposits which are fully insured by the Federal Deposit Insurance Corporation, including those of the Trustee or its affiliates; and

(iv) “U.S. Agency Securities” meaning bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies: (1) senior debt obligations of the Federal Home Loan Bank System; (2) senior debt obligations of the Federal Home Loan Mortgage Corporation (FHLMC); (3) senior debt obligations of the Federal National Mortgage Association (FNMA); and (4) consolidated systemwide bonds and notes of the Farm Credit System. The investment in U.S. Agency Securities has a sector allocation limit not to exceed 40% of total stabilization fund market value at the time of purchase.

## **8. Reporting Requirements**

The CEO/General Manager shall provide the Board a quarterly investment report, which shall include the information specified in Government Code Section 53646.

## **9. Annual Review of Investment Policy**

The CEO/General Manager shall annually submit a Statement of Investment Policy to the Board, which the Board will consider at a public meeting. The Agency shall also annually verify that deposits are properly collateralized.

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**                **Creation of Transition Manager Position, Adopting Revised Publicly Available Pay Scale, and Appointing Nicole Sandkulla to the Transition Manager Position**

**Summary:**

The Board of Directors desire to create a new position of “Transition Manager” to ensure the institutional knowledge and expertise of its current CEO/GM, Nicole Sandkulla, are carried over to BAWSCA’s new CEO/GM Thomas Smegal who will officially assume his role on December 1, 2024.

**Fiscal Impact:**

It is anticipated that Ms. Sandkulla will hold the position of Transition Manager for approximately one month (December 2024). Sufficient funds are estimated to be available in the adopted budget for FY 2024-25 to fund the Transition Manager Position. No budget adjustment is needed at this time.

If the estimate at mid-year indicates that the adopted operating budget will be insufficient through the end of the year, the additional increment of funding will be relatively small and may be available from savings in other areas of the budget or, if necessary, from BAWSCA’s General Reserve. However, it is anticipated that this will not be necessary.

**Recommendation:**

**That the Board Policy Committee recommend the Board:**

- 1. Approve creation of the Transition Manager position;**
- 2. Approve adding the Transition Manager position to BAWSCA’s publicly available pay scale for FY 2024-25; and**
- 3. Appoint Ms. Sandkulla to the Transition Manager position effective December 1, 2024.**

**Discussion:**

BAWSCA’s current CEO/GM Nicole Sandkulla has served over 11 years as BAWSCA’s CEO/GM following 14 years with BAWSCA and BAWSCA’s predecessor agency, the Bay Area Water Users Association (BAWUA). During this time period, Ms. Sandkulla has amassed an immense knowledge base and understanding of the critical issues that impact BAWSCA and its 26 member agencies. She has also cultivated an immense array of professional relationships that have benefitted BAWSCA and improved communication and negotiations with the City and County of San Francisco. BAWSCA is also currently without the services of its Strategic Counsel consultant, a significant role that has supported the CEO/GM with strategic advice and counsel since BAWSCA’s inception in 2003.

The retirement of Ms. Sandkulla at the end of this calendar year and the vacant Strategic Counsel consultant role present significant challenges for CEO/GM Thomas Smegal to quickly take over leadership of BAWSCA and ensure ongoing critical projects and negotiations are completed successfully. To ensure a successful transition from Ms. Sandkulla to Mr. Smegal, it is imperative

Ms. Sandkulla remains a BAWSCA employee for a one month transition period (December 2024) to provide essential guidance and expertise to Mr. Smegal.

The creation of the Transition Manager position will provide necessary transition services to Mr. Smegal to ensure the continuity of pending projects and the transfer of Ms. Sandkulla's immense institutional knowledge to Mr. Smegal. The Transition Manager position will report directly to Mr. Smegal when he assumes the role of BAWSCA's CEO/GM on December 1, 2024.

The Transition Manager position is at-will and will be subject to all of the rules and regulations applicable to BAWSCA's management staff. The Transition Manager position will also receive the same benefits and compensation that Ms. Sandkulla currently receives.

Attachments:

1. Transition Manager Job Description.
2. Proposed Organization Chart.



## **TRANSITION MANAGER**

### **Position Overview**

This position provides executive transition management advice and counsel to the CEO/GM.

### **Supervision**

This position reports directly to the CEO/GM and does not supervise any staff.

### **Class Characteristics**

The CEO/GM and/or the Board of Directors reserves the right to add, modify, change or rescind the work assignments of this position and to make reasonable accommodations so that qualified employees can perform the essential functions of the job.

- Provides transition management advice and counsel to the CEO/GM.
- Provides policy and program guidance to the CEO/GM.
- Provides strategic advice to the CEO/GM on negotiations with the San Francisco Public Utilities Commission, stakeholders, and BAWSCA's member agencies.
- Provides historical knowledge and information on issues BAWSCA has addressed, including previous negotiations and agreements executed by BAWSCA.
- Advises the CEO/GM on issues pertaining to the Board of Directors, including programs, finances, operating budgets, and consultant agreements.
- Provides strategic advice on executive management issues.

### **Qualifications**

#### *Knowledge of:*

- Issues facing the wholesale customers of the City and County of San Francisco.
- Principles and practices of capital improvement program development, management and oversight; budget development and management; and contract development and administration.
- BAWSCA's organization and management practices as applied to the development, analysis, and evaluation of programs, policies, and operational needs.
- Principles and practices of water production, distribution, and storage systems operations and maintenance program development and administration.
- Applicable federal, state, and local laws, regulatory codes, ordinances, and procedures relevant to BAWSCA and BAWSCA's member agencies.
- Principles, practices, and procedures of public administration including financial management, human resources, and labor relations programs.
- Functions, authority, responsibilities, and limitations of the Board of Directors.

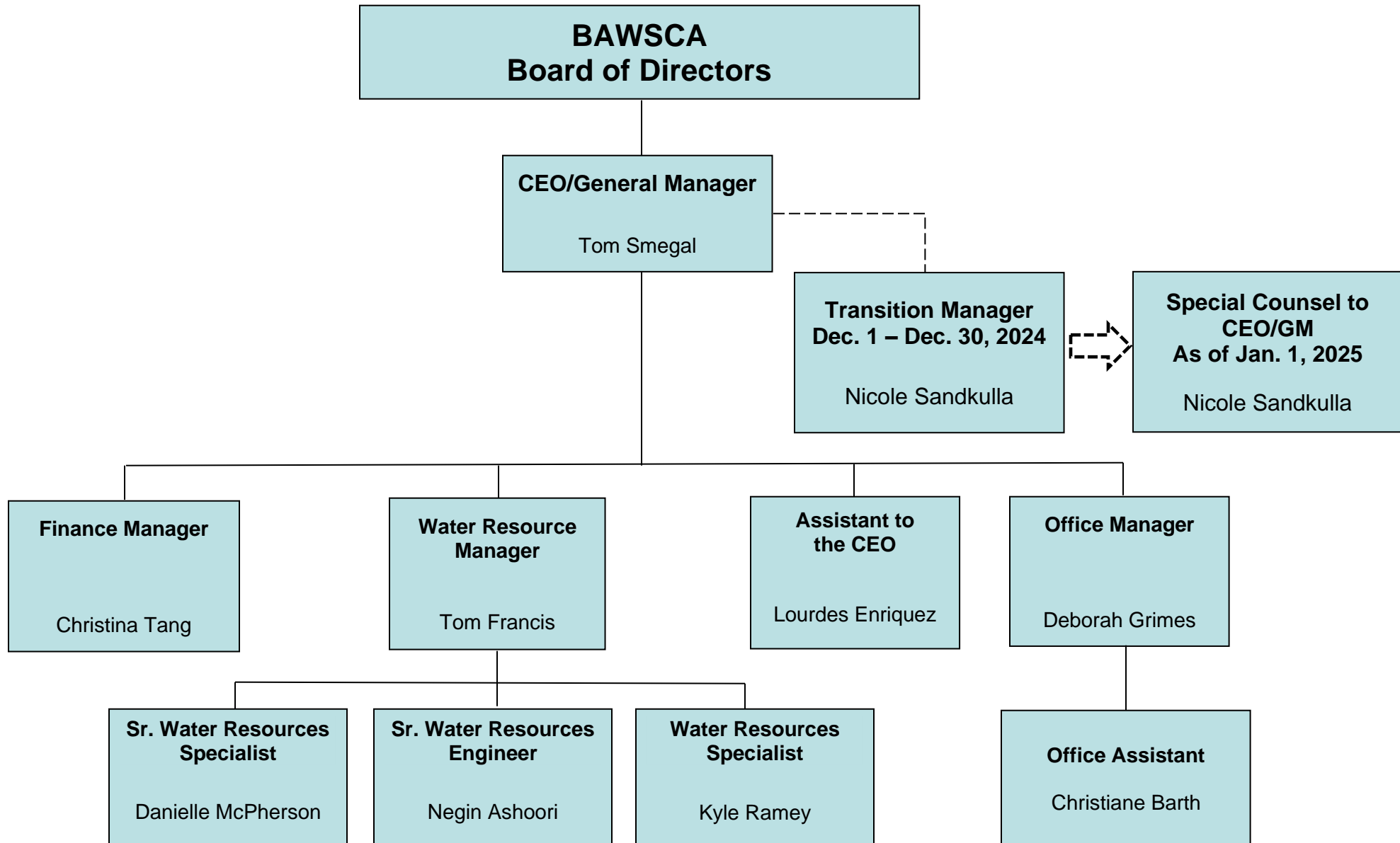
- Technical, legal, financial, and public issues problems associated with the management of water production, distribution operations, and maintenance projects and programs.
- Historical negotiations and agreements between BAWSCA and the City and County of San Francisco, and BAWSCA and its member agencies.

*Ability to:*

- Communicate effectively with elected and appointed public officials.
- Develop strategic plans and negotiation strategies to achieve desired results.
- Provide executive advice on complex and technical human resources, financial management, and water production, distribution, and storage systems operations and maintenance, capital improvement, and related programs.
- Interpret, apply, explain, and ensure compliance with federal, state, and local policies, procedures, laws, and regulations.
- Effectively represent BAWSCA in meetings with governmental agencies, community groups, and various business, professional, educational, regulatory and legislative organizations and the media.
- Establish, maintain, and foster positive and effective working relationships with those contacted in the course of work.



BAWSCA Organization Chart as of December 1, 2024



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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**           **Resolution Approving the Temporary Appointment of Nicole Sandkulla as Special Counsel to the CEO/GM and Adoption of the Pay Schedule for the Special Counsel Position.**

**Summary:**

As required by the California Public Employees' Retirement System (CalPERS), Board findings are required before Nicole Sandkulla, soon to retire from BAWSCA, can be appointed to the position of Special Counsel to the Chief Executive Officer and General Manager (CEO/GM) in order to provide BAWSCA with essential services. The responsibilities for this position are described in Exhibit A.

**Fiscal Impact:**

Sufficient funds to appoint Nicole Sandkulla as Special Counsel to the CEO/GM are estimated to be available in the adopted budget for FY 2024-25. No budget adjustment is needed at this time.

These estimates will be updated and reviewed during the mid-year work plan and budget review.

If the estimate at mid-year indicates that the adopted operating budget will be insufficient through the end of the year, the additional increment of funding will be relatively small and may be available from savings in other areas of the budget or, if necessary, from the General Reserve.

**Recommendation:**

**That the Board Policy Committee recommend the Board adopt Resolution #2024-04 approving the temporary appointment of Nicole Sandkulla to the position of Special Counsel to the CEO/GM, adopting the pay scale for the Special Counsel position, and making associated findings in support of such an appointment.**

**Discussion:**

Although Nicole Sandkulla will soon retire from BAWSCA, her services will continue to be essential in order to effect a smooth transition to her successor, Thomas Smegal, and to provide critical executive strategic advice and counsel services to Mr. Smegal.

The California Government Code allows the temporary employment of a PERS-covered retiree only under specified conditions, and only if the person works no more than 960 hours per fiscal year. The attached resolution includes findings that the Board must adopt in order for the incoming CEO/GM to retain Ms. Sandkulla in this position for no longer than twenty four months in compliance with all legal requirements. The resolution also includes an attachment setting forth the salary schedule of the CEO/GM position, which demonstrates that Ms. Sandkulla's compensation will be consistent with the salary range for the position that is most closely related to the duties that Ms. Sandkulla will be performing. Ms. Sandkulla will be paid an hourly rate of \$165.46. Consistent with state law, Ms. Sandkulla has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to her hourly pay rate.

Attachments:

1. Exhibit A, Responsibilities of Special Counsel to the CEO/GM.
2. Resolution #2024-04 Approving the Temporary Appointment of Nicole Sandkulla as Special Counsel to the CEO/GM and Adoption of the Pay Schedule for the Special Counsel Position.

**EXHIBIT A**

**BAWSCA**

**Special Counsel to the Chief Executive Officer and General Manager**

**RESPONSIBILITIES**

The part-time position of Special Counsel to the CEO/GM will report to Thomas Smegal.

The Special Counsel to the CEO/GM will assist the CEO/GM in the following areas:

1. Transition to BAWSCA's incoming CEO/GM, Thomas Smegal; and
2. Provide executive strategic advice and counsel to Mr. Smegal.

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**RESOLUTION NO. 2024-04  
BY THE BOARD OF DIRECTORS OF THE  
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**APPROVING TEMPORARY APPOINTMENT OF NICOLE SANDKULLA  
AS SPECIAL COUNSEL TO THE CEO/GM AND ADOPTING THE  
PAY SCHEDULE FOR THE SPECIAL COUNSEL POSITION**

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

**WHEREAS**, section 81408 of the Act authorizes the Board of Directors of BAWSCA (the "Board") to (i) employ employees that it determines are necessary or convenient to operate BAWSCA, and (ii) delegate that authority to the Chief Executive Officer and General Manager of BAWSCA (the "CEO/GM") with respect to the employment of additional employees;

**WHEREAS**, the incoming CEO/GM, Thomas Smegal, would benefit from the temporary appointment of Nicole Sandkulla (the "Appointee") to the position of Special Counsel to the CEO/GM; and

**WHEREAS**, the Appointee will be a retired annuitant entitled to receive retirement benefit payments under the California Public Employees' Retirement System ("PERS"), which benefits she accrued based on service with multiple PERS-covered agencies;

**WHEREAS**, BAWSCA contracts with PERS to provide retirement benefits to its eligible employees;

**WHEREAS**, the Appointee will be performing similar duties to those duties performed by individuals who have held or are currently holding the position of CEO/GM;

**WHEREAS**, the California Government Code ("Code") generally requires that a retired PERS annuitant be reinstated to active PERS membership upon employment by a PERS-covered agency, unless she is temporarily appointed by the agency's appointing authority under sections 7522.56 and 21224 of the Code, which exempt a retired PERS annuitant from the reinstatement requirement if (i) she is temporarily appointed because she ". . . has specialized skills needed in performing work of limited duration," (ii) she works no more than 960 hours per fiscal year for all PERS-covered employers, (iii) her hourly rate of pay is neither less than nor more than the monthly base salary paid by the agency to any of its other employees who perform comparable duties, divided by 173.333, as reflected in the attached publicly-available salary schedule for the CEO/GM position, (iv) she will not receive any other benefit, incentive, compensation in lieu of benefits, or other form of compensation in excess of such hourly rate, (v) she is not reemployed within 180 days of her retirement, unless she did not receive any incentive to retire, and the appointment is certified by the agency as necessary to fill a critically-needed position before 180 days has passed and approved by the employer's governing body at a public meeting, and (vi) she has not received unemployment compensation arising out of any prior employment subject to these requirements with the same employer during the 12-month period preceding her appointment;

**WHEREAS**, Code section 7522.56 also permits a retired PERS annuitant to be employed within 180 days following the date of retirement, if, among other criteria, she (i) fills a "critically needed

position before 180 days have passed” and (ii) the appointment has been “approved by the governing body of the employer in a public meeting;”

**WHEREAS**, the Board has determined that BAWSCA has a critical need and that the appointment of the Appointee is necessary to fill this critical need;

**WHEREAS**, the Board has also determined that the Appointee has the skills needed in performing work as Special Counsel to the CEO/GM for a limited term of no more than twenty-four months and intends that her appointment to that position for such term meet this and all other applicable requirements of sections 7522.56 and 21224 of the Code;

**WHEREAS**, the hourly pay rate to Appointee will be \$165.46; and

**WHEREAS**, Appointee has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to the hourly pay rate stated above.

**NOW THEREFORE BE IT RESOLVED**, that subject to BAWSCA's customary employment practices and the specific terms and conditions of any offer of employment by BAWSCA to the Appointee in connection therewith, the Board hereby approves the appointment of the Appointee to the position of Special Counsel to the CEO/GM for up to one twenty-four month term, effective upon appropriate action by the incoming CEO/GM; and

**RESOLVED FURTHER**, that in accordance with sections 7522.56 and 21224 of the Code:

1. The Board finds that BAWSCA has a critical need to fill the position of Special Counsel to the CEO/GM;
2. The Board finds and declares that the Appointee possesses extensive, highly specialized skills and experience needed to effect a smooth transition to her successor Thomas Smegal and to provide critical executive strategic advice and counsel to Mr. Smegal, and due to the immediacy of these needs for such skills and experience, the Appointee's services are needed to fill this critically-needed position before 180 days have passed since her retirement upon which she did not accept any incentive to retire;
3. The Appointee's appointment to the position of Special Counsel to the CEO/GM will not exceed 960 hours in any fiscal year for all PERS-covered agencies;
4. The Appointee's hourly rate of pay as Special Counsel to the CEO/GM will be neither less than nor more than the base monthly salary of any of BAWSCA's other employees who perform comparable duties divided by 173.333, as reflected in the attached salary schedule for the CEO/GM position (Attachment A), which is hereby adopted by the Board, and she will not receive any other benefit, incentive, compensation in lieu of benefits, or other form of compensation in excess of such hourly rate;
5. The Appointee has not received any unemployment compensation arising out of her prior employment with BAWSCA during the 12-month period preceding her appointment; and
6. Subject to BAWSCA's customary employment practices, including "at-will" employment, the appointment of Appointee as Special Counsel to the CEO/GM will continue only until the earlier of: (i) the end of the appointment's twenty-four month term, or (ii) termination



of the Appointee's employment by either BAWSCA or the Appointee for any other reason.

**RESOLVED FURTHER**, that the incoming CEO/GM, Thomas Smegal is hereby authorized and directed to execute all documents and take all other actions necessary or advisable to effect the purposes of this resolution.

**PASSED AND ADOPTED** this 21st day of November, 2024, by the following vote:

AYES:

NOES:

ABSENT:

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Chair, Board of Directors  
Bay Area Water Supply and  
Conservation Agency

ATTEST:

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Assistant to the CEO

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**Attachment A**

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**Salary Schedule for the Chief Executive Officer and General Manager, Transition Manager and Special Counsel to the CEO/GM Positions**

<b>Position</b>	<b>Salary Range</b>
Chief Executive Office and General Manager	\$280,000 per year - \$344,166 per year
Transition Manager	\$280,000 per year - \$344,166 per year
Special Counsel to CEO/GM	\$165.46 (hourly)

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**           **Adoption of BAWSCA Retroactive Pay Schedules FY 2020-21 to FY 2023-24 and Pay Schedule for FY 2024-25**

**Summary:**

As a participating agency in the California Public Employees' Retirement System (CalPERS) and to comply with California Code Regulations (CCR) Title 2 § 570.5 - "Requirement for a Publicly Available Pay Schedule," the Board must adopt the retroactive pay schedules provided in Attachment A. These retroactive pay schedules reflect pay as approved by the Board as part of its regular adoption of the annual Work Plan and Budget. For future fiscal years, adoption of an updated pay schedule will be included as part of the Board's regular consideration of the annual Work Plan and Budget.

**Recommendation:**

**That the Board Policy Committee recommend Board adoption of BAWSCA Retroactive Pay Schedules for FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, and Pay Schedule for FY 2024-25.**

**Discussion:**

BAWSCA is a participating agency in CalPERS. CalPERS requires that BAWSCA's employees' reportable compensation, which is the compensation that employees' retirement benefits are based on, comply with the California Public Employee's Retirement Law ("PERL") and its regulations, including CCR Title 2 § 570.5 - Requirement for a Publicly Available Pay Schedule. During a recent review, CalPERS informed BAWSCA that the Board needed to approve retroactive pay schedules for the preceding four fiscal years. The Board also needs to approve the current fiscal year pay schedule, which reflects two additional positions, Transition Manager and Special Consultant.

In order to comply with PERL and Title 2 CCR § 570.5, the Board must adopt retroactive pay schedules for FY 2020-21 through FY 2023-24 and pay schedule for FY 2024-25 that reflects the two new proposed positions.

The need to take this action has come to light with the upcoming retirement of Nicole Sandkulla.

Following the Board's action, the adopted pay schedules will be posted on BAWSCA's publicly accessible website.

Attachment:

1. BAWSCA Retroactive Pay Schedules for FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24, and Pay Schedule for FY 2024-25.

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This document has been prepared for the specific purposes of compliance with California Code of Regulations (CCR) 570.5 and was last adopted by the Board of Directors on November 21, 2024

**Salary Schedule Effective July 1, 2020**

Classification	Annual Minimum	Annual Maximum
Finance Manager	\$148,066	\$185,082
Water Resources Manager	\$169,248	\$211,560
Water Resources/Senior Water Resources Specialist	\$100,380	\$163,714
Assistant to the CEO	\$94,728	\$118,410
Office Manager	\$100,541	\$125,676
Office Assistant	\$62,093	\$77,619

**Salary Schedule Effective September 30, 2020**

Classification	Annual Minimum	Annual Maximum
CEO/General Manager	\$179,755	\$285,000

<sup>i</sup> The bottom of the ranges for each position are used for budgetary planning and such ranges are not subject to analysis and review during periodic salary surveys.

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This document has been prepared for the specific purposes of compliance with California Code of Regulations (CCR) 570.5 and was last adopted by the Board of Directors on November 21, 2024

**Salary Schedule Effective July 1, 2021**

<b>Classification</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
Finance Manager	\$151,249	\$189,061
Water Resources Manager	\$172,887	\$216,108
Water Resources/Senior Water Resources Specialist	\$102,538	\$167,234
Assistant to the CEO	\$108,449	\$135,624
Office Manager	\$104,911	\$131,138
Office Assistant	\$63,428	\$79,285

**Salary Schedule Effective September 30, 2021**

<b>Classification</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
CEO/General Manager	\$179,755	\$297,675

<sup>i</sup> The bottom of the ranges for each position are used for budgetary planning and such ranges are not subject to analysis and review during periodic salary surveys.

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This document has been prepared for the specific purposes of compliance with California Code of Regulations (CCR) 570.5 and was last adopted by the Board of Directors on November 21, 2024

**Salary Schedule Effective July 1, 2022**

<b>Classification</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
Finance Manager	\$159,598	\$199,497
Water Resources Manager	\$182,430	\$228,037
Water Resources/Senior Water Resources Specialist	\$108,198	\$176,465
Assistant to the CEO	\$114,490	\$143,112
Office Manager	\$108,371	\$135,464
Office Assistant	\$66,929	\$83,661

**Salary Schedule Effective September 30, 2022**

<b>Classification</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
CEO/General Manager	\$179,755	\$318,512

<sup>i</sup> The bottom of the ranges for each position are used for budgetary planning and such ranges are not subject to analysis and review during periodic salary surveys.

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This document has been prepared for the specific purposes of compliance with California Code of Regulations (CCR) 570.5 and was last adopted by the Board of Directors on November 21, 2024

**Salary Schedule Effective July 1, 2023**

<b>Classification</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
Finance Manager	\$171,997	\$214,996
Water Resources Manager	\$192,976	\$241,220
Water Resources/Senior Water Resources Specialist	\$121,924	\$187,214
Assistant to the CEO	\$121,228	\$151,535
Office Manager	\$115,430	\$144,287
Office Assistant	\$74,790	\$93,487

**Salary Schedule Effective September 30, 2023**

<b>Classification</b>	<b>Annual Minimum</b>	<b>Annual Maximum</b>
CEO/General Manager	\$179,755	\$333,259

<sup>i</sup> The bottom of the ranges for each position are used for budgetary planning and such ranges are not subject to analysis and review during periodic salary surveys.

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This document has been prepared for the specific purposes of compliance with California Code of Regulations (CCR) 570.5 and was last adopted by the Board of Directors on November 21, 2024

### Salary Schedule Effective July 1, 2024

Classification	Annual Minimum	Annual Maximum
Finance Manager	\$176,808	\$221,009
Water Resources Manager	\$198,374	\$247,967
Water Resources/Senior Water Resources Specialist	\$125,334	\$192,450
Assistant to the CEO	\$124,619	\$155,773
Office Manager	\$118,658	\$148,323
Office Assistant	\$76,881	\$96,102

### Salary Schedule Effective September 30, 2024

Classification	Annual Minimum	Annual Maximum
CEO/General Manager	\$280,000	\$344,166

### Salary Schedule Effective December 1, 2024

Classification	Annual Minimum	Annual Maximum
Transition Manager	\$280,000	\$344,166

### Salary Schedule Effective January 1, 2025

Classification	Hourly Minimum	Hourly Maximum
Special Counsel to the CEO/GM	\$134.62	\$165.46

<sup>1</sup> The bottom of the ranges for each position are used for budgetary planning and such ranges are not subject to analysis and review during periodic salary surveys.

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**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**

**BOARD POLICY COMMITTEE MEETING**

**Agenda Title:**           **Adoption of Ordinance #2024-01 to Increase Board Member Compensation**

**Summary:**

Compensation for a public agency board member is typically set by statute, which provides the compensation amount per day of service and limitations on the days of service per month. The Bay Area Water Supply and Conservation Agency (BAWSCA) Board members are compensated at the rate of \$100 per day of service, for up to four days of service per month. At the May 16, 2024 Board meeting, a Board member requested that the issue of increasing the Board member compensation from \$100/meeting to \$200/meeting be brought before the Board for consideration at its next meeting. The Board Policy Committee discussed the issue at its June 12, 2024 meeting and previously in April and June of 2023, with no further action at those meetings.

At the September 19, 2024 Board meeting, the Board directed Legal Counsel to prepare a revised Ordinance for Board Member Compensation, increasing the meeting attendance stipend from \$100 to \$200 a meeting, effective as soon as practicable, and to further modify the Ordinance to require Board review of member compensation every 5 years. The attached Ordinance would affect these changes.

**Fiscal Impact:**

Increasing the Board member meeting stipend from \$100/meeting to \$200/meeting would result in an increased cost of \$21,000 year. For FY 2024-25, this increased cost would need to be funded by a mid-year transfer from the General Reserve and an associated increase to the approved Operating Budget. These budget modifications would be recommended as part of the regular Mid-Year Budget Review that will occur at the December 11, 2024 Board Policy Committee and the January 19, 2025 Board meetings.

**Recommendation:**

**That the Board Policy Committee recommend that the Board hold a noticed public hearing in order to adopt Ordinance #2024-01 at the next available meeting, increasing the meeting stipend up to \$200/meeting; and require review of Board member compensation on a five (5) year interval.**

**Discussion:**

*Increasing Per Meeting Compensation:* BAWSCA's existing Board compensation Ordinance was adopted on June 17, 2004 and became effective on September 1, 2004. As such, based on the September 2004 initial effective date, the maximum allowable increase at this time using a simple percentage increase calculation would be up to \$200 per day of service. If the Board adopts this increase at the November 21<sup>st</sup> meeting, the earliest effective date for such an

increase is January 20, 2025<sup>1</sup>. At such effective date, the new Ordinance will rescind and replace Ordinance 2004-01.

*Regular review of Board member compensation:* The Board compensation was set in 2004 and has not been changed since then. Consideration of a regular, scheduled review of the Board member compensation would enable this item to be brought forward for a policy discussion without it needing to be requested by any single Board member.

**Background:**

BAWSCA's enabling legislation, AB 2058 (2002, Papan), establishes the compensation amount for each day of service for its Board members. California Water Code Section 81339 allows BAWSCA to compensate Board members up to \$100 per day for each day's attendance at meetings of the Board, not to exceed four meetings in any calendar month. Both the compensation per day of service and number of compensable days of service per month may be increased by Ordinance pursuant to California Water Code section 20200 *et seq.* However, the statute limits the increase to (i) the compensation per day of service to no more than 5% for each year following the date of the last adjustment, and (ii) the days of service per month to no more than 10 days in a calendar month.

**Attachments:**

1. Ordinance #2024-01 Providing for Compensation of Members of the Board of Directors.
2. Notice of Public Hearing.
3. Summary of Ordinance to be Published.

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<sup>1</sup> Water Code § 20203 & 20204 require a public hearing, noticed in a newspaper of general circulation and an effective date 60 days from adoption to allow the voter's rights to petition for referendum.

**BAY AREA WATER SUPPLY & CONSERVATION AGENCY**

**ORDINANCE NO. 2024-01**

**PROVIDING FOR COMPENSATION  
OF MEMBERS OF THE BOARD OF DIRECTORS**

THIS ORDINANCE IS ADOPTED WITH REFERENCE TO THE FOLLOWING FACTS AND CIRCUMSTANCES:

1. Members of the Board of Directors receive compensation in the amount of \$100 per day for attendance at meetings of the Board, pursuant to Water Code Section 81339.

2. Water Code Section 20201 authorizes compensation, not to exceed \$100 per day, for "services rendered as a member of the board at the request of the board."

3. The Board of Directors believes that members who serve on the Board Policy Committee, or other committees of the Board, or who perform specific services for the Agency in their capacity as members of the Board and at the request of the Board, should also receive compensation for such services.

4. This amount was adopted by the Board of Directors on June 17, 2004 through Ordinance 2004-01, effective September 1, 2004.

5. Water Code Section 20202 authorizes increases to daily compensation of up to 5% for each year following the date of the last adjustment.

6. The Board of Directors, at the recommendation of the Board Policy Committee, has determined that the Agency would be well served by increasing the daily compensation to \$200 per compensable day of service.

7. The Board of Directors believes that the total amount of compensation for all such services, including attendance at meetings of the Board and any committee of the Board, should not exceed four (4) meetings per month, as provided by Water Code Sections 81339.

8. The Board of Directors further believes that the compensation amount should be reviewed every five years.

9. The Board of Directors has called and held a public hearing on the question of providing compensation to Directors for attendance at meetings and for other service rendered to the Agency at the request of the Board. Notice of the hearing was published by the Secretary of the Agency in a newspaper of general circulation pursuant to Government Code Section 6066.

BE IT ORDAINED by the Board of Directors of the Bay Area Water Supply & Conservation Agency as follows:

Section 1. Each Director shall receive compensation in the amount of Two Hundred Dollars (\$200) per day for each day's attendance at meetings of the Board, for attendance at meetings of committees of the Board, and for each day's service otherwise rendered as a Director by request of the Board, commencing on January 20, 2025. The Board may, by resolution, determine the types of activities that constitute service rendered "by request of the Board," for purposes of eligibility for compensation pursuant to this section.

Section 2. The number of days for which any Director may be compensated shall not exceed four (4) days in any calendar month.

Section 3. This ordinance shall be revisited and compensation amounts reviewed no later than five (5) years after it is adopted and every five (5) years afterward.

Section 4. This ordinance shall become effective sixty (60) days from the date of its adoption (the "Effective Date"). As of the Effective Date, this Ordinance rescinds and replaces Ordinance 2004-01 entitled "Providing for Compensation of Members of the Board of Directors."

Section 5. A summary of this ordinance shall be published in a newspaper of general circulation.

PASSED AND ADOPTED this 21st day of November, 2024, by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary

**Bay Area Water Supply and Conservation Agency  
155 Bovet Road, #650  
San Mateo, CA 94402  
(650)-349-3000**

**NOTICE OF PUBLIC HEARING**

**Proposed Ordinance Increasing Compensation of Directors  
for Attending Meetings of the Board of Directors and Other Authorized Days of Service**

**NOTICE IS HEREBY GIVEN** that the Bay Area Water Conservation Agency (BAWSCA) Board of Directors will consider adopting an ordinance increasing compensation of Directors for attending meetings of the Board of Directors and other authorized days of service. Directors are currently entitled to compensation from BAWSCA in an amount of \$100 for attending each regular and special meeting of the full Board, regular and special meetings of the Board Policy Committee, or other committees of the Board, or who perform specific services for the Agency in their capacity as members of the Board and at the request of the Board, up to a maximum of 4 days per calendar month. The Board of Directors is considering a proposed ordinance that would, if adopted, increase the amount of compensation from \$100 per day to \$200 per day.

**NOTICE IS FURTHER GIVEN** that on the **21st day of November 2024**, the Board of Directors of BAWSCA will hold a public hearing to hear any and all public comments, objections, or protests on the ordinance described above. The public hearing will be held at the November 21, 2024 Board of Directors meeting, which begins at 6:30PM at the Burlingame Community Center – Sequoia Room, 850 Burlingame Ave., Burlingame, CA.

This Notice is in accordance with Water Code sections 20200 *et seq.* and Government Code section 6066.

Interested persons may obtain further information about the proposed ordinance by accessing the BAWSCA website at: <http://www.bawasca.org/>, or by contacting Nicole Sandkulla, CEO, by email at [nsandkulla@bawasca.org](mailto:nsandkulla@bawasca.org) or by telephone (650)-349-3000.

Dated: November 6, 2024

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Secretary of the Board of Directors  
Bay Area Water Supply and Conservation Agency

Publish: November 6, 2024  
November 13, 2024

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**SUMMARY OF ORDINANCE**

The Board of Directors of the Bay Area Water Supply and Conservation Agency (BAWSCA) at its meeting on November 21, 2024 adopted Ordinance No. 2024-01 entitled:

**ORDINANCE PROVIDING FOR COMPENSATION  
OF MEMBERS OF THE BOARD OF DIRECTORS**

On November 21, 2024, the BAWSCA Board of Directors adopted an Ordinance pursuant to California Water Code Sections 81339 and 20200 *et seq.* that increases Board compensation from \$100 per day to \$200 per day of service for attending regular and special meetings of the full Board, regular and special meetings of the Board Policy Committee, or other committees of the Board, or who perform specific services for the Agency in their capacity as members of the Board and at the request of the Board, up to a maximum of 4 days per calendar month. The Ordinance rescinds and replaces Ordinance 2004-01 entitled "Providing for Compensation of Members of the Board of Directors." The Ordinance takes effect sixty days from the date of its adoption.

A certified copy of the full text of the Ordinance, along with the names of those Board members voting for and against the Ordinance, is posted at BAWSCA's Office, located at 155 Bovet Road, #650, San Mateo, CA 94402.

The Ordinance was introduced, and a public hearing was held, on November 21, 2024 at the regular meeting of the BAWSCA Board of Directors. The Ordinance was adopted by the Board by the following vote:

AYES:

NOES:

This Ordinance summary was prepared at the direction of BAWSCA's CEO.

Dated: \_\_\_\_\_

BY ORDER OF THE BOARD OF DIRECTORS

\_\_\_\_\_  
[Title]

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

**MEMORANDUM**

**TO:** BAWSCA Board of Directors  
**FROM:** Nicole Sandkulla, CEO/General Manager  
**DATE:** October 4, 2024  
**SUBJECT:** Chief Executive Officer/General Manager's Letter

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**BAWSCA Strategy 2050 Update:**

On September 1, 2024, the SFPUC initiated the collection process of the Water Management Charge associated with the development of BAWSCA's Long-Term Reliable Water Supply Strategy 2050 (Strategy 2050) as directed by the Board on July 18, 2024. The Water Management Charge is authorized in Section 3.06.A of the 2021 Amended and Restated Water Supply Agreement and will be effective from September 1, 2024 through March 1, 2026, covering an 18-month period.

BAWSCA is continuing to coordinate with SFPUC on administrative matters involved in billing, collecting, and remitting Water Management Charge revenue. Consistent with the adopted work plan, development of Strategy 2050 will commence in January 2025 and the work will continue through January 2027. BAWSCA is continuing to work with legal counsel to finalize the agreement with EKI for the preparation of Strategy 2050 as approved by the Board on July 18, 2024.

**2025 Demand Study Update:**

On July 1, 2024, BAWSCA initiated the Regional Water Demand and Conservation Projections Study (2025 Demand Study) with its consultants, Hazen & Sawyer. The goal of the 2025 Demand Study is to develop water demand and conservation projections through 2050 for each BAWSCA agency and the region as a whole. The 2025 Demand Study will provide valuable insights on long-term water demand patterns and conservation savings potential for BAWSCA agencies to support regional efforts, such as implementation of the Long-Term Reliable Water Supply Strategy (Strategy 2050). The 2025 Demand Study will also provide necessary information to support individual agency efforts such as compliance with the new State water use efficiency requirements and completion of Urban Water Management Plans (UWMP).

The 2025 Demand Study is anticipated to be an 18-month effort split into two phases. Phase 1 will provide the necessary information for, and align with, the State's UWMP submittal schedule, with demand forecasting work to be completed by the end of June 2025. Phase 2 will include a sensitivity analysis, building on the successful work from the 2022 Demand Study Refresh, as well as new simulations of impacts from projected future droughts and considering the potential for future demand hardening.

BAWSCA is continuing to make progress on the 2025 Demand Study and is on track to complete Phase 1 of the study this fiscal year.

**Water Smart Innovations Conference:**

In September 2024 Kyle Ramey, BAWSCA Water Resources Specialist, attended the 2-day Water Smart Innovations Conference to share one of BAWSCA's work efforts: scoping a Leak Detection & Repair Certification Program. The Water Smart Innovations Conference is a yearly gathering of water resource planners and engineers, consultants, and municipal water and wastewater utility staff in Las Vegas, Nevada. Conference attendees gain insight into new innovative technologies, strategies and programs, as well as learn about exciting new ways to engage customers in the world of water conservation.

Along with Justin Burks from Valley Water and Linda Vo from CalWEP (California Water Efficiency Partnership), Kyle presented to an audience of water resource professionals from around the country on the discoveries made during the scoping process of a potential certification program for plumbers and landscape professionals. The presentation was well received and hopefully leads to additional water agencies interested in supporting the effort.

# Board Policy Committee

## Policy Calendar Through June 2025

Meeting Date	Purpose	Issue or Topic
December 2024	D&A D&A R&D R&D R	Mid Year FY 2024-25 Work Plan, Budget and General Reserve Review Consideration of Proposed FY 2025-26 Bond Surcharges Review of FY 2025-26 Work Plan and Budget Planning Process BAWSCA's Strategy 2050 Review Water Supply Forecast
February 2025	D&A R&D R&D R&D R R	Consideration of Results of Bi-Annual Staff Salary Compensation Review Presentation of Preliminary FY 2025-26 Work Plan and Budget BAWSCA's Strategy 2050 Review of Regular Consultant Rates Review of Water Supply Forecast Water Management Charge Update
April 2025	D&A R&D R	Consideration of Proposed FY 2025-26 Work Plan and Budget BAWSCA's Strategy 2050 Review of Water Supply Forecast
June 2025	D&A	Review of CEO/General Manager Evaluation Procedure