BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
BOARD OF DIRECTORS MEETING

November 13, 2026

Correspondence and media coverage of interest between October 26, 2026 and November 10, 2026

From: Tom Smegal, BAWSCA CEO/General Manager
To: Joint Legislative Committee
Alfred Alquist Seismic Safety Commission
Division of Drinking Water
Date: November 10, 2026
Subject: BAWSCA Review of SFPUC FY 2025-26 Annual Report, WSIP

From: Tom Smegal, BAWSCA CEO/General Manager
To: The Hon. Stephen E. Leveroni, President and Members of the Commission
Date: November 10, 2026
Subject: BAWSCA Review of SFPUC FY 2025-26 Annual Report, WSIP

From: Peter Drekmeier, Yosemite Rivers Alliance, Policy Director
To: CEO Smegal, Chair Vella and Members of the BAWSCA Board
Date: November 10, 2026
Subject: Review of the Design Drought

From: Dave Warner
To: SFPUC Commission
Cc: BAWSCA Board of Directors
Date: November 9, 2026
Subject: WECIP Update, Affordability and the Opportunity to Scale Back

Press Release

Date: November 4, 2026
Source: Maven's Notebook
Subject: State Water Board approves water right for Sites Reservoir

Date: October 30, 2026
Source: Maven's Notebook
Subject: State Water Board adopts innovative new model to protect California's Bay-Delta, water and wildlife

Water Supply Policy:

Date: November 6, 2026
Source: Advocacy
Article: State Water Board Approves Update to Bay-Delta Water Plan

Date: November 6, 2026
Source: Pacific Research Institute
Article: New Bay-Delta rules highlight state's slow water progress

Water Supply Policy, cont'd.:

Date: November 8, 2026
Source: News Blaze
Article: California's 2028 Watering Deadline Is Closer Than It Looks

Date: November 5, 2026
Source: Atkinson, Andelson, Loya, Ruud & Romo
Article: AB 2180 Clarifies How California Agencies May Demonstrate Prop 218 Compliance For Water, Sewer, and Solid Waste Rates

Water Infrastructure:

Date: November 4, 2026
Source: San Francisco Chronicle
Article : California's largest reservoir in 50 years gets final approval, could break ground in June

Water Supply Management:

Date: October 26, 2026
Source: Department of Water Resources
Article: New DWR report highlights how collaboration strengthens climate resilience in Water management

Water Supply Conditions:

Date: November 5, 2026
Source: San Francisco Chronicle
Article: A weather model ran 51 forecasts. All pointed to the same thing for San Francisco's winter

Bay Area Water Supply & Conservation Agency

November 10, 2026

Via E-mail Transmittal

Assembly Member John Harabedian – Chair
Senator Christopher Cabaldon – Vice-Chair
Joint Legislative Audit Committee
1020 N Street, Room 107
Sacramento, CA 95814

Debra Garnes, Chair
David Rabbitt, Vice Chair
Alfred E. Alquist Seismic Safety Commission
3650 Schriever Avenue
Mather, CA 95655

Mr. Stefan Cajina, Chief
North Coastal Section, Division of Drinking Water
State Water Resources Control Board
850 Marina Bay Parkway, Building P, Second Floor
Richmond, CA 94804

RE: BAWSCA Review of the SFPUC Fiscal Year (FY) 2025-26 Annual Report, Water System Improvement Program (WSIP)

Dear Assembly Member Harabedian, Chair Garnes, and Chief Cajina,

BAWSCA has reviewed the San Francisco Public Utilities Commission (SFPUC) Water System Improvement Program (WSIP) Annual Report for Fiscal Year 2025-26, dated September 1, 2026 (Annual Report). Attached is BAWSCA's comment letter to the SFPUC, which includes a request that the Commission direct staff to implement the identified recommendations.

As detailed in the Annual Report, the overall WSIP program has had significant achievements associated with project completion since its inception. However, there remain two key projects that have yet to be completed: the Alameda Creek Recapture Project (ACRP), located in the Sunol Valley Region; and the Regional Groundwater Storage and Recovery Project (RGSR Project), located in the San Francisco (Regional) Region.

The ACRP's construction was halted in April 2023 due to the need to revisit the project's overall design. The RGSR Project, which was broken into three phases, has proven to be a difficult project to construct. The SFPUC is committed to addressing the challenges associated with completing those two key projects yet admits that the time required to complete the WSIP has increased significantly. Specifically, the WSIP is now scheduled to be completed by June 30, 2032, as documented in the Notice of Change (NOC) that was sent to the State on September 9, 2025.

Both the ACRP and RGSR Projects are key components of the WSIP, in that each is needed to achieve the WSIP Level of Service (LOS) Goals for Water Supply Reliability.

BAWSCA provided the following recommendations to the SFPUC Commission regarding the status and progress of the WSIP for the State's consideration:

Recommendation 1: The Commission should direct Staff to acknowledge that the Alameda Creek Recapture Project (ACRP) will not be completed in accordance with the March 2024 Baseline, even accounting for the Director's Reserve, and note that additional future funding will be needed for the Project and will be included in a future CIP and Notice of Change.

Recommendation 2: The Commission should direct Staff to update the Alameda Creek Recapture Project Achievements paragraph and the Challenges paragraph to acknowledge current known difficulties faced by the project, and the fact that insufficient funding remains in the currently approved WSIP to complete any of the identified alternative.

Recommendation 3: The Commission should direct Staff to include the full text of the currently adopted Water Enterprise Levels of Service (LOS) Goals and Objectives in future annual reports.

Recommendation 4: The Commission should direct Staff to prepare a WSIP Program Completion report when all WSIP projects have achieved final construction completion. That commitment should be noted in future Annual Reports.

Recommendation 5: The Commission should direct Staff to include a narrative explaining the continuing variance in the Long-Term Mitigation Endowment shown in Table 4-1 and what circumstances will allow the fund to be considered compliant and thus be designated as complete for the purposes of the WSIP.

BAWSCA's comment letter to the SFPUC Commission provides additional details as to why these recommendations were given. The letter also identifies minor errors in the Annual Report as well as shares two questions that BAWSCA staff intend to pose to SFPUC staff surrounding the information provided in the Annual Report.

Please feel free to reach out to BAWSCA if we can provide further assistance in the State's review of the SFPUC's FY 2025-26 Annual Report, or if you would like to discuss BAWSCA's comment letter to the SFPUC. I can be reached by phone at (408) 640-6490 or via email at tsmegal@bawsca.org.

BAWSCA sincerely appreciates the time and attention given by the State in helping ensure the SFPUC's progress in completing the critically important WSIP continues.

Sincerely,

Thomas F Smegal
Chief Executive Officer/General Manager

Enclosure
1. BAWSCA's November 10, 2026 Letter to SFPUC Re; FY 2025-26 WSIP Annual Report

TS/DM/le

cc: SFPUC Commissioners
Dennis Herrera, General Manager, SFPUC
Stephen Robinson, Assistant General Manager - Infrastructure, SFPUC
Steven Ritchie, Assistant General Manager - Water Enterprise, SFPUC
Katie Miller, Director, Water Capital Programs, SFPUC
Alison Kastama, BAWSCA Liaison, SFPUC
Vlad Rakhamimov, Staff Engineer, North Coastal Section, Division of Drinking Water, State Water Resources Control Board
Marco Pacheco, San Francisco District Engineer, Division of Drinking Water, State Water Resources Control Board
Darrin Polhemus, Deputy Director, Division of Drinking Water, State Water Resources Control Board
Daniel Newton, Assistant Deputy Director, Northern California Drinking Water Field Operations Branch, State Water Resources Control Board
Sara K. McBride, Executive Director, Alfred E. Alquist Seismic Safety Commission
Jia Wang-Connelly, Senior Structural Engineer, Alfred E. Alquist Seismic Safety Commission
BAWSCA Board of Directors
BAWSCA Water Management Representatives
Allison Schutte, Legal Counsel, Hanson Bridgett, LLP

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BAWSCA
Bay Area Water Supply & Conservation Agency

November 10, 2026

Via E-mail Transmittal

The Honorable Stephen E. Leveroni, President
and Members of the Commission
San Francisco Public Utilities Commission
525 Golden Gate Avenue, 13th Floor
San Francisco, CA 94102

RE: BAWSCA Review of the SFPUC Fiscal Year (FY) 2025-26 Annual Report, Water System Improvement Program (WSIP)

Dear President Leveroni and Members of the Commission,

BAWSCA has reviewed the State required WSIP FY 2025-26 Annual Report and presents five recommended actions for the Commission to direct SFPUC staff to implement. BAWSCA notes three minor errors in the report that SFPUC Staff should take note of for future Annual Reports (assuming a similar section is copied forward). Finally, BAWSCA shares two questions that BAWSCA Staff will pose to SFPUC Staff directly, that dependent on the response, may suggest that future Annual Reports be updated.

Recommendations:

Recommendation 1: The Commission should direct Staff to acknowledge that the Alameda Creek Recapture Project (ACRP) will not be completed in accordance with the March 2024 Baseline, even accounting for the Director's Reserve, and note that additional future funding will be needed for the Project and will be included in a future CIP and Notice of Change.

Discussion: Paragraph 4 of the Executive Summary states that all WSIP Projects are forecast to be completed on budget in accordance with the March 2024 Revised WSIP Baseline, and that there is a Director's Reserve of $12.9M to mitigate future costs risks. However, for many months SFPUC has been aware that the Alameda Creek Recapture Project has virtually no chance of being completed in accordance with the March 2024 Baseline even accounting for the Director's Reserve.

Recommendation 2: The Commission should direct Staff to update the Alameda Creek Recapture Project Achievements paragraph and the Challenges paragraph to acknowledge current known difficulties faced by the project, and the fact that insufficient funding remains in the currently approved WSIP to complete any of the identified alternative.

Discussion: The achievements paragraph for this project notes that the Phase A contract was terminated and closed out. Close-out of this contract resulted in removal of all installed equipment and a return of the project to the planning phase at a cost of approximately $37M. SFPUC's planning over the past year has identified alternatives,

none of which can be completed for the remaining funds in the project even with the addition of the Director's Reserve.

Recommendation 3: The Commission should direct Staff to include the full text of the currently adopted Water Enterprise Levels of Service (LOS) Goals and Objectives in future annual reports.

Discussion: WSIP LOS Goals and Objectives are referenced in Section 3.1 of the Annual Report (pages 5-6). The full text of the 2023 Amended Water Enterprise LOS Goals and Objectives was included in this section of the FY 2023-24 Annual Report but was omitted from the FY 2024-25 Annual Report. In 2025, BAWSCA recommended that the full text of the WSIP LOS Goals and Objectives be included in future annual reports. BAWSCA maintains this recommendation. Doing so helps clarify their extent and intent.

Recommendation 4: The Commission should direct Staff to prepare a WSIP Program Completion report when all WSIP projects have achieved final construction completion. That commitment should be noted in future Annual Reports.

Discussion: A WSIP Program Completion report is needed to document actual project performance against planned project performance with respect to the LOS goals. The report could also document how the SFPUC's 10-Year CIP program achieves/supports these goals into the future. BAWSCA's Board and its member agencies are particularly interested in the development of such a report.

The WSIP PEIR identified the LOS as guiding the identification, design and implementation of the WSIP projects facilities. As WSIP is nearing completion, nearly all of the WSIP facilities are in operation. A final assessment of the actual performance of the projects with respect to these goals is integral and critical information to the definition of completeness. If an LOS shortfall is identified, the SFPUC will need to implement alternative projects to make up the difference via the implementation of their Alternative Water Supply Plan.

Recommendation 5: The Commission should direct Staff to include a narrative explaining the continuing variance in the Long-Term Mitigation Endowment shown in Table 4-1 and what circumstances will allow the fund to be considered compliant and thus be designated as complete for the purposes of the WSIP.

Discussion: The description explaining the Long-Term Mitigation Endowment acknowledges it is different from a capital project as it is an ongoing endowment fund. A narrative explanation clarifies the difference for the reader.

Minor Report Errors:

Table 3-2: Progress Towards Meeting LOS Goals (page 7)

Discussion: Alameda Creek Recapture needs to update the expected Substantial Completion date to be consistent with the construction phase completion date of 6/30/32 shown in Appendix A.

Table 3-2: Progress Towards Meeting LOS Goals (page 9)

Discussion: The table shows Regional Groundwater Storage and Recovery Subproject C as contributing 100% to its LOS goal but does not provide a date for the Actual Operational Service Start. A date should be provided for consistency with the other projects in the table that have achieved 100%.

Table 3-4: Progress Towards Meeting LOS Goals (page 9)

Discussion: Regional Groundwater Storage and Recovery needs to have updated Substantial Completion dates for Contract C and Contract D consistent with the dates shown in the WSIP 4th Quarter Report for FY 2025-26. Also, the percent progress towards LOS goals needs to be made consistent with Appendix B. SFPUC could either add a clarifying footnote to the dates currently in the table or provide updated dates based on the phase-level breakdown of the current approved completion dates.

Question BAWSCA Intends to Pose to SFPUC Staff:

Table 4-1 – Project Schedule Forecast and Variance (page 13) – Question about the need for a contingency plan.

Discussion: The schedule for the Bioregional Habitat Restoration Project shows completion at the end of 2027. However, this project relies entirely on purchase of mitigation credits from banks that have not yet been developed or approved. Is this schedule realistic? Does SFPUC have a contingency plan should no bank be developed?

BAWSCA appreciates the work of the SFPUC staff, its contractors, and its consultants as WSIP progresses towards completion. BAWSCA also appreciates the Commission's consideration of BAWSCA's recommendations provided in this letter.

Sincerely,

Thomas F. Smegal
CEO/General Manager

TS/DM/le

cc: Assembly Member John Harabedian- Chair, Joint Legislative Audit Committee
Debra Garnes, Chair, Alfred E. Alquist Seismic Safety Commission
Mr. Stefan Cajina, Chief, North Coastal Section, Division of Drinking Water, State Water Resources Control Board
Dennis Herrera, General Manager, SFPUC

Steven Ritchie, Assistant General Manager - Water Enterprise, SFPUC

Stephen Robinson, Assistant General Manager – Infrastructure, SFPUC

Katie Miller, Director, Water Capital Programs, SFPUC

Alison Kastama, BAWSCA Liaison, SFPUC

Vlad Rakhamimov, Staff Engineer, North Coastal Section, Division of Drinking Water, State Water Resources Control Board

Marco Pacheco, San Francisco District Engineer, Division of Drinking Water, State Water Resources Control Board

Darrin Polhemus, Deputy Director, Division of Drinking Water, State Water Resources Control Board

Daniel Newton, Assistant Deputy Director, Northern California Drinking Water Field Operations Branch, State Water Resources Control Board

Sara K. McBride, Executive Director, Alfred E. Alquist Seismic Safety Commission

Jia Wang-Connelly, Senior Structural Engineer, Alfred E. Alquist Seismic Safety Commission

BAWSCA Board of Directors

BAWSCA Water Management Representatives

Allison Schutte, Hanson Bridgett, LLP, Legal Counsel

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November 10, 2026

Bay Area Water Supply and Conservation Agency (BAWSCA)
155 Bovet Road, Suite 650
San Mateo, CA 94402

Re: Review of the Design Drought

Dear CEO Smegal, Chair Vella and Board Members:

At the October BAWSCA Policy Committee meeting, I got the impression there was a sense that analysis went into the creation of the Design Drought. Following is an excerpt from Item #6C: BAWSCA's Request to the SFPUC to Review Its Design Drought:

> "RWS management and operational experience: the SFPUC manages the RWS's daily, monthly, and yearly operations. Its experience navigating the 1987–1992 drought led to the conclusion that a longer drought could not be ruled out. The SFPUC made the **careful, cautious decision** to plan for two additional drought years beyond 1992, years that could be as severe as the 1976–1977 drought. That operational experience played an important role in selecting the Design Drought."

In the 20 years I've been following the SFPUC, I've never seen any evidence of a process that led to the creation of the Design Drought. It appears to have been totally random. The SFPUC came close to running out of water during the 1987-92 drought, so they simply combined that drought with the 1976/77 drought to produce a much more conservative drought model.

If I'm incorrect, I'd appreciate receiving any documents that demonstrate the decision-making process was robust.

You might be surprised to learn that the SFPUC Commission never adopted the Design Drought. When pressed, SFPUC staff claimed it was adopted in Resolution No. 08-0200. I'm attaching that resolution for your review. You'll see there is no mention of the Design Drought nor a description of it.

Perhaps a review of the Design Drought should be comparable to the effort that went into creating it. It could cost close to nothing and deliver immediate results. We'd be happy to contribute to the process.

Sincerely,

Peter Drekmeier

Peter Drekmeier
Policy Director

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PUBLIC UTILITIES COMMISSION

City and County of San Francisco

RESOLUTION NO. **08-0200**

WHEREAS, the San Francisco Public Utilities Commission approved and adopted a Long-Term Strategic Plan for Capital Improvements, a Long-Range Financial Plan, and a Capital Improvement Program on May 28, 2002 under Resolution No. 02-0101; and

WHEREAS, the San Francisco Public Utilities Commission determined the need for the Water System Improvement Program (WSIP) to address water system deficiencies including aging infrastructure, exposure to seismic and other hazards, maintaining water quality, improving asset management and delivery reliability, and meeting customer demands; and

WHEREAS, Propositions A and E passed in November 2002 by San Francisco voters and Assembly Bill No. 1823 was also approved in 2002 requiring the City and County of San Francisco to adopt a capital improvement program designed to restore and improve the regional water system; and

WHEREAS, the San Francisco Public Utilities Commission staff developed a variant to the WSIP referred to as the Phased WSIP; and

WHEREAS, the two fundamental principles of the program are 1) maintaining a clean, unfiltered water source from the Hetch Hetchy system, and 2) maintaining a gravity-driven system; and

WHEREAS, the overall goals of the Phased WSIP for the regional water system include 1) Maintaining high-quality water and a gravity-driven system, 2) Reducing vulnerability to earthquakes, 3) Increasing delivery reliability, 4) Meeting customer water supply needs, 5) Enhancing sustainability, and 6) Achieving a cost-effective, fully operational system; and

WHEREAS, on October 30, 2008, the Planning Commission reviewed and considered the Final Program Environmental Impact Report (PEIR) in Planning Department File No. 2005.0159E, consisting of the Draft PEIR and the Comments and Responses document, and found that the contents of said report and the procedures through which the Final PEIR was prepared, publicized and reviewed complied with the provisions of the California Environmental Quality Act (CEQA), the CEQA Guidelines and Chapter 31 of the San Francisco Administrative Code ("Chapter 31") and found further that the Final PEIR reflects the independent judgment and analysis of the City and County of San Francisco, is adequate, accurate and objective, and that the Comments and Responses document contains no significant revisions to the Draft PEIR, and certified the completion of said Final PEIR in compliance with CEQA, the CEQA Guidelines and Chapter 31 in its Motion No. 17734; and

WHEREAS, this Commission has reviewed and considered the information contained in the Final PEIR, all written and oral information provided by the Planning

Department, the public, relevant public agencies, SFPUC and other experts and the administrative files for the WSIP and the PEIR; and

WHEREAS, the WSIP and Final PEIR files have been made available for review by the San Francisco Public Utilities Commission and the public, and those files are part of the record before this Commission; and

WHEREAS, San Francisco Public Utilities Commission staff prepared proposed findings, as required by CEQA, (CEQA Findings) and a proposed Mitigation, Monitoring and Reporting Program (MMRP), which material was made available to the public and the Commission for the Commission's review, consideration and action; and

WHEREAS, the Phased WSIP includes the following program elements: 1) full implementation of all WSIP facility improvement projects; 2) water supply delivery to regional water system customers through 2018; 3) water supply sources (265 million gallons per day (mgd) average annual from SFPUC watersheds, 10 mgd conservation, recycled water, groundwater in San Francisco, and 10 mgd conservation, recycled water, groundwater in the wholesale service area); 4) dry-year water transfers coupled with the Westside Groundwater Basin Conjunctive Use project to ensure drought reliability; 5) re-evaluation of 2030 demand projections, regional water system purchase requests, and water supply options by 2018 and a separate SFPUC decision by 2018 regarding water deliveries after 2018; and, 6) provision of financial incentives to limit water sales to an average annual 265 mgd from the SFPUC watersheds through 2018; and

WHEREAS, the SFPUC staff has recommended that this Commission make a water supply decision only through 2018, limiting water sales from the SFPUC watersheds to an average annual of 265 mgd; and

WHEREAS, before 2018, the SFPUC would engage in a new planning process to re-evaluate water system demands and water supply options. As part of the process, the City would conduct additional environmental studies and CEQA review as appropriate to address the SFPUC's recommendation regarding water supply and proposed water system deliveries after 2018; and

WHEREAS, by 2018, this Commission will consider and evaluate a long-term water supply decision that contemplates deliveries beyond 2018 through a public process; and

WHEREAS, the SFPUC must consider current needs as well as possible future changes, and design a system that achieves a balance among the numerous objectives, functions and risks a water supplier must face, including possible increased demand in the future; now, therefore, be it

RESOLVED, this Commission hereby adopts the CEQA Findings, including the Statement of Overriding Considerations, attached to this Resolution as Attachment A and incorporated herein as part of this Resolution by this reference thereto, and adopts the Mitigation Monitoring and Reporting Program attached to this Resolution as Attachment B and incorporated herein as part of this Resolution by this reference thereto; and, be it

FURTHER RESOLVED, this Commission hereby approves a water system improvement program that would limit sales to an average annual of 265 mgd from the watersheds through 2018, and the SFPUC and the wholesale customers would

collectively develop 20 mgd in conservation, recycled water, and groundwater to meet demand in 2018, which includes 10 mgd of conservation, recycled water, and groundwater to be developed by the SFPUC in San Francisco, and 10 mgd to be developed by the wholesale customers in the wholesale service area; and, be it

FURTHER RESOLVED, the San Francisco Public Utilities Commission shall set aggressive water conservation and recycling goals, shall bring short and long-term conservation, recycling, and groundwater programs on line at the earliest possible time, and shall undertake every effort to reduce demand and any further diversion from the San Francisco Public Utilities Commission watersheds; and, be it

FURTHER RESOLVED, San Francisco Public utilities Commission staff shall provide ongoing updates to this Commission about the progress and development of conservation, recycling, and groundwater programs, and shall provide annual figures and projections for water system demands and sales, and provide water supply options; and, be it

FURTHER RESOLVED, As part of the Phased WSIP, this Commission hereby approves implementation of delivery and drought reliability elements of the WSIP, including dry-year water transfers coupled with the Westside Groundwater Basin Conjunctive Use project, which meets the drought-year goal of limiting rationing to no more than 20 percent on a system-wide basis; and, be it

FURTHER RESOLVED, This Commission hereby approves the Phased Water System Improvement Program, which includes seismic and delivery reliability goals that apply to the design of system components to improve seismic and water delivery reliability, meet current and future water quality regulations, provide for additional system conveyance for maintenance and meet water supply reliability goals for year 2018 and possibly beyond; and, be it

FURTHER RESOLVED, This Commission hereby approves the following goals and objectives for the Phased Water System Improvement Program:

Phased WSIP GOALS AND OBJECTIVES

Program Goal	System Performance Objective
Water Quality – *maintain high water quality*	• Design improvements to meet current and foreseeable future federal and state water quality requirements. • Provide clean, unfiltered water originating from Hetch Hetchy Reservoir and filtered water from local watersheds. • Continue to implement watershed protection measures.

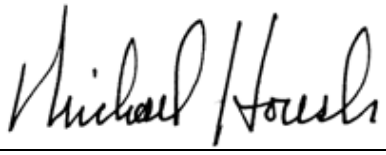
Program Goal	System Performance Objective
Seismic Reliability – *reduce vulnerability to earthquakes*	• Design improvements to meet current seismic standards. • Deliver basic service to the three regions in the service area (East/ South Bay, Peninsula, and San Francisco) within 24 hours after a major earthquake. Basic service is defined as average winter-month usage, and the performance objective for design of the regional system is 229 mgd. The performance objective is to provide delivery to at least 70 percent of the turnouts in each region, with 104, 44, and 81 mgd delivered to the East/South Bay, Peninsula, and San Francisco, respectively. • Restore facilities to meet average-day demand of up to 300 mgd within 30 days after a major earthquake.
Delivery Reliability – *increase delivery reliability and improve ability to maintain the system*	• Provide operational flexibility to allow planned maintenance shutdown of individual facilities without interrupting customer service. • Provide operational flexibility to minimize the risk of service interruption due to unplanned facility upsets or outages. • Provide operational flexibility and system capacity to replenish local reservoirs as needed. • Meet the estimated average annual demand of up to 300 mgd under the conditions of one planned shutdown of a major facility for maintenance concurrent with one unplanned facility outage due to a natural disaster, emergency, or facility failure/upset.
Water Supply – *meet customer water needs in non-drought and drought periods*	• Meet average annual water demand of 265 mgd from the SFPUC watersheds for retail and wholesale customers during non -drought years for system demands through 2018. • Meet dry-year delivery needs through 2018 while limiting rationing to a maximum 20 percent system-wide reduction in water service during extended droughts. • Diversify water supply options during non-drought and drought periods. • Improve use of new water sources and drought management, including groundwater, recycled water, conservation, and transfers.
Sustainability – *enhance sustainability in all system activities*	• Manage natural resources and physical systems to protect watershed ecosystems. • Meet, at a minimum, all current and anticipated legal requirements for protection of fish and wildlife habitat. • Manage natural resources and physical systems to protect public health and safety
Cost-effectiveness – *achieve a cost-effective, fully operational system*	• Ensure cost-effective use of funds. • Maintain gravity-driven system. • Implement regular inspection and maintenance program for all facilities.

And, be it

FURTHER RESOLVED, This Commission authorizes and directs SFPUC staff to

design and develop WSIP facility improvement projects consistent with the Phased WSIP Goals and Objectives.

I hereby certify that the foregoing resolution was adopted by the Public Utilities Commission at its meeting of October 30, 2008



Secretary, Public Utilities Commission

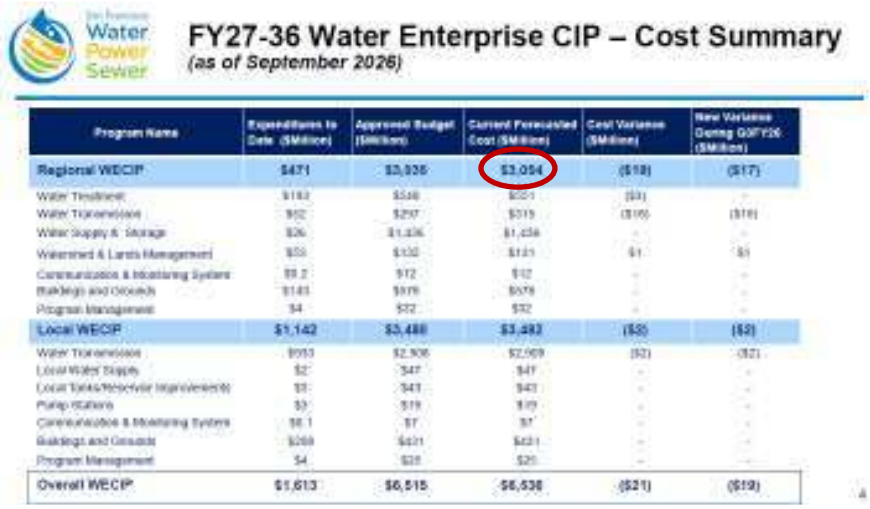
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November 9, 2026

Re: WECIP Update, Affordability and the Opportunity to Scale Back

Dear Commissioners,

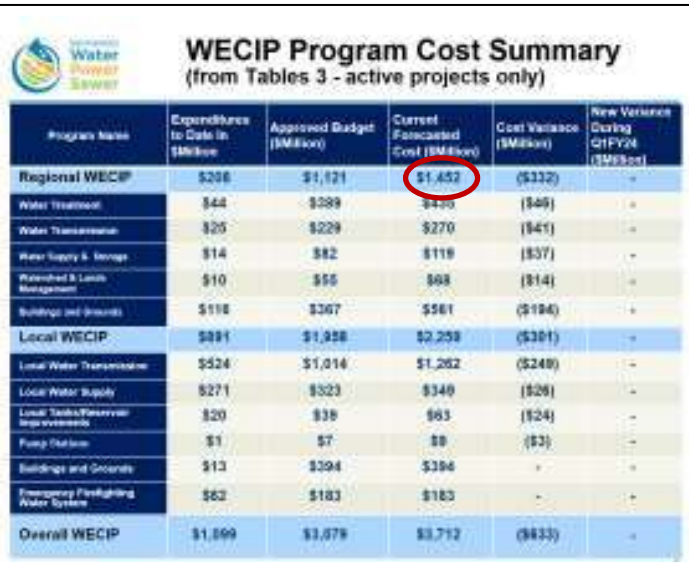
Combined with declining historical demand and shrinking demand projections, the Water Enterprise capital plan has been a primary contributor to water rate increases as it continues to grow. It is useful to compare the current summary (figure 1) to a 2024 summary (figure 2).



FY27-36 Water Enterprise CIP – Cost Summary
(as of September 2026)

Program Name	Expenditures to Date ($Million)	Approved Budget ($Million)	Current Forecasted Cost ($Million)	Cost Variance ($Million)	New Variance During Q3FY26 ($Million)
Regional WECIP	$471	$3,035	$3,054	($19)	($17)
Water Treatment	$183	$346	$351	($5)	-
Water Transmission	$92	$297	$315	($18)	($18)
Water Supply & Storage	$26	$1,436	$1,436	-	-
Watershed & Lands Management	$55	$132	$131	$1	$1
Communication & Monitoring System	$9.2	$12	$12	-	-
Buildings and Grounds	$141	$978	$978	-	-
Program Management	$4	$32	$32	-	-
Local WECIP	$1,142	$3,480	$3,492	($12)	($12)
Water Transmission	$953	$2,908	$2,909	($2)	($2)
Local Water Supply	$2	$47	$47	-	-
Local Tanks/Reservoir Improvements	$1	$43	$43	-	-
Pump Stations	$3	$19	$19	-	-
Communication & Monitoring System	$8.1	$7	$7	-	-
Buildings and Grounds	$169	$431	$431	-	-
Program Management	$4	$25	$25	-	-
Overall WECIP	$1,613	$6,515	$6,536	($21)	($19)

Figure 1: Current **2026** capital project cost summary



WECIP Program Cost Summary
(from Tables 3 - active projects only)

Program Name	Expenditures to Date in $Million	Approved Budget ($Million)	Current Forecasted Cost ($Million)	Cost Variance ($Million)	New Variance During Q1FY24 ($Million)
Regional WECIP	$208	$1,121	$1,452	($332)	-
Water Treatment	$44	$389	$430	($40)	-
Water Transmission	$25	$229	$270	($41)	-
Water Supply & Storage	$14	$82	$119	($37)	-
Watershed & Lands Management	$10	$55	$68	($14)	-
Buildings and Grounds	$116	$367	$561	($194)	-
Local WECIP	$891	$1,958	$2,259	($301)	-
Local Water Transmission	$524	$1,014	$1,262	($249)	-
Local Water Supply	$271	$323	$349	($26)	-
Local Tanks/Reservoir Improvements	$20	$39	$63	($24)	-
Pump Stations	$1	$7	$8	($3)	-
Buildings and Grounds	$13	$394	$394	-	-
Emergency Firefighting Water System	$62	$183	$183	-	-
Overall WECIP	$1,099	$3,079	$3,712	($633)	-

Figure 2: June **2024** capital project cost summary

You will note that the current regional WECIP total is $3.035 billion while in June 2024 the total was half of that, $1.452 billion.

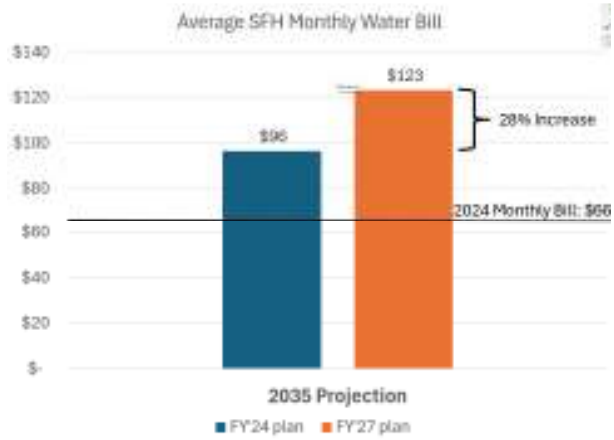


Figure 3: From the FY'24 plan to the FY'27 plan projected 2035 SFH average water bills increased an additional 28%

Rate Hikes Keep Increasing

Figure 3 shows how projected single family home (SFH) average bills for the year 2035 increased 28% since 3 years ago. These figures assume that the average SFH usage declines, or in other words the rate increases are higher than the average bill increases.

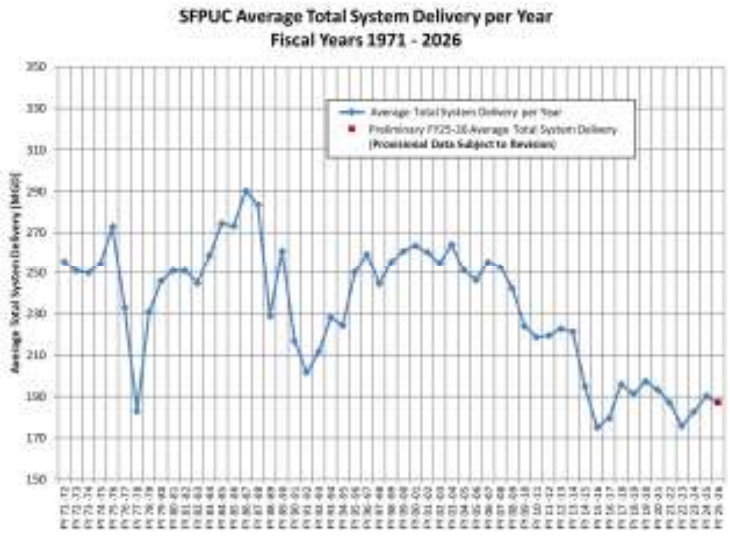


Figure 4: Regional Water System deliveries 1971- 2026 (SFPUC provided chart)

Demand is Not Increasing

Another important consideration is how decreasing demand (water sales) relates to increased spending. As you know, demand has not been growing as planned and in fact has been consistently under 200 mgd for the last 12 years as shown in Figure 4. Declining sales and increasing spending is not a great situation.

Consider a Philosophy Change: Scaling Back

The Regional Water System was designed to provide supplies in the range of 300 mgd. A third of that capacity is unused. As the WECIP demonstrates, maintenance is expensive. Adding to infrastructure makes it more so.

Examples of scaling back that come to mind: Pilarcitos dam improvements: On paper it looks like $190 million is being spent to protect 3,000 acre-feet of supply. This works out to an extraordinary cost per acre-foot. Another example is spending more than $700 million for 6 mgd of supply from PureWater Peninsula. This works out to more than $100 million capital cost per acre-foot, an extraordinary cost by any measure, not to mention O&M costs likely in the $1,500/acre-foot range.

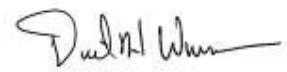
As a side note: Pursuing such projects provides an example of the opportunity cost of the design drought model. If the SFPUC is investing in projects like these based on protecting the design drought model, it highlights the cost of the model in which risk is exceptionally low and has not been quantified.

The Millbrae Operations Center is an opportunity to scale back

The Millbrae Operations Center, almost a $0.5 billion project, is another example. There's clearly a need for improvements in Millbrae. But by a few standard real estate measures, the cost and possible scale seem excessive. Could this not be downsized and still provide a significant improvement in the current situation? Please see my attached letter to the BAWSCA Board on the subject.

Staff are likely working now on their 2028-2037 capital plans for presentation in January. Please consider providing guidance on what you would like to see, perhaps including rate impacts of various capital plans.

Kind regards,



Dave Warner

P.S. During the January 29, 2026 commission meeting regarding the Water Enterprise capital plan, then Commission President Arce asked (paraphrasing) if the design drought would be revisited in light of affordability (at 1:36:45 in the video recording). General Manager Herrera appeared to say that it would this year. Is that still in the works?

cc: Dennis Herrera, SFPUC General Manager
Steven Ritchie, SFPUC Assistant General Manager, Water Enterprise
Nancy Hom, SFPUC Chief Financial Officer
Laura Busch, SFPUC Deputy Chief Financial Officer
BAWSCA Board of Directors

Attachment

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October 8, 2026

Re: Millbrae Operations Center Exceptional Cost

Dear BAWSCA Board Members,

The Millbrae Yard plan cost estimates, both the 2025 and 2026 alternatives, are surprisingly expensive. This project represents more than 20% of the Regional Water System's (RWS) 10 year capital plan.[1] The project should be reviewed by the BAWSCA Board for both cost and scale along with exploring alternatives. **It appears that there is the potential to reduce the cost of the project by $100-$200 million, a massive amount that could be used to address affordability, supply reliability and environmental impact.** Please consider having BAWSCA engage specialized expertise to evaluate this half billion dollar project including i) reducing its cost per square foot, ii) scaling back its size, iii) exploring lower cost alternatives, and iv) evaluating timing.

Cost is high compared to benchmark and alternatives

The table below compares the cost of the 2025 and 2026 alternatives against the local costs of constructing high-end dry lab space and against the cost of a recent office building purchase on the Peninsula. As the only square foot difference between the 2025 and 2026 alternatives is due to a parking garage, the cost of constructing such a garage on the Peninsula is also shown.

	Buildings sq ft	Garage sq ft	Total sq ft	Total cost
2025 alternative	176,055	n/a	176,055	**$428,000,000**
2026 alternative	176,055	111,888	287,943	**$484,000,000**
Dry lab cost estimate[2]	180,000	n/a	180,000	**$220,000,000-$252,000,000**
Recent purchase[3]	303,000	n/a	303,000	**$94,400,000**
Estimated cost to build a 4 story garage[4]		110,000	110,000	$23,000,000

[1] Per the SFPUC's FY 2027 10 year financial plan excel model, the RWS 10 year capital plan is $2,061 million.
[2] AI Gemini search based on: " Commercial Construction Cost Per Square Foot by Building Type", Updated September 2026, published by Terrapin Construction Group; "Construction Cost per Square Foot in San Francisco (2026 Guide)" published by CyanBuild. High end calculation assumes $900/square foot plus 25% soft costs combined with a 5 year (to 2032) escalation factor of 24.6%.
[3] Sale of 1400 Seaport Boulevard< Redwood City (waterfront), as reported by Kidder Mathews in their Peninsula/San Mateo Office Market Report 2nd Quarter 2026
[4] Based on WGI Parking Structure Cost Outlook for 2026 for San Francisco assuming 340 spaces with 25% soft costs and with a 5 year (to 2032) escalation factor of 24.6%.

The 2025 alternative was already expensive, more than $150 million above the high-end dry lab cost estimate. And the 2026 alterative added $56 million to the 2025 alternative, with the square foot increase only due to a parking garage. Using a San Francisco estimate for parking garage costs, the addition of a parking garage should have added only $23 million, not $56 million**. Excluding the $23 million for the parking garage, the 2026 alternative increased $33 million with limited explanation.**

Building a dry lab on the Peninsula, the all-in cost estimate for 180,000 square feet is at least $150 million less than the original 2025 alternative. Note that the dry lab estimate includes a 5-year (to 2032) cost escalation of 24.6%. And given the recent purchase of a 300,000 square foot office building in Redwood City, the savings by purchasing an existing facility (inclusive of added office-to-lab conversion costs) would have been in excess of $200 million when compared to the original 2025 alternative, This is not to suggest that the SFPUC move its facility to Redwood City but to note that from time to time large commercial complexes become available and at today's pricing, can be a significant savings to today's new building costs.

By any measure the Millbrae Operations Center is exceptionally expensive. On a per square foot comparison:

	Cost per square foot
2025 alternative	**$2,431**
2026 alternative (excluding garage at $23 million)	**$2,618**
Dry lab cost estimate	**$1,222 - $1,400**
Recent purchase (before conversion costs of up to $600/ square foot)	**$311**

The table above shows that the **2026 alternative's cost of $2,618 per square foot is almost double the high-end local dry lab cost estimate of $1,400 per square foot**. These cost differences should be understood.

Scale/Size of the facility hasn't been addressed

Demand on the RWS has declined significantly in the last 30 years and has stayed below 200 mgd for more than 10 years, running well below capacity. To manage costs, new investments in infrastructure should be scrutinized. There's been no information provided to the Board reviewing how the size of the new facility compares to the size of the two it is replacing from a square foot perspective, from number of employees perspective, and from an office space per

employee perspective. These questions should be answered and compared not only between the existing and new facilities, but also against industry benchmarks.

For reference, 176,000 square feet is about double the size of the ground floor of San Francisco's ferry building. Also, it should be understood how many employees based in that location spend most of their time in the field.

Timing is poor given wholesale rate and market context

Wholesale rates are high. Not only did wholesale jump 7.4% this year, but they did so unexpectedly as the expectation was 1%. And they increased unexpectedly over the longer term. In May 2023 the SFPUC projected the FY 2027 wholesale water rate to be $5.31. Today it is $6.23, 17% higher. The SFPUC has a poor track record of projecting wholesale rates. Future increases will likely be greater than what the SFPUC projects.

Borrowing rates are high. On October 5th, the firm Raymond James stated, "… we witnessed yields rise in the Treasury and municipal market to levels that we have not seen in decades."[5] With interest rates at a multi decade high, it raises the question of the urgency of the need.

Understand the risk of deferral or lesser upgrades to the facility

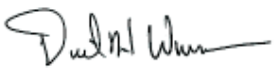
While it appears the consensus for the timing for replacing the current facilities is now, it is worth understanding the pressures on timing and the risks associated with delaying/deferring the project. Would lesser upgrades allow the project to be deferred 10 years or more?

Action:

Please consider having BAWSCA engage specialized expertise to evaluate this half billion dollar project including:

i) reducing its cost per square foot
ii) scaling back its size
iii) exploring lower cost alternatives
iv) evaluating timing

Kind regards,



Dave Warner

[5] Raymond James Municipal Bond Investor Weekly, October 5, 2026, page 2.

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Maven's Notebook PRESS RELEASE:
State Water Resources Control Board
November 4, 2026

State Water Board approves water right for Sites Reservoir

Permit balances water supplies, protections for fish and water quality

As California responds to a changing climate, more extreme droughts and floods, and a growing need to store water during wet periods, the State Water Resources Control Board today approved a water right for a new reservoir that incorporates critical environmental safeguards to protect the state's largest river.

The Sites Reservoir Project, located about 65 miles northwest of Sacramento, is an off-stream storage project that would divert water from the Sacramento River during relatively high flows and store it for farms, cities and the environment. Sites will use new and existing infrastructure to transfer water from the river near Red Bluff and Hamilton City to a new reservoir 10 miles west of the town of Maxwell.

The water right permit for the reservoir, which would be the largest surface water storage infrastructure built in California in more than 50 years, allows diversions of up to 986,000 acre-feet per year, or enough to supply about 8.4 million people annually.

Today's approval only covers diversions from the Sacramento River. Whether the project may also capture water from Funks and Stone Corral creeks, two local streams at the reservoir site, will be decided in a separate hearing that begins in January 2027.

Among the permit conditions, the project can only divert between November and mid-June, and when water is surplus to the needs of senior water right holders, Delta water quality and fish. It also must comply with water quality protections in the newly updated Bay-Delta Plan, which initially defaults the project to unimpaired flow requirements established by the regulatory pathway.

"With the adoption of last week's Bay-Delta Plan update, the State Water Board has established a durable framework that enables projects like Sites to be operated in a way that is protective of important river systems but flexible enough for the development of new water supplies critical to California's ability to adapt to hydrologic fluctuations brought on by climate change," said Chair E. Joaquin Esquivel. "Climate change is here, and we must lean into new ways of managing water to adapt to it. Expanding opportunities to increase supplies through storage makes sense, with robust environmental protections in place."

In addition to complying with the Bay-Delta Plan, the permit includes the following environmentally protective measures:

- Bypass flow requirements to ensure water is diverted only during relatively high flows.

- Restrictions on diversions during periods of fish migration.
- Authorization for a portion of the stored water to be used for wildlife refuges.
- The use of screens that prevent fish from being drawn into diversion facilities.
- New studies to confirm that minimum bypass flow requirements will prevent unreasonable harm to fish.
- Water quality requirements on reservoir releases to protect the river and Delta from harmful algal blooms, high temperatures and elevated mercury levels.

Once completed, the project will deliver water from the reservoir through canals or the river system to Sites proponents, which include state and federal agencies, public irrigation districts in the Sacramento and San Joaquin Valleys and urban water suppliers serving the Bay Area and Southern California.

Today's decision is the culmination of proceedings conducted by the board's Administrative Hearings Office, an independent unit created in 2019 to conduct neutral, fair and efficient evidentiary hearings on water rights matters. The hearings took place on 32 separate days over two years and involved 41 parties, 60 witnesses and over 2,100 evidentiary documents.

Staff with the hearings office prepared the draft decision and draft water right permit at the direction of the board, whose members were involved throughout the process. The board adopted the final decision after two public comment periods on drafts released in March and September.

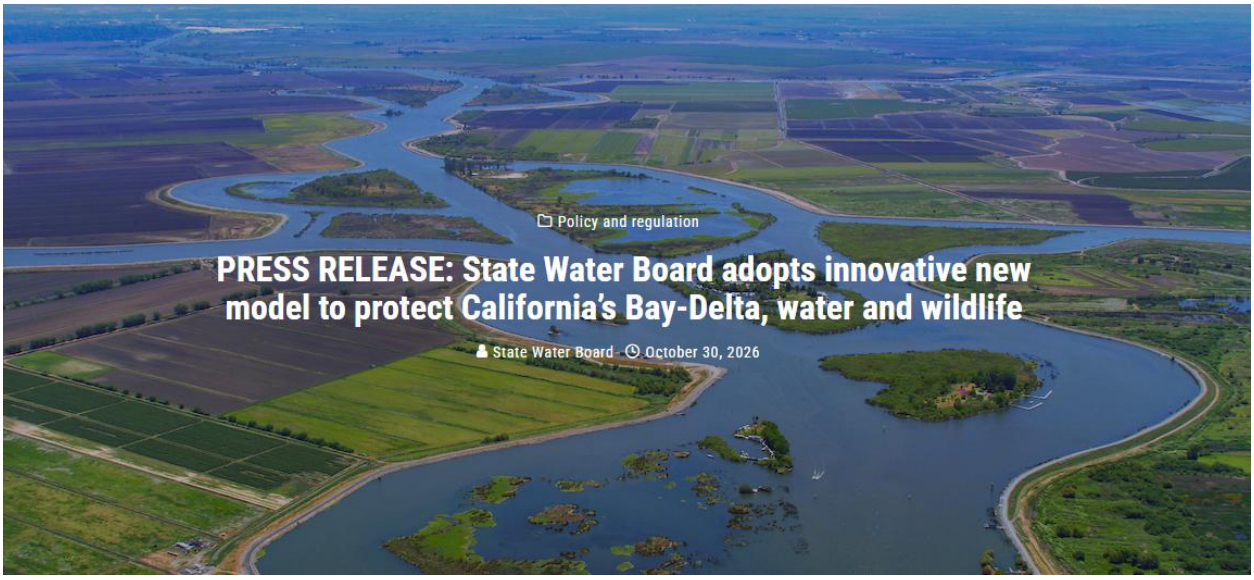
More information about the Sites Reservoir water right application and hearing process can be found on the board's website.

# # #

The State Water Board's mission is to preserve, enhance and restore the quality of California's water resources and drinking water for the protection of the environment, public health and all beneficial uses, and to ensure proper resource allocation and efficient use for present and future generations.

Maven's Notebook PRESS RELEASE:
State Water Board
October 30, 2026

State Water Board adopts innovative new model to protect California's Bay-Delta, water and wildlife



Aerial view looking south east at a section of the San Joaquin River and right St Francis Yacht Club located on Tinsley Island part of the Sacramento-San Joaquin River Delta in San Joaquin County, California. Photo taken May 11, 2023. California Department of Water Resources
Policy and regulation

Framework combines new flows, habitat restoration, science and enforceable rules to protect the Sacramento River and Delta
From the State Water Board:

In a landmark development driving large-scale ecosystem restoration and creating greater security for the heart of California's water system, the State Water Resources Control Board today adopted modernized water quality protections for the Sacramento River and San Francisco Bay-Delta.

The updated Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed (Bay-Delta Plan) strengthens protections for native fish and wildlife, provides water security, improves water quality and positions the state to better withstand the challenges of a changing climate.

Today's decision concludes a multi-year public process and reflects years of scientific study, hundreds of hours of public engagement, and significant input from environmental organizations, tribes, water agencies, and local communities.

“This groundbreaking plan begins a new era of environmental protection, creating enforceable flow standards while giving communities, farms and industry the flexibility to manage their supplies and work together to restore California’s most important and overburdened watershed,” said State Water Board Chair E. Joaquin Esquivel. “The new plan also gives us the modern tools we need — especially increased monitoring and data collection — to manage the Bay-Delta for the 21st century. Today we celebrate the collective work that brought us here and the progress this represents for the entire state.”

At the center of the updated plan is a new model for protecting water quality that provides two robust, enforceable pathways to achieve the plan’s objectives and improve the health of the Bay-Delta. One pathway pairs commitments by participants in the Healthy Rivers and Landscapes (HRL) program — known as the voluntary agreements compliance pathway — with enforceable requirements and a strong regulatory backstop. The other pathway is a more traditional regulatory pathway focusing primarily on enhanced flows.

Relying on collaboration and innovation, the voluntary pathway combines river flows, habitat restoration and rigorous scientific oversight to improve the health of the Bay-Delta. Independent science will measure progress, and if anticipated results do not materialize, the regulatory pathway provides an enforceable backstop to realize flow requirements. However, if conditions in the watershed improve and meet the plan’s objectives, the plan will demonstrate that ecosystem protection can be achieved at a lower water supply cost to communities, farms and industry.

The voluntary pathway has regulatory effect and is subject to ongoing monitoring and review. Flow contributions are verified through public accounting, and habitat restoration projects must meet construction milestones. The board can modify or end the pathway if commitments are not met.

“Ultimately, the test for the new Bay-Delta Plan will be whether the ecosystem becomes healthier, native fish populations recover and the people who depend on this extraordinary ecosystem can sustain their communities and livelihoods,” Esquivel said.

In particular, the updated plan:

- Establishes enforceable protections to ensure water right holders meet a clear environmental standard, either through an approved voluntary agreements pathway or traditional regulatory pathway.
- Harnesses creativity and collaboration to allow water users, farmers, landowners, conservation organizations and government agencies to develop and implement projects that deliver environmental benefits.
- Recognizes “Tribal Tradition and Culture” as a protected beneficial use of water for the first time, reflecting the deep cultural connections between tribes, rivers and native fish such as salmon.
- Increases river flows and enables restoration of more than 27,000 acres of aquatic habitat.

- Expands monitoring of harmful algal blooms across the Delta and supports the board's development of statewide water quality objectives for harmful algal blooms and cyanotoxins.
- Lessens periods of reduced water supply for municipalities and water districts while maintaining protections for Delta flows in drier times.
- Supports a HRL program designed to direct roughly $2.9 billion in state, federal and local investment to watershed-scale, multi-benefit projects that restore ecosystem function, improve flows and reconnect floodplains.
- Uses science to measure results, with annual reporting, triennial board review and a dedicated science program that relies on robust data collection and monitoring to determine whether restoration efforts are improving ecological conditions.

Pending Office of Administrative Law approval, board staff will release a draft implementation methodology within one year and develop implementing regulations within two years, and the voluntary agreements pathway will begin implementation no later than Oct. 1, 2027.

Background

The Bay-Delta supports some of the state's most iconic and threatened fish and wildlife, sustains tribes and other local communities, and provides water for nearly 30 million Californians and 4 million acres of farmland. These benefits are essential to the economy and environment. But the Delta and its tributaries have long been under threat. Native fish populations have suffered, habitat has been lost, and the watershed faces increasing pressure from climate change and competing demands for water.

Federal and state law require that the plan, like other water quality control plans, be reviewed periodically and updated as necessary to protect beneficial uses of water, which include water for cities, agriculture, ecosystem functions (including the protection of aquatic species), recreation (boating, fishing, swimming), navigation, groundwater recharge and tribal uses.

Today's updated plan was shaped by an extensive and transparent public process that included four iterations of draft language, more than 200 days of total public comment, dedicated tribal and environmental justice listening sessions, and other public workshops.

More information about the plan, including an updated Frequently Asked Questions, is available on the board's website.

The State Water Board's mission is to preserve, enhance and restore the quality of California's water resources and drinking water for the protection of the environment, public health and all beneficial uses, and to ensure proper resource allocation and efficient use for present and future generations.

# # #

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State Water Board Approves Update to Bay-Delta Water Plan

California Water Agencies, Federal Bureau Raise Concerns

Advocacy | November 6, 2026 | Kristopher Anderson



Rio Vista Bridge

Last week, the California State Water Resources Control Board adopted an update to the water plan that will govern water usage and reservoir operations in the state for the next seven years.

Adoption of the updated water quality control plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed (Bay-Delta Plan) on Oct. 29 marked the end of a multi-year process, involving hours of public hearings with testimony from environmental groups, tribes, water agencies, local community representatives, and statewide business groups.

The updated plan provides what's called a "regulatory pathway" that focuses on controlling water flows through the Delta and a second pathway the State Water Board said is based on the Healthy Rivers and Landscapes (HRL) program (formerly referred to as the voluntary agreements).

The Healthy Rivers program reflects a suite of commitments among state, federal and public water agencies that were documented in a Memorandum of Understanding signed in March 2022.

The original Healthy Rivers agreement balanced the protection of all beneficial uses, using scientifically based flow and non-flow measures that would help support native species and the

environment, and created a governance structure to oversee implementation and help in decision making.

Concerns

Since its release, the plan adopted by the State Water Board has been criticized by state water agencies and the federal Bureau of Reclamation for straying from the 2022 Healthy Rivers agreement.

On Oct. 30, the general manager of the Metropolitan Water District of Southern California expressed disappointment in the plan adopted by the State Water Board, saying it "did not adequately incorporate the pathway as envisioned by the Healthy Rivers and Landscapes Program."

Metropolitan remains committed to the principles of the Healthy Rivers program, General Manager Shivaji Deshmukh said, pointing out that "Southern California's water future is closely connected to the health of the Bay-Delta, and our shared goals remain as important as ever."

In a Sept. 4 press release, the Westlands Water District said the final draft of the Bay-Delta plan "retains the HRL name while abandoning the commitments the parties negotiated in 2022." The changes, Westlands said, mean the program's purpose is "no longer achievable."

Westlands said it committed to the 2022 approach because "it paired new flows with habitat restoration at scale, provided dedicated funding, and established a rigorous science program, all under a governance structure built to adjust management actions as the science developed."

The Bureau of Reclamation, in a Sept. 4 letter to the State Water Board, said the latest draft of the Bay-Delta plan "threatens reliability of water supplies that support not only the Central Valley Project (CVP), but the entire fabric of California's agricultural economy, rural communities, urban centers, and natural vitality."

The letter said the draft plan "disregards federal law, negotiated certainty, and sound judgment."

Water agencies have until July 2027 to decide whether they will opt into the Healthy Rivers pathway.

# # #

New Bay-Delta rules highlight state's slow water progress

Pacific Research Institute | November 6, 2026 | Steven Greenhut

If you turn a map of California on its side with the Nevada border to the north, you'll notice a low-lying area where nearly half of the water from the Sierra Nevada Mountains drains before it heads to the San Francisco Bay and then to the Pacific Ocean. That is the Sacramento-San Joaquin Delta. It's the West Coast's largest estuary, an enchanting ecosystem of rivers, historic small towns and orchards.

Per state estimates, the area's overall watershed "drinking and municipal water to nearly 30 million people irrigation water" and "for 4 million acres of farmland." It's also Ground Zero for California's long-running water wars given its significance in divvying up the state's scarcest resource. The mighty Sacramento River runs south into the Delta, then gets tangled in a maze of wetlands, tributaries and sloughs before its water is pumped to farms in the San Joaquin Valley.

The latest political tussle involves overhauling the water-management rules in the area, via something known as the Bay-Delta plan. It was last updated 31 years ago. The California Water Resources Control Board last week voted 4-1 to approve a new plan which, per Politico, "will trade billions of dollars in habitat restoration for greater water flexibility for farms and cities in the sensitive Bay-Delta region." As economist Thomas Sowell once quipped, "There are no solutions. There are only tradeoffs." This plan seems to recognize that reality.

In the 19th century, the Delta was home to peat bogs, sprawling marshes, herds of elk and even grizzly bear. After the Gold Rush brought droves of newcomers to Northern California, federal and state laws authorized the sale of these swamplands. Developers — first using Chinese labor and then steam-powered dredges — built earthen levees to hold back the waters and precipitate the transformation of the region into an agricultural hub. Even today, the main roads through the Delta are built on top of these 150-year-old levees.

Agriculture remains the key industry, but the California Delta faces serious ecological problems including subsidence (the land is sinking) and salt-water intrusion from the Pacific. That's the necessary backdrop to understand the latest feuds over the region. It also explains the rationale for the proposed Delta tunnel, which would — if it ever gets built — send water unimpeded from the north end of the Delta to the south while restoring adjacent habitats. One fear: A large earthquake could destabilize the levees and flood the below sea-level farmland.

Previously, water deliveries in the Delta were determined through a regulatory process whereby the state water board dictates water flows and curtailments within the context of our complex system of water rights. In other words, the state dictated the rules based on water availability. Now water users can choose to follow that hard-and-fast regulatory system or enter into voluntary agreements where they agree to divert more water to habitat-improvement projects in exchange for a more streamlined approval process.

The concept aligns with Gov. Gavin Newsom's approach. As he explained in May in a speech to the Association of California Water Agencies: "California has embraced a more balanced and forward-looking approach to water policy — rejecting the false choice between protecting our

water future and building the infrastructure we need. We're taking an all-of-the-above approach by expanding water projects, restoring habitats, and improving water quality, because real progress comes from partnership, not polarization." That's a perfectly reasonable template, but where's all the actual progress?

As always, the devil is in the details. So, not surprisingly, many stakeholders aren't happy with the latest Bay-Delta plan update. For starters, original signatories to the deal are no longer behind it. "Water users, including Westlands Water District, a power player in the state's $60 billion agricultural economy, say the current plan is not what they signed up for," reports CalMatters. These water-rights holders see the new voluntary agreement plan as encompassing too much state meddling.

And the publication points to these disputes that are based on polar-opposite goals: "The Trump administration has threatened to withdraw support and several hundred million dollars in funding. And environmental advocates, tribes, and fishing groups warn that the deal and its regulatory backup gut protections for an ecosystem already in crisis." The former believes the plan won't send enough water to farmers and the latter believes it will send too much.

Welcome to the world of California water. For those of us who are immersed in it, this latest fracas showcases how difficult it is to implement even the most modest upgrades to our water systems. This process of adding an approval process that is slightly less heavy-handed began four years ago, and the state has been operating under rules that have been in place since 1995.

When Newsom took office in 2019, he downsized the Delta tunnels to a single tunnel, but even that smaller project still faces the usual array of hurdles. Meanwhile, the State Auditor recently reported on the troubling state of many of our existing dams.

The plan to build Sites Reservoir, an off-stream water-storage project north of Sacramento received funding in 2014 from the Proposition 1 water bond, but construction has yet to begin. Newsom announced in September that the project is "moving closer to construction." Its final major approval is scheduled for a water-board vote this week, so optimism is in order — but the project was first proposed during the Dwight D. Eisenhower administration.

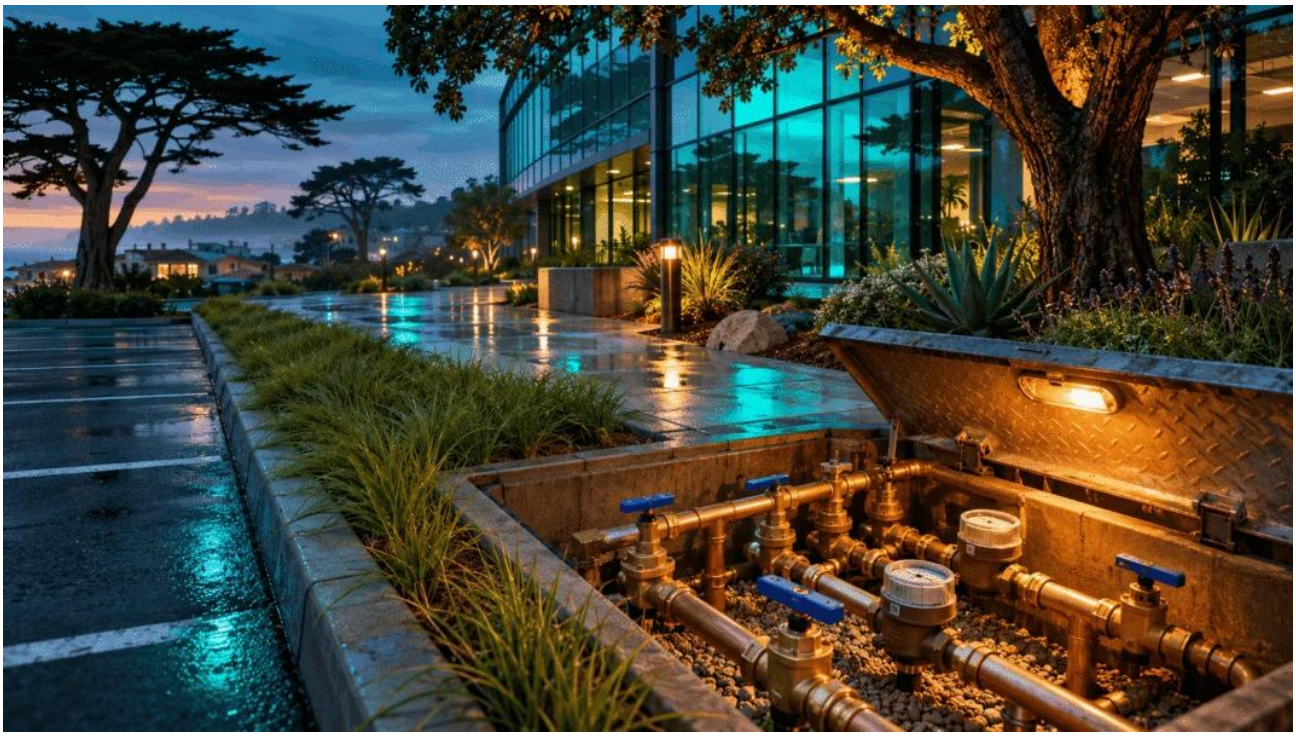
So, yes, the new Bay-Delta plan likely marks some modest improvement over the old plan. We're seeing some progress on building a major new reservoir and the tunnel plan is at least still alive. But the longer the state dilly dallies in upgrading its water systems, the longer its residents will be at the mercy of Mother Nature and fears of another drought.

# # #

Steven Greenhut is director of the Pacific Research Institute's Free Cities Center.

California’s 2028 Watering Deadline Is Closer Than It Looks: Why Commercial Property Owners Need to Review Irrigation Lines, Backflow Protection and Plumbing Maintenance Now

News Blaze | November 8, 2026 | Adam Torkildson



California’s 2028 watering deadline is approaching for commercial property owners whose landscapes contain decorative grass irrigated with drinking water. A strip of lawn around an office parking lot may seem like a minor maintenance issue, but it could require a closer look at how a property’s irrigation system uses water, where its supply lines run and which areas the current equipment serves.

Assembly Bill 1572, commonly called AB 1572, phases in restrictions on using potable water to irrigate nonfunctional turf at certain California properties. Most commercial, industrial and institutional properties face a January 1, 2028 compliance date. Common areas managed by homeowners’ associations and similar organizations generally have until January 1, 2029.

The law does not order every property owner to remove grass, replace an entire irrigation system or install new plumbing equipment. Its central restriction concerns the use of potable water on qualifying nonfunctional turf.

For property managers, the practical challenge is determining which planted areas are covered, where the water comes from and whether existing irrigation arrangements can be adjusted without creating additional problems.

What California AB 1572 changes in 2028

California Water Code section 10608.14 establishes restrictions on irrigating nonfunctional turf with potable water. The California State Water Resources Control Board explains that nonfunctional turf generally means mowed grass that does not serve an active recreational or community purpose.

Examples can include decorative lawn strips along parking lots, grass surrounding signs and other areas maintained primarily for appearance rather than regular use by people.

The distinction matters because a business property may contain both functional and nonfunctional turf. A landscaped area used for organized recreation or community gatherings is not necessarily treated the same way as a narrow ornamental strip bordering a driveway.

The restrictions are introduced in phases according to property type. Many public agency properties have a January 1, 2027 deadline. The January 1, 2028 phase applies to other commercial, industrial and institutional properties, subject to the law's exclusions and exceptions. Common areas belonging to homeowners' associations, common-interest developments and similar organizations generally follow in 2029.

Some publicly owned properties in disadvantaged communities have a later deadline tied to the applicable statutory provisions and state funding conditions.

Property owners should confirm their classification before relying on a date. A commercial building, public facility and association-managed common area may have different compliance timelines despite being located on the same street.

For businesses reviewing California AB 1572 irrigation plumbing requirements, an important starting point is identifying which irrigation zones currently supply decorative turf and which also serve trees, shrubs or other plantings.

That information can determine whether a relatively limited adjustment is possible or whether the existing system needs more extensive evaluation.

Santa Cruz has already incorporated the restrictions into local rules

The law is not merely a future proposal awaiting adoption. California enacted AB 1572 in 2023, and local water suppliers have been updating their own rules to reflect its requirements.

The City of Santa Cruz adopted Ordinance No. 2026-01 to amend its water-use regulations and address the irrigation of nonfunctional turf.

The resulting provisions of Santa Cruz Municipal Code Chapter 16.02 establish the phased restrictions, including January 1, 2028 for applicable commercial, industrial and institutional properties, and January 1, 2029 for qualifying association common areas.

For a property served by the Santa Cruz Water Department, the municipal code and current department guidance are important sources when assessing compliance.

Businesses outside the city's water-service area should check their own supplier's requirements. Santa Cruz County contains multiple water-service areas, and a general article about statewide rules does not replace locally applicable requirements.

Commercial owners should also distinguish between the state restriction and any separate water-waste provisions already applicable to their property.

Waiting until the 2028 deadline to investigate the system could leave little time to identify shared irrigation zones, obtain proposals or coordinate work around tenants and customers.

The law does not require every lawn to be removed

One persistent misunderstanding is that AB 1572 requires all commercial properties to remove their grass before the relevant deadline.

The restriction is more specific. Covered properties must stop using potable water to irrigate nonfunctional turf once their applicable compliance date arrives, except where the law permits continued use.

For example, a commercial property may have a decorative grass strip that is currently watered with potable water. The manager might consider converting it to a climate-appropriate landscape, disconnecting that zone from the drinking-water irrigation supply or using an allowable nonpotable source where one is available and properly approved.

The right solution depends on the site's existing systems, landscaping requirements and water supply.

California's rules also recognize limited circumstances in which potable water may continue to be used, including amounts necessary to protect trees and other perennial nonturf plantings or address an immediate health and safety need.

Those exceptions should not be interpreted as permission to continue routinely watering decorative grass without examining the actual circumstances.

The State Water Resources Control Board and the relevant water supplier can provide guidance on the law's scope. Property managers should also consult qualified professionals when changes may affect irrigation equipment or protected landscape features.

Replacing turf can be one compliance strategy, but the law should not be presented as a blanket landscape-removal mandate.

Why irrigation zones deserve an early inspection

The first technical question is often whether a property's irrigation system separates different landscape areas into distinct zones.

Some systems were installed long before AB 1572 was enacted. A single valve may supply water to decorative turf, nearby shrubs and trees. Shutting off that entire zone could reduce irrigation to plants that remain eligible for watering.

Other properties have separate valves for turf and planted beds, allowing more targeted adjustments.

A review should identify the water source, controller settings, active zones, valve locations and visible condition of supply lines.

It may also reveal equipment that has been modified over time without corresponding updates to system diagrams.

Property records are useful, but they do not always reflect every field change. A recent site inspection can help establish whether the documented arrangement matches the equipment actually operating.

The question is not simply which grass should stop receiving water. It is how to change that irrigation without unintentionally interrupting other areas or introducing avoidable leaks.

Where different plantings share one zone, separation may require evaluating valves, branch lines or other components. That should be determined from the physical installation rather than assumed from the lawn's appearance.

Older irrigation systems can conceal water losses

A property owner preparing for AB 1572 may discover that the system has ordinary maintenance problems unrelated to the new law.

Leaking valves, damaged lateral pipes, broken sprinkler heads and poorly adjusted controllers can waste water regardless of whether the surrounding grass is considered functional.

The California State Water Resources Control Board's conservation information stresses the importance of using water efficiently. An irrigation review offers a practical opportunity to identify losses before the property begins modifying its watering arrangements.

Water use can also be difficult to interpret when a commercial property has several meters, irrigation connections or shared systems.

A manager should establish which meter or supply connection serves each area before assuming that a particular zone uses recycled water or another nonpotable source.

Where nonpotable water is considered, the design must account for the water supplier's requirements and applicable cross-connection protections. A change in water source cannot safely be treated as a simple hose or pipe connection.

Experienced contractors can help identify the physical arrangement and determine which modifications require permits, design approval or further specialist assessment.

The goal is a system that meets the applicable water-use restrictions while continuing to operate reliably for the remaining landscape.

Backflow protection is a separate water-safety obligation

AB 1572 and backflow prevention address different issues, although both may become relevant during an irrigation-system review.

AB 1572 restricts the use of potable water on qualifying decorative turf. Backflow prevention concerns the possibility of water moving in the wrong direction and introducing contamination into a drinking-water system.

Pressure differences or unsuitable connections can create backflow risks in some plumbing and irrigation arrangements.

The City of Santa Cruz Water Department maintains a cross-connection control and backflow prevention program under applicable state law, its municipal code and department policies.

According to the department's published Engineering guidance, customers with required backflow prevention assemblies are responsible for arranging inspection and testing by approved personnel. The department specifies at least annual testing, or a more frequent interval when required by applicable rules.

That requirement should not be described as a new universal obligation created by AB 1572.

Instead, property managers reviewing commercial backflow testing considerations should determine which devices are installed, which are required and whether current inspections and testing records are available.

The location and condition of irrigation connections deserve attention when zones are being disconnected, rearranged or supplied from different water sources.

The City of Santa Cruz also publishes information about its approved backflow testers and cross-connection control procedures. Property owners should confirm current testing requirements directly with the relevant water utility.

A property may need an irrigation modification for AB 1572 while separately having an existing backflow testing obligation. Keeping those issues distinct helps prevent unnecessary work and misleading compliance claims.

What a commercial plumbing review should establish

Not every AB 1572 project requires extensive plumbing construction. A property with independent irrigation zones and reliable shutoff controls may have a different scope of work from one with shared supply lines and incomplete records.

Before authorizing changes, the property manager should obtain a clear description of the existing conditions and proposed work.

That description should distinguish landscape design decisions from plumbing and water-system work.

A landscaping professional may evaluate suitable replacement planting, while a plumbing or irrigation contractor may assess water supply, valves, fittings and connection arrangements. Some projects can require coordination between several disciplines.

When considering licensed commercial plumbing services, owners should verify the contractor's applicable credentials and confirm that the proposed scope matches the work the contractor is authorized and qualified to perform.

In California, the Contractors State License Board provides public tools for checking contractor licensing information. The relevant classification, license status and project requirements should be assessed for the actual job.

Property owners should not assume that a licensed contractor automatically has every specialized certification required for backflow testing or a particular irrigation installation.

A written proposal should explain which components will be changed, whether the system will remain operational during the work and how completed modifications will be tested.

It should also identify who is responsible for permits, inspections and documentation if those are required.

Planning around tenants, access and daily operations
Commercial properties often have constraints beyond the irrigation equipment itself.

A shopping center may need work performed outside busy customer hours. An office property may have landscaped areas around walkways and vehicle entrances. A hotel may need to preserve guest access during construction.

These conditions can affect when contractors can inspect valves, isolate water lines or work near occupied spaces.

Property managers should record access restrictions and the locations of buried services before scheduling intrusive work.

Existing site plans may identify irrigation piping, electrical lines, drainage features and other infrastructure. If excavation is planned, the appropriate utility-location procedures should be followed before digging begins.

The work schedule should also address communication with tenants and site personnel. A temporary irrigation shutdown may be minor, but a broader water-service interruption requires more careful planning.

Proposals that do not explain operational impacts may be difficult to compare, even if they identify similar equipment changes.

For owners managing several properties, consistent documentation can make future inspections and maintenance easier. Each location should still be assessed individually because its water supplier, irrigation layout and compliance date may differ.

A practical schedule before January 2028
With the commercial deadline approaching, property managers can organize work around a sequence of decisions rather than immediately committing to a large conversion project.

- Identify the property category. Confirm whether the site is commercial, industrial, institutional, public agency or association-managed property, and establish the applicable deadline.
- Survey the landscape. Record where turf is used for recreation or community activity and where it appears primarily decorative.
- Map the irrigation supply. Determine which zones use potable water, where valves are located and whether turf shares irrigation with trees or other plantings.
- Review system condition. Look for leaking lines, damaged controls and maintenance problems that could complicate proposed changes.
- Check backflow records. Confirm whether required assemblies have current testing and whether changes will affect cross-connection controls.
- Evaluate options. Compare suitable landscaping changes, irrigation adjustments and any allowable alternative water supplies.
- Document the completed work. Preserve updated system information, relevant approvals and maintenance records for future operators.

This schedule is a practical planning framework, not a substitute for the property owner’s legal obligations.

Businesses should review current guidance from the State Water Resources Control Board and their water supplier before approving a final approach.

Compliance documentation may matter after the deadline
AB 1572 includes certification provisions for certain regulated properties. The State Water Resources Control Board is responsible for implementing those requirements.

Owners should check whether their property’s irrigated area, classification and reporting schedule make certification necessary.

Maintaining records of irrigation changes can be useful even where a particular certification requirement does not apply.

Updated zone diagrams, contractor records, photographs and maintenance documentation can help a future property manager understand what was changed and why.

They can also make it easier to distinguish an intentionally disconnected decorative-turf zone from equipment that has failed or been left out of service accidentally.

Reporting requirements should be checked against the latest state instructions rather than inferred from general summaries. A property owner should not assume that completing plumbing work automatically satisfies any required certification process.

The real deadline is the last practical day to make the right changes

January 1, 2028 is the legal compliance date for many California commercial, industrial and institutional properties affected by AB 1572. For a property with decorative grass watered from the drinking-water supply, the preparation process may begin much earlier.

The most useful first step is to establish the facts: which areas are covered, how water reaches them, what the local supplier requires and whether the irrigation system can be adjusted without affecting other plantings.

Backflow testing and ordinary plumbing maintenance should be reviewed on their own terms. They may overlap with a project involving irrigation modifications, but they are not interchangeable with the nonfunctional-turf restriction.

Commercial owners who understand those distinctions can request more accurate proposals, avoid unnecessary system replacement and document the changes they actually need.

The law is ultimately about where potable water may be used. Getting the plumbing and irrigation details right is what allows a property to respond without creating new maintenance and water-safety problems.

# # #

AB 2180 Clarifies How California Agencies May Demonstrate Prop 218 Compliance for Water, Sewer, and Solid Waste Rates

Atkinson, Andelson, Loya, Ruud & Romo | November 5, 2026

On September 27, 2026, Governor Newsom signed Assembly Bill 2180 ("AB 2180") into law. AB 2180 adds Government Code section 53751.5, effective on January 1, 2027, as part of the Proposition 218 ("Prop 218") Omnibus Implementation Act. In response to uncertainty and litigation over how local agencies demonstrate compliance with Prop 218's proportionality and cost-of-service requirements for property-related fees, AB 2180 establishes statutory standards and methodologies that clarify how an agency may make that showing, including standardized methods for the equitable allocation of service-related costs.

In plain terms, AB 2180 makes it easier for local agencies — such as cities, counties, and water districts — to show that the rates they charge for water, sewer, and trash service are legally compliant. AB 2180 spells out the kinds of data and the cost-allocation methods an agency may use to justify those rates. But AB 2180 does not change the core rule of Prop 218: a property owner cannot be charged more than the cost of serving that owner's property.

Prop 218 Background

Prop 218 (1996) was part of a series of voter initiatives limiting the ability of state and local governments to impose taxes and fees. The first was Proposition 13 (1978) ("Prop 13"), which amended the California Constitution to cap ad valorem property taxes (taxes based on a property's assessed value) at one percent of assessed value, restrict annual increases in assessed valuation to two percent unless ownership changes, and require two-thirds voter approval for local special taxes. However, Prop 13 did not impose comparable restrictions on revenue labeled as fees, charges, and assessments, which gave local governments a way to raise money that looked like a fee rather than a tax and sidestep Prop 13's limits.

Prop 218 was designed to close this loophole by imposing constitutional restrictions on local assessments and property-related fees (charges tied to owning property, such as a monthly water or sewer bill) that had previously fallen outside Prop 13's reach. One of Prop 218's principal reforms was to require voter approval for many local revenue measures that previously could be imposed without a direct vote of the electorate. However, Prop 218 exempts fees for sewer, water, and solid waste services from its voter-approval requirement.

Instead, Article XIII D, section 6 of the California Constitution subjects those fees to procedural requirements and two basic substantive limits: the total revenue from a fee cannot exceed what it costs to provide the service, and no single parcel can be charged more than its fair share of that cost. The second limit is known as the "proportionality" requirement — the amount a property owner pays must align with the cost of serving that owner's property. If a fee is challenged in court, the agency, not the person challenging the fee, must prove that the fee follows these rules. Disputes have centered on the proportionality requirement, particularly in litigation involving cost-of-service studies (the analyses agencies use to set rates) and rate design, because utility rates are not approved at the ballot box.

The Appellate Split That Prompted AB 2180

In the two years before AB 2180, three Court of Appeal decisions exposed a sharp disagreement over how an agency must prove that its tiered rates — rates that charge more per unit as a customer uses more — actually track the cost of service.

In Coziahr v. Otay Water District and Patz v. City of San Diego, the Fourth District adopted a stringent approach, requiring agencies to prove that rates matched the cost of service attributable to particular parcels, not just that the rates rested on a reasonable method of dividing up costs. The Second District took the opposite view in Dreher v. Los Angeles Department of Water & Power, holding that Prop 218 requires proportionality, not exactness, and allows agencies to use reasonable cost-allocation methods. The California Supreme Court granted review of Dreher on March 11, 2026.

After AB 2180 was signed, the Court — on September 30, 2026 — requested supplemental briefing on the new statute's effect on the issues under review. AB 2180 was therefore enacted against a backdrop of continuing judicial uncertainty, and that review remains pending.

AB 2180's Clarification of Prop 218 Compliance

The new Government Code section 53751.5 changes how an agency proves its rates are fair — it does not change the underlying rule that a fee cannot exceed the cost of service. Its general standard, which applies to any fee or charge under Article XIII D, section 6 of the California Constitution, is that an agency may show a parcel's proportional cost using any method that reasonably divides the measurable cost of providing service among all parcels. The agency does not need flawless, parcel-by-parcel figures; it may rely on historic, current, estimated, or projected data, so long as that data reasonably captures the cost of the service to be provided. The statute expressly does not apply, however, to fees for water or sewer connections or to capacity charges subject to Government Code section 66013, which most agencies already recognize are not subject to Prop 218.

The statute then spells out, in two respects, what an agency may rely on when it prepares a rate study.

Grouping parcels and customers (Government Code 53751.5(b).) For water and sewer service, an agency does not have to measure the exact cost of serving each individual parcel. An agency may instead charge a single uniform rate, or use tiered rates, and may sort parcels or customers into classes based on characteristics that tend to predict how much service they will use. The statute gives a non-exclusive list of those characteristics: the nature and size of the improvements on a parcel (for example, its buildings), how the land is used, the number or type of plumbing fixtures, meter size, and peak-use characteristics (a customer's highest-demand usage).

Dividing costs among tiers (Government Code 53751.5 (c).) For tiered water rates, an agency may assign costs to each tier using any reasonable basis. The statute lists several acceptable bases, including: the cost of obtaining water from different sources; the cost of operating, maintaining, and building facilities; a tier's share of systemwide peak demand; and costs arising from higher usage or from conservation, demand-management, or additional ("incremental") water service. The statute also settles two points about tier design. First, an agency does not need a cost-based — or any other — justification for where it sets a tier breakpoint, the usage level at which a customer moves from one tier into the next. Second, although the agency has discretion in how it divides costs among tiers, the rate charged in any tier still cannot exceed the proportional cost of service reasonably allocated to the parcels in that tier.

None of this displaces Prop 218 itself. The agency still has to justify its fees, and a rate that exceeds the proportional cost of service is still not allowed. What section 53751.5 does is give agencies a clearer, more reliable way to prove that their rates meet that test.

Preparing for Implementation

Agencies should evaluate current rate studies and planned Prop 218 processes under the new statutory framework and ensure that the cost-of-service analyses align with the standards codified in the new Government Code section 53751.5. Agencies should also clearly document how they allocate costs among customer classes and rate tiers, including the data sources, assumptions, and methodologies that support those decisions. Thorough documentation will strengthen the administrative record and help agencies defend their rates if a challenge arises.

# # #

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California's largest reservoir in 50 years gets final approval, could break ground in June
San Francisco Chronicle | November 4, 2026 | Kurtis Alexander



The proposed Sites Reservoir, as seen in this rendering, would extend 13 miles across sparsely populated hills in Colusa and Glenn counties, about 70 miles northwest of Sacramento. Courtesy of Sites Project Authority

Construction of California's largest reservoir in half a century could begin next summer after state regulators gave the project the go-ahead Wednesday, a rare breakthrough for big water infrastructure.

Supporters of the $6 billion Sites Reservoir, who include Gov. Gavin Newsom, have been pushing the proposal for years — some for decades — saying the water storage venture 70 miles northwest of Sacramento will help the state weather chronic droughts. The reservoir would provide water for cities and farms across California, including many in the Bay Area.

One of the biggest hurdles for the effort has been winning a water right, which authorizes water for the project, in this case from the Sacramento River. The problem is that most of California's water is spoken for, and environmentalists and tribes have long protested diverting more river flows from already strained watersheds. Salmon are among the myriad wildlife struggling on the heavily used Sacramento.

But the State Water Resources Control Board, after two years of deliberations, concluded at an all-day Wednesday hearing that there is enough water in the river to grant the water right. The approved right limits how much can be taken and specifies when — terms that the developers of the project have said are workable.

“To me, this is both a very important moment, and a critical milestone in our water future,” Wade Crowfoot, California’s natural resources secretary and an emissary for the governor’s office, said at the hearing in Sacramento. “It’s not the end-all, be-all. It’s not the silver bullet. But (the reservoir) is critical infrastructure that will help us adapt.”

The water right for the project is the last of several major regulatory approvals needed for the plan to move forward. A few obstacles remain, including securing financing, acquiring property and possibly confronting litigation over the endeavor.

Still, the executive director of the Sites Project Authority, a joint powers agency that is leading the reservoir bid, told the Chronicle he expects to break ground in June or July. Completion is anticipated at the end of 2034.

“I’m optimistic,” said the executive director, Jerry Brown, who is not related to the former California governor with the same name. “I think we can do it. We have to do it. Let’s go.”

The proposed reservoir would furnish supplies for nearly two dozen urban and agricultural water agencies directly, including the Santa Clara Valley Water District and the Tri-Valley’s Zone 7 Water Agency, as well as others through the state and federal water projects.

The plan calls for building a 13-mile-long storage site across sparsely populated hills in Colusa and Glenn counties, west of the small town of Maxwell. The proposed capacity is 1.5 million acre-feet of water, enough to supply more than 3 million households for a year. The reservoir would be the eighth-largest in California.

Building a new reservoir in the state is not easy, for many reasons. Such projects can be environmentally disruptive, and the spots where water is most accessible are taken. California has about 1,500 reservoirs.

The developers of the proposed Sites Reservoir took an alternative approach, choosing to pursue a less ecologically harmful off-stream project in which the storage structure and dams are not on a river but several miles away. The water would be piped in from the Sacramento River to the Sites Valley and held in the basin, hemmed in by hills and dams, then released when needed.

The water right approved Wednesday provides two points of diversion on the river, allows a maximum of 986,000 acre-feet of water to be taken annually, and confines the draws to a window between Nov. 1 and June 14. The water right also lays out several conditions that must

be met, including how high the river must be, before water can be extracted. It additionally requires water to be let out of the reservoir at certain times for migrating fish.

The idea behind the venture is that water will be stored in the reservoir only during times when there's enough to go around and then doled out when things dry up.

"We're living with more extreme droughts and floods and a growing need to store water during wet periods," Joaquin Esquivel, chair of the state water board, said before the unanimous vote of the agency's governing board to approve the water right. "Sites is built for exactly that."

Even with strides made to offset the impacts, environmental organizations, tribal communities and fishing groups believe the project will be too disruptive. Dozens at Wednesday's hearing urged state regulators to reject the water right application.

"I appreciate all the hard work that the water board and staff has put into threading the needle between the competing interests and resources involved in this decision, but to be blunt, the water board is not doing a good job," said Steve Evans, wild rivers director for the group CalWild. "Sites Reservoir is not an environmentally friendly project. It will take freshwater flows from the river and the (Sacramento-San Joaquin River) Delta that are desperately needed by fish, particularly salmon and steelhead."

Several tribal members echoed the fear of drying out and degrading a major river ecosystem. They also expressed anguish over the construction of a reservoir on sacred lands, which include burial sites and such revered landmarks as Medicine Rock.

"It will literally be covering up the footprints and trails that my father walked with his mother, he walked with me and I walked with my children," said Amanda Mitchum, tribal vice chairwoman of the Cachil Dehe Band of Wintun Indians.

Many of the critics shared additional concern that Newsom's office had been too aggressive in pressing the state water board to approve the reservoir, alleging inappropriate pressure while failing to seriously consider the faults of the project. The board members are appointed by the governor.

Several water agencies supported the proposal Wednesday, insisting it was essential for their communities to thrive and grow.

"Throughout the Bay Area, local governments such as American Canyon and others are required to plan for more than 440,000 new homes over the next eight years," said American Canyon City Manager Jason Holley. "Sites Reservoir is critical in meeting these obligations."

The next big step for the project will be locking in financial commitments from the participating water agencies. About $1.4 billion of the estimated $6.2 billion to $6.8 billion cost will come from

state bonds, and the rest will have to be paid by the water recipients. Voter-approved Proposition 1 in 2014 is the main source of the bond money.

The water agencies have already provided funding for planning and permitting, but over the coming months they'll have to make arrangements to pay for the full cost of construction. The amount each must contribute is directly proportional to the amount of water they've asked for.

Officials at the Metropolitan Water District of Southern California, the largest water recipient and hence the biggest funder, told the Chronicle they will probably decide whether to move forward as soon as this spring. Representatives of Valley Water, the biggest Bay Area agency participating, said the same.

The calculation for the water agencies will be whether the cost of participation is worth the water they'll get and, of course, whether their customers can afford it.

Brown, the head of the Sites Project Authority, says he expects some of the agencies to scale back their commitments but that others will probably increase their demands.

"We'll have to see how that plays out, but I'm confident" the interest will be there, he said. "This is water that people, farms and the environment needs. And it's a lot more real when you have a water right."

Approval of the project's water right follows another major policy development last week, the water board's adoption of the Bay Delta Plan. That plan seeks to balance water draws from the many rivers that feed the Sacramento-San Joaquin River Delta with environmental protections. The policy raised the same, enduring debate over California water use as Sites.

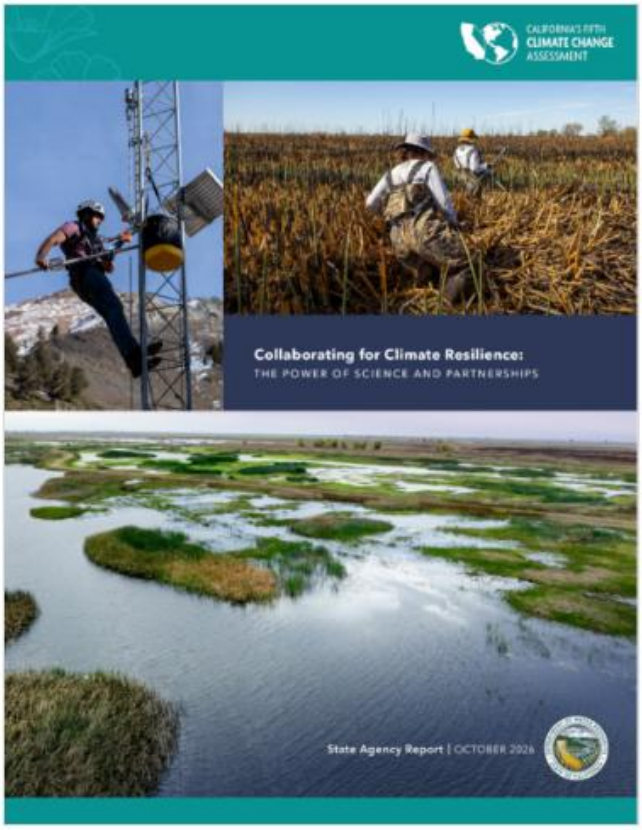
"We made Sites Reservoir a priority because California can't afford to keep waiting for the water storage we need," Newsom said in a statement Wednesday night. "Sites Reservoir is a smart investment in our future, helping ensure our communities, farms, and wildlife have the water they need when it matters most. Now it's time to get shovels in the ground."

# # #

New DWR report highlights how collaboration strengthens climate resilience in water management

Department of Water Resources (DWR) | October 26, 2026

As climate extremes become the new normal, DWR is using science, investments, and partnerships to strengthen readiness and protect Californians. Collaborating for Climate Resilience: The Power of Science and Partnerships is DWR's contribution to California's Fifth Climate Change Assessment. The report highlights how DWR advances science-driven decision-making through four focus areas: create a culture of climate expertise, build community capacity, pursue innovative infrastructure solutions, and respond to public safety emergencies.



Together, these efforts improve the way water is managed throughout the state.

Create a Culture of Climate Expertise

Having a climate-literate workforce is essential as DWR tackles California's growing climate challenges. By investing in employee development, advancing new technology, and collaborating with outside water management experts, DWR strengthens its ability to meet California's climate goals. Staff across the department, including engineers, modelers, scientists, Tribal specialists, and others, apply climate knowledge to critical issues including flood management, groundwater sustainability, ecosystem resilience, regional assistance, and water supply.

Build Community Capacity

Building climate resilience also means giving local communities the knowledge, tools, and resources they need to make informed decisions about their water future. DWR provides scientific, financial, and technical assistance to support local water management efforts, while working to reduce barriers to participation and ensure community perspectives help shape solutions. Education is another part of this important work. For more than 10 years,

DWR has partnered with the Water Education Foundation to train nearly 1,000 teachers to bring climate science into their classrooms, reaching more than 250,000 students. These efforts help communities better understand climate risks and prepare the next generation to address California's water challenges.

Pursue Innovative Infrastructure Solutions

Infrastructure is more than traditional engineered systems, like reservoirs and levees. It also includes data, natural infrastructure, and social networks that support water management. As warmer temperatures reduce snowpack and shift more precipitation from snow to rain, nature-based solutions like meadow restoration and groundwater recharge help boost climate resilience by enhancing water supply, reducing flood risk. Other nature-based solutions can help communities adapt to the impacts of sea level rise. Recognizing that data is the backbone of science, DWR works with its partners to collect and share data that tracks trends and informs decision-making to manage water infrastructure.

Respond to Public Safety Emergencies

Climate change has intensified floods, droughts, wildfires, and other emergencies that threaten California's communities and infrastructure. DWR is strengthening its ability to anticipate and respond to these events through investments in monitoring, forecasting, and emergency response capabilities. Working alongside local, state, and federal partners, the department uses scientific information and technical expertise to support emergency planning, improve situational awareness, and help protect lives and property when disasters occur. These efforts are helping California become better prepared to respond to extreme events while reducing risks to communities.

Integrating and Transforming California Water Management

The report underscores a central theme: Preparing for climate change requires more than individual projects or programs. DWR's investments in science advancements, community partnerships, and collaboration across sectors are strengthening California's climate readiness and capacity to adapt to challenges and changes.

DWR prepared its report as part of California's Fifth Climate Change Assessment, a collection of nearly 70 reports and research products. The Assessment helps fill informational gaps to help guide meaningful climate adaptation and support on-the-ground action. DWR is proud to have contributed to every Climate Assessment since the first was released in 2006. The full Assessment can be viewed at climateassessment.ca.gov.

# # #

A weather model ran 51 forecasts. All pointed to the same thing for San Francisco's winter

San Francisco Chronicle | November 5, 2026 | Greg Porter



San Francisco could see very high rain totals this winter, a leading weather model indicates. Here, pedestrians cross rain-soaked 19th Avenue in February. Stephen Lam/S.F. Chronicle

The polls have closed on the latest seasonal outlook for California, and the results are unanimous. All 51 forecasts of one of the world's leading seasonal models call for a wetter-than-normal December through March in the San Francisco area, with the average forecast at about 26 inches of rain, nearly double the normal.

The forecasts, released Thursday by the European Centre for Medium-Range Weather Forecasts, also anticipate a wetter than normal winter for cities up and down the state amid the extremely strong El Niño. They aren't unanimous that every city will be above normal, but the trend line is clearly there — and they were unanimous for San Jose, Paso Robles, Santa Barbara and San Diego, in addition to San Francisco.

When all 51 forecasts land in the same place, it is considered a mark of unusually high confidence.

January is still expected to be the wettest month in San Francisco, with over 8 inches of rain anticipated. February isn't far behind. It inched up to nearly 7 inches of rain, up from about 6 inches a month ago, more than double the normal.

Ocean conditions just offshore are a key reason for the high confidence in a wet winter. Temperatures along the California coast hit record highs in late October from San Diego to at least Point Reyes.

The model, whose forecasts are released once a month, expects temperatures to remain staggeringly high. It expects coastal water to run 7 to 12 degrees above normal this month before peaking at 10 to 13 degrees above normal in December. Off San Francisco, that means water near 67 degrees in December instead of the typical 54 degrees. Off San Diego, it means 74 degrees instead of 61. The warmth then will ease but linger, at about 5 to 9 degrees above normal through February.

Record-warm water persists

Forecast December sea surface temperature in the ocean a few miles off each location compared to normal

Ocean near	Forecast (°F)	Typical (°F)	Anomaly (°F)
San Francisco	67	54	+13
Los Angeles	73	60	+13
San Diego	74	61	+13
Monterey	68	56	+12
Point Conception	70	58	+12
Point Arena	65	54	+11
Eureka	62	52	+10

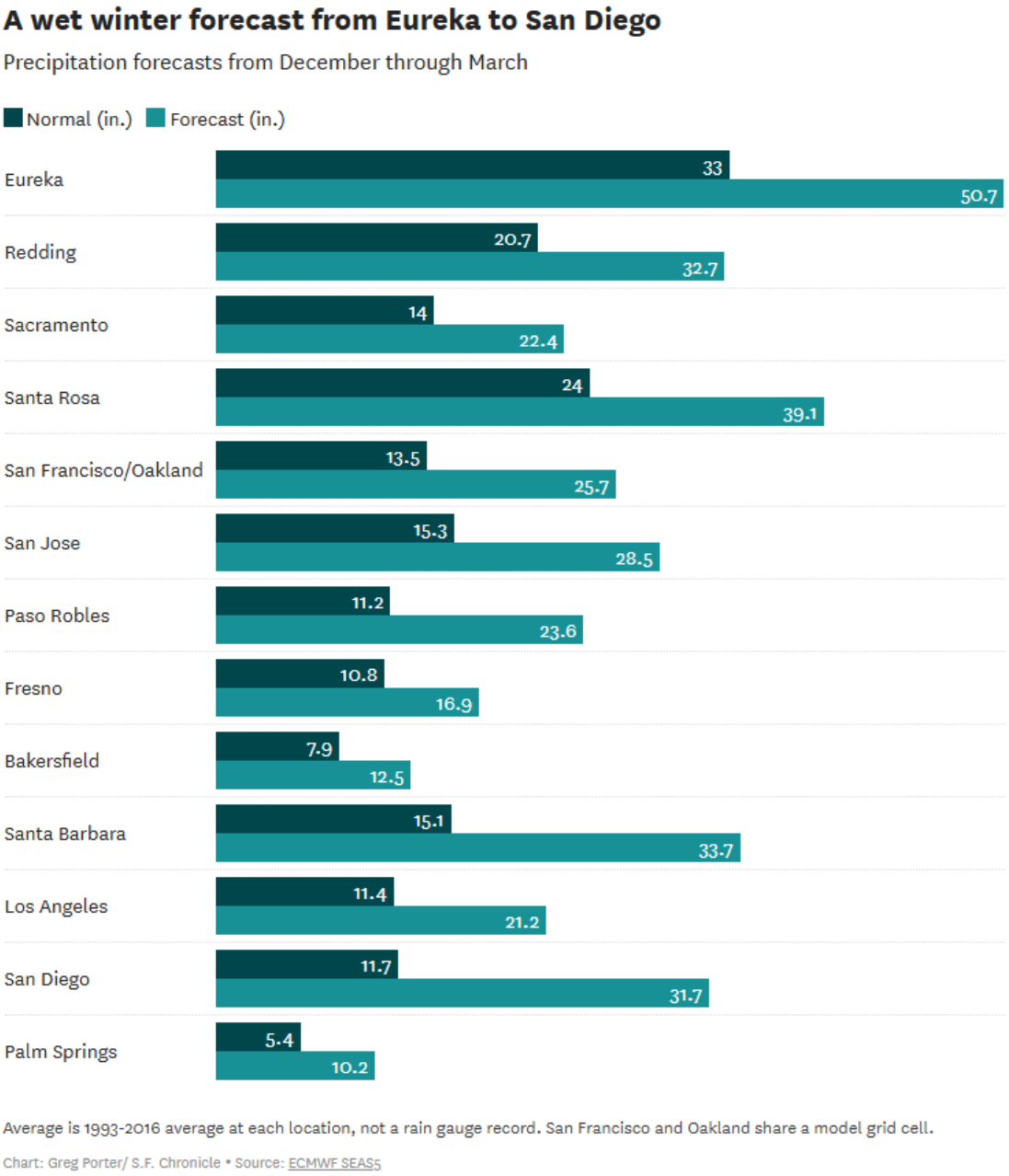
Normal is compared to model data from 1993-2016.

Table: Greg Porter/ S.F. Chronicle • Source: ECMWF SEAS5

The unusual warmth has a direct impact on the precipitation forecast for the state.

Air moving over warm water picks up more moisture, and warmer air can hold more water. So atmospheric rivers and storms crossing an unusually warm stretch of ocean on their final approach can pick up extra fuel. Warm water also makes the air above it less stable, which favors thunderstorms and bursts of heavy rain.

California has already seen some of the impacts of the warm coastal waters. Ventura, Orange and Santa Barbara counties logged their most humid summers since record-keeping began in 1895, and Riverside and San Bernardino counties had their wettest October in over 20 years. Even the recent deluge of rain and destructive floods in the Four Corners region are the result of leftover tropical moisture fueled by historically warm coastal waters off the coast of Mexico.



The model data puts just about every part of California at high likelihood for above-average precipitation over the next few months. In the Sierra, that should eventually translate to above-average snowfall, but the bulk of the snow may not come until after Christmas as warm temperatures could keep snow restricted to higher elevations, with rain below the snow line.

One place that almost certainly looks to have a snowy winter is Mammoth Mountain, which opened today. The European model data gives the mountain significantly more snow than normal from December through March.

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