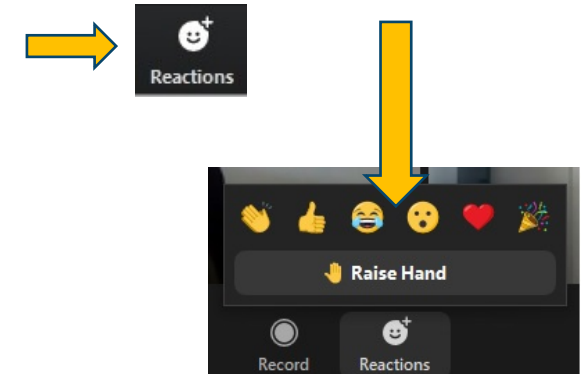


Meeting Instructions While We Gather

- You have been muted upon entry
- Please feel free to **Unmute** yourself to say “Hi” and test your sound connection
- Please **Mute** yourself during meeting when you are not talking
- **During the meeting, BAWSCA staff will mute your sound and video if necessary**
- The **Raise Hand** feature will be used for Board questions
- To get the **Raise Hand** button, Click on **Reactions** button at the bottom of your screen and Select **Raise Hand**
- The **Chat** function has been disabled for this meeting
- If you have technical difficulties, please text Lourdes at 650-799-3854

Bottom left corner
of your screen





“A multicounty agency authorized to plan for and acquire supplemental water supplies, encourage water conservation and use of recycled water on a regional basis.”

[BAWSCA Act, AB2058 (Papan-2002)]

Board of Directors Meeting

January 20, 2022

Call to Order and Roll Call

Every drop counts. Use water wisely.



Make the change to
California native plants
and use less water.



SaveOurWater.com

Consent Calender

- Adoption of Resolution #2022-01, Declaring that Board meetings will continue to be held via Teleconference.
- Approval of November 18th Minutes
- Receive and File:
 - Budge Status Report
 - Investment Report
 - Director's Reimbursement Report
- Authorization to Execute Contract with Woodard & Curran



SPECIAL ORDER OF BUSINESS: Election of Officers for Calendar Year 2022



Break for San Francisco Bay Area Regional Water System Financing Authority (RFA) Board of Directors

QUICK & EASY

Replace leaky toilet parts. It's a DROUGHT.

BAWSCA
Bay Area Water Supply & Conservation Agency

 Hetch Hetchy
Regional Water System
Services of the San Francisco Public Utilities Commission

bawsca.org/DROUGHT

  
#DROUGHTSF

Call to Order and Roll Call

Consent Calendar

- Adoption of Resolution #2022-02, declaring that the RFA meeting be held via teleconference.
- Approval of January 21, 2021 minutes
- Adopt FY 2021-22 Budget

Special Order of Business: Election of Officers for Calendar Year 2022



**San Francisco Bay Area Regional Water System
Financing Authority**

Comments by the Chair

Public Comments on Items Not on the Agenda

General Manager's Report

Annual Conflict of Interest Form 700 Filing

- April 1, 2022 deadline
- Electronic filing through eDisclosure
- Email will be sent from
BAWSCAForm700@BAWSCA.org

Directors' Comments

Meeting Adjournment and Return to BAWSCA Board Meeting

Annual Conflict of Interest Form 700 Filing

- April 1, 2022 deadline
- Electronic filing through eDisclosure
- Email was sent from BAWSCAForm700@BAWSCA.org

Next Meeting

January 29, 2021
Location and Format TBA

Reconvene to BAWSCA Board Meeting

Every drop counts. Use water wisely.



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California native plants
and use less water.



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Comments by the Chair



Board Policy Committee Report



SFPUC Report



QUICK & EASY

Replace leaky toilet parts. It's a DROUGHT.

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 Hetch Hetchy
Regional Water System
Services of the San Francisco Public Utilities Commission

bawscsca.org/DROUGHT

  
#DROUGHTSF

Drought and CIP Update

Steven R. Ritchie

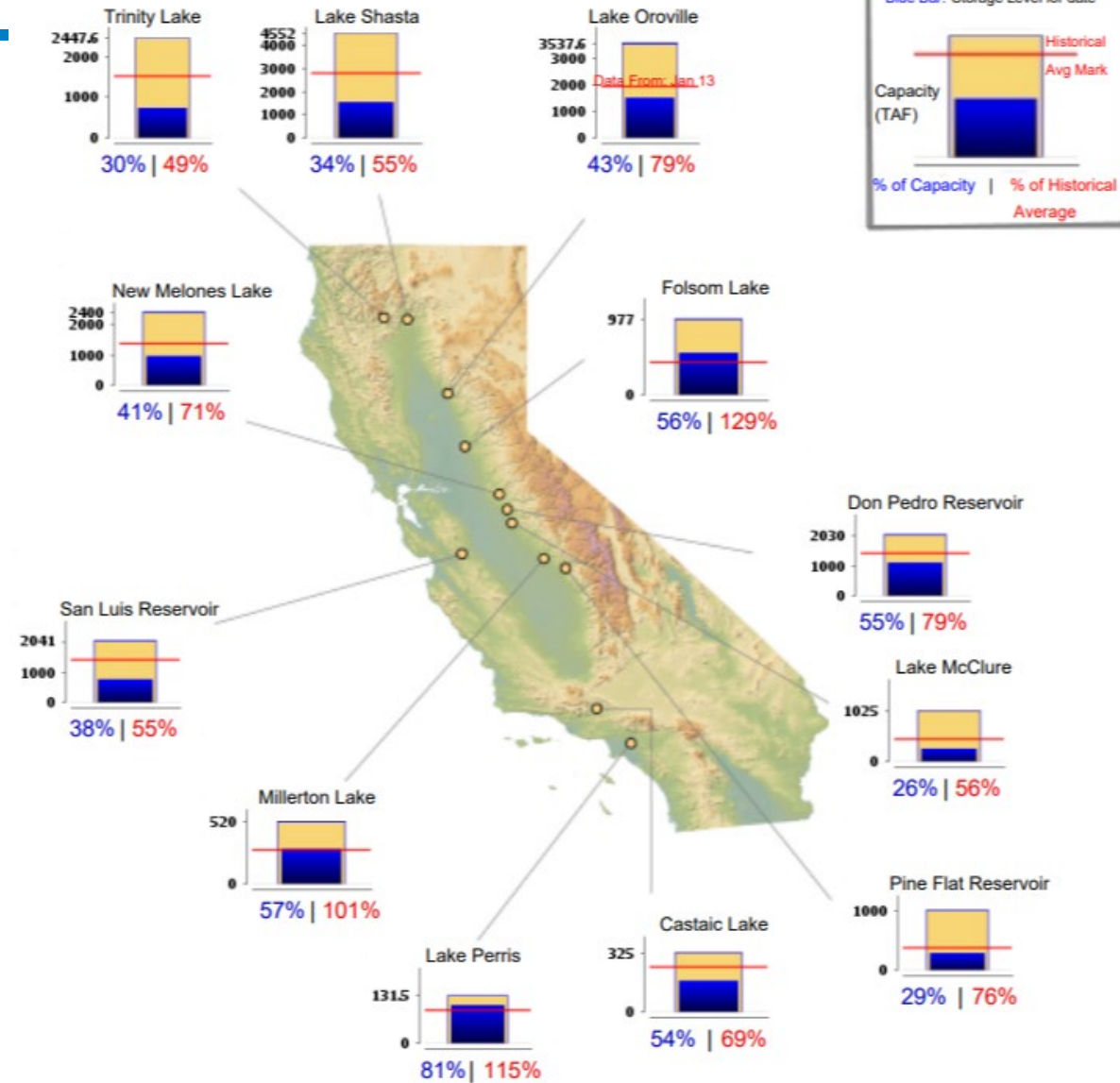
Assistant General Manager, Water

January 20, 2022

January 18, 2022 Reservoir Storage

Reservoir	Current Storage ^{1,2,3} (AF)	Maximum Storage ⁴ (AF)	Available Capacity (AF)	Percent of Maximum Storage	Normal Percent of Maximum Storage ⁵
<u>Tuolumne System</u>					
Hetch Hetchy	286,500	360,360	73,860	79.5%	67.9%
Cherry	243,200	268,800	25,600	90.5%	-
Eleanor	22,480	21,495	0	100.0%	-
Water Bank	341,470	570,000	228,530	59.9%	98.4%
Total Tuolumne Storage	893,650	1,220,655	327,990	73.2%	-
<u>Local System</u>					
Calaveras	68,295	96,670	28,375	70.6%	-
San Antonio	48,929	53,266	4,337	91.9%	-
Crystal Springs	53,594	58,309	4,715	91.9%	-
San Andreas	16,513	19,027	2,514	86.8%	-
Pilarcitos	3,121	3,030	0	100.0%	-
Total Local Storage	190,452	230,302	39,941	82.7%	-
Total System Storage	1,084,102	1,450,957	367,931	74.7%	81.6%
Total without water bank	742,632	880,957	139,401	84.3%	-

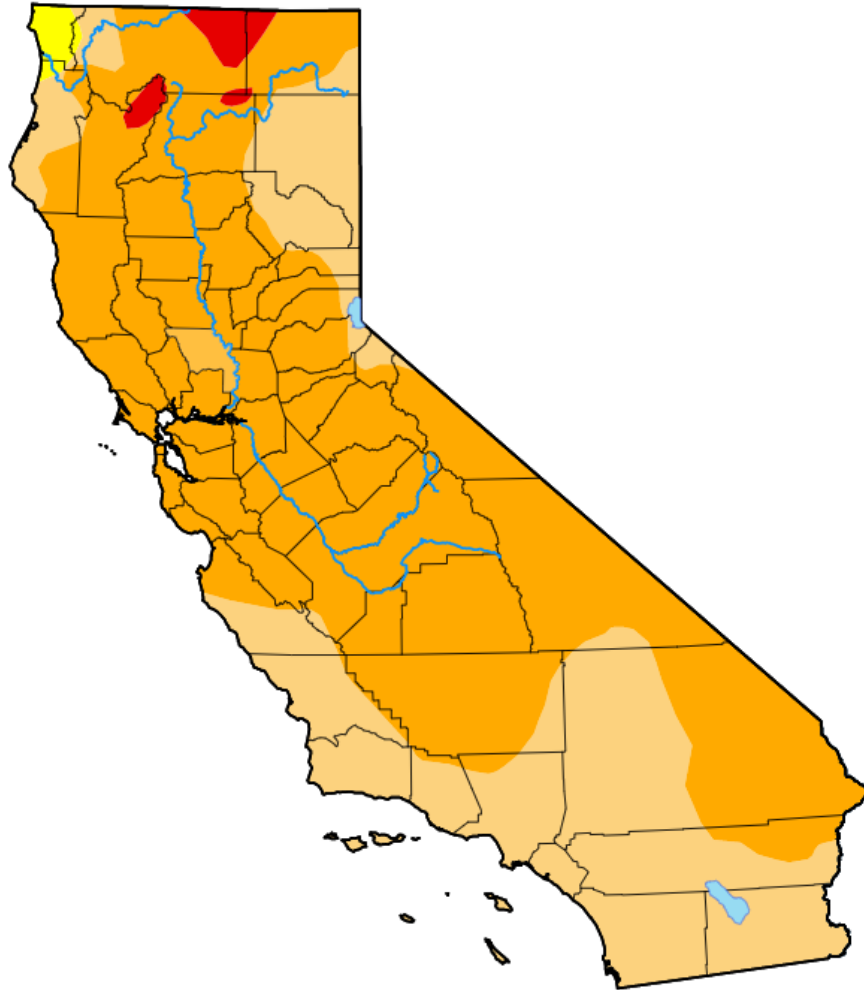
Other California Reservoirs



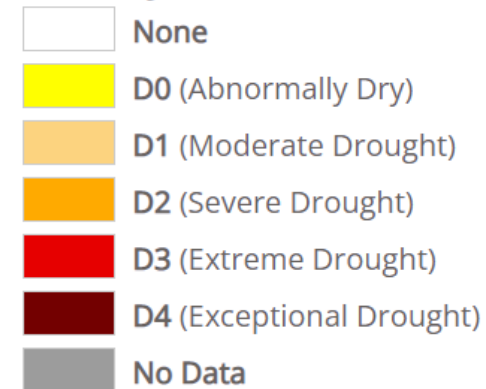
California Drought Monitor

Map released: Thurs. January 13, 2022

Data valid: January 11, 2022 at 7 a.m. EST



Intensity



Authors

United States and Puerto Rico Author(s):

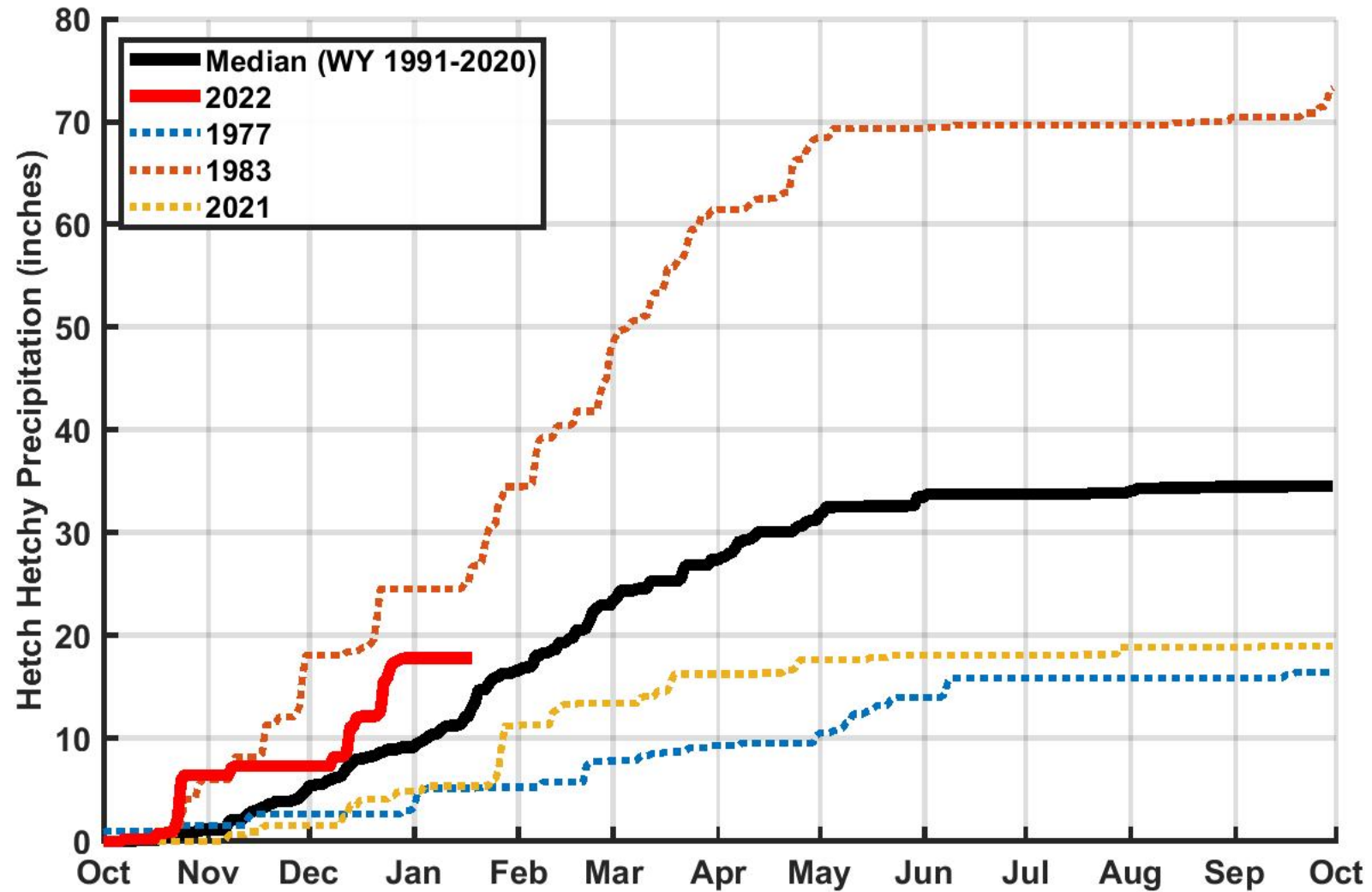
Richard Tinker, NOAA/NWS/NCEP/CPC

Pacific Islands and Virgin Islands Author(s):

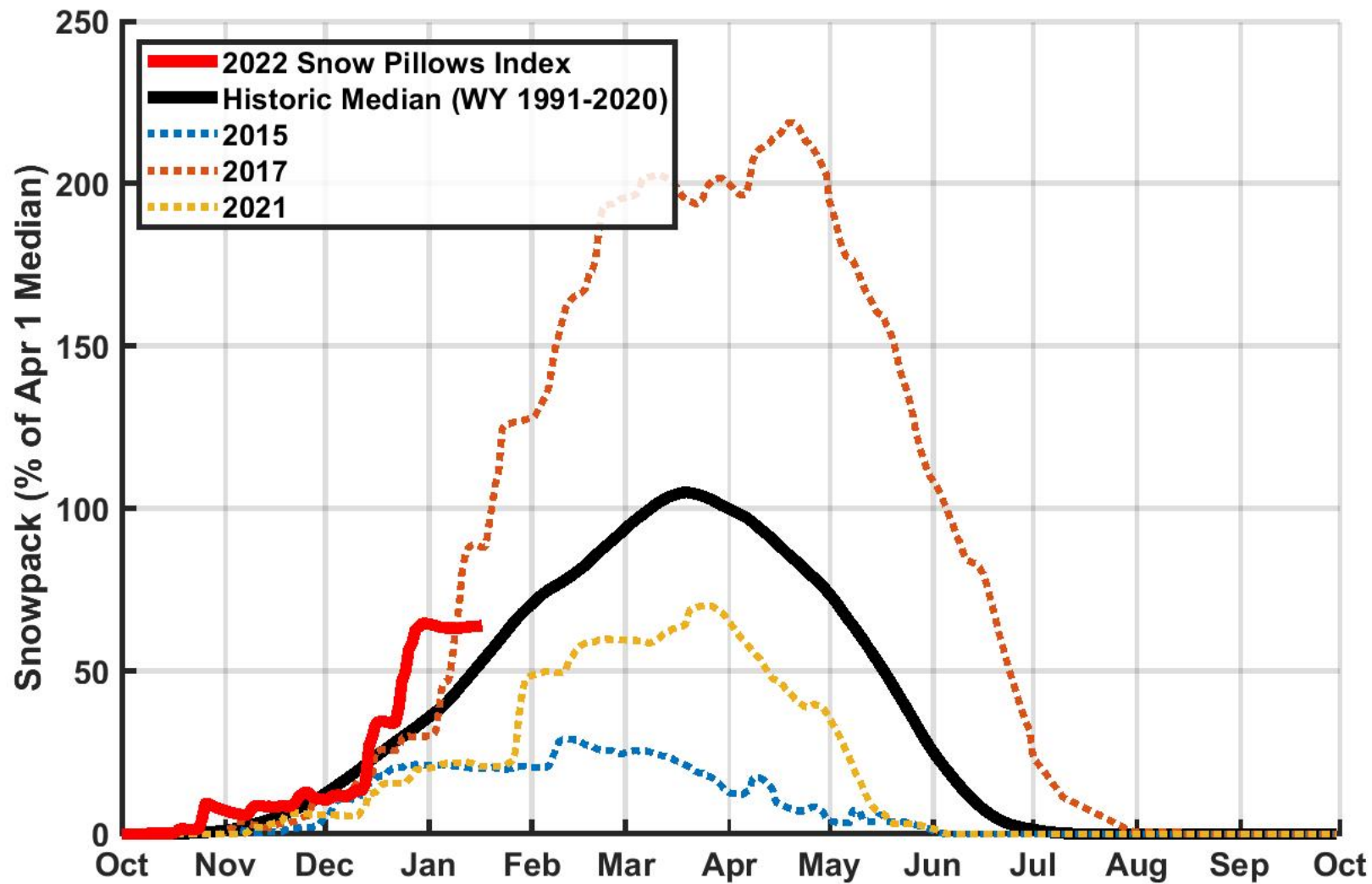
Curtis Riganti, National Drought Mitigation Center

*The Drought Monitor focuses on broad-scale conditions.
Local conditions may vary. See accompanying **text
summary** for forecast statements.*

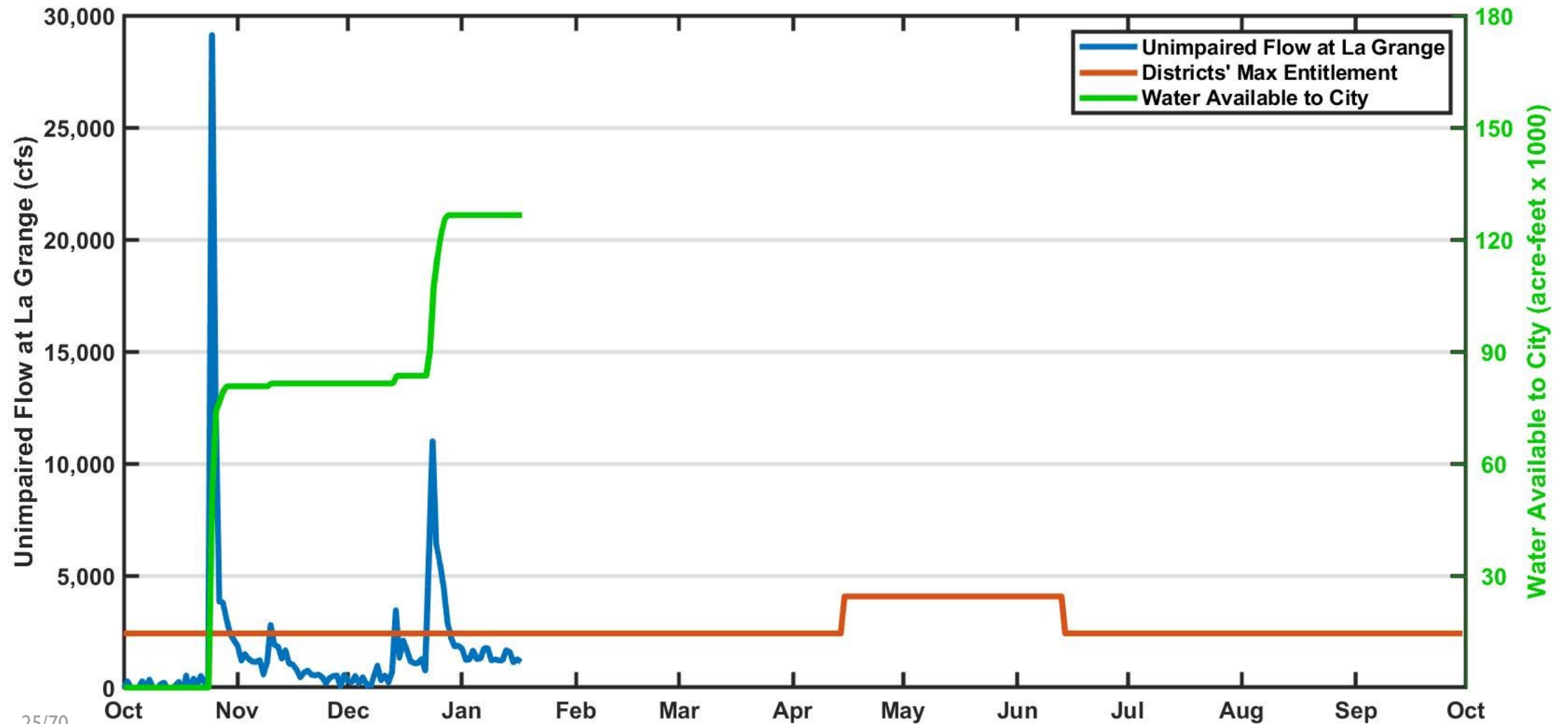
Hetch Hetchy Precipitation



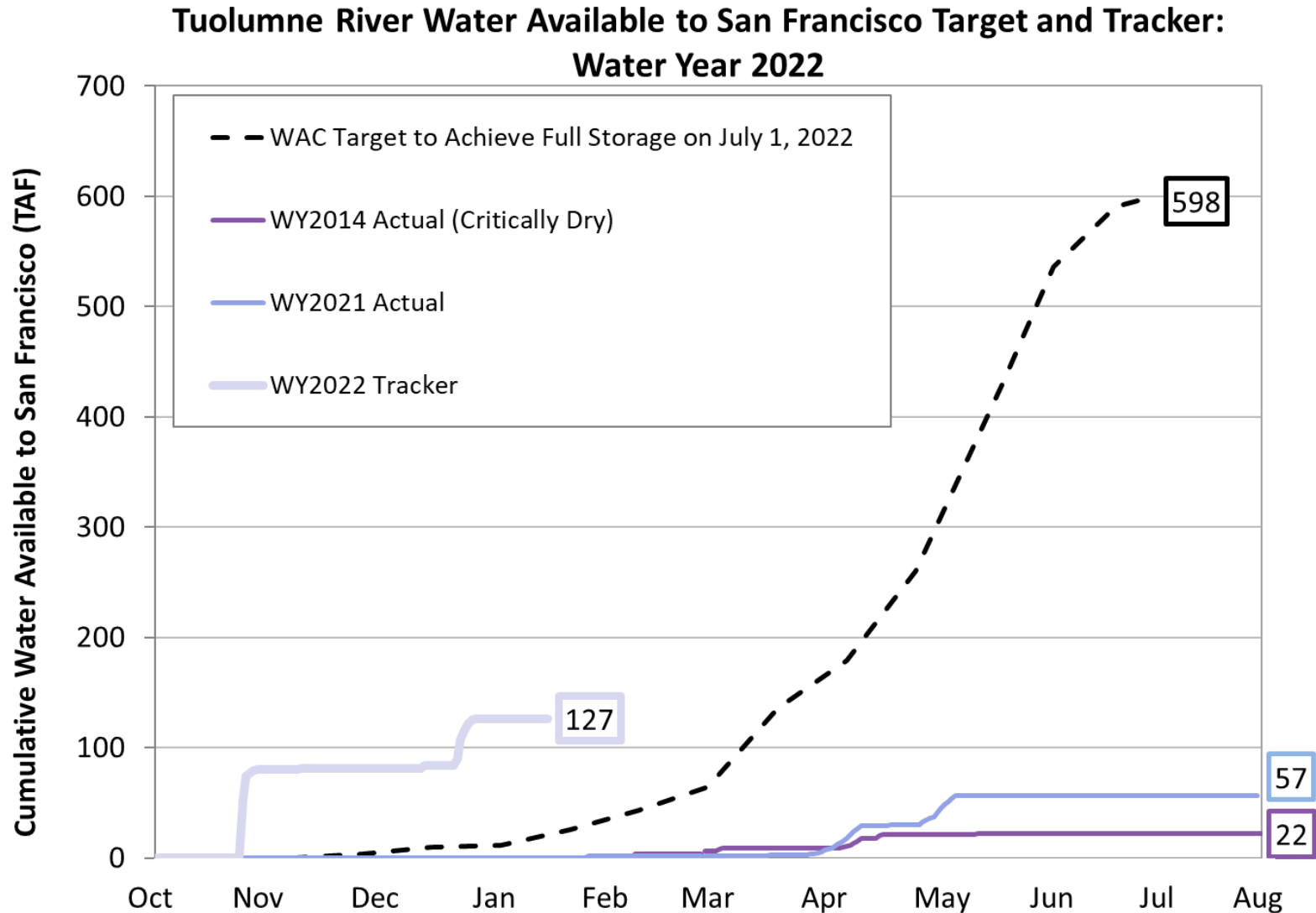
Upcountry Snowpack



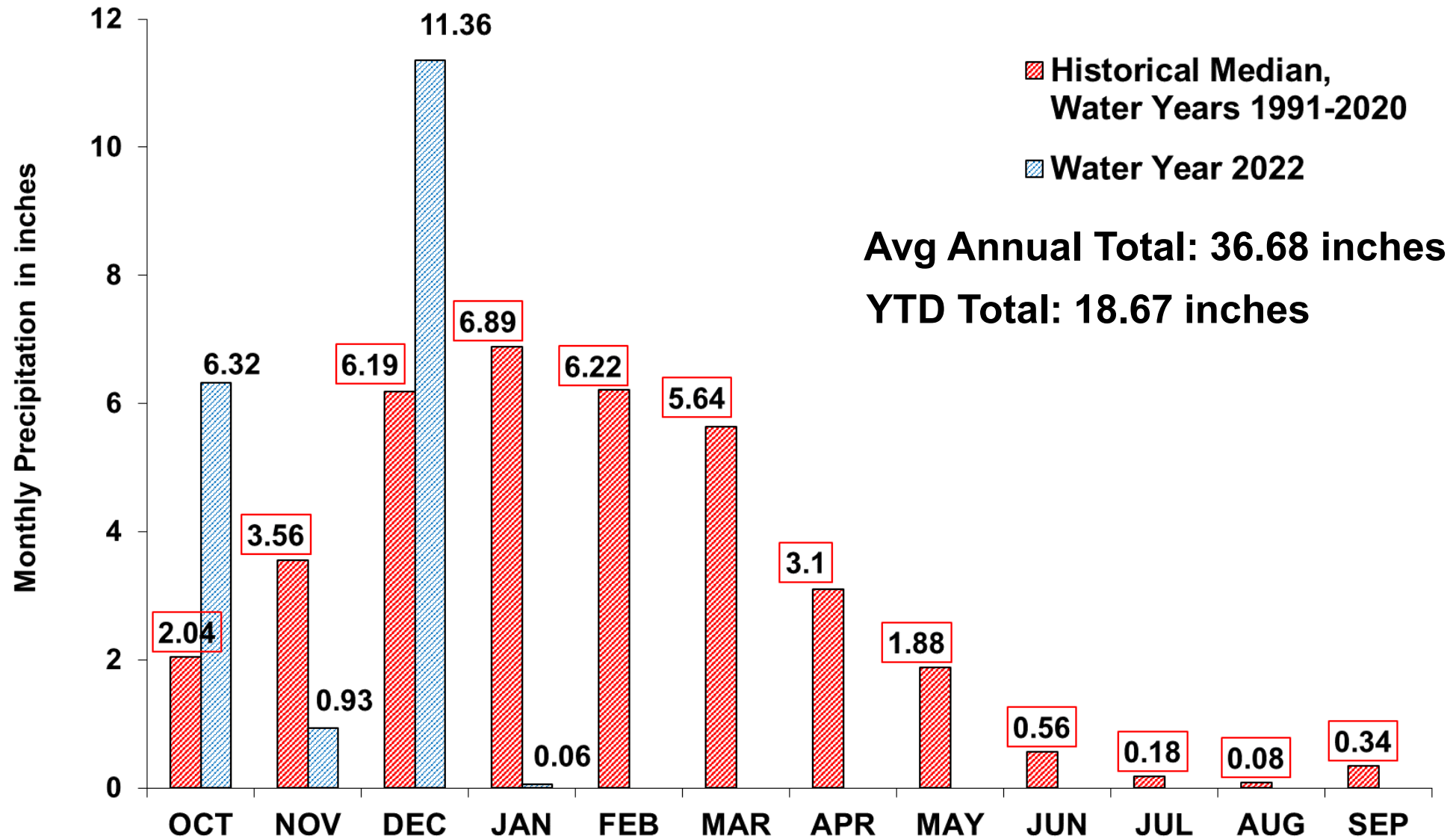
Water Available to the City



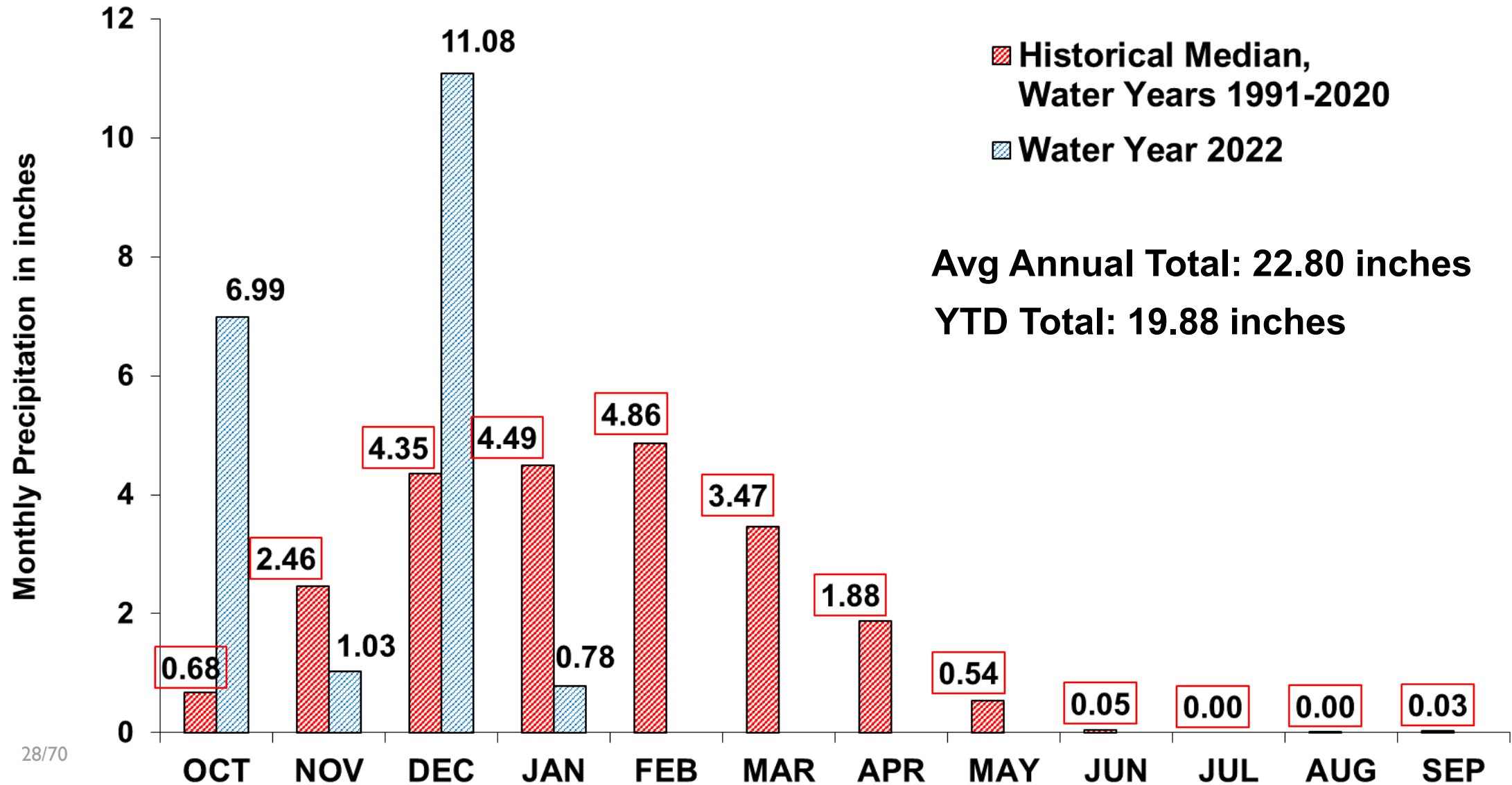
Tuolumne River Water Available to the City



Upcountry 6-station Precipitation Index as of January 17, 2022



Bay Area 7-station Precipitation Index as of January 17, 2022



National Precipitation Forecast

Precipitation (in)
during the period:

Tue, 18 JAN 2022 at 12Z

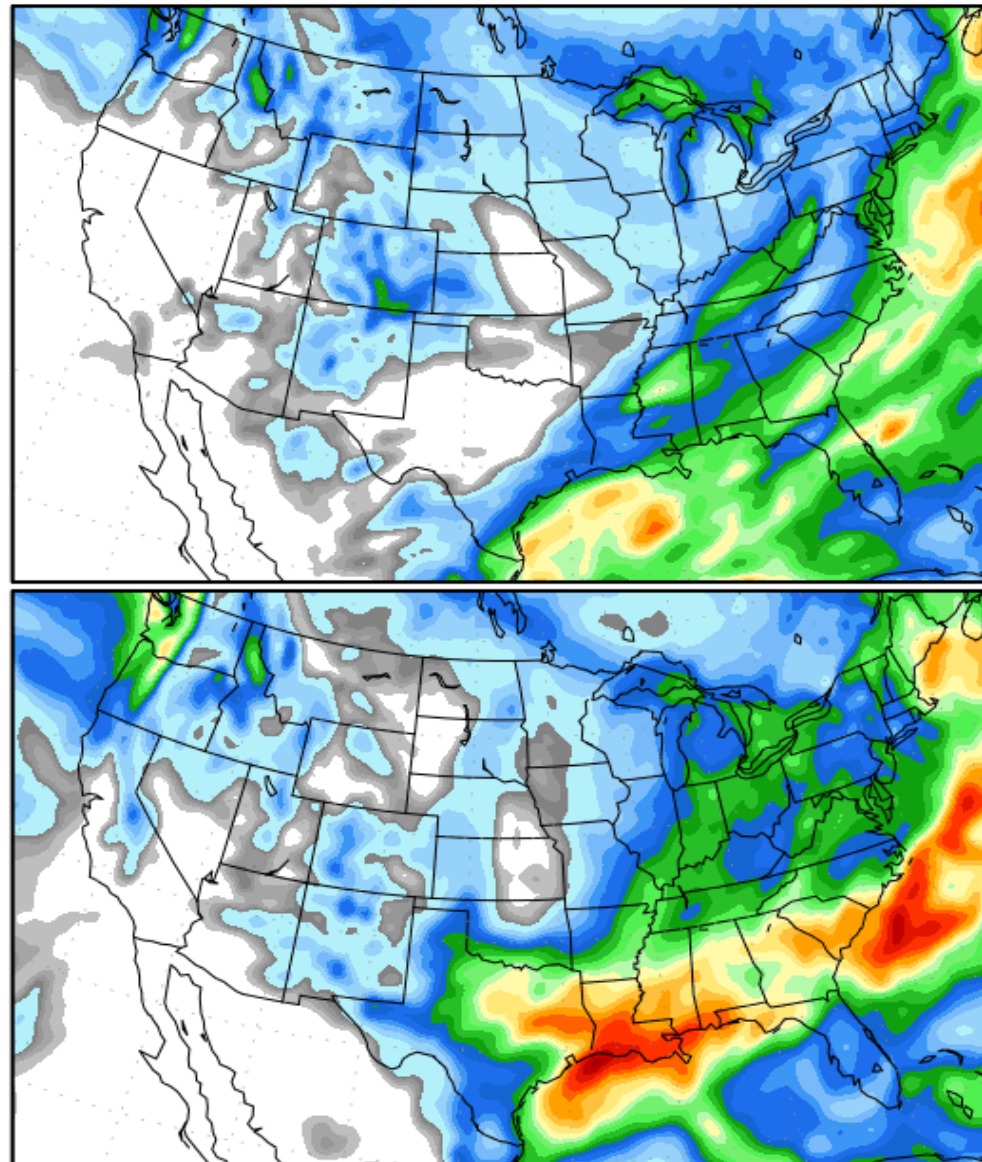
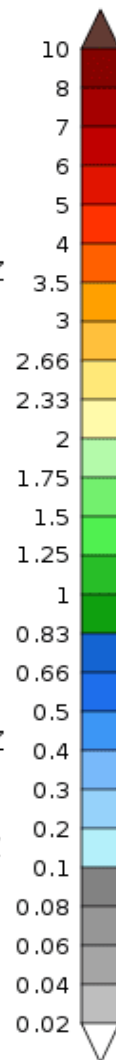
-to-

Wed, 26 JAN 2022 at 12Z

Wed, 26 JAN 2022 at 12Z

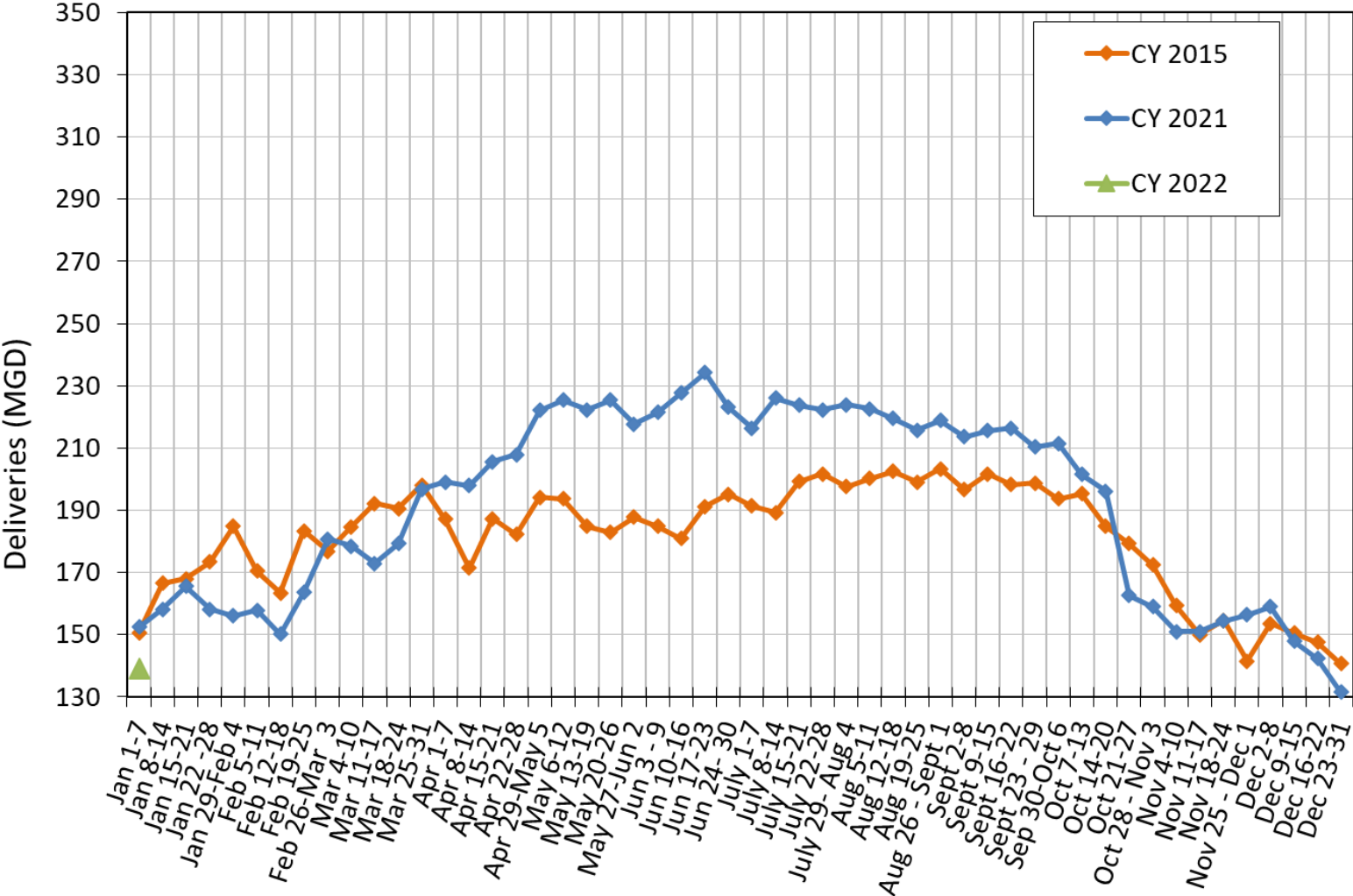
-to-

Thu, 03 FEB 2022 at 12Z



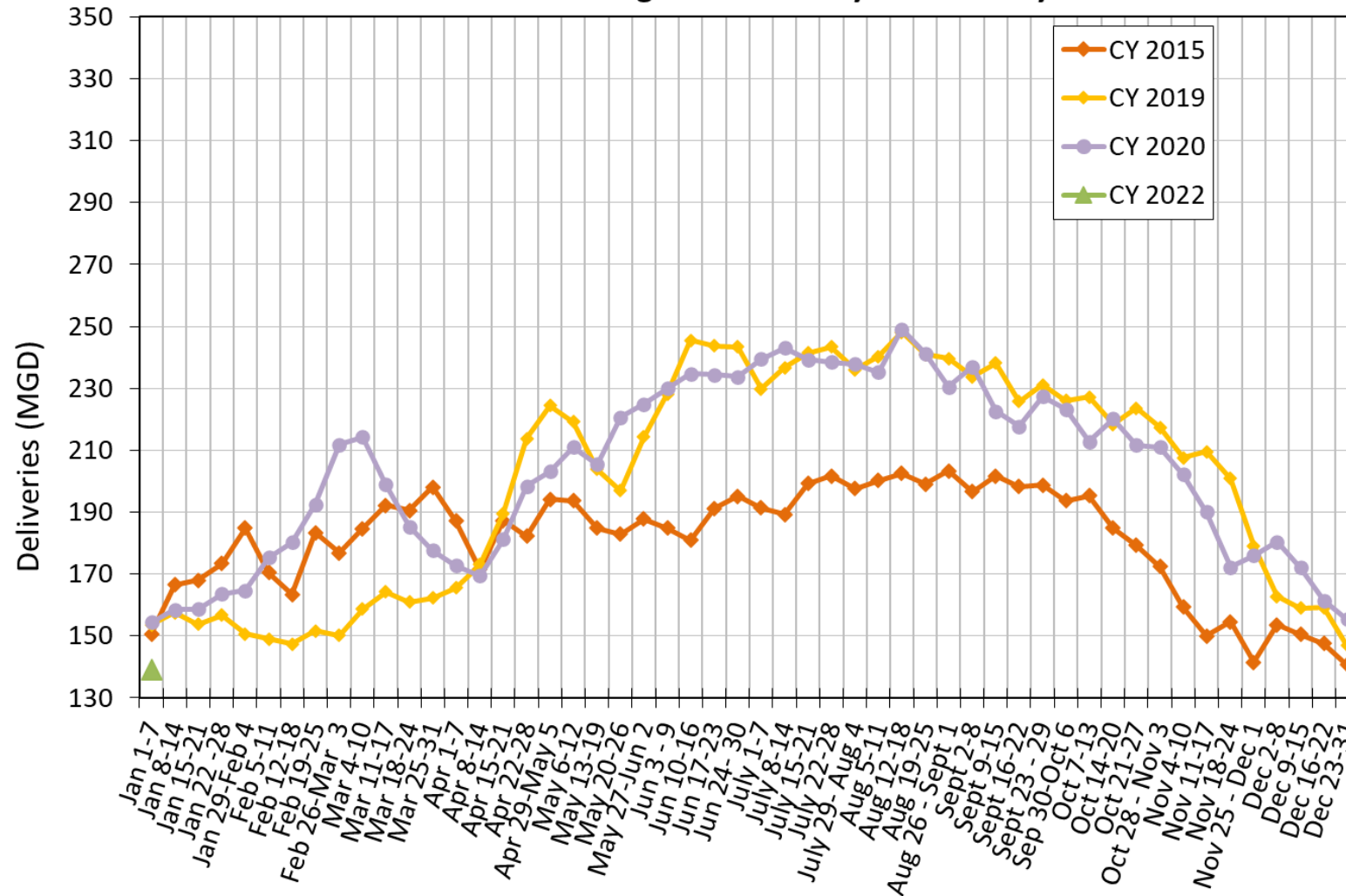
Total Deliveries

Regional Water System Total Deliveries
Source: SFPUC Regional Water System County Meters



Total Deliveries

Regional Water System Total Deliveries
Source: SFPUC Regional Water System County Meters



Water Use Reduction Tracker

For the Period July 1, 2021 - January 14, 2022			
CUSTOMER GROUPS	FY2019/2020 AVG. MGD	FY2021/2022 AVG. MGD	% REDUCTION
San Francisco Customers	64.5	54.9	14.9%
Wholesale Customers	141.4	132.1	6.6%
TOTAL	205.9	187.0	9.2%

Water Enterprise 10-Year Capital Improvement Program

Program/Project (Millions)	FY 2022-31 Approved	FY 2023-32 Proposed	Change	Change
<u>Spending Plan</u>				
Regional	\$989.3	\$1,055.0	\$65.7	
Local	\$1,018.9	\$1,063.1	\$44.2	
Total	\$2,008.2	\$2,118.0	\$109.9	5%

Regional Water FY22-23 Capital Budget

Program/Project (Millions)	FY 2020-21 Approved Budget	FY 2021-22 Approved Budget	FY 2022-23 <i>Proposed Budget</i>
Water Treatment Program	\$9.2	\$12.5	\$17.2
Water Transmission Program	-	-	\$14.2
Water Supply & Storage Program	-	\$29.8	-
Watersheds & Land Management	\$37.7	\$14.9	-
Communication & Monitoring Program	\$0.5	\$0.5	-
Buildings And Grounds Programs	\$3.0	\$2.0	\$16.2
Long Term Monitoring & Permit	\$4.0	\$4.0	-
Regional Total	\$54.5	\$63.7	\$47.6

Regional Water Capital Improvement Program Key Projects

Water Treatment

- Sunol Valley Water Treatment Plant projects

Water Transmission

- Four major pipeline repair, replacement and rehabilitation projects

Buildings and Grounds

- Millbrae Yard improvement projects

Storage Projects

- Pilarcitos and San Andreas (not fully funded)

Hetch Hetchy Water 10-Year Capital Improvement Program

All assets are classified Water (100% Water funded), Power (100% Power funded), or Joint (45% Water and 55% Power funded).

Program/Project (Millions)	FY 2022-31		FY 2023-32	
	Approved	Proposed	Change	Change
<u>Spending Plan</u>				
Water	\$270.9	\$232.7	(38.2)	
Power	\$168.6	\$193.3	24.7	
Joint	\$594.2	\$548.5	(45.7)	
Total	\$1,033.7	\$974.4	(59.3)	-6%

Hetch Hetchy Water FY22-23 Capital Budget

Program/Project (Millions)	FY 2020-21 Approved Budget	FY 2021-22 Approved Budget	FY 2022-23 <i>Proposed Budget</i>
Water Infrastructure	\$20.1	\$33.7	\$45.7
Power Infrastructure	-	\$10.6	\$44.1
Joint Projects - Water Infrastructure 45%	\$8.3	\$30.2	\$11.3
Joint Projects - Power Infrastructure 55%	\$10.1	\$36.9	\$13.8
Hetchy Water Subtotal	\$38.5	\$111.5	\$114.9

Hetch Hetchy Water Capital Improvement Program

Key Projects

Water

- San Joaquin Pipeline Valve and Safe Entry Improvements
- Mountain Tunnel Improvements Project (Water portion)

Power

- Electric Transmission Lines 7&8 upgrades
- Moccasin Powerhouse and GSU Rehabilitation Project
- Electric Transmission Lines Clearance Mitigations
- Moccasin Powerhouse Bypass Upgrade

Joint

- Mountain Tunnel Improvements Project (Joint portion)
- Bridge Replacement (two bridges)
- Moccasin Old Powerhouse Hazard Mitigation
- Moccasin Dam & Reservoir Long Term Improvements
- O'Shaughnessy Dam Outlet Works Phase 1

Public Comment on Items Not on the Agenda

Every drop counts. Use water wisely.



1 lawn watering =
71 loads

Make the change to California
native plants and use less water.



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Action Calendar



GIVE IT UP

Lose your lawn. It's a DROUGHT.

BAWSCA
Bay Area Water Supply & Conservation Agency

 Hetch Hetchy
Regional Water System
Services of the San Francisco Public Utilities Commission

bawasca.org/DROUGHT

Mid-Year Work Plan Review Identifies Need for Scope Change in Response to Increasing Drought Conditions

- Implementation of Work Plan on schedule and on budget
 - Table I presents a status update on FY 2021-22 Work Plan
- Four changes to the Work Plan scope are recommended
 1. **Scope Deletion:** Delay scoping for an update to Strategy to FY 2022-23
 - Will enable staff resources to be allocated to drought support
 - Allocated funds to be reprogrammed to support Tier 2 Plan Update
 2. **Scope Addition:** Increase level of staff-led drought support provided to members & their customers
 - Necessary response in light of worsening drought conditions and requests from Member Agencies
 3. **Scope Addition:** Facilitate negotiation and adoption of a WSA amendment related to the transfer of minimum purchase obligations
 - Final negotiations in late FY 2020-21 delayed, resulting in task completion being carried over to FY 2021-22
 4. **Scope Deletion:** Delay scoping for an update to WCDB for FY 2022-23
 - Will enable staff resources to be allocated to drought support
 - Allocated funds to be reprogrammed to support Tier 2 Plan Update

Reliable Water Supply (1 of 5)

STATUS	BAWSCA OBJECTIVE & FY 2019-20 WORK PLAN ITEM
1. <u>Facility Reliability: Monitor the SFPUC's WSIP, 10-Year CIP, and Asset Management Program</u>	
✓	a. Monitor WSIP scope, cost, and schedule
✓	b. Review and monitor SFPUC's Regional 10-Year Capital Improvement Program
●	c. Review and monitor SFPUC's Asset Management Program
✓	d. Promote increased emergency response coordination between member agencies, SFPUC, Valley Water and others.

! Needs Attention ● Experiencing Delay ✓ Complete/On Track ☆ Extraordinary Result/Effort

Reliable Water Supply (2 of 5)

STATUS	BAWSCA OBJECTIVE & FY 2019-20 WORK PLAN ITEM
2. <u>Long-Term Supply Solutions: Implement BAWSCA's Strategy</u>	
✓	a. Refresh & update BAWSCA's Regional Water Demand and Conservation Projections Study.
!	b. Complete scoping activity for an update to BAWSCA's Long-Term Reliable Water Supply Strategy (Strategy). <i><u>Proposed Scope Deletion: Delay scoping for an update to Strategy to FY 2022-23</u></i>
✓	c. Participate in development of BARR Phase 2
✓	d. Complete PREP Phase 3 feasibility study
✓	e. Promote the continued sustainable use of San Mateo Plain Groundwater Basin
✓	f. Facilitate development of other local water supply options
✓	g. Utilize BAWSCA Reliability Model to support evaluation of water supply reliability

! Needs Attention ● Experiencing Delay ✓ Complete/On Track ☆ Extraordinary Result/Effort

Reliable Water Supply (3 of 5)

STATUS	BAWSCA OBJECTIVE & FY 2019-20 WORK PLAN ITEM
3. <u>Near-term Supply Solutions: Water Conservation and Drought Response</u>	
✓!	a. Provide staff-only drought support to members and their customers <u><i>Proposed Scope Addition: Increase level of staff-led drought support provide dtomembers and their customers.</i></u>
✓	b. Represent member agency interests in regional and statewide discussions on the development of and compliance with California's "Making Water Conservation a Way of Life" requirements
✓	c. Provide regional coordination to support member agency Advanced Metering Infrastructure (AMI) implementation and data management
✓	d. Implement BAWSCA's core water conservation programs
✓	e. Implement BAWSCA's subscription water conservation programs
✓	f. Administer new irrigation hardware rebate program
✓	g. Administer new residential self-audit tool
✓	h. Develop lead repair and training certification program for implementation in FY 2022-23
✓	i. Represent member agencies in regional and State-level discussions related to water conservation-related regulations

! Needs Attention ● Experiencing Delay ✓ Complete/On Track ☆ Extraordinary Result/Effort

Reliable Water Supply (4 of 5)

STATUS	BAWSCA OBJECTIVE & FY 2019-20 WORK PLAN ITEM
4. <u>Take Actions to Protect Members' Water Supply Interests in the Administration of the 2009 WSA</u>	
✓	a. Monitor SFPUC's development of new supplies through its Alternative Water Supply Planning Program
✓	b. Protect members' water supply interests to ensure that SFPUC meets its legal and contractual obligations
✓	c. Adopt temporary extension of existing Tier 2 Plan that expires Dec. 2021
✓	d. Initiate development of an updated Tier 2 Plan
✓	e. Protect members' water supply and financial interests in SFPUC's required 2028 decisions
✓!	f. <u><i>Proposed Scope Addition: Facilitate negotiations and member adoption of a WSA amendment related to the transfer of minimum purchase obligations</i></u>
5. <u>Protect Members' Interests in a Reliable Water Supply</u>	
✓	a. Participate in SWRCB Bay Delta Plan Update
✓	b. Participate in the Don Pedro Project/La Grange Project FERC licensing process

! Needs Attention ● Experiencing Delay ✓ Complete/On Track ☆ Extraordinary Result/Effort

Reliable Water Supply (5 of 5)

STATUS	BAWSCA OBJECTIVE & FY 2019-20 WORK PLAN ITEM
6. <u>Pursue Grant Opportunities Independently and in Coordination with Regional Efforts</u>	
✓	a. Pursue and use grant funds for water conservation programs and for regional supply projects and programs
✓	b. Pursue, with regional partners, grant funding to support studies that aim to improve regional water supply reliability
✓	c. Investigate potential for grant funds to support the implementation of the Strategy
7. <u>Reporting and Tracking of Water Supply and Conservation Activities</u>	
✓	a. Complete BAWSCA FY 2019-20 Annual Survey
✓	b. Complete BAWSCA FY 2019-20 Annual Water Conservation Report
✓	c. In partnership with member agencies, operate and maintain BAWSCA's Water Conservation Database <i>Proposed Scope Deletion: Delay scoping for an update to WCDB; anticipate complete update to WCDB in FY 2022-23</i>

! Needs Attention ● Experiencing Delay ✓ Complete/On Track ☆ Extraordinary Result/Effort

High Quality Water (1 of 1)

STATUS	BAWSCA OBJECTIVE & FY 2019-20 WORK PLAN ITEM
8. <u>Support Member Agencies in Receiving Reliable Communication of Water Quality Issues</u>	
✓	a. Coordinate member agency participation in Joint Water Quality Committee
✓	b. Relay important water quality information to BAWSCA member agencies
✓	c. Review and act on, if necessary, State legislation affecting water quality regulations

! Needs Attention ● Experiencing Delay ✓ Complete/On Track ☆ Extraordinary Result/Effort

Fair Price (1 of 1)

STATUS	BAWSCA OBJECTIVE & FY 2019-20 WORK PLAN ITEM
9. <u>Perform Matters that Members Delegated to BAWSCA in the WSA</u>	
✓	a. Administer the WSA with SF to protect the financial interests of member agencies.
✓	b. Administer bonds issued by BAWSCA to retire capital debt owed to San Francisco
★	c. Work on the authorization and execution of the refunding a portion of BAWSCA's bonds
10. <u>Maintain Community Allies and Contacts with Environmental Interests</u>	
✓	a. Maintain close relationships with BAWSCA's local legislators and allies
✓	b. Maintain a dialogue with responsible environmental and other groups
✓	c. Maintain effective communications with member agencies, customers, & others
✓	d. In conjunction with San Francisco, conduct or co-sponsor tours of the water system
11. <u>Manage the Activities of the Agency Professionally and Efficiently</u>	
✓	a. Initiate a Student Internship Program
✓	b. Implement Board policy directives for management of BAWSCA's unfunded pension liability obligations

! Needs Attention ● Experiencing Delay ✓ Complete/On Track ★ Extraordinary Result/Effort

No Changes to General Reserve Recommended at This Time

- Current General Reserve balance is \$758,794 and reflects
 - Approved transfer of \$281,676 to BAWSCA's Operating Fund to fund the FY 2021-22 approved budget, and
 - Deposit of \$43,727 of FY 2020-21 unspent funds in accordance with General Reserve Policy
- BAWSCA's FY 2020-21 operating expenses of \$3,860,044 were \$499,085 under its \$4,359,129 budget
- While the BAWSCA was well under budget during the fiscal year, the amount available to transfer to the General Reserve is based on the "actual" revenue of \$3,903,771, including interest income of \$22,191, in excess of the "actual" expenses totaling \$3,860,044
 - Net difference of \$43,727 is considered excess revenues available to be transferred to the General Reserve
 - FY 2020-21 unspent funds were \$200,000 less than the estimated amount included in FY 2021-22 funding plan
- This level of General Reserve represents 16% of the approved Operating Budget
 - Outside the General Reserve guidelines for budgetary purposes of 20% to 35% of the annual operating expense
- No changes to General Reserve are recommended at this time
- CEO monitoring agency spending and potential risk areas and will update Chair and Board regularly
- This issue will need to be addressed in FY 2022-23 Work Plan, budget and funding discussions

Recommended Action

That the Board approve modifications to Work Plan items 2b, 3a, 4f, and 7c for a revised FY 2021-22 Work Plan.

Reports

Every drop counts. Use water wisely.

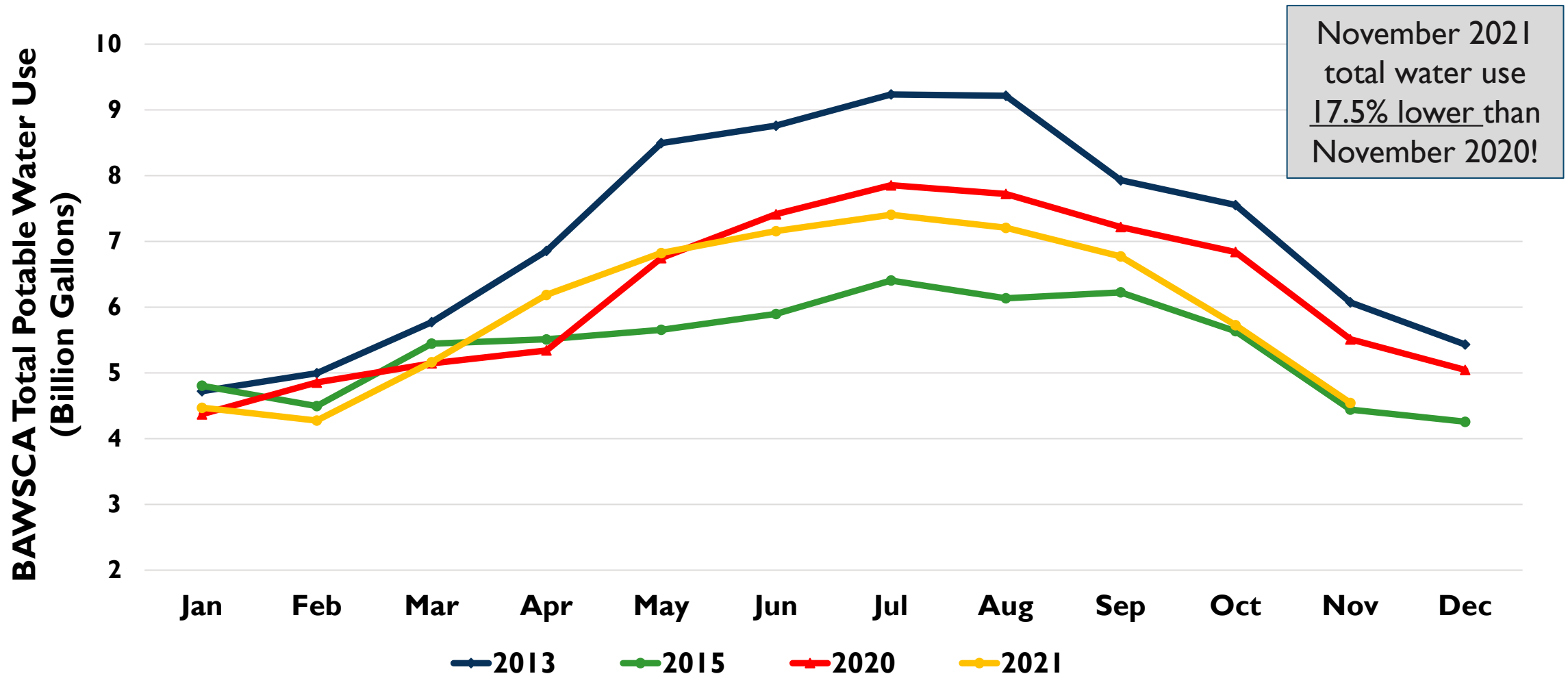


Turn off the water when brushing your teeth and save 10 gallons per person per day.



SaveOurWater.com

BAWSCA November 2021 Total Potable Water Use 28% Less Than November 2013



Bay Delta Plan Update: BAWSCA Focused on Protecting Water Supply for Constituents

- Bay-Delta Plan efforts continue
 - At its December 8th meeting, State Board identified next steps towards Plan implementation by Summer 2022
 - Separate Voluntary Agreement discussions are in a holding pattern
- On January 14th, SFPUC General Manager Herrera responded to October 20th letter from Secretaries Blumenfeld and Crowfoot
 - Expresses concerns with State's approach in negotiations including its unilateral termination of negotiations
 - "we seek your cooperation in creating a workable path forward"
 - "we are determined to find a solution that meets the health, safety and economic needs of our customers while also providing adequate protections for the environment"
- BAWSCA moving forward on multiple fronts
 - Legal action remains on course
 - TRVA remains a potential viable alternative, though State Board's receptivity is unclear
 - BAWSCA pressing State, SFPUC, and Districts for "bold creative leadership" to resolve this challenge
 - SFPUC Alternative Water Supply Program initiated to develop new supplies as needed
- BAWSCA remains actively engaged with legislative and other allies to protect water customers

Market Comparison Indicates that BAWSCA's Current Consultant Billing Rates are within Acceptable Range

- Every May, Board considers action on the proposed work plan and budget for the following fiscal year
- At that time, Board is also asked to approve consultant contracts associated with identified consultant resources to support BAWSCA work plan
- To access the necessary consulting services in an efficient and cost-effective manner BAWSCA relies on a combination of annual contracts with the same consultants
- As part of this year's budget development process, BAWSCA completed a review of billing rates for current FY 2021-22 consultant contracts
 - Contracts procured through a recent selection process were not included in review
- This review compared the current rates paid by BAWSCA with the rates paid by other public agencies in the Bay Area for engineering, financial, legal, and strategic services
- In all cases, the market comparison indicates that BAWSCA's current consultant billing rates are within an acceptable range

Consultant Market Rate Comparison – Review Results

Table 1: Consultant Billing Rate Market Comparison for FY 2021-22 Agreements*

Work Effort Category	Work Effort Subcategory	BAWSCA Consultant	Rate(s) Charged by Senior Staff	Market Comparison
Engineering	Hydrologic & System Modelling	Hazen & Sawyer	\$180 - \$208 (Senior Staff/Associate)	\$185 - \$282 (Senior Staff/Associate)
	CIP Development and Review	Richard Sykes	\$200 (Lead Consultant)	\$210 (Lead Consultant)
	Demand Projections and Studies	Maddaus Water Mgmt.	\$268 - \$273 (Senior Staff)	\$242 - \$282 (Senior Staff)
	Asset Management	West Yost	\$277 (Senior Staff)	\$210 - \$279 (Senior Staff)
	Engineering, 2009 WSA Admin.	Stetson	\$237 - \$268 (Principal) \$118 - \$273 (Senior Staff)	\$234 (Principal) \$144 (Senior Staff)
	Conservation – Technical Support	WSO	\$180 - \$210 (Project Mgr, Project Director)	\$155 - \$210 (Project Mgr/Director)
Financial	Bond Counsel, Legal Support	Orrick	\$750-950	\$900
	Investment Advisor	Public Trust Advisors	8 basis pts.	10 basis pts.
	Auditing, 2009 WSA Admin.	Burr Pilger Mayer	\$375	\$450
	Financial/Municipal Counsel	KNN Public Finance	\$325	\$350
Legal	Legal Counsel	Hanson Bridgett LLP	\$420 (Partner) \$375 (Senior Counsel)	\$320 - \$490 (Partner) \$325 - \$415 (Senior Counsel)
Strategic	Strategy and Legislative Support	Harlan L.P. Wendell	\$185	\$200 - \$575

***Consultants that were subject to a formal solicitation process in FY 2020-21 or FY 2021-22 not included in this review.**

BAWSCA Participates in the California Employers' Retiree Benefit Trust Program (CERBT)

- BAWSCA has participated in CERBT since April 2014 to prefund BAWSCA's Other Post-Employment Benefits (OPEB) obligations
 - CERBT is administered by CalPERS
- Participation in CERBT allows BAWSCA to pay for future retiree benefits, reduce future agency cash flow requirements, and reduce OPEB liabilities
- Since FY 2013-14, BAWSCA has been fully funding the annual OPEB expense as determined by the annual actuarial valuation
 - BAWSCA's FY 2021-22 Operating Budget includes a CERBT contribution of \$77,000
- BAWSCA's unfunded OPEB liability as of 6/30/2021: \$491,498
 - Estimated to be paid off by 2036

BAWSCA's CERBT Account Summary as of December 31, 2021 with Estimated Paid Off Date of 2036

Total Contributions (Initial contribution made on 4/26/2014)	\$807,731
Total Disbursements	-
Total CERBT Expenses	(\$3,770)
Total Investment Earnings	\$376,099
Total Assets	\$1,180,060
Current Asset Allocation Strategy Selection	CERBT Strategy 2
CERBT Long-Term Expected Rate of Return	7.01%
BAWSCA's Discount Rate Used in OPEB Actuarial Valuation as of June 30, 2021	5.75%
BAWSCA Actual Cumulative Annualized Rate of Return* from Inception (4/26/2014) through 12/31/2021	8.38%
BAWSCA Net OPEB Liability as of 6/30/2021 (Estimated to Be Paid Off by 2036)	\$491,498
Funded Status	68%

* Net of fees

SFPUC's OPEB Liability Funded Status Update

- SFPUC participants in the single employer defined benefit plan
 - Benefits provided are currently paid based on “pay as you go”
- In addition, SFPUC and its active employees contribute 0.25% to 2% of their compensations to the Retiree Health Care Trust Fund (Trust Fund)
 - SF's Total Liability Funded Ratio as of 6/30/2018: 4.5%
- SFPUC's share of SF's net OPEB liability as of 6/30/2020: \$260.397M
 - \$163.684M for Water Enterprise
 - \$16.350M for Hetchy Water
- Wholesale customers' share of SFPUC's net OPEB liability: Not available

BAWSCA Participates in the CalPERS Pension Plan

- BAWSCA offers its employees and retirees pension benefits via CalPERS, a State of California Pension Trust Program
- Every year, CalPERS provides BAWSCA an actuarial valuation report
 - Includes latest pension trust plan funded status and minimum required employer contributions for next fiscal year
 - BAWSCA's FY 2021-22 Operating Budget includes a CalPERS required employer contributions of \$221,417
- BAWSCA's unfunded pension liability as of 6/30/2020: \$835,615
 - Estimated to be paid off by 2040

BAWSCA's Pension Liability Funded Status as of June 30, 2020 with an Estimated Paid Off Date of 2040

Actuarial Calculation	CalPERS "Misc." Plan Value
a. Present Value of Projected Benefits (PVB)	\$6,066,307
b. Entry Age Normal Accrued Liability (AL)	\$4,278,364
c. Market Value of Assets (MVA)	\$3,442,749
d. Unfunded Accrued Liability (UAL) =b-c	\$ 835,615 ←
e. Funded Ratio =c/b	80.5% ←

- BAWSCA's projected UAL as of 6/30/2023: \$793,828
- Minimum required employer contribution for FY 2022-23: \$76,396

SFPUC's Pension Liability Funded Status Update

- SFPUC participants in a cost-sharing multiple-employer defined benefit pension plan that is administered by SF City and County Employees' Retirement System
 - Benefits provided under the Plan are currently paid based on "pay as you go"
- SFPUC's share of SF's net pension liability as of 6/30/2020: \$313.899M
 - \$178.133M for Water Enterprise
 - \$21.477M for Hetchy Water
- Wholesale customers' share of SFPUC's net pension liability: Not available

Closed Session



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bawasca.org/DROUGHT

 Hetch Hetchy
Regional Water System
Services of the San Francisco Public Utilities Commission

BAWSCA
Bay Area Water Supply & Conservation Agency

Fiscal Year 2022-23 Budget Planning Session

Every drop counts. Use water wisely.



Always run a full
load of laundry
and save 15-45
gallons per load.



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FY 2022-23 Work Plan and Budget Planning Session

- BAWSCA's budget process begins with an assessment of long-term critical issues and major challenges
- Long-term view allows identification of critical results and associated timeline
- Forms basis for FY 2022-23 Work Plan and Results to be Achieved

Table I. Future Challenges (Preliminary FY 2022-23)

BAWSCA Goal and Associated Challenges	FY 2022-21 (Near-Term)	2023-2035 (Mid-Term)	2035-2050 (Long-Term)
Reliable Supply: Ensure Long-Term Water Supply Reliability			
Protection of member agencies' interests in long-term water supply reliability from the SF RWS and 184 MGD Supply Assurance in light of potential areas of risk, including climate change and regulatory challenges, <u>as presented in the Long Term Vulnerability Analysis</u> , and SFPUC's Alternative Water Supply Planning and associated CEQA initiation by June 2023.	X	X	X
Protection of BAWSCA member agencies from normal and dry year supply shortages and resulting excessive economic impacts, <u>including completion of Updated Demand Projections</u> .	X	X	X
Reflection of member agencies' long-term water supply needs and investments in regional planning efforts.	X	X	X
Support member agencies in their efforts to ensure system reliability during an emergency.	X	X	X
Representation of member agencies in Federal relicensing of New Don Pedro to protect SF RWS water supply reliability.	X	X	
Representation of member agencies in Bay Delta Plan Update to protect RWS water supply reliability.	X	X	
Assist member agencies in meeting the new Statewide "Making Water Conservation a California Way of Life" requirements thru 2035, including new Water Efficiency Targets to be finalized by June 2022	X	X	
Protection of member agencies' interests in San Francisco's December 2028 decisions including deciding whether to make San Jose and Santa Clara permanent customers.	X	X	
Development of a new Tier 2 Drought Implementation Plan.	X	X	

Note: Proposed Changes Shown in Blue Underlined Italic Font

Table I. Future Challenges (Preliminary FY 2022-23)

BAWSCA Goal and Associated Challenges	FY 2022-21 (Near-Term)	2023-2035 (Mid-Term)	2035-2050 (Long-Term)
Reliable Supply: Ensure SF RWS Facility Reliability			
Protection of water supply and financial interests of water customers in SFPUC's development and implementation of its 10-Year CIP.	X	X	X
Protection of water supply and financial interests of water customers in SFPUC's asset management program to ensure ongoing maintenance and protection of RWS assets.	X	X	X
Promote emergency resiliency of the SF RWS to protect interests of water customers.	X	X	X
Protection of water supply and financial interests of water customers in SFPUC's WSIP implementation.	X	X	

Note: Proposed Changes Shown in Blue Underlined Italic Font

Table I. Future Challenges (Preliminary FY 2022-23)

BAWSCA Goal and Associated Challenges	FY 2022-21 (Near-Term)	2023-2035 (Mid-Term)	2035-2050 (Long-Term)
High Quality Supply & Fair Price: Enforce 2009 Water Supply Agreement (WSA)			
Enforcement and amendment as necessary, of the WSA to ensure San Francisco meets its financial, water supply, quality, maintenance and reporting obligations.	X	X	X
Protection of member agencies' water supply reliability interests against threats by outside forces including efforts by others to drain Hetch Hetchy that disregard their interests in reliability, quality and cost.	X	X	X
Protection of water customers interests in ensuring SF maintains its Tuolumne River water rights.	X	X	X
Extension or renegotiation of the WSA before it expires in 2034. The WSA can be extended 2 times, for a period of 5 years each. By December 2031, SFPUC must notify Wholesale Customers of desire to extend contract.		X	X
Management of BAWSCA's revenue bonds in accordance with Bond Indenture and other applicable laws to ensure accountability and ultimately to reduce overall cost to regional water customers (thru 2034).	X	X	
Management of Agency			
BAWSCA CALPERS pension & OPEB liability management			X

Note: Proposed Changes Shown in Blue Underlined Italic Font

Are There Additional Challenges That Should Be Considered?

- Table I presents major challenges thru 2050
- Invite Board comments tonight on other near and long-term issues to be considered
- Discussion of additional ideas tonight will be focused on getting clarity on comments provided, not evaluating the comment or suggestion
- Comments received tonight will be addressed by CEO in Work Plan and Budget development

Directors' Discussion: Comments, Questions and Agenda Requests

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California native plants
and use less water.



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Next Meeting and Adjournment

Annual Conflict of Interest Form 700 Filing

- April 1, 2022 deadline
- Electronic filing through eDisclosure
- Email was sent from
BAWSCAForm700@BAWSCA.org

Next Meeting

March 17, 2022
6:30 pm
Location and Format TBA