

“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

March 20, 2025



Call To Order/Roll Call/Salute to Flag



Comments by the Chair



Jensen, 2011



Board Policy Committee Report



Public Comments on Items Not on the Agenda



BAWSCA 2018



SFPUC Report



Ragsdale, 2023



Water Supply Conditions Update

Alison Kastama, BAWSCA Liaison

March 20, 2025

Current Reservoir Storage

Storage as of: **17-Mar-2025**

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	276,400	360,360	83,960	76.7%	62.4%
Cherry	244,300	273,345	29,045	89.4%	-
Eleanor	23,750	27,100	3,350	87.6%	-
Water Bank	570,000	570,000	0	100.0%	99.0%
Total Tuolumne Storage	1,114,450	1,230,805	116,355	90.5%	-
<u>Local System</u>					
Calaveras	75,603	96,670	21,067	78.2%	-
San Antonio	44,578	53,266	8,688	83.7%	-
Crystal Springs	43,025	68,953	25,928	62.4%	-
San Andreas	15,568	18,675	3,107	83.4%	-
Pilarcitos	2,091	3,125	1,034	66.9%	-
Total Local Storage	180,865	240,689	59,824	75.1%	-
Total System Storage	1,295,315	1,471,494	176,179	88.0%	80.0%
Total without water bank	725,315	901,494	176,179	80.5%	-

¹ Upcountry storage is the date's 8AM storage value taken from USGS data

² Water bank storage reported by HHWP for 03/16/2025

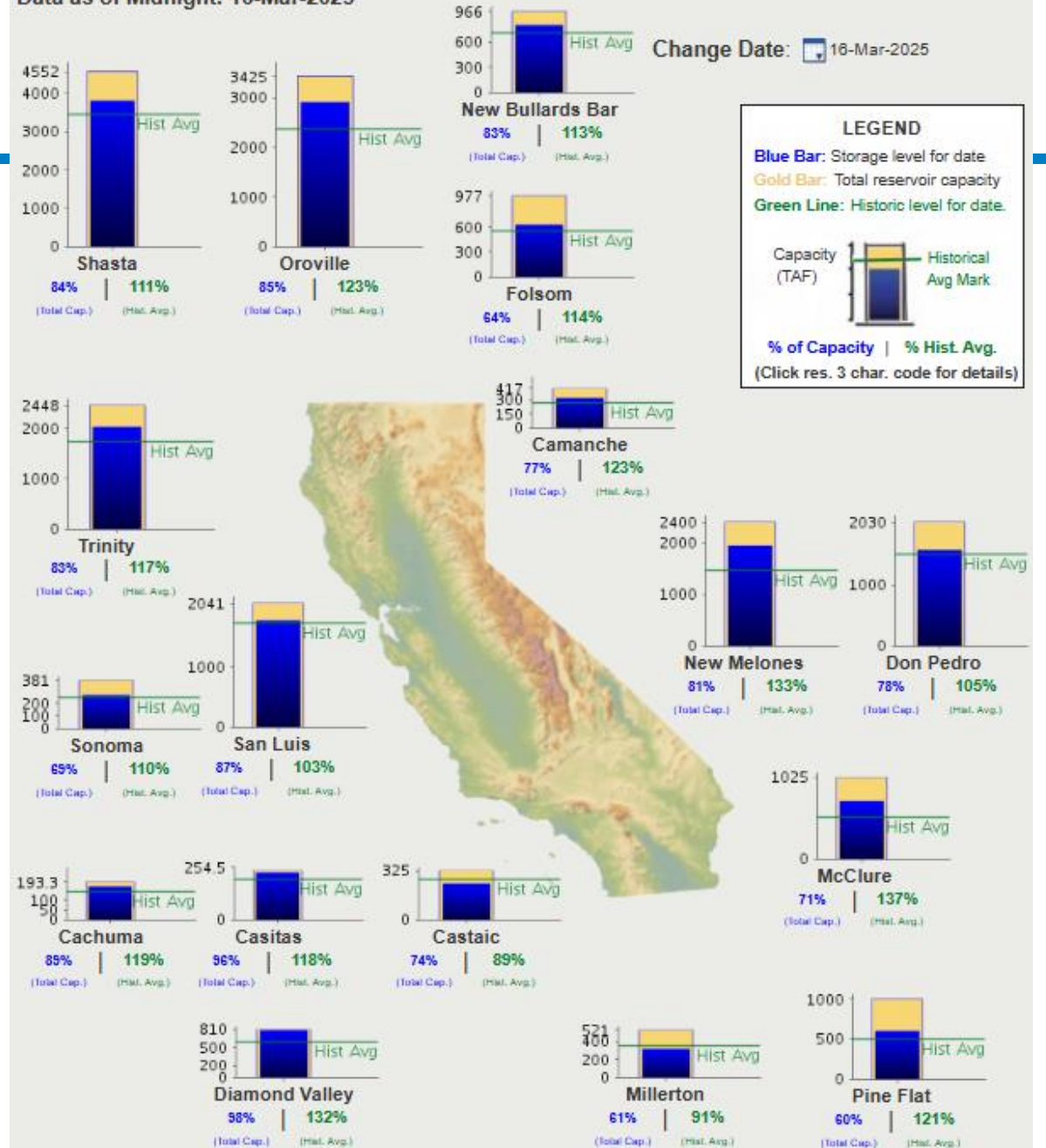
³ Local storage is the date's 8AM storage value taken from USGS data

⁴ Hetch Hetchy maximum storage is with drum gates activated. Cherry and Eleanor maximum storage is with flashboards in. All maximum storages taken from rating curve.

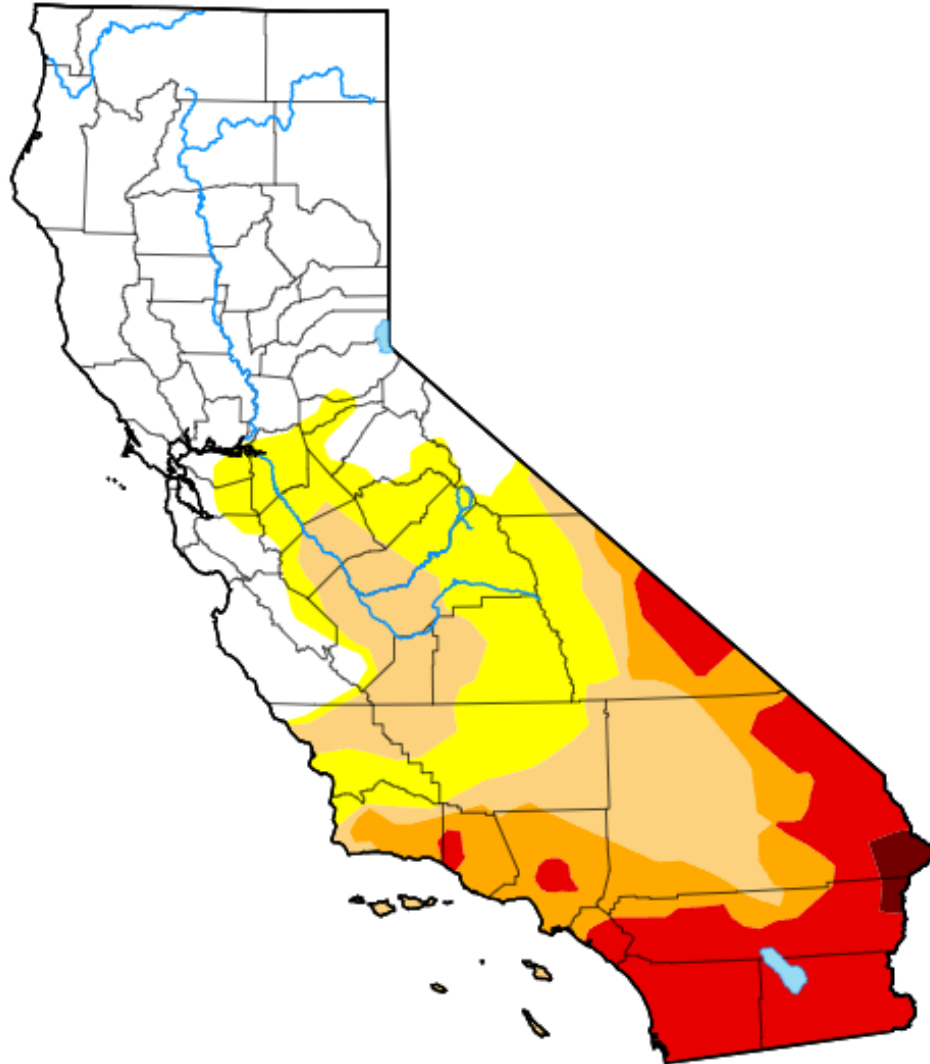
⁵ The ratio of median storage for this day over maximum storage capacity. Median storage for this day is based on historical storage data from years 1991 - 2020

Other California Reservoirs

Data as of Midnight: 16-Mar-2025










California Drought Monitor



Map released: Thurs. March 13, 2025

Data valid: March 11, 2025 at 8 a.m. EDT

Intensity

-  None
-  D0 (Abnormally Dry)
-  D1 (Moderate Drought)
-  D2 (Severe Drought)
-  D3 (Extreme Drought)
-  D4 (Exceptional Drought)
-  No Data

Authors

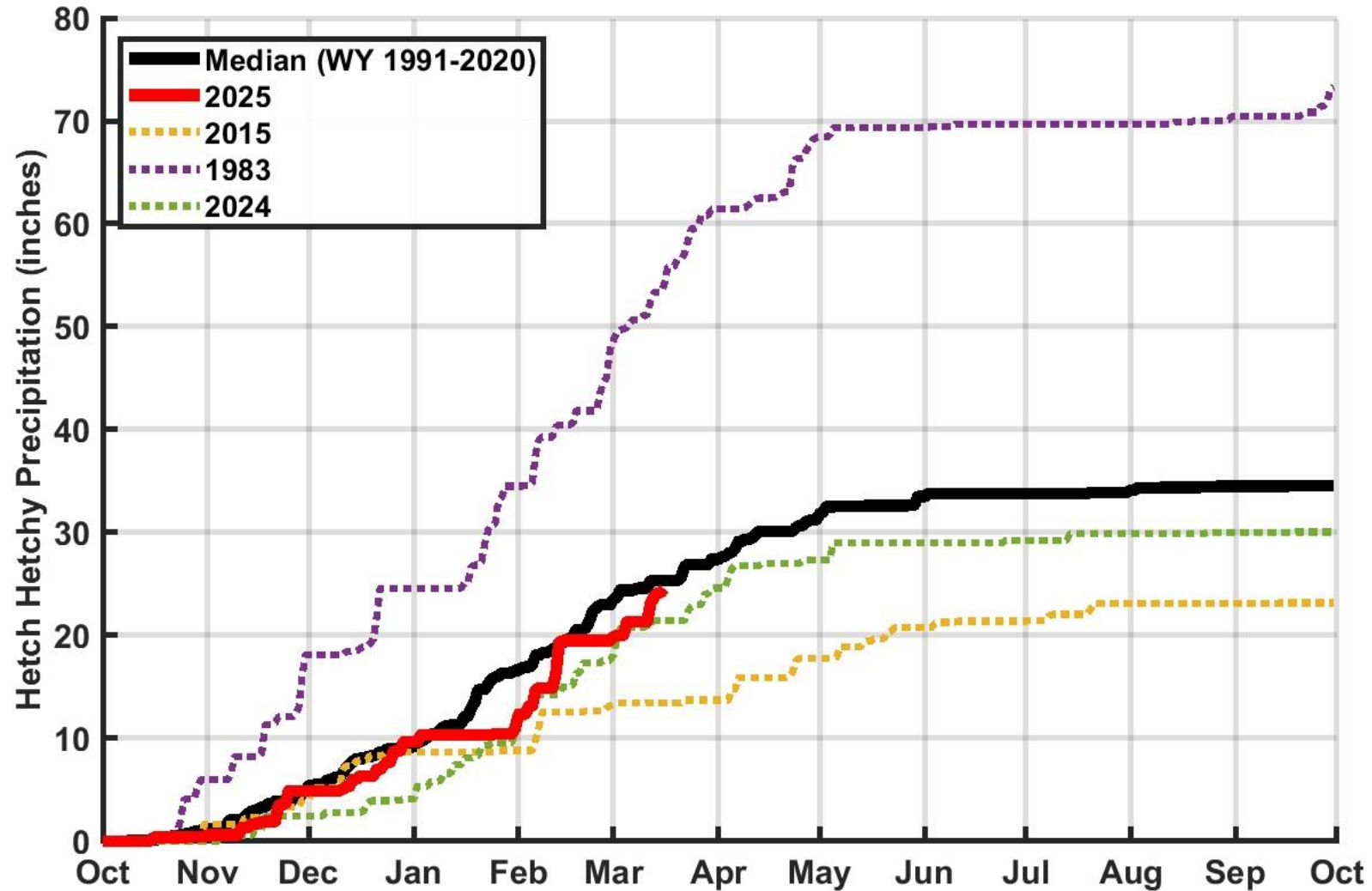
United States and Puerto Rico Author(s):

[Richard Tinker](#), NOAA/NWS/NCEP/CPC

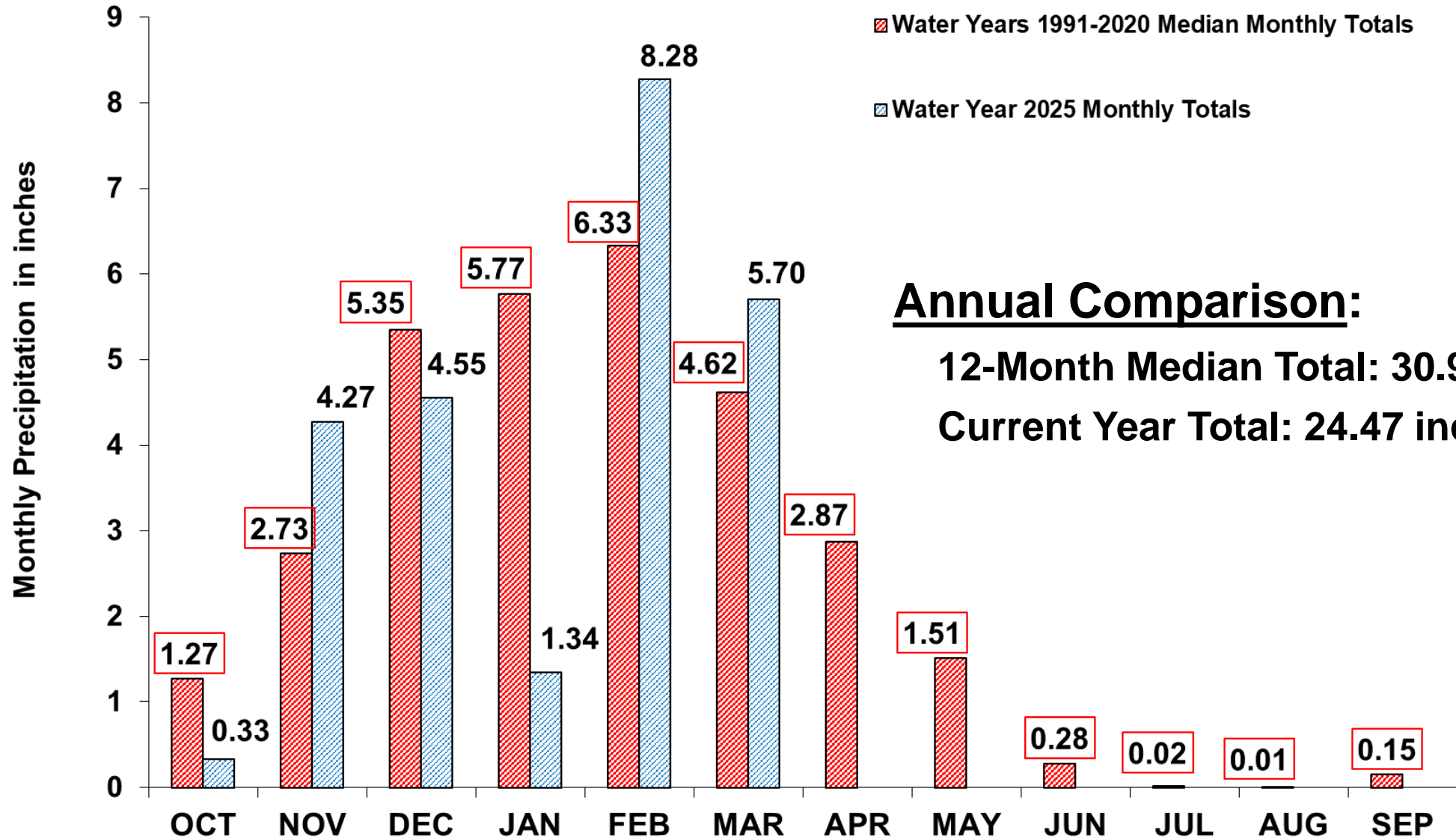
Pacific Islands and Virgin Islands Author(s):

[Brad Rippey](#), U.S. Department of Agriculture

Hetch Hetchy Precipitation



Upcountry 6-station Precipitation Index as of March 16, 2025

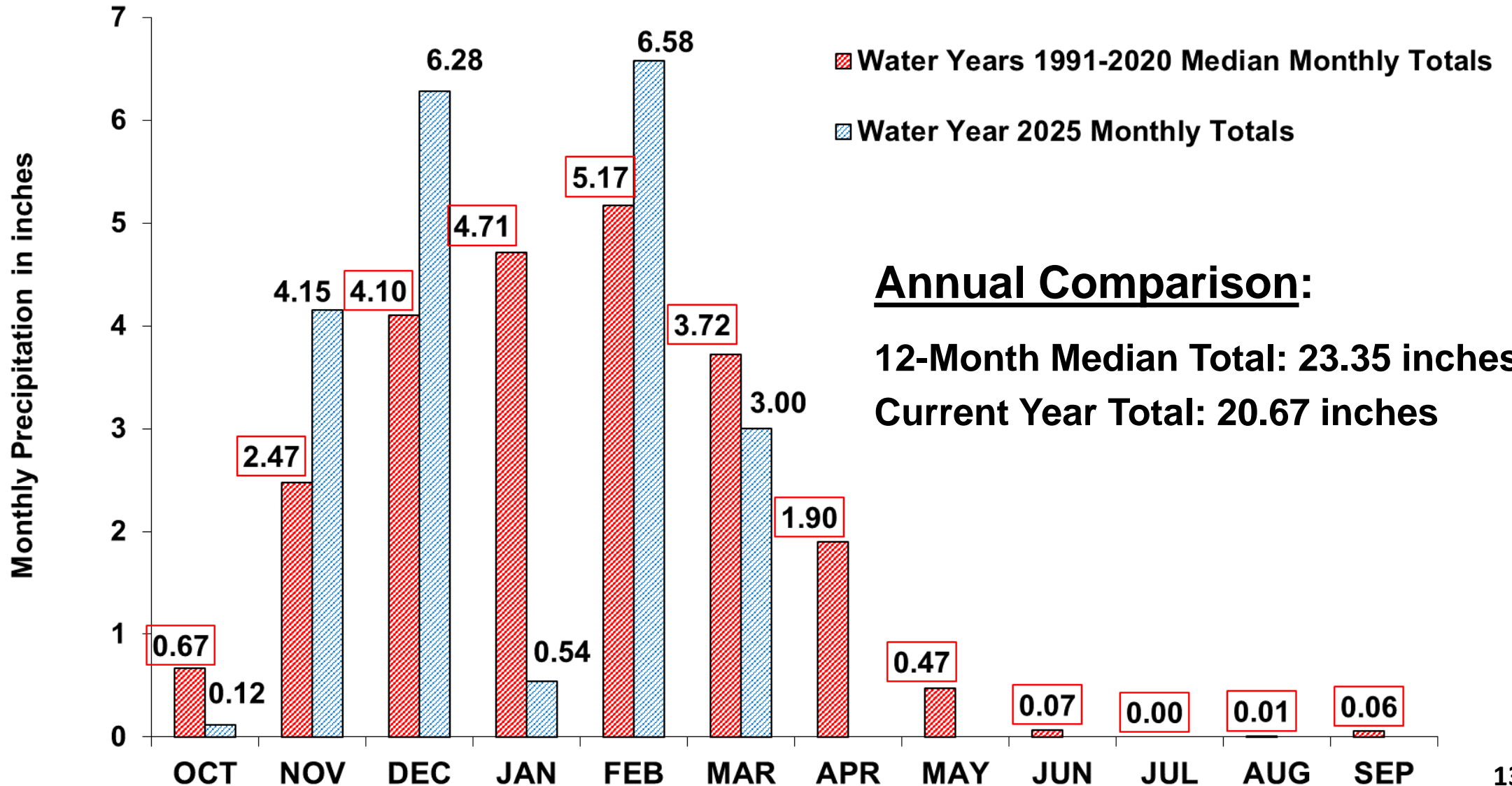


Annual Comparison:

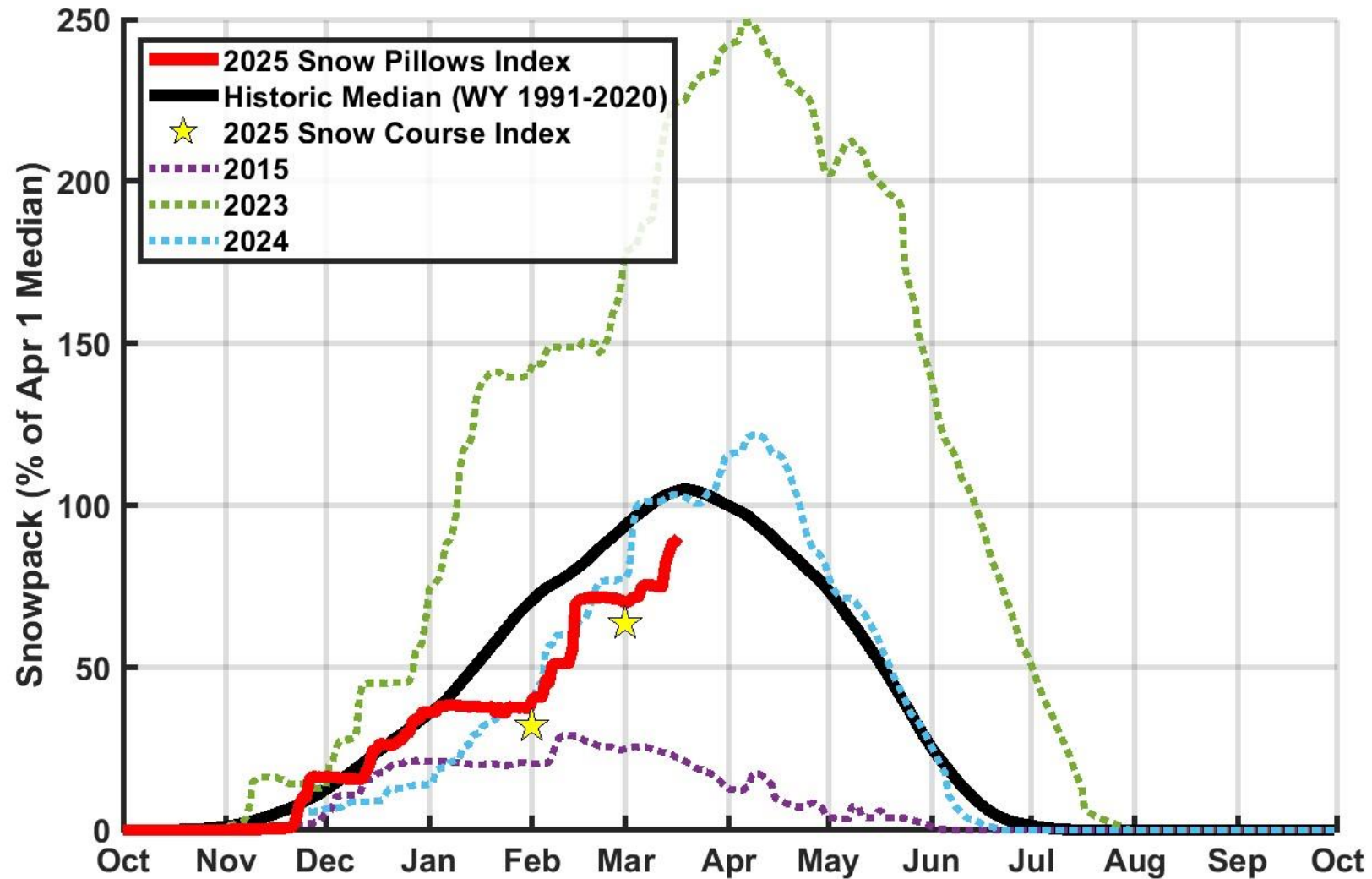
12-Month Median Total: 30.92 inches

Current Year Total: 24.47 inches

Bay Area 7-station Precipitation Index as of March 16, 2025

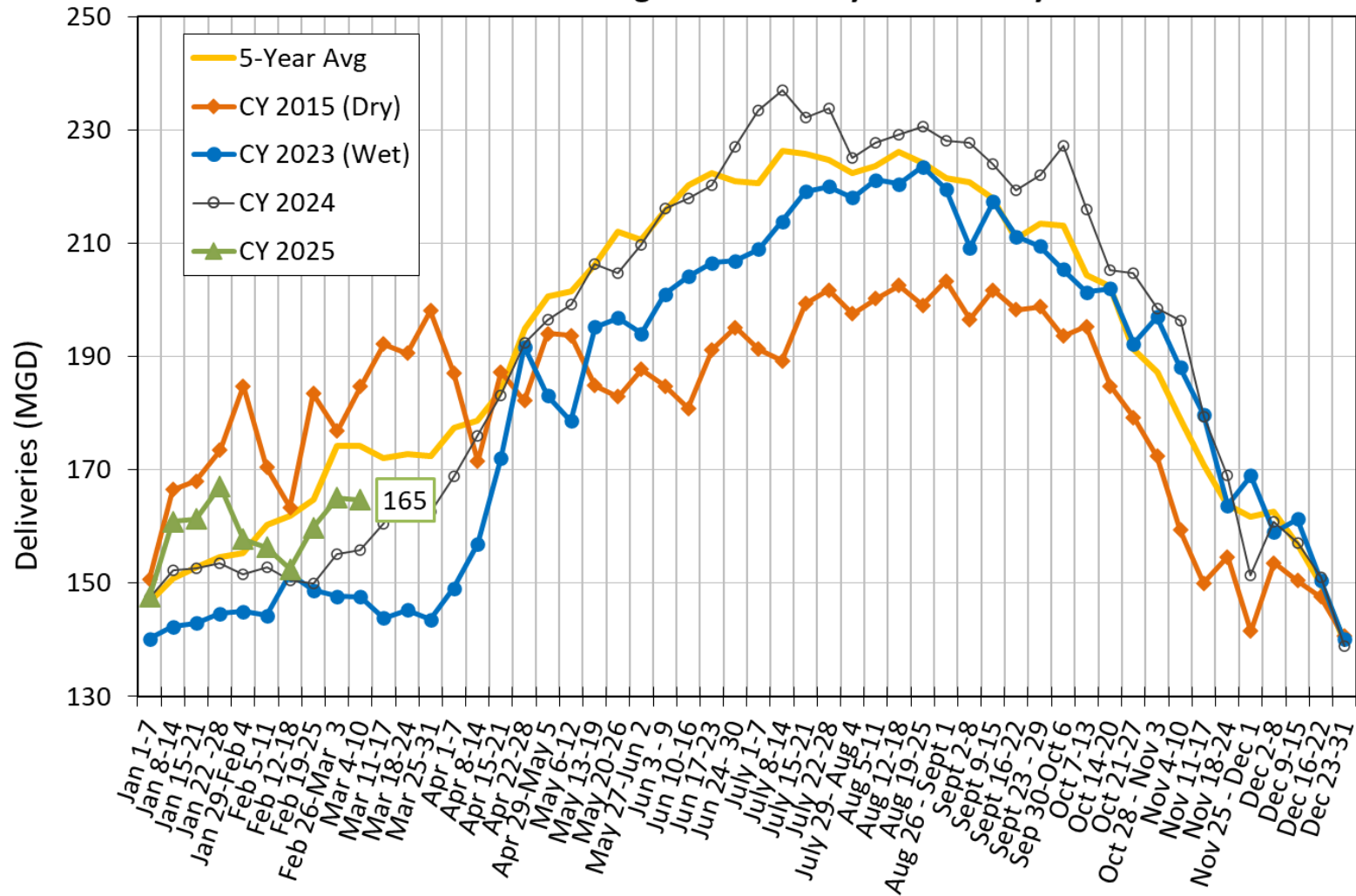


Upcountry Snowpack



Total Deliveries

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

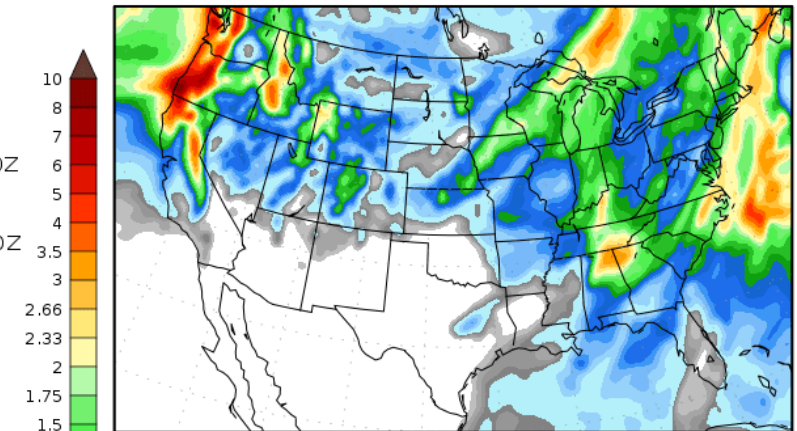


National Precipitation Forecast

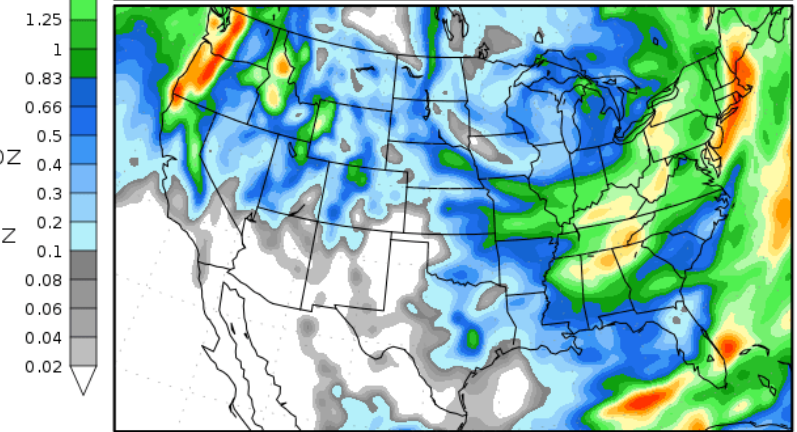
Precipitation Forecasts

Precipitation (in)
during the period:

Sun, 16 MAR 2025 at 00Z
-to-
Mon, 24 MAR 2025 at 00Z

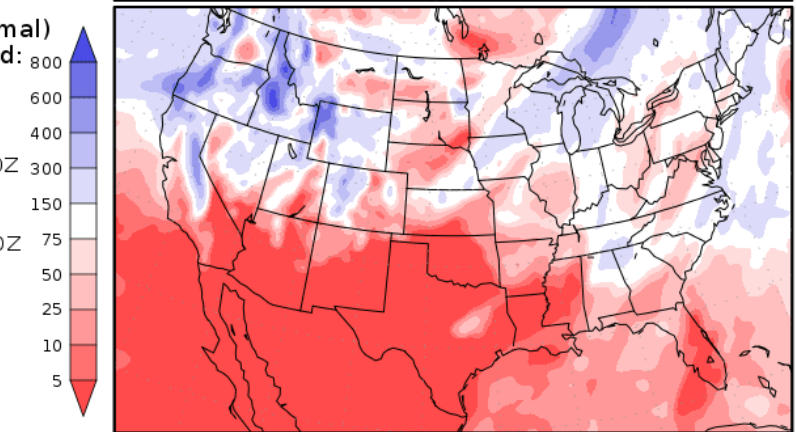


Mon, 24 MAR 2025 at 00Z
-to-
Tue, 01 APR 2025 at 00Z



Precipitation (% of normal)
during the first period:

Sun, 16 MAR 2025 at 00Z
-to-
Mon, 24 MAR 2025 at 00Z



Precipitation forecasts from the National Centers for Environmental Prediction.
Normal rainfall derived from Xie-Arkin (CMAP) Monthly Climatology for 1979-2003.
Forecast Initialization Time: 00Z16MAR2025

SFPUC Mid-Cycle CIP Changes & Adoption Plus Upcoming CIP Review Process

Steven R. Ritchie

Assistant General Manager, Water

March 20, 2025

FY26-35 CIPs – Approved February 11, 2025

Water Enterprise (\$2.42 billion) decrease of 18% over FY 25-34

Key projects include:

- Regional Projects 10-year total: \$1.26 billion
 - SVWTP Ozone project (+\$74.3M in this capital plan versus the FY2025-34 plan)
 - Significant pipeline rehabilitation and replacement
 - Millbrae Campus Improvements
 - Dam safety and reservoir improvements, including a reduction of \$152.9 million due to the removal of the Los Vaqueros Reservoir Expansion and Daly City Recycled Water projects.
- Local Distribution 10-year total: \$1.16 billion
 - Replacement of aging distribution infrastructure (water mains)
 - New San Francisco Water Division Headquarters

Recent bond rating actions

Sunol Valley Water Treatment Plant Ozone Facility



New San Francisco Water Division Headquarters Site Clearing



FY26-35 CIPs – Approved February 11, 2025

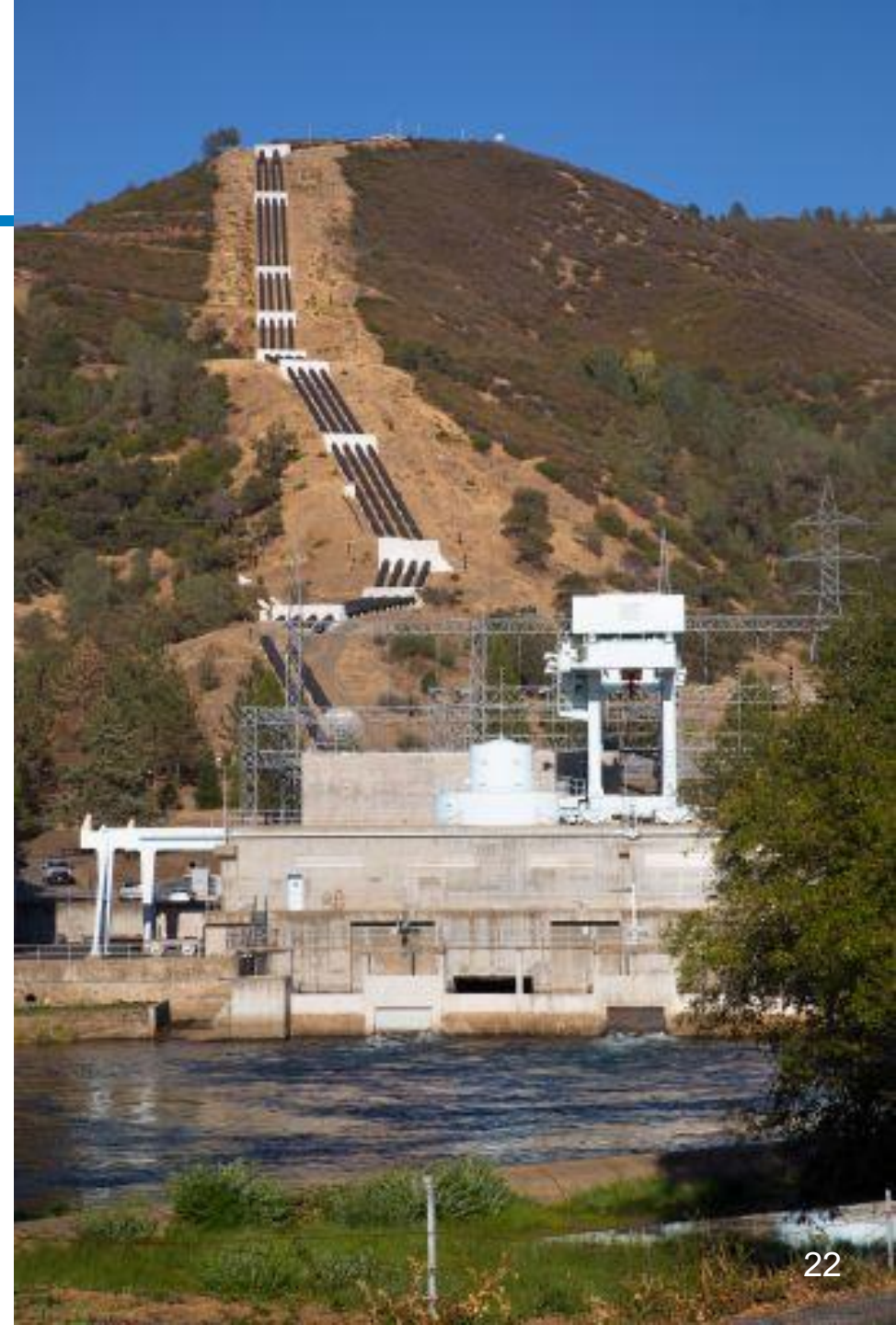
Hetch Hetchy Water (\$1.4 billion) increase of 17% over FY25-34

Key projects include:

- Moccasin Penstock Rehabilitation (\$315M)
- Dam safety projects
- Water conveyance system upgrades

Moccasin Penstocks

- Penstocks constructed in 1920's with modifications in 1960's
- Full replacement necessary due to cracks in hammer-forged welded steel pipe
- Alternatives include new shaft with tunnel and pipelines
- Short-term risk mitigation underway



Water Enterprise Budget Beginning FY2027

- Beginning the process for new 2-year budget
- Operating: Limits on new proposals
- Capital: Increased costs on projects means re-prioritization

Hetch Hetchy Water and Water Enterprise FY27-36 CIPs

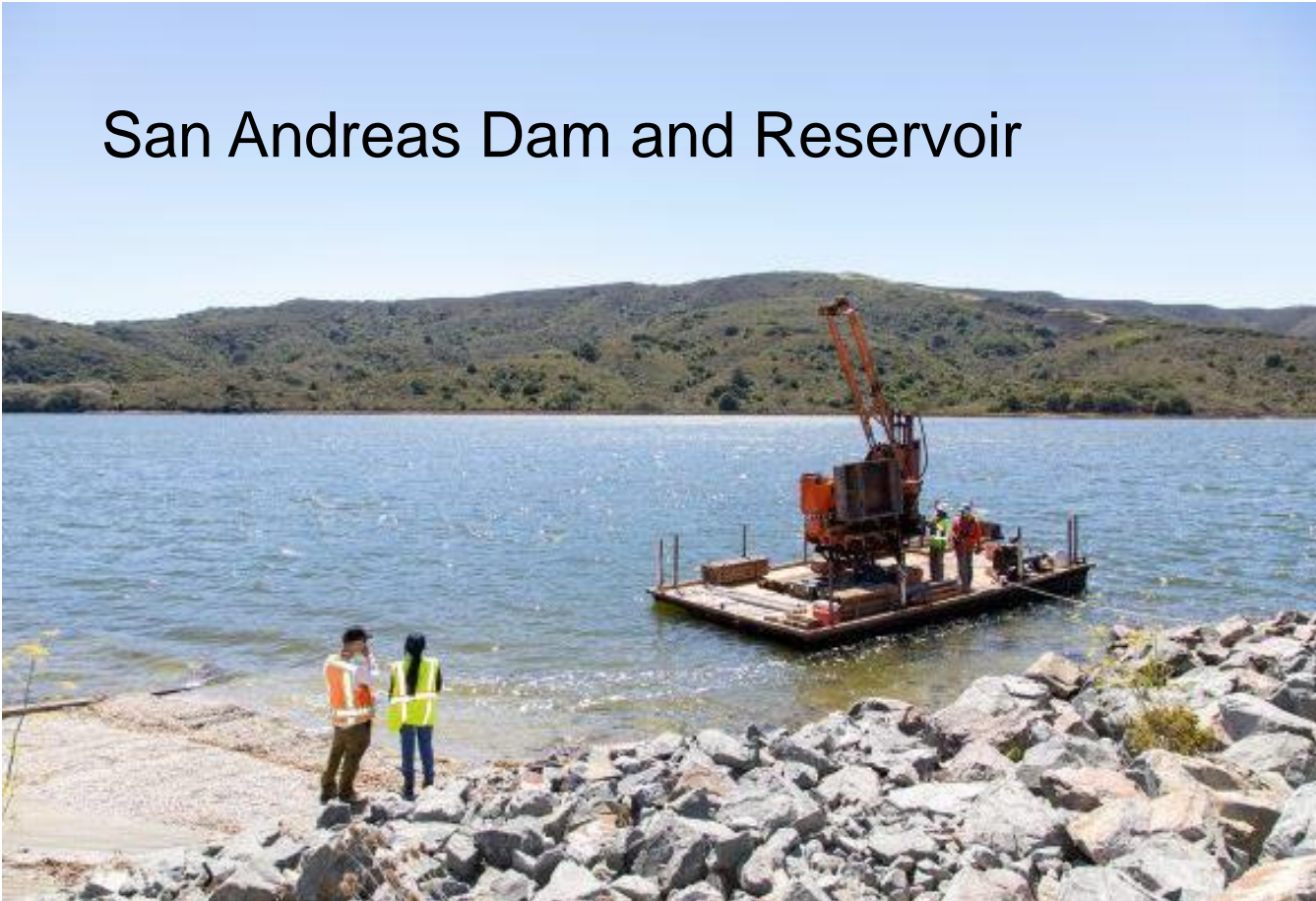
- Intend to include additional 10 years, FY37-46, for reference
- Existing large projects:
 - New SFWD Headquarters
 - Millbrae Campus Improvements
 - Regional Transmission Main replacement
 - Local Distribution Main Replacement
 - SVWTP Ozone Treatment
- Existing projects with anticipated increases:
 - Pilarcitos Dam
 - San Andreas Dam
 - Turner Dam
 - Moccasin Penstocks

Millbrae Yard Campus Improvements



Regional Dam Projects

San Andreas Dam and Reservoir



Pilarcitos Dam and Reservoir



Turner Dam (San Antonio Reservoir)



National Park Service Wapama Falls Bridge



Consent Calendar

- A. Approve Minutes of the January 16, 2025 Meeting
- B. Receive and File Budget Status Report – As of January 31, 2025
- C. Receive and File Investment Report – as of January 31, 2025
- D. Receive and File Bond Surcharge Collection, Account Balance and Payment Report – as of December 31, 2024
- E. Adjustment to Staff-Level Top-Step Total Compensation for One Position

Board Policy Committee voted unanimously to recommend the proposed Board action for Item #6E



Action Calendar



BAWSCA 2018



Consideration of Resolution #2025-01 Concurring in Nomination of John Weed for ACWA-JPIA Executive Committee

- There is a vacancy on the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA-JPIA)
- ACWA-JPIA has invited its member agencies to submit nominations
- ACWD has nominated John Weed (ACWD Board Member and ACWA-JPIA Board Member for ACWD) for the position
- ACWD and Director Weed have requested BAWSCA's support for his nomination
 - BAWSCA provided similar support for Director Weed in 2023
- ACWA-JPIA requires a resolution concurring the nomination
- Resolution 2025-01 meets the requirements of ACWA-JPIA

Recommended Action

That the Board adopt Resolution #2025-01 concurring in nomination of John H. Weed of Alameda County Water District to the Executive Committee of the Association of California Water Agencies Joint Powers Insurance Authority

Preliminary Fiscal Year 2025-26 Work Plan, Results to be Achieved and Operating Budget



SFPUC



Preliminary FY 2025-26 Work Plan Will Achieve BAWSCA's Goal

- Preliminary Work Plan aligns with BAWSCA's legislated authority and three goal elements
 - Table 1 presents draft preliminary FY 2025-26 Work Plan
 - Table 2 presents activities not included
- Addresses critical issues identified between now and 2065
- Includes continuation of previously approved multi-year projects:
 - Continued development of BAWSCA's Strategy 2050
 - Completion of Updated Regional Water Demand Projections
- Other new or changed items include
 - Scoping evaluation of the Regional Financing Authority's (RFA's) authority and constraints to facilitate future financing efforts.
 - Ensure implementation of WSA amendments on Minimum Purchase Quantities and an updated Tier 2 Plan



Preliminary FY 2025-26 Work Plan Reflects Board Input Provided During January 16th Budget Planning Session

- Table 4 provides responses to the comments provided by the Board in January
- We continue to provide information about staff loading and as part of staff analysis performed in preparing the preliminary work plan:
 - Chart 1 “Staff Resource Analysis for Preliminary FY 2025-26 Work Plan”
 - Table 3 “Estimated Staff Hours and FTE by Preliminary FY 2025-26 Work Plan Item”
- After discussion at the BPC, further review of staff loading resulted in a slight decrease in some employees’ time requirements
 - Estimated workload now reduced from 21,445 hours (11.2FTE) in 2024-25 to 20,288 hours (10.6FTE) in 2025-26
 - CEO will continue to evaluate loading against consistent, intermittent, and cyclical workload requirements and make later recommendations to the Board as necessary



Major Tasks in Preliminary FY 2025-26 Work Plan

– *Reliable Water Supply*

- I. Facility Reliability: Monitor SFPUC’s WSIP, 10-Year Capital Plan, Asset Mgmt. Program, and Emergency Response
 - a. Monitor WSIP scope, cost, and schedule including extending State oversight as necessary through to completion
 - b. Review and monitor SFPUC’s Regional 10-Year Capital Plan to ensure that identified projects and programs meet the needs of the members in a cost-effective and appropriate manner
 - c. Review and monitor SFPUC's Asset Management Program to ensure ongoing long-term maintenance and protection of RWS assets
 - d. Provide assistance to members and help facilitate engagement with the SFPUC regarding emergency response matters
 - e. Engage with and track the SFPUC Capital Planning Improvements Initiative
 - f. ***Engage with the SFPUC on their preparation of the 2026 State of the Regional Water System Report***



Major Tasks in Preliminary FY 2025-26 Work Plan

– *Reliable Water Supply*

2. Long-Term Supply Solutions: Implement Strategy
 - a. Continue the development of BAWSCA's Strategy 2050
 - b. Continue development of updated regional water demand projections
 - c. Participate in Bay Area Regional Reliability (BARR) Partnership
 - d. Participate in the continued planning of the PureWater Peninsula potable reuse project.
 - e. Facilitate development of other local water supply options
 - f. Use BAWSCA Reliability Model to evaluate Bay Delta Plan/VA impacts
 - g. Facilitate use of the BAWSCA Reliability Model by members via subscription program
 - h. *Conduct initial scoping evaluation of the Regional Financing Authority's (RFA's) available financing options***



Continued Development of Strategy 2050 Included in FY 2025-26 Work Plan but Separately Budgeted

- Strategy 2050 development is primarily staffed using consultant (EKI leading) under contract
 - Consulting and legal expense related to the project is funded from the Water Management Charge and therefore separately budgeted
- Staff resources to develop Strategy 2050 are included in the proposed work plan and metrics shown on staff loading percentages



Continue Development of Updated Regional Water Demand Projections (2025 Demand Study)

- BAWSCA has coordinated regional water demand projections since 2002
 - Projections done generally every 5 years
 - Most recent 2022 Demand Study provided projections thru 2045
- Updated demand projections necessary to support
 - Strategy 2050
 - 2025 Urban Water Management Plans
 - Other regional planning efforts
- Project is ongoing with work being performed in 2024-2025 and 2025-2026
- Estimated FY 2025-26 Cost: \$255K



Major Tasks in Preliminary FY 2025-26 Work Plan

– *Reliable Water Supply*

3. Near-Term Supply Solutions: Water Conservation and Drought Response
 - a. Represent member agency interests in discussions related to “Making Water Conservation a California Way of Life” requirements as appropriate
 - b. Provide regional coordination to support AMI implementation and data management
 - c. Implement BAWSCA’s core conservation programs that benefit all customers
 - d. Implement BAWSCA’s subscription conservation rebate programs
 - e. Engage with CalWEP and others to promote 3rd party development and administration of a lead repair and training certification program
 - f. Participate in San Mateo County C/CAG one watershed pilot program
 - g. Represent members in regional and State-level discussions relative to water conservation



Major Tasks in Preliminary FY 2025-26 Work Plan

– *Reliable Water Supply*

4. Take Actions to Protect Members' Water Supply and Financial Interests in WSA Administration
 - a. Monitor SFPUC's implementation of its Alternative Water Supply (AWS) Program
 - b. Protect members' interests to ensure SFPUC meets its legal and contractual water supply obligations
 - c. *Implement the updated Tier 2 Plan***
 - d. Protect members' water supply and financial interests in the SFPUC's required 2028 decisions
 - e. Ensure correct implementation of asset classification adjustments associated with 2018 WSA amendment
 - f. Ensure correct implementation of 2023 WSA amendments allowing for minimum purchase transfers
 - g. *Engage with the SFPUC and BAWSCA Member Agencies on the Implementation of the WSA Amendment that alters the calculation and assessment of Minimum Purchase Obligations***



Major Tasks in Preliminary FY 2025-26 Work Plan

– *Reliable Water Supply*

5. Protect Members' Interest in Reliable Water Supply
 - a. Participate in SWRCB Bay Delta Water Quality Control Plan proceedings
 - b. Participate in La Grange and Don Pedro FERC Relicensing proceedings
6. Pursue Grant Opportunities
 - a. Pursue and use grant funds, including Prop I Integrated Regional Water Management conservation grant
 - b. Pursue grant funding with regional partners
 - c. Implement BAWSCA grant tracking tool to support members' access to grant funds
 - d. Investigate potential grant funds to support implementation of BAWSCA's Strategy
7. Reporting and Tracking of Water Supply and Conservation Activities
 - a. Annual Survey
 - b. Annual Water Conservation Report
 - c. In partnership with members, operate and maintain updated Water Conservation Database



Major Tasks in Preliminary FY 2025-26 Work Plan

– *High Water Quality*

8. Support Member Agencies in Receiving Reliable Communication on Water Quality Issues
 - a. Coordinate members participation in Joint Water Quality Committee to ensure it addresses Wholesale Customer needs
 - b. Relay important water quality information to member agencies
 - c. Review and act on, if necessary, State legislation affecting water quality regulations



Major Tasks in Preliminary FY 2025-26 Work Plan – Fair Price

9. Perform Matters that Member Agencies have Delegated to BAWSCA in WSA
 - a. Administer WSA to protect financial interests of member agencies
 - b. Administer BAWSCA's revenue bonds issued to retire capital debt owed by the Wholesale Customers to SF

**AMENDED AND RESTATED
WATER SUPPLY AGREEMENT**
 between
THE CITY AND COUNTY OF SAN FRANCISCO
 and
WHOLESALE CUSTOMERS
 in
**ALAMEDA COUNTY, SAN MATEO COUNTY AND
SANTA CLARA COUNTY**

NOVEMBER 2018

\$135,115,000*

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
REFUNDING REVENUE BONDS
(CAPITAL COST RECOVERY PREPAYMENT PROGRAM), SERIES 2023A
(THE "BONDS")**

CERTIFICATE OF FINALITY OF PRELIMINARY OFFICIAL STATEMENT

October 8, 2021

The undersigned hereby states and certifies:

- That she is a duly authorized officer of the Bay Area Water Supply and Conservation Agency and such is duly

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 8, 2021

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: Moody's: "Aa3"
S&P: "AA-"
See "RATINGS" herein.

BAWSCA
Bay Area Water Supply & Conservation Agency

\$135,115,000*
BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
Refunding Revenue Bonds
(Capital Cost Recovery Prepayment Program), Series 2023A

Dated: Date of Delivery **Due:** October 1, as shown on inside cover page

The Bay Area Water Supply and Conservation Agency Refunding Revenue Bonds (Capital Cost Recovery Prepayment Program), Series 2023A (the "Series 2023A Bonds"), will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Series 2023A Bonds. Individual purchasers of Series 2023A Bonds will be made in book-entry form only, in denominations of \$1,000 or any integral multiple thereof. Purchasers of Series 2023A Bonds will not receive certificates representing their interest in the Series 2023A Bonds purchased but will receive a credit balance in the records of DTC. Principal and interest are payable directly to DTC by The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Series 2023A Bonds will be issued pursuant to a Revenue Bond Indenture, dated as of January 1, 2018, by and between the Bay Area Water Supply and Conservation Agency (the "Agency") and the Trustee, and a Second Supplemental Revenue Bond Indenture, dated as of October 1, 2021 (the "Second Supplement"), by and between the Agency and the Trustee (said indenture as amended and supplemented, including as supplemented by the Second Supplement collectively, the "Indenture").

Principal is payable on the dates set forth on the inside cover page. Interest on the Series 2023A Bonds is payable semiannually on each April 1 and October 1, commencing April 1, 2023. Upon receipt of payments of principal and interest, DTC is obligated in turn to remit such principal and interest to the DTC Participants (as defined herein) for subsequent disbursement to purchasers of the Series 2023A Bonds, as described herein. As used herein, the term "Bonds" means the Bay Area Water Supply and Conservation Agency Revenue Bonds authorized by, and at any time Outstanding pursuant to, the Indenture.

The Series 2023A Bonds are subject to optional redemption prior to maturity. See "THE SERIES 2023A BONDS-Redemption" herein.

The Series 2023A Bonds are being issued to (i) refund a portion of the Bay Area Water Supply and Conservation Agency Revenue Bonds (Capital Cost Recovery Prepayment Program), Series 2023A and (ii) pay costs of issuance incurred in connection with the issuance of the Series 2023A Bonds. The Series 2023A Bonds will be secured by a pledge of and payable from surcharges imposed by the Agency and collected by the Public Utilities Commission of the City and County of San Francisco on water sold to certain retail water service providers in Alameda County, Santa Clara County and San Mateo County (the "Members") and interest and investment earnings on amounts held by the Trustee under the Indenture ("Revenues").

The Bonds are special, limited obligations of the Agency. The Bonds shall not be deemed to constitute a debt or liability of the Agency, the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory provision, or a pledge of the faith and credit of the Agency, the State of California or of any political subdivision thereof, but shall be payable, except to the extent of certain amounts held under the Indenture pledged thereto, solely from Revenues. Neither the faith and credit nor the taxing power of the State of California or of any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State of California or any political subdivision thereof to levy or to pledge any form of taxation or to make any appropriation for their payment. The Agency has no taxing power.

This cover page contains information for quick reference only. It is not a summary of this issue. Potential purchasers must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Series 2023A Bonds are offered when, as, and if delivered to and received by the Underwriters, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Certain legal matters will be passed upon for the Agency by Hanson Bridgett LLP and for the Underwriters by Stridling, Yocum, Carlson & Benth, a Professional Corporation. The Series 2023A Bonds are expected to be available for delivery through the facilities of The Depository Trust Company on or about January 5, 2023. See "FORWARD DELIVERY OF THE SERIES 2023A BONDS" for a discussion regarding the delayed delivery of the Series 2023A Bonds, certain conditions to the obligations of the Underwriters to purchase the Series 2023A Bonds and certain risks to purchasers of the Series 2023A Bonds resulting from the delayed delivery thereof.

Goldman Sachs & Co. LLC **J.P. Morgan**

Dated: October __, 2021

* Preliminary, subject to change

** DRAFT** 2/4



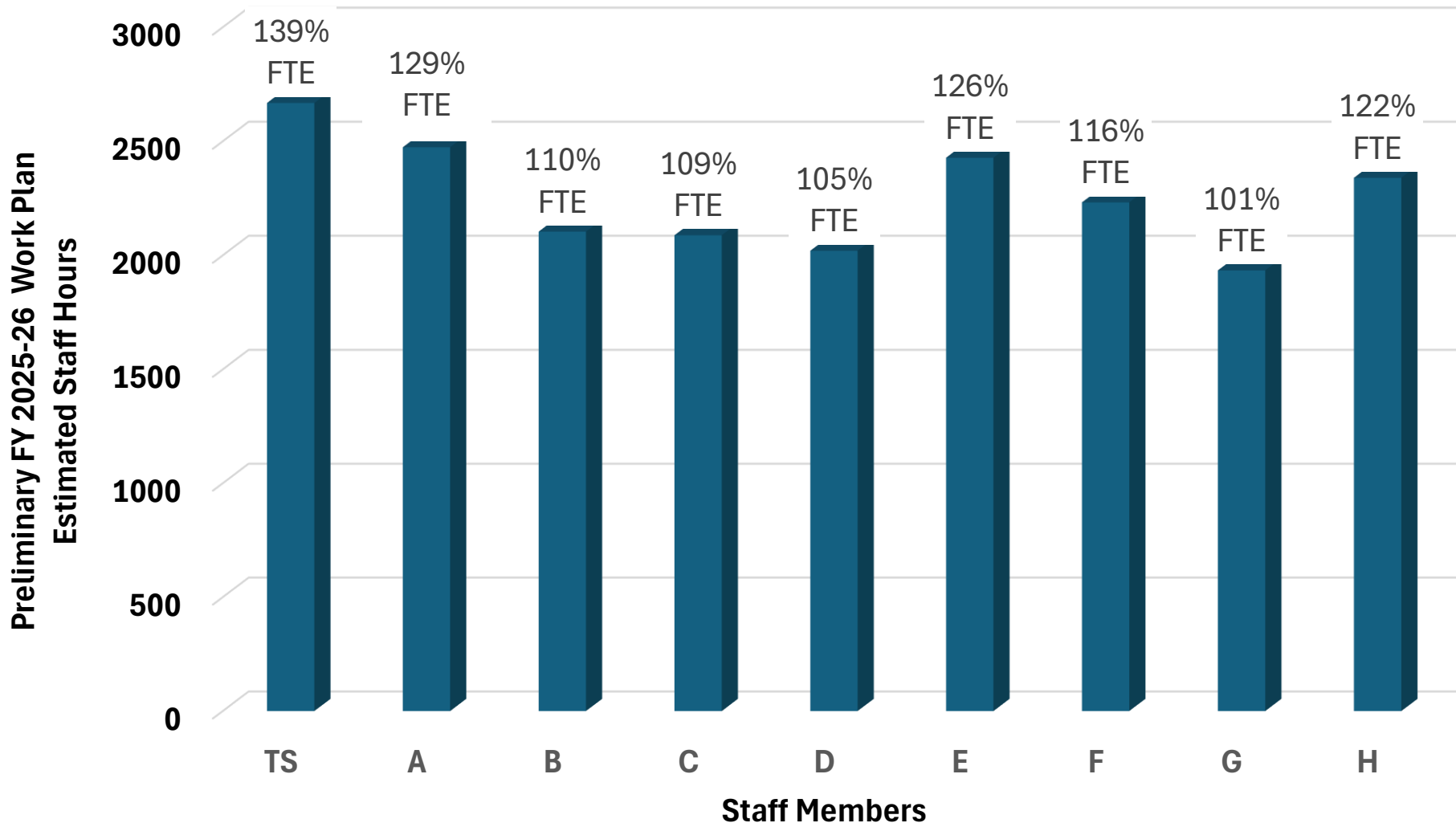
Major Tasks in Preliminary FY 2025-26 Work Plan

– Agency Effectiveness

- I 0. Maintain Community Allies and Contacts with Environmental Interests
 - a. Maintain close relationships with BAWSCA's local legislators and allies, and activate them if necessary, to safeguard the health, safety, and economic well-being of residents and communities
 - b. Maintain a dialogue with responsible environmental and other groups, who will participate in the permitting and approval process for efforts to maintain system reliability
 - c. Maintain effective communications with members, customers, and others to achieve results and support goals
 - d. In conjunction with SFPUC, conduct tours of the water system for selected participants
- I I. Manage the Activities of the Agency Professionally and Efficiently
 - a. Implement BAWSCA's Student Internship Program
 - b. Implement Board policy directives for management of BAWSCA's unfunded OPEB and pension liability obligations
 - c. Maintain a motivated, trained, and effective workforce
 - d. *Manage and interact with the consultant selected to provide additional Human Resources services***
 - e. Continue development of a staff-led plan to address BAWSCA's long-term policy and operational resilience to inform future policy making

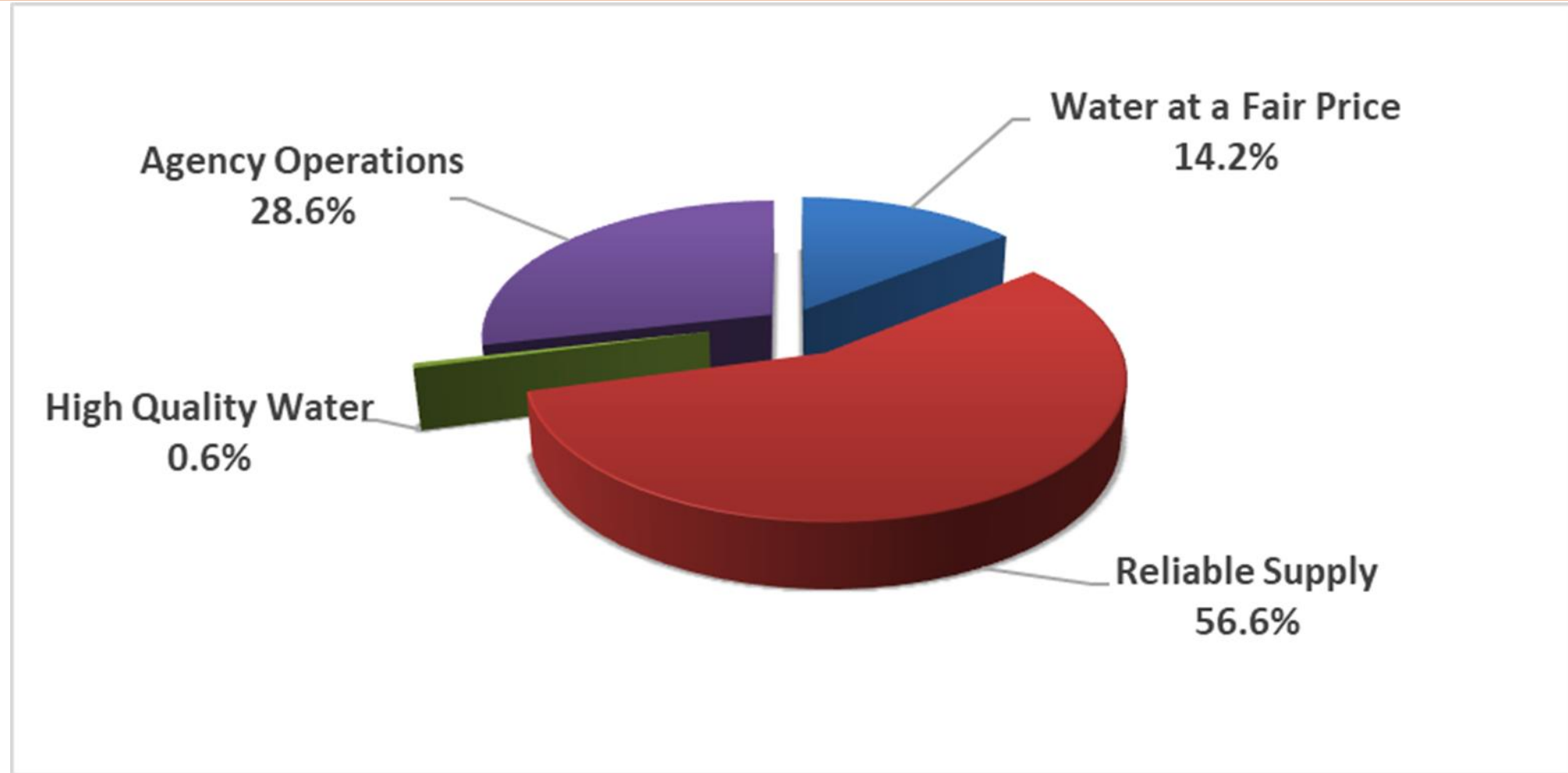


Preliminary FY 2025-26 Work Plan Will Require Close Management to Ensure Sufficient Staff Resources to Implement

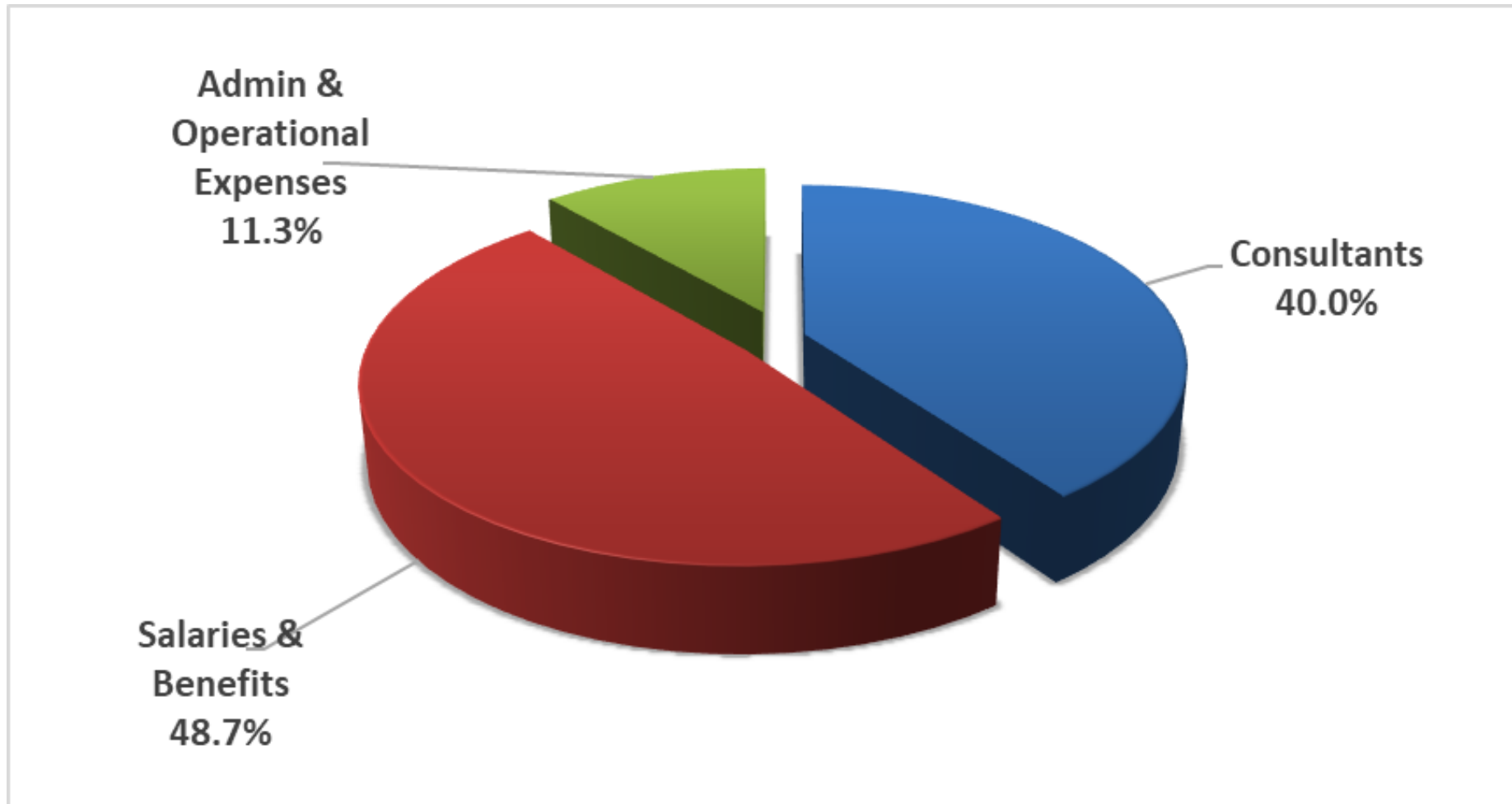


- Only CEO allocated hours above 130% FTE
- All staff allocated hours above 100% FTE
- BAWSCA approved staff level is 9 FTE
- Estimated 20,288 staff hours, or 10.6 FTE, to implement Work Plan

How is the FY 2025-26 Preliminary Budget of \$5.471M Applied to Agency Goals?



What Resources Does the FY 2025-26 Preliminary Budget of \$5.471M Purchase?



Considerations for Funding the Operating Budget

- Assessments on member agencies are BAWSCA's primary source of funding per AB 2058
- Four principles used historically by BAWSCA in considering how to fund the Operating Budget
 - Budget sufficient resources to achieve the desired Work Plan results.
 - Spend only what is needed to achieve the results.
 - Apply incremental and prudent increases in assessments as necessary.
 - Maintain a prudent General Reserve balance within Board guidelines.
- 9% assessment increase plus a draw of \$340k from reserves were required to fund approved FY 2024-25 Operating Budget
 - BAWSCA FY 2024-25 Operating Budget \$5,614,518
 - BAWSCA FY 2024-25 Assessments \$5,274,398
- Strategy 2050 Project is funded by the Water Management Charge put in place in 2024
 - All outside costs for the project funded by the Charge
 - Staff hours shown above include hours spent on Strategy 2050



Three Funding Options Analyzed for Preliminary Operating Budget of \$5,470,740

	FY 2024-25	FY 2025-26			
Fund Source	Adopted Funding Plan as of 05/16/2024	Option 1 0% Assessment Increase	Option 2 2% Assessment Increase	Option 3 3.7% Assessment Increase	Option 4 5% Assessment Increase
Assessments	\$5,274,398	\$5,274,398	\$5,379,886	\$5,470,740	\$5,538,118
Transfer from/(to) GR	\$340,120	\$196,342	\$90,854	\$0	(\$67,378)
Total Op. Budget/Funds	\$5,614,518	\$5,470,740	\$5,470,740	\$5,470,740	\$5,470,740
Est. EOY Transfer to GR		\$0	\$0	\$0	\$0
Est. EOY Reserves	\$1,356,288	\$1,159,946	\$1,265,434	\$1,356,288	\$1,423,666
% of Total Budget	24%	21%	23%	25%	26%
Assessment to Budget Ratio	94%	96%	98%	100%	101%



Preliminary Work Plan and Budget Enables BAWSCA to Meet its Goal and Provide Significant Cost Value and Savings to Customers

- Preliminary 2025-26 Work Plan will enable BAWSCA to meet its legislative obligations and agency goal elements
 - BAWSCA was formed to protect the health, safety and economic well-being of the water customers outside of SF that depend on the Regional Water System
 - BAWSCA's goal is to ensure a reliable supply of high-quality water at a fair price for these water customers
- BAWSCA provides significant cost value and savings to water customers
 - BAWSCA's review of WRR has saved water customers \$47M since 2001-02
 - BAWSCA's bonds, including the recent refunding, will save water customers \$89.4M over term of bonds
 - Estimated annual cost of preliminary Work Plan and Operating Budget to water customers is \$2.93 per person
- Tonight's feedback will be incorporated into the proposed FY 2025-26 Work Plan & Operating Budget
- April BPC Meeting: Proposed FY 2025-26 Work Plan and Operating Budget presented for further discussion
- May Board Meeting: Consideration of Recommended Action to Adopt Proposed FY 2025-26 Work Plan and Operating Budget presented for further discussion



BAWSCA's Long-Term Reliable Water Supply Strategy 2050



BAWSCA 2018



BAWSCA's Long-Term Reliable Water Supply Strategy 2050 Development is in Progress

- BAWSCA is advancing the development of Strategy 2050, focusing on long-term water supply reliability
- BAWSCA hosted an in-person workshop with BAWSCA WMRs on February 19th
 - Focus of the workshop was to review and get further feedback on risks impacting water supply reliability both at local and regional levels
 - Purpose is to apply these findings to water reliability scenario planning that will soon proceed
- Scenario planning is a structured approach to envision possible future scenarios, identifying key drivers of change.
 - Explores environmental, societal, regulatory, and socioeconomic outcomes for water supply reliability
 - Goal is to establish how these foundational drivers link to the availability of and need for water (mid-term and within the planning horizon) by BAWSCA member agencies

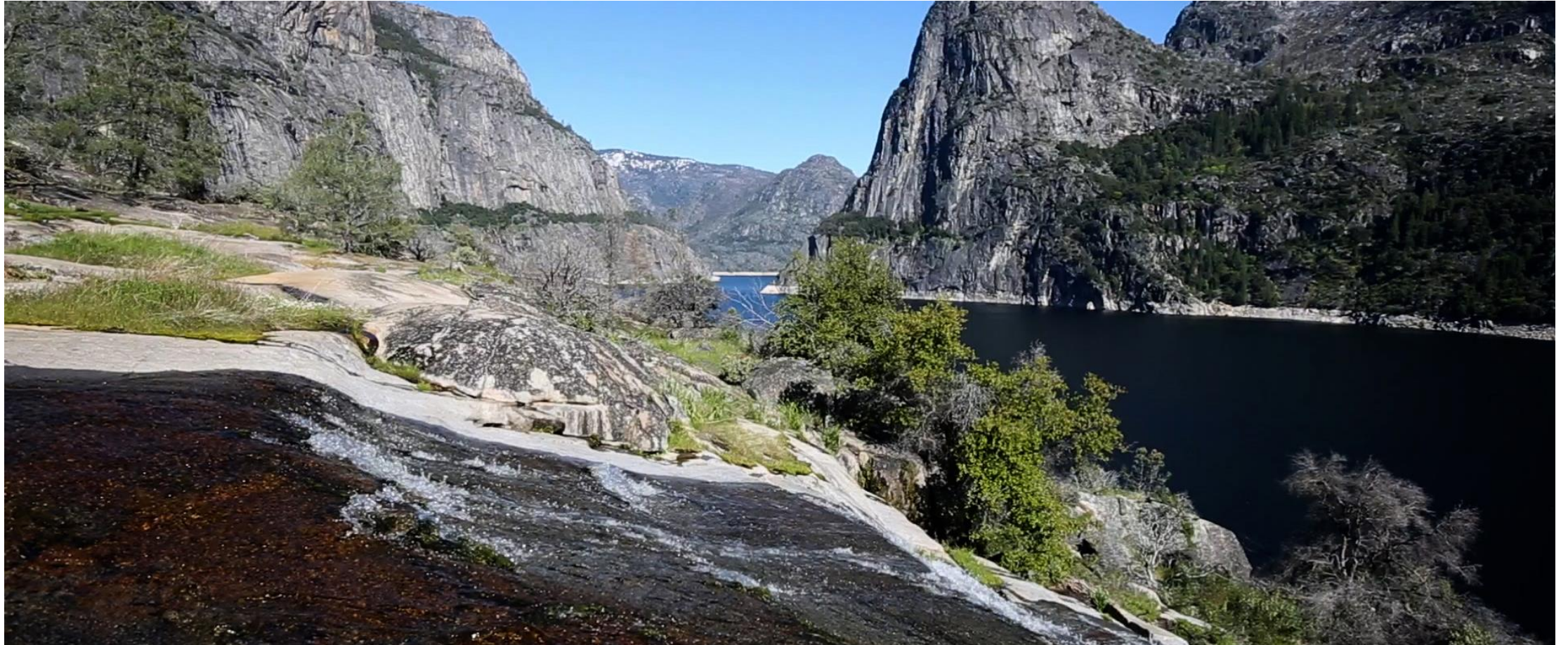


WMR and Board Engagement will be Important throughout the Development of Strategy 2050

- Continued engagement with WMRs and the Board is key to maintaining project progress
- BAWSCA is planning to conduct a more detailed presentation with the full Board in May
 - Detailed Board presentations and workshops enable the Board to contribute to the shaping of Strategy 2050 at key stages of its development
 - This presentation will be integrated into the agenda for the Board's May 15th regular meeting, with time reserved for a full discussion
 - BAWSCA Board will be provided with information on the scenario planning proposed plus a summary of the water supply reliability risk evaluation conducted
 - Interaction and engagement among BAWSCA Board Members and with BAWSCA staff will be encouraged
 - The goal of the May presentation will be to gather Board input on potential future scenarios to analyze
- Future Board presentations and workshop topics will align with other key milestones in Strategy 2050's development



CEO Reports



BAWSCA's Oversight of SFPUC's Capital Improvement Program (CIP)

- Section 6.09 of the WSA includes provisions that require the SFPUC to engage with BAWSCA on the development of their 10-year CIPs for the regional water and Hetch Hetchy systems once every two years
- BAWSCA involvement starts in the year before adoption, when SFPUC and BAWSCA staff meet informally to discuss projects proposed for CIP inclusion during its development
 - Discussed are the overall proposed budget for each year of CIP and the scope, budget and schedule for each key project
 - Focus is on the first 2-5 years as costs are further developed and projects are closer to construction



BAWSCA's Interaction with the SFPUC as the CIP is Developed

- BAWSCA reviews the CIP materials provided by the SFPUC prior to its presentation to their commission
 - Materials must be provided to BAWSCA 30 days in advance of adoption and San Francisco staff must respond to BAWSCA comments on the projects and CIP
 - BAWSCA will also provide comments at the adoption hearing
- Once budget meetings and adoption occurs (by February in even-numbered years), the CIP is approved by the San Francisco Board of Supervisors
- SFPUC presents a summary of their 10-year CIP to the BAWSCA Board and the BAWSCA WMRs once adopted



BAWSCA Engagement on the SFPUC's Implementation of the CIP

- The WSA requires that the SFPUC prepare quarterly CIP progress reports
 - Those reports are submitted by SFPUC staff each quarter to their Commission, as agenda items at Commission meetings
 - The reports are made available to the public as part of SFPUC Commission packets
- BAWSCA meets with the SFPUC staff to discuss the contents of the quarterly reports
 - The SFPUC schedules meetings with BAWSCA two to three weeks following report submissions to their Commission
 - BAWSCA prepares informal written comments and questions as it relates to the quarterly report contents, and provides those to SFPUC staff in advance of the meetings
 - Eight meetings with BAWSCA take place yearly (since quarterly reports are prepared separately for their Hetch Hetchy CIP and their Retail/Regional CIP)



BAWSCA Board Member Questions on a Recent SFPUC Quarterly Report for their Local/Regional System

- The 4th Quarterly Report for FY 2023-24 tracked CIP spending versus the 2022 CIP budget adopted by the SF BOS in June 2022
 - The Report noted that there was a budget variance in the amount of \$331.7 million
 - Of that variance, \$190.2 million resulted from the integration and incorporation of multiple phases of the Millbrae Regional facility renovation project into a single project – that integration took place in 2023 (and was not grouped in that manner in the CIP budget adopted in 2022 by the SF BOS)
 - Fourteen other projects had higher budgets, mostly due to refined estimates in the planning and design process
 - Updated cost estimations were possible since more engineering had taken place, construction bids received, project construction schedules adjusted, etc.
 - None of the variances documented in the quarterly report were due to construction change orders
- Once a new 10-year CIP has been adopted by the SF BOS, the quarterly reports are re-baselined to incorporate adjusted project budgets
 - Quarterly reports prepared starting in the 1st quarter of FY 2024-25 have a new baseline, and very minimal budget variances have taken place to date



Bay-Delta Plan Update

Recent State Water Board Phase 2 Activities

- In response to State Water Board Member comments during recent Phase 2 workshops, State Water Board staff held a series of technical working meetings to receive further input from the water community prior to Phase 2 adoption
 - Each meeting had a particular topic, such as VA flow provisions
 - Eleven working meetings were held virtually from January thru early March 2025
 - Since the Tuolumne River Healthy Rivers and Landscapes Program (HRLP) has components, such as flow releases, that are incorporated into Phase 2's HRLP, it was important that BAWSCA monitor meeting discussions



CEO Letter



L. Ash, 2017



Status of Tier 2 Plan and WSA Amendment Adoption

- BAWSCA and SFPUC are finalizing amendments to the WSA
- SFPUC is expected to bring the WSA amendments to its Commission late April or early May
- BAWSCA agencies will bring the updated Tier 2 Plan and WSA amendments to governing bodies after SFPUC acts
 - BAWSCA Board members are encouraged to help their agencies prioritize agenda items for these actions for May and June
- Please reach out to CEO/GM Smegal with questions or for more information



Closed Session



Ragsdale, 2023



Report After Closed Session



BAWSCA 2018



Additional Time for Public Comments (Time Permitting)



Ragsdale, 2023



Directors' Discussion



BAWSCA 2018



REMINDERS



- Hetch Hetchy 2-Day Overnight Tour
 - June 17 – 18, 2025
 - RSVP needed due to limited capacity
 - New Board members encouraged to participate
- FPPC Form 700
 - Due April 1, 2025



Next Meeting and Adjournment

**SPECIAL
MEETING
DUE TO
LOCATION**

Next Meeting

May 15, 2025

6:30 pm

FOSTER CITY COMMUNITY BUILDING
Wind Room

