

“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

May 15, 2025

**Special Meeting
due to Location**

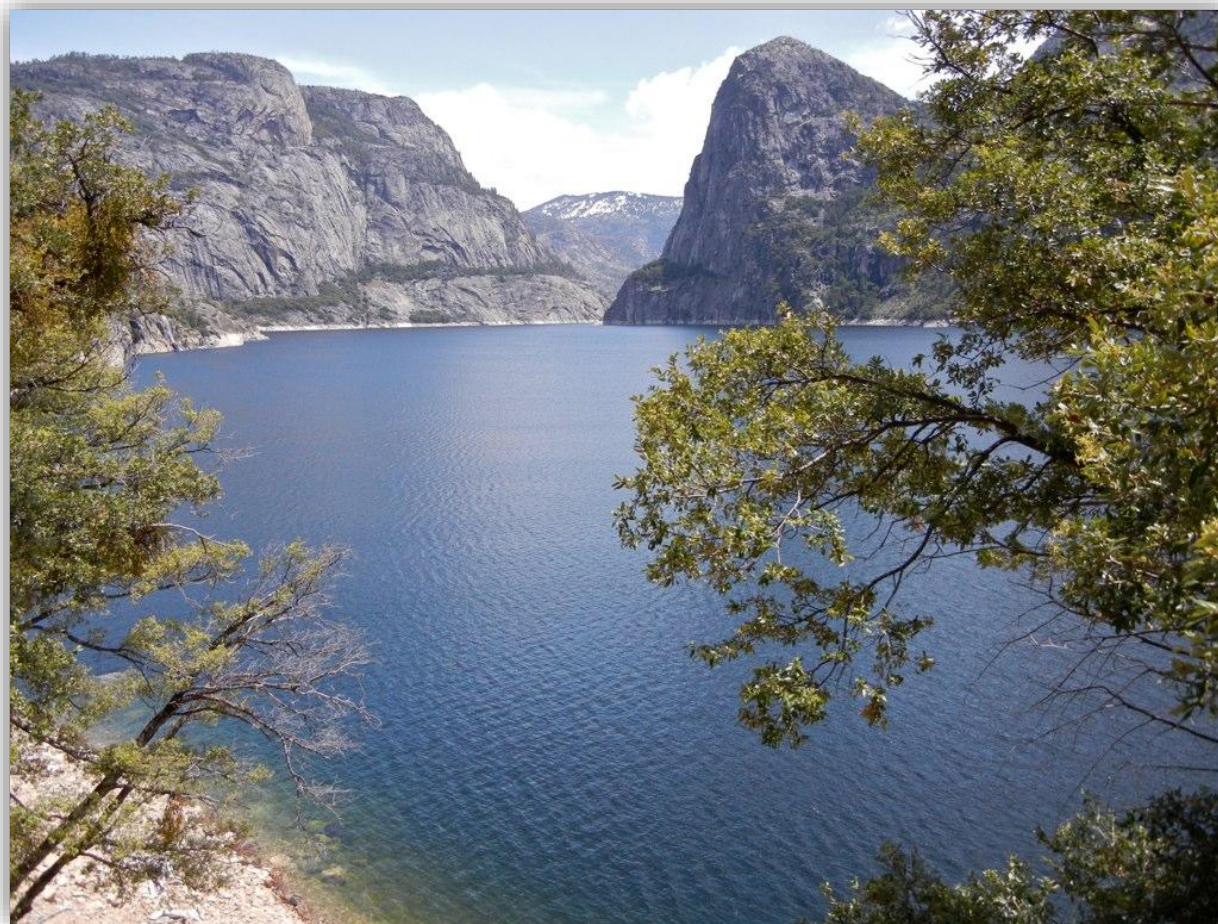


BAWSCA
Bay Area Water Supply & Conservation Agency

Call To Order/Roll Call/Salute to Flag



Comments by the Chair



Jensen, 2011



Board Policy Committee Report



Consent Calendar

- A. Approve Minutes of the March 20, 2025 Meeting
- B. Receive and File Budget Status Report – As of March 31, 2025
- C. Receive and File Bond Surcharge Collection, Account Balance and Payment Report – as of March 31, 2025
- D. Receive and File Investment Report – as of March 31, 2025
- E. Receive and File Directors' Reimbursement Report – As of March 31, 2025
- F. Receive and File Employee Reimbursement Report – As of March 31, 2025



SFPUC Report



Ragsdale, 2023



BAWSCA
Bay Area Water Supply & Conservation Agency

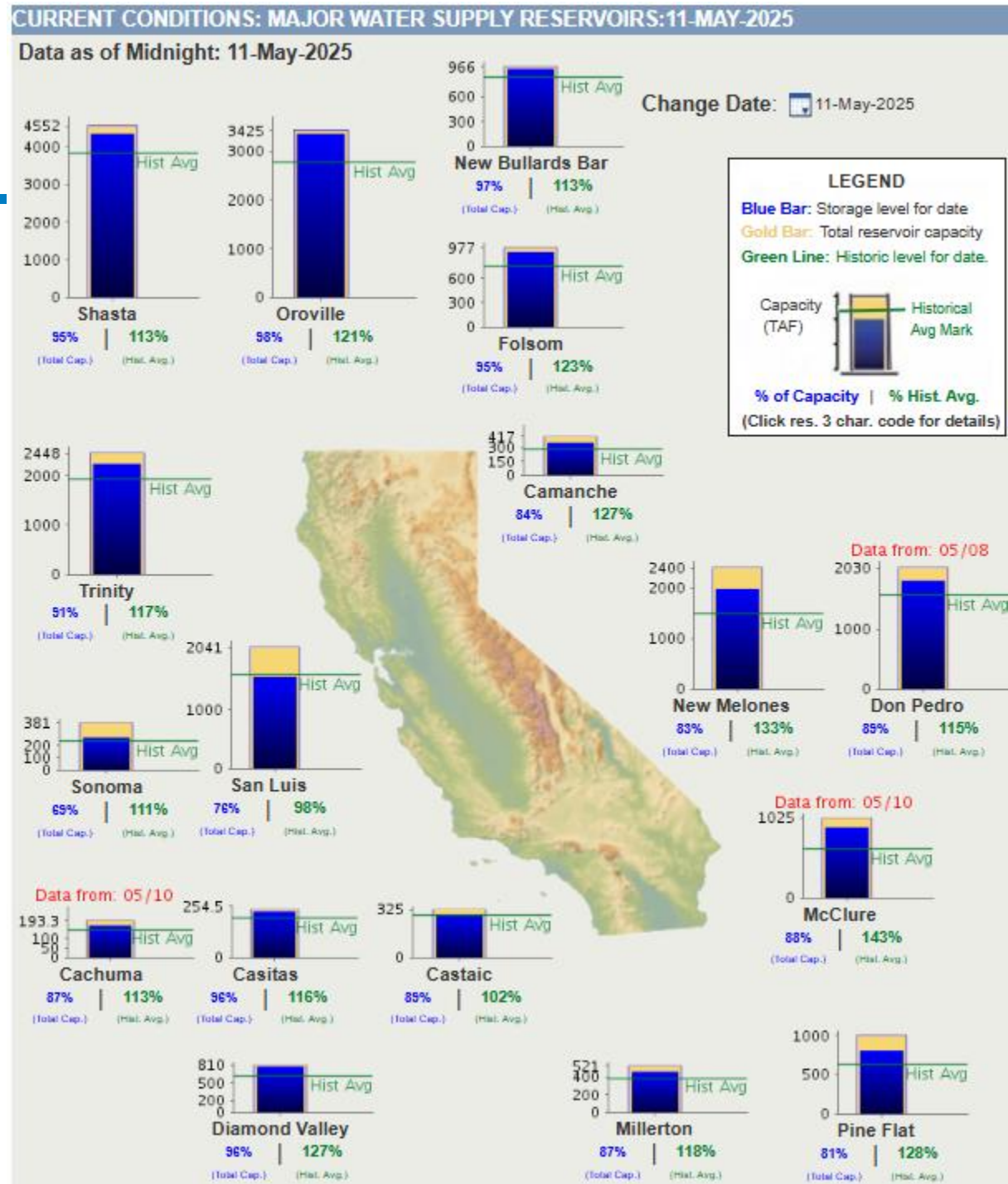
Water Supply Conditions Update

May 15, 2025

May 12, 2025, Reservoir Storage

Reservoir	Current Storage ^{1,2,3} (AF)	Maximum Storage ^{3,4} (AF)	Available Capacity (AF)	Percent of Maximum Storage	Normal Percent of Maximum Storage ⁵
<u>Tuolumne System</u>					
Hetch Hetchy	326,435	340,830	14,395	95.8%	77.0%
Cherry	263,889	268,810	4,921	98.2%	-
Eleanor	25,030	21,495	0	116.4%	-
Water Bank	570,000	570,000	0	100.0%	93.5%
Total Tuolumne Storage	1,185,354	1,201,135	19,316	98.7%	-
<u>Local System</u>					
Calaveras	85,877	96,670	10,793	88.8%	-
San Antonio	49,119	53,266	4,147	92.2%	-
Crystal Springs	48,758	58,309	9,550	83.6%	-
San Andreas	15,160	19,027	3,867	79.7%	-
Pilarcitos	2,550	3,030	480	84.2%	-
Total Local Storage	201,465	230,302	28,837	87.5%	-
Total System Storage	1,386,819	1,431,437	48,153	96.9%	85.1%
Total without water bank	816,819	861,437	48,153	94.8%	-

Other California Reservoirs

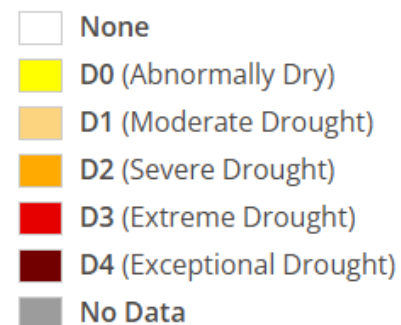


California Drought Monitor

Map released: Thurs. May 8, 2025

Data valid: May 6, 2025 at 8 a.m. EDT

Intensity



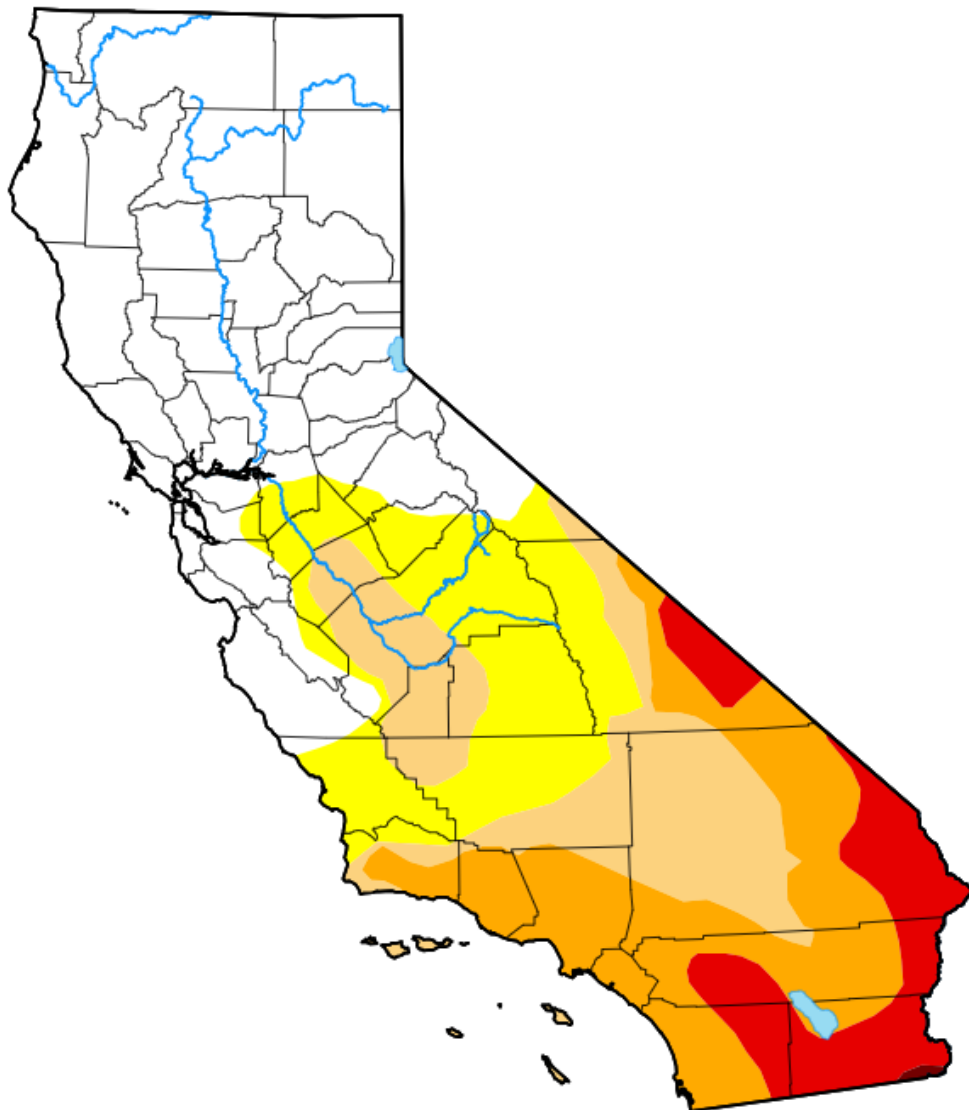
Authors

United States and Puerto Rico Author(s):

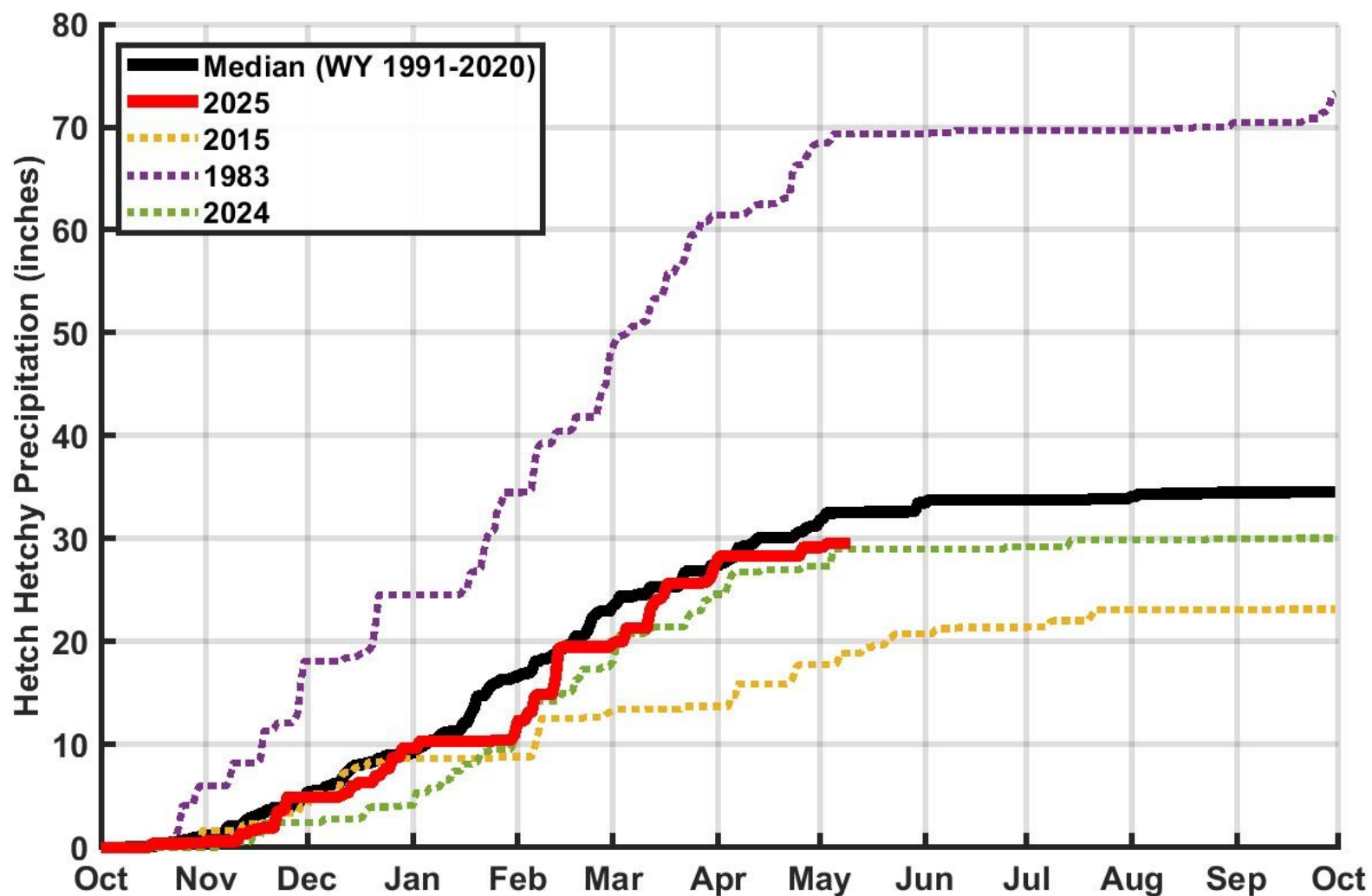
[Brad Pugh](#), NOAA/CPC

Pacific Islands and Virgin Islands Author(s):

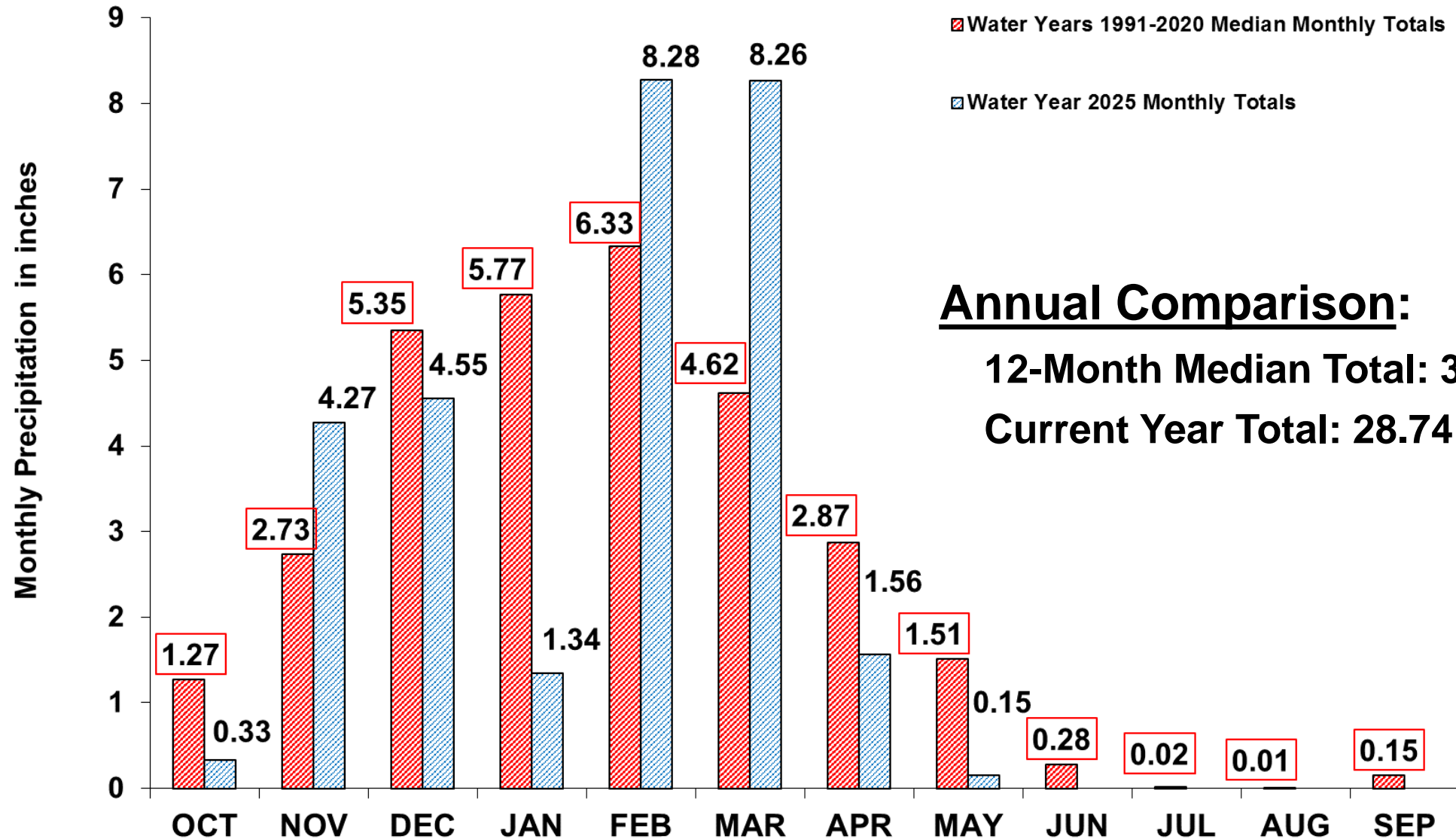
[Richard Tinker](#), NOAA/NWS/NCEP/CPC



Hetch Hetchy Precipitation



Upcountry 6-station Precipitation Index as of May 11, 2025

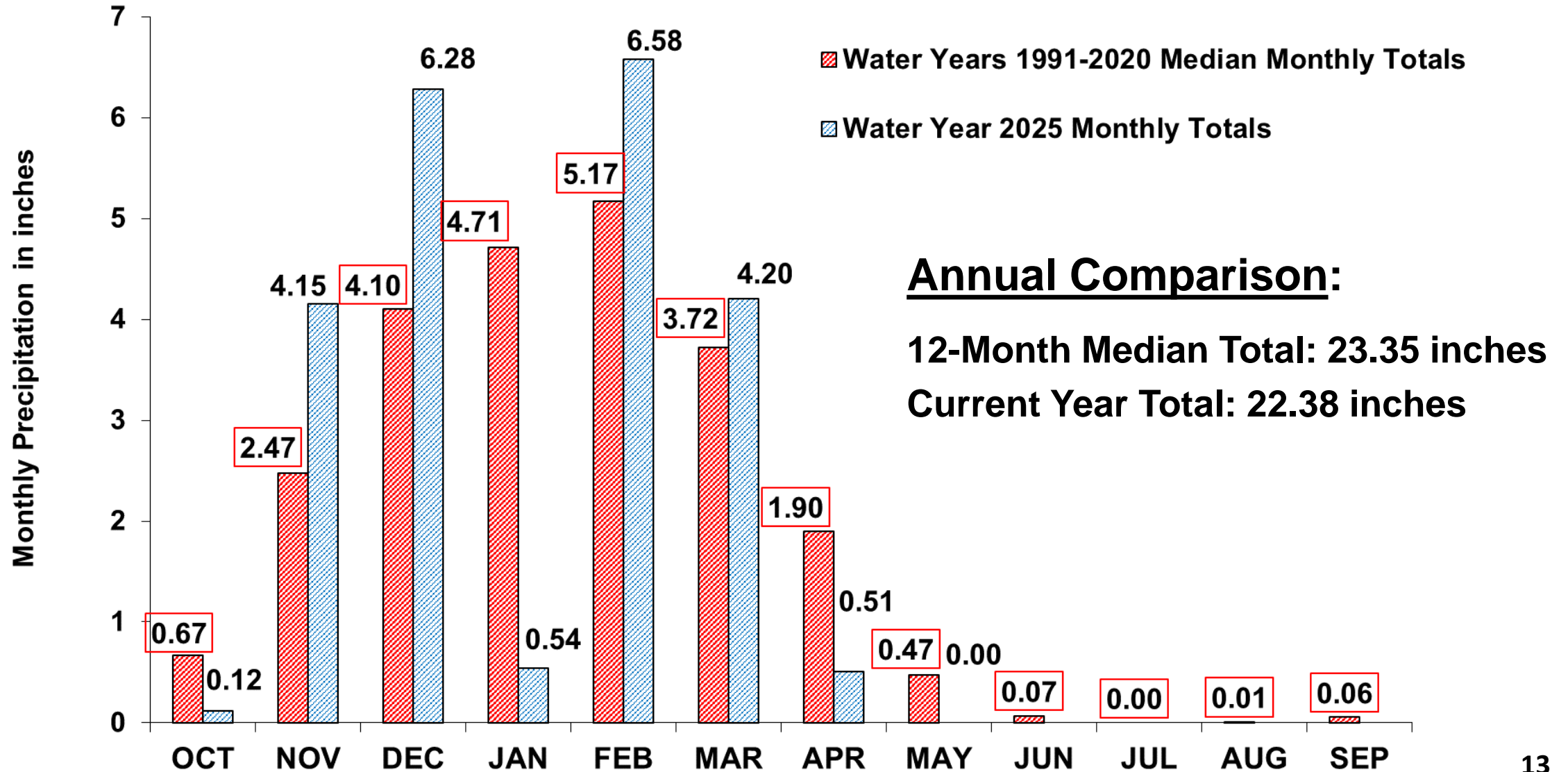


Annual Comparison:

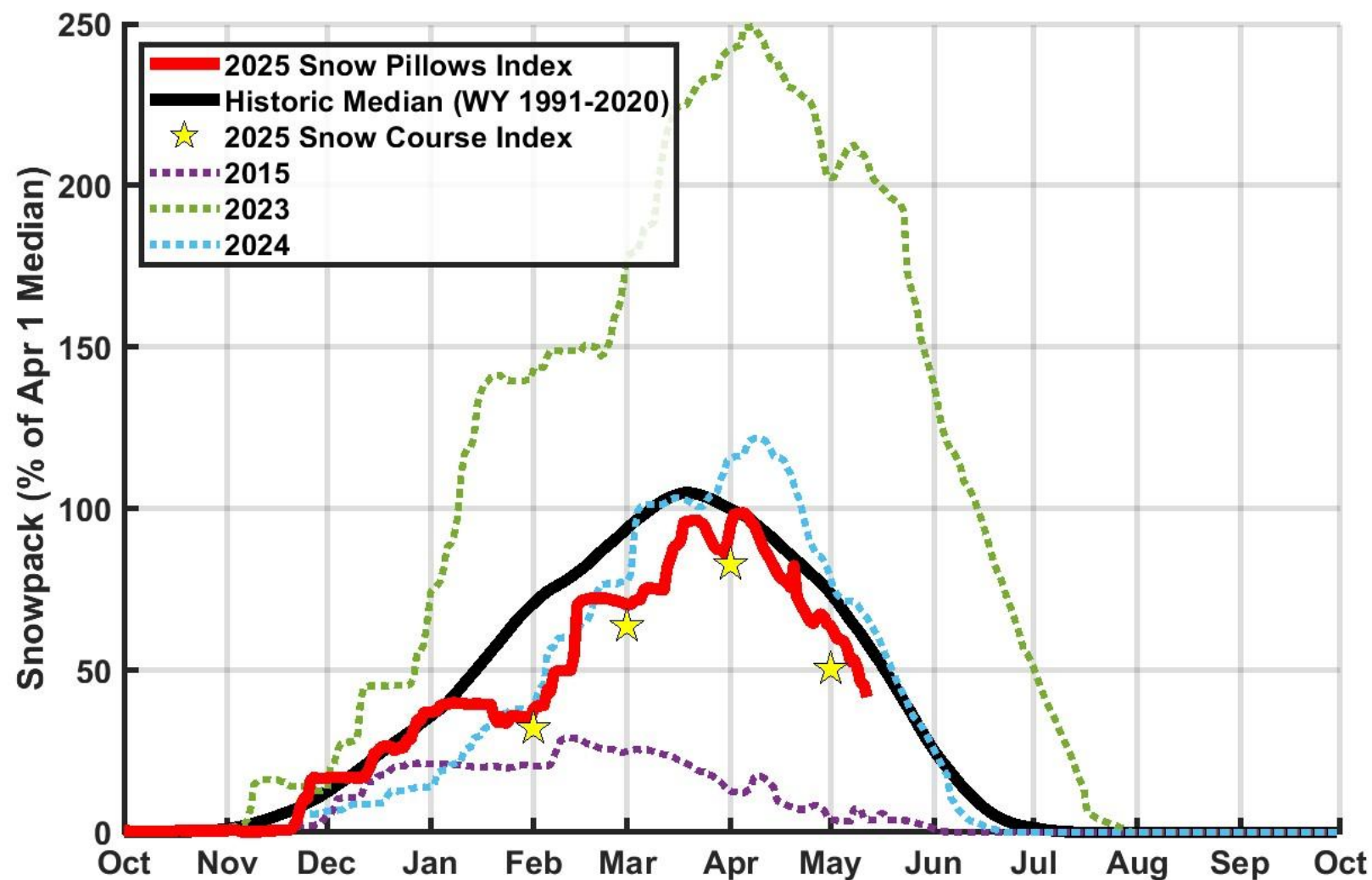
12-Month Median Total: 30.92 inches

Current Year Total: 28.74 inches

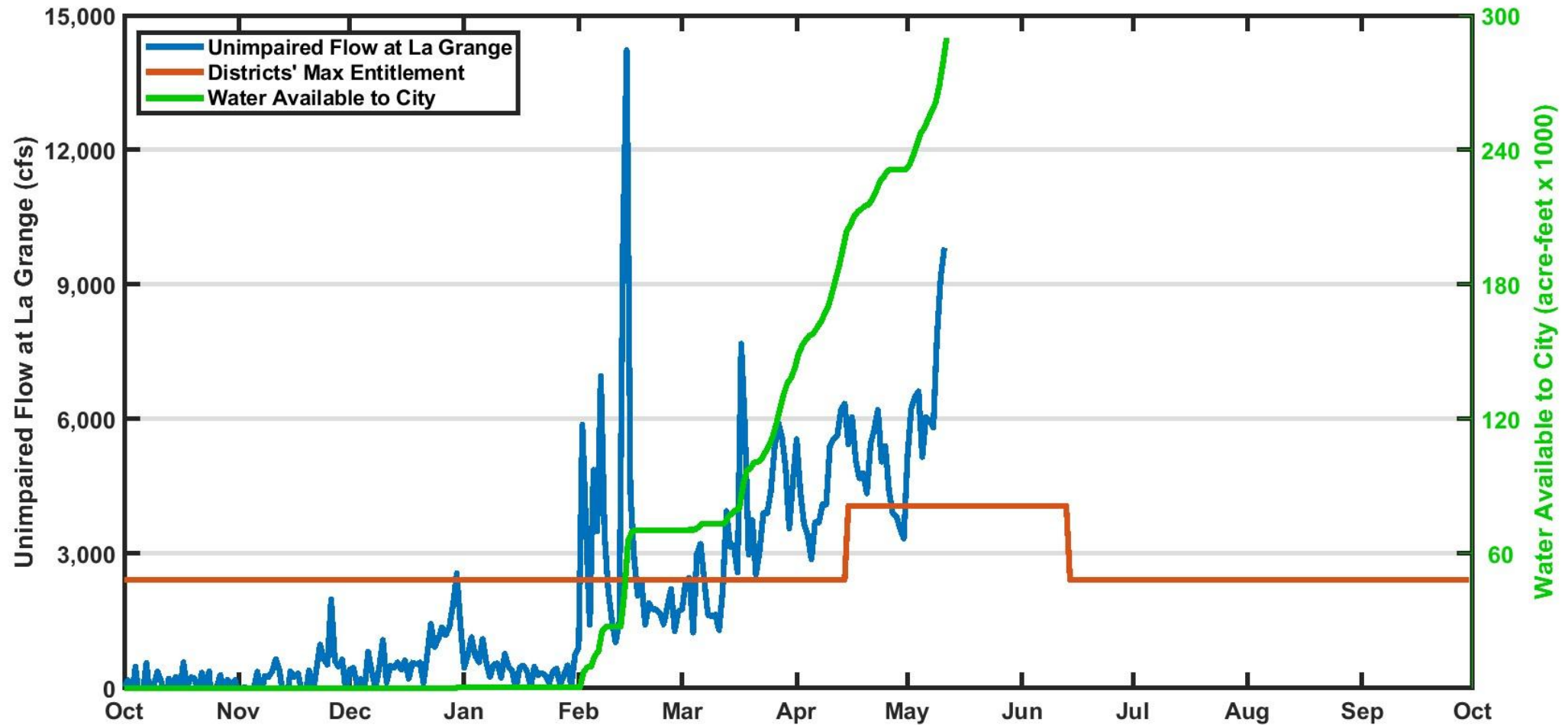
Bay Area 7-station Precipitation Index as of May 11, 2025



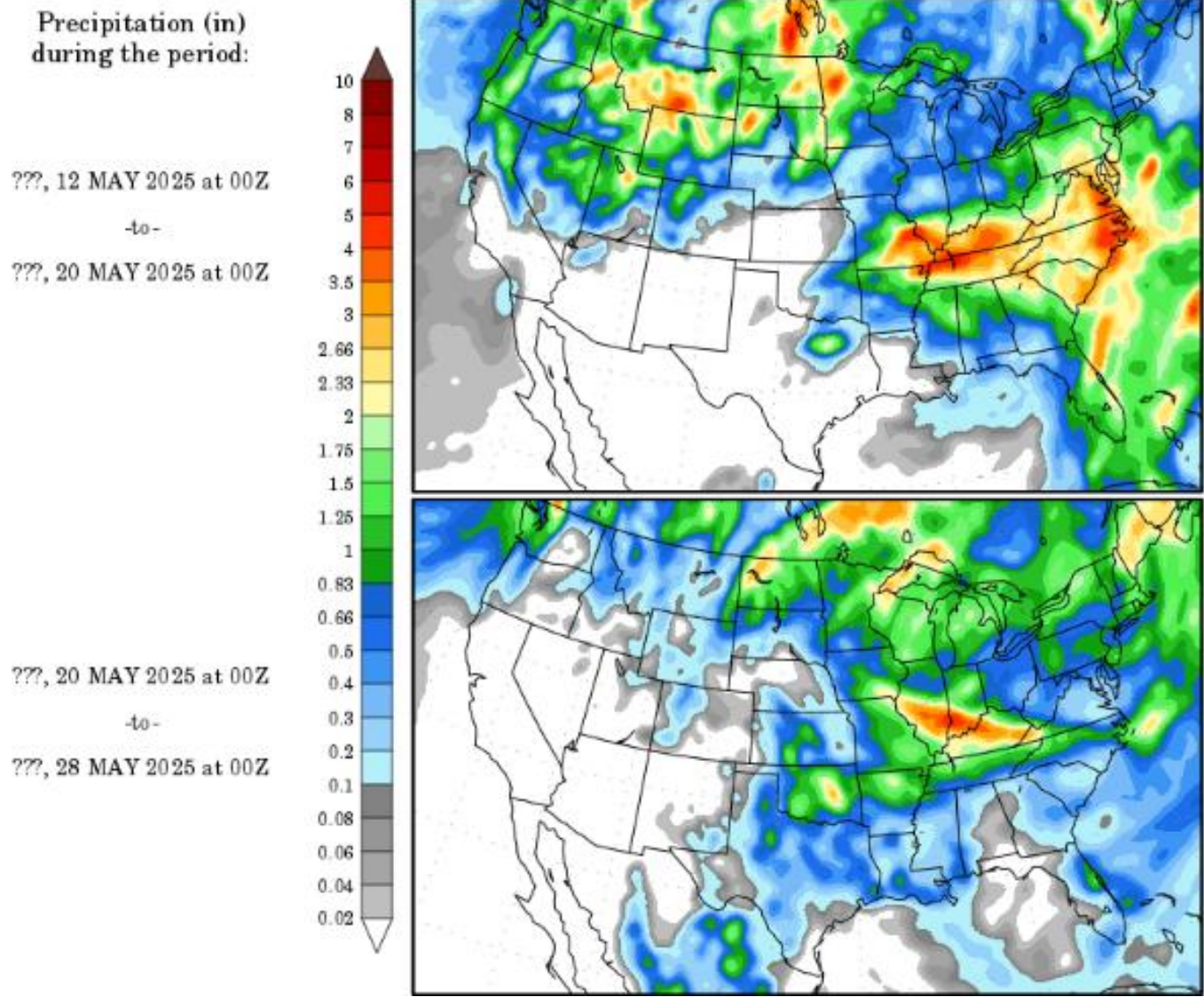
Upcountry Snowpack



Water Available to the City

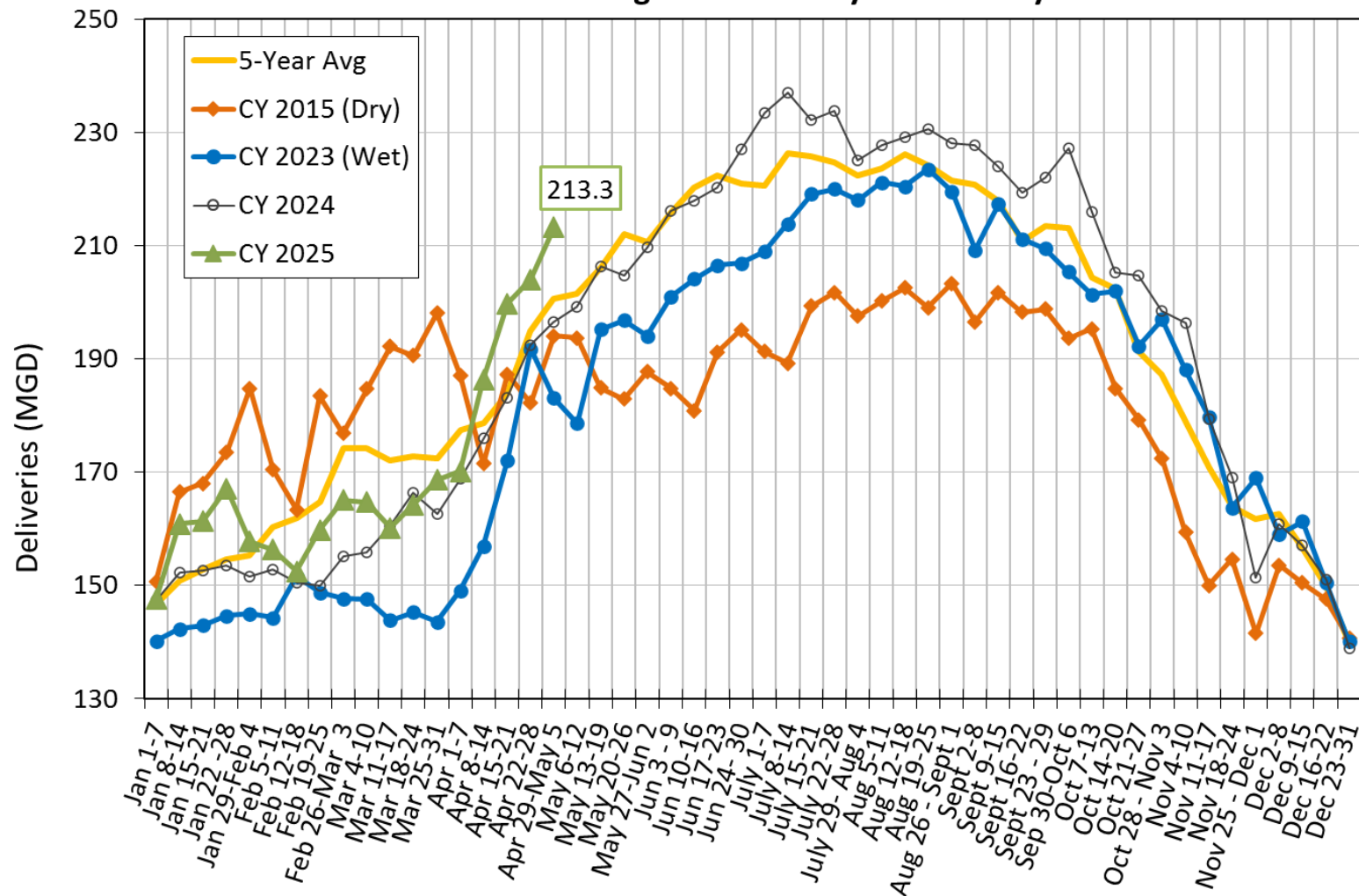


National Precipitation Forecast



Total Deliveries

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



Public Comments on Items Not on the Agenda



BAWSCA 2018



BAWSCA
Bay Area Water Supply & Conservation Agency

Action Calendar



BAWSCA 2018



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



SFPUC



BAWSCA
Bay Area Water Supply & Conservation Agency

Proposed FY 2025-26 Work Plan Addresses Critical Issues Between Now and 2065 to Achieve BAWSCA's Goals

- Continue BAWSCA's role in managing the Water Supply Agreement with San Francisco to protect the member agencies' financial and water supply interests
- Administer BAWSCA's bonds
- Oversight of SFPUC's WSIP, 10-Year CIP, and Asset Management
- Engage in SFPUC's Alternative Water Supply Plan implementation
- Participate in the Bay Delta and FERC Proceedings to protect regional water supplies
- Continue development of BAWSCA's Strategy 2050
- Complete development of Updated Regional Water Demand and Conservation Projections
- Implement soon-to-be adopted updated Tier 2 Drought Plan and associated Water Supply Amendment
- Implement core and subscription conservation programs



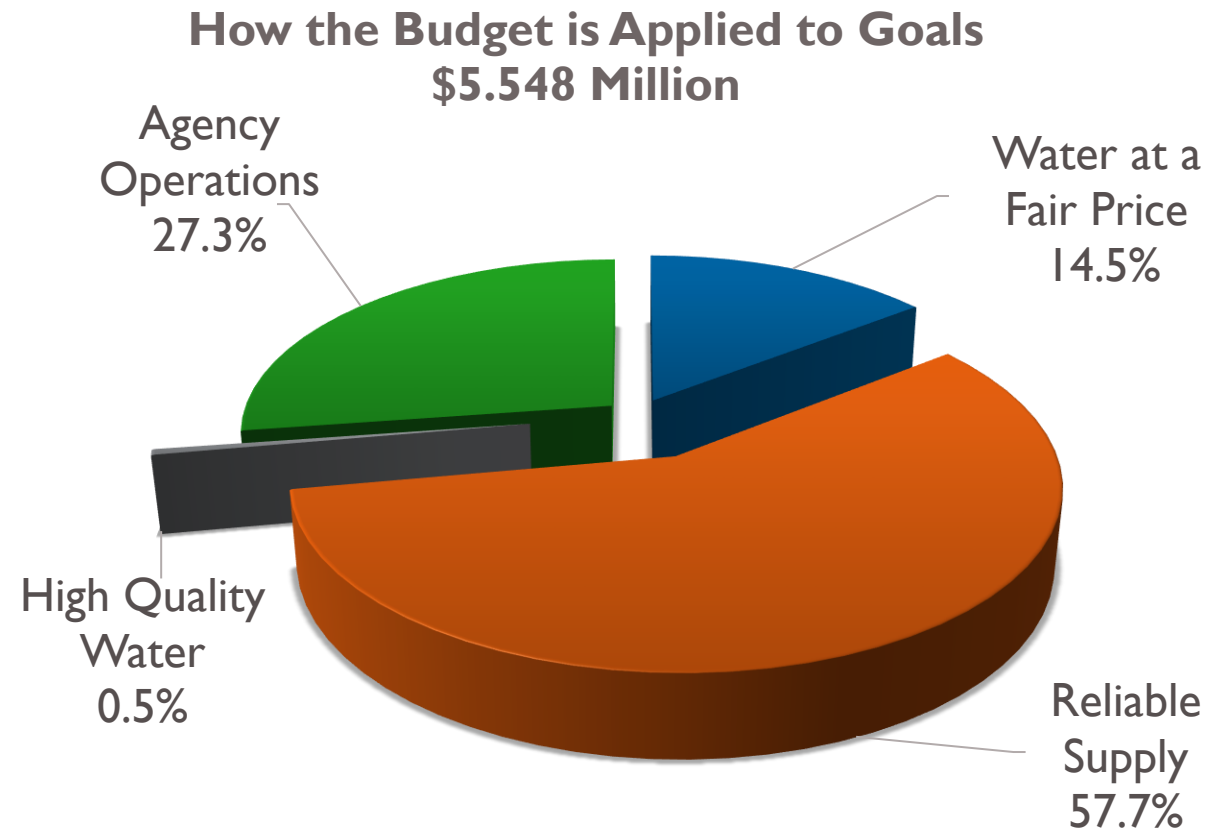
Proposed Work Plan and Operating Budget Reflects Several Necessary Changes from Last Few Months

- Work Plan Item 2b “Continued Development of Updated Regional Water Demand Projections”
 - Budget increased \$40k due to delayed work elements in 2024-25
 - Not requesting a change to the 2024-25 budget but item should be underspent
 - No change to the total anticipated project cost over two years
- Work Plan Item 4d “Protect Members’ Water Supply and Financial Interests in the SFPUC’s required 2028 Decisions”
 - Budget increased \$35k to reflect expected activity leading up to 2028
- Work Plan Item 4g “Implementation of the 2025 WSA Amendment”
 - Budget increased \$20k due to expected continued approval efforts in FY 2025-26
- Work plan elements updated to better reflect affordability considerations



Proposed Operating Budget Is 1.2% (\$67K) Below Approved FY 2024-25 Budget

- FY 2025-26 Proposed Operating Budget = \$5,547,732
- Fully funds annual OPEB expense
- Includes budget allowance for a 5% adjustment to existing salaries for both COLA and merit-based increases
- Total water customer cost of \$2.97 (3 cents less) per person



Considerations for Funding the Operating Budget

- BAWSCA's primary source of funding is its assessments on member agencies (AB 2058)
- BAWSCA historically uses four principles when considering how to fund 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.
- Currently estimating spending 90-95% of FY 2024-25 approved budget
- Funding plan for FY 2024-25 Operating Budget required 9% increase in assessments
- Current General Reserve balance: \$1,356,288
 - 24% of current adopted FY 2024-25 Operating Budget



Potential for Prepaying Pension Obligations

- At the February BPC, staff presented options available to pay off Unfunded Accrued Liability (UAL) for pension faster than CalPERS' default 20-year schedule
 - BAWSCA's projected 6/30/2025 UAL of \$1,264,815 is estimated to be paid off by 2045
- Option to accelerate payments includes Additional Discretionary Payments (ADPs)
 - ADPs can reduce the UAL and result in long-term savings
 - Making an ADP does not require an ADP to be made in any future year
- ADPs can be funded as an additional budget item, with funds from General Reserve
- Alternatively, the Board can choose to make an ADP after a transfer of unspent balance from FY 2024-25 to the General Reserve is made in November 2025



Five Funding Options Analyzed: Option 2a Discussed and Recommended by the Board Policy Committee

	FY 2024-25	FY 2025-26				
Fund Source	Adopted Funding Plan as of 5/16/2024	Option 1 0% Assessment Increase	Option 2a 2.3% Assessment Increase	Option 2b* 2.3% Assessment Increase	Option 3a 5.2% Assessment Increase	Option 3b* 5.2% Assessment Increase
Assessments	\$5,274,398	\$5,274,398	\$5,395,709	\$5,395,709	\$5,547,732	\$5,547,732
Transfer from GR	\$340,120	\$273,334	\$152,023	\$152,023	\$0	\$0
Total Operating Budget	\$5,614,518	\$5,547,732	\$5,547,732	\$5,547,732	\$5,547,732	\$5,547,732
Est. EOY Transfer to GR		\$0	\$0	\$0	\$0	\$0
Add'l Payment to CalPERS				(\$66,000)		(\$66,000)
Est. EOY Reserves	\$1,356,288	\$1,082,954	\$1,204,265	\$1,138,265	\$1,356,288	\$1,290,288
% of Total Budget **	24%	20%	22%	21%	24%	23%
Assessment to Budget Ratio	94%	95%	97%	97%	100%	100%

* Options 2b and 3b include \$66k transfers from the General Reserve to make ADPs. This amount would be used as a one-time additional payment to CalPERS, targeting the unfunded pension liability to be paid off by 2035, assuming a payment of \$66k is made every year over the next 10 years and the actuarial assumptions remain unchanged.

** BAWSCA's General Reserve Policy provides the guideline for the General Reserve balance of 20% to 35% of the annual operating expense.

Recommendation

That the Committee recommend Board adoption of the:

1. Proposed Fiscal Year 2025-26 Work Plan and Results to be Achieved;
2. Proposed Operating Budget of \$5,547,732; and
3. Recommended funding plan Option 2a



Approval of Professional Services Contracts for FY 2025-26



SFPUC



Seven Professional Services Contracts for FY 2025-26 that are funded by the Proposed Operating Budget

Contract #	Consultant (Work Description)
1	E Source (Water Loss Management Program)*
2	Hanson Bridgett (Legal Counsel)
3	Hazen & Sawyer (Engineering/Water Management)*
4	IG Service (Auditing / Accounting Services)
5	KNN Public Finance (Financial Advisor)
6	Richard Sykes (WSIP, 10-year CIP)
7	Stetson Engineering (Water Analysis, WSA)

**Consultant contract also includes a subscription program component*



Six Consultant Contracts needed to implement Subscription Conservation Programs in FY 2025-26

Contract #	Consultant (Work Description)
1	AM Conservation Group (School Education Program)
2	EarthCapades (School Assembly Program)
3	Global Sun Landscape (Lawn Be Gone Inspection Services)
4	M&M Backflow and Meter Maintenance (Customer Meter Testing Program)
5	VertexOne (Home Water Use Reports Program)
6	Waterfluence, LLP (Large Landscape Conservation Services)



Recommendation

That the Board approve the thirteen (13) contracts, subject to legal counsel review, for legal, engineering, financial, strategic and water conservation services needing to be in place by July 1, 2025.



Approval and Adoption of BAWSCA Pay Schedules for FY 2025-26



L. Ash, 2017



Adoption of BAWSCA Pay Schedules for FY 2025-26

- BAWSCA is a participating agency in CalPERS
- CalPERS requires that BAWSCA's employees' reportable compensation comply with the California Public Employee's Retirement Law
- The Board must approve and adopt pay schedules each fiscal year
- Following the Board's action, the approved and adopted pay schedules will be posted on BAWSCA's publicly available website and formally transmitted to CalPERS
- Pay schedules will be approved and adopted again in September following the CEO/GM evaluation
- Pay schedules reflect the annual minimum and maximum salaries for each classification
 - 2025-2026 Pay schedules have been updated to reflect CPI increase of 2.08% plus the Board-approved adjustment of 1.8% to the senior water resources specialist annual maximum salary
- At its April 9th meeting, the BPC recommended that the Board approve and adopt the BAWSCA Pay Schedules for FY 2025-26



Recommendation

- That the Board approve and adopt the BAWSCA Pay Schedules for FY 2025-26



Second Amendment to Hanson Bridgett Professional Services Contract for 2024-25



L. Ash, 2017



Hanson Bridgett Agreement 2: Amendment Background

- The contract with Hanson Bridgett must be amended to avoid disruption of necessary work to achieve critical results for FY 2024-25
- FY 2024-25 Agreement history:
 - The original contract with Hanson Bridgett, in the amount of \$880,000, was entered into on July 1, 2024, to cover the cost of legal services to be provided during the fiscal year
 - On June 28, 2024, BAWSCA entered into a separate agreement with Hanson Bridgett to provide specialized services to hire, on BAWSCA's behalf, a professional recruitment firm to assist in the new CEO search effort
 - On December 31, 2024, with the CEO recruitment completed, Amendment 1 to the Agreement with Hanson Bridgett was executed to increase the not-to-exceed cost of legal services by \$25,000 to cover the total cost billed by the recruitment firm
- A second amendment to the agreement with Hanson Bridgett is now required to fund necessary work through June 30, 2025, to cover unanticipated legal expenses
- The second amendment proposes to increase the not-to-exceed cost of legal services by \$80,000 such that the revised total contract amount be set at \$985,000



Work Covered by Amendment 2 and the Financial Impact to the FY 2024-25 Budget

- Unanticipated legal services provided under Amendment 2
 - Development of an amendment to the Water Supply Agreement, including but not limited to the negotiation with the SFPUC on the proposed language of the amendment
 - Legal assistance related to the publication of BAWSCA pay schedules in compliance with CalPERS requirements
 - Establishing provisions for BAWSCA's former CEO to provide post-retirement advice and transition assistance
 - Setting-up of BAWSCA internal programs to comply with the new CEO's contract provisions
- Financial impact of authorizing Amendment 2
 - This recommended contract increase of \$80,000 would be funded using budget previously allocated to other outside consultants
 - Funds are available due to short-term changes in scope of consultant work for 2024-25
 - No overall change in the operating budget is contemplated
- At its April 9th meeting, the BPC recommended that the Board authorize the CEO/General Manager to amend the professional services contract with Hanson Bridgett by \$80,000 for a total not-to-exceed amount of \$985,000



Recommendation

- That the Board authorize the CEO/General Manager to amend the professional services contract with Hanson Bridgett by \$80,000 for a total not-to-exceed amount of \$985,000



BAWSCA's Long-Term Reliable Water Supply Strategy 2050



BAWSCA 2018



Agenda

1. Goals for today's Board planning session
2. Strategy 2050 background and overview
3. Scenario planning for Strategy 2050
 - Purpose
 - Scenario development process
 - Draft scenarios for Board input
4. Board discussion
5. Next steps



BAWSCA Board and Water Management Representatives Planning Session Schedule for 2025

Spring
2025

- **Review Reliability Risks-** Share information on scenario planning. Review and discuss risks to water supply reliability. Engage with Board to provide input on potential future scenarios.

Summer
2025

- **Solicit Input on Project Concepts-** Seek Board input on local water supply and demand management projects. Identify projects of interest, with details provided (e.g., supply volume, costs, implementation steps, challenges, benefits). The Board to provide input on BAWSCA's role in supporting project implementation.

Fall 2025

- **Review Affordability Findings-** Discuss water supply affordability, rate considerations, and Proposition 218-compliant assistance programs. Review recommendations for local or regional affordability models supported or administered by BAWSCA.

Discussion Questions

Consider the following questions as we review the next few slides:

- Which of the identified challenges resonate the most with you?
- What other major challenges do you think the BAWSCA region could face over the next 25 years?
- What specific aspect of a challenge should be further explored?



Strategy 2050 Overview: Purpose and Objectives

Purpose — *To identify the water supply management needs and opportunities for the BAWSCA region and establish a framework to collectively support water reliability and resilience.*

Objectives align with BAWSCA's goal to ensure a reliable supply of high-quality water at a fair price

- 1 Provide a comprehensive picture of the region's supply and demand management needs and options



- 2 Establish a framework for collectively maintaining and improving regional water supply reliability and resilience.



- 3 Elevate awareness of and support the region's interests in new and emerging regulations that impact water supply and demand management.



- 4 Expand regional dialogue and collaboration to collectively address common needs.



- 5 Close the gap on funding needed for water supply resilience and reliability.



- 6 Support availability of affordable water supplies and demand management strategies to all customers.



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- 4 Expand regional dialogue and collaboration to collectively address common needs.



- 5 Close the gap on funding needed for water supply resilience and reliability.



- 6 Support availability of affordable water supplies and demand management strategies to all customers.



Strategy 2050 Will Focus on Water Supply Management Activities Separate From BAWSCA's WSA Role

BAWSCA's Goal

Ensure that a reliable, high-quality supply of water is available at a fair price.

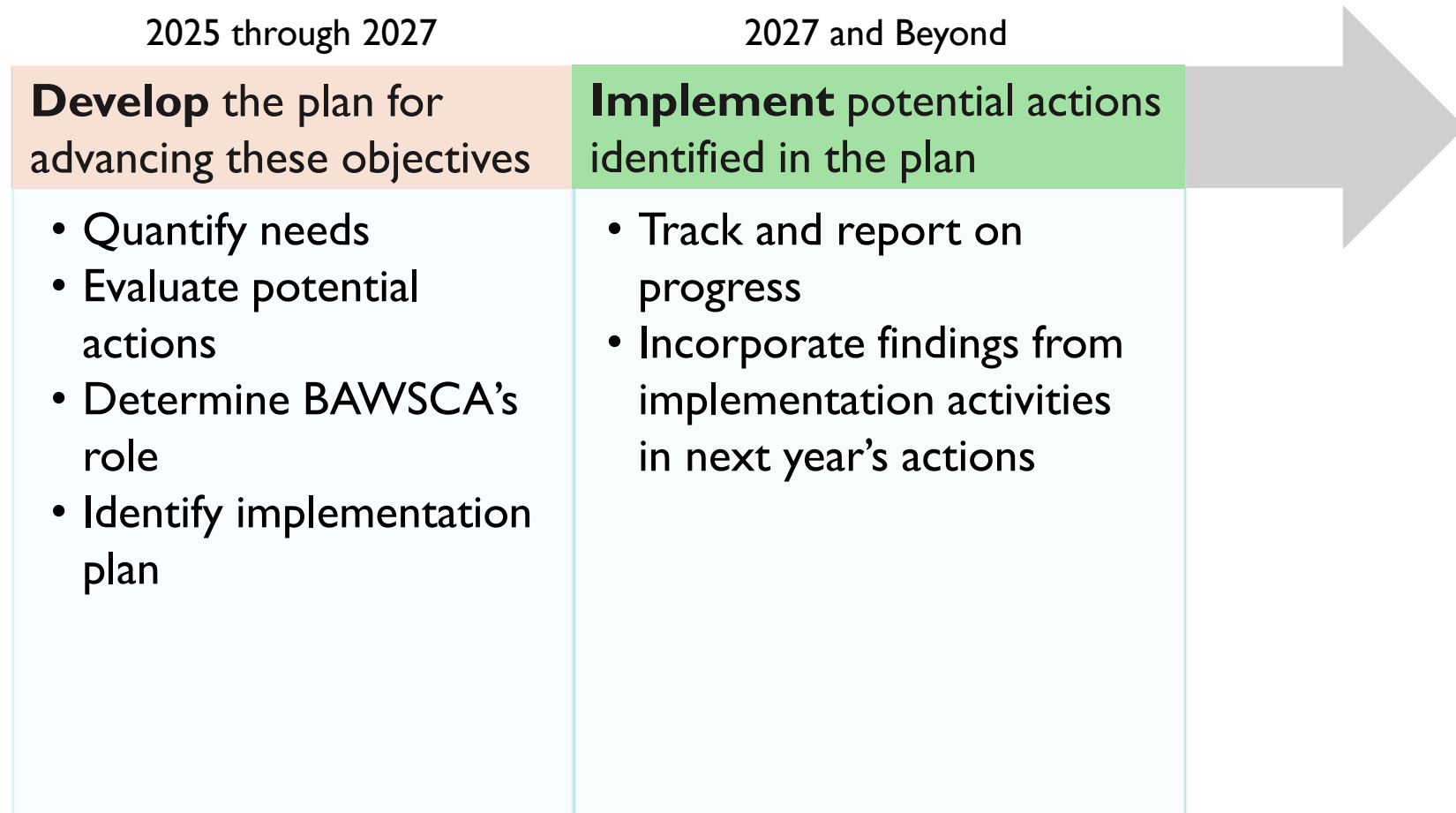
Implement WSA & ensure SFPUC fulfills contractual obligations

Other regional water supply management activities

Strategy 2050



Strategy 2050 Overview: Timeline



Strategy 2050 Overview: Anticipated Outcomes

Comprehensive report that includes:



Summary of **key findings** and **insights** gained throughout the development phase



Method for **progress tracking** and reporting on the **status** of Strategy 2050 implementation



Strategic roadmap for achieving the goal and objectives



Adaptive management framework for implementation with **flexibility** and **responsiveness** to changing conditions



Scenario Planning will be Applied to Evaluate Water Supply and Demand Management Reliability

- What is Scenario Planning?
 - Structured approach to thinking about the future
 - Develop plausible narratives based on possible futures
 - Identify and evaluate interventions (projects/ programs/policies) to support favorable outcomes
 - Helpful in framing larger environmental, societal, regulatory, and socioeconomic uncertainties
- How will it support Strategy 2050 decisions?

1) Develop future planning scenarios



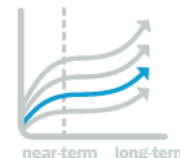
RESULT:
Identification of four possible future scenarios

2) Screen and confirm project concepts



RESULT:
Updated list of actions and evaluation criteria

3) Evaluate portfolios against futures



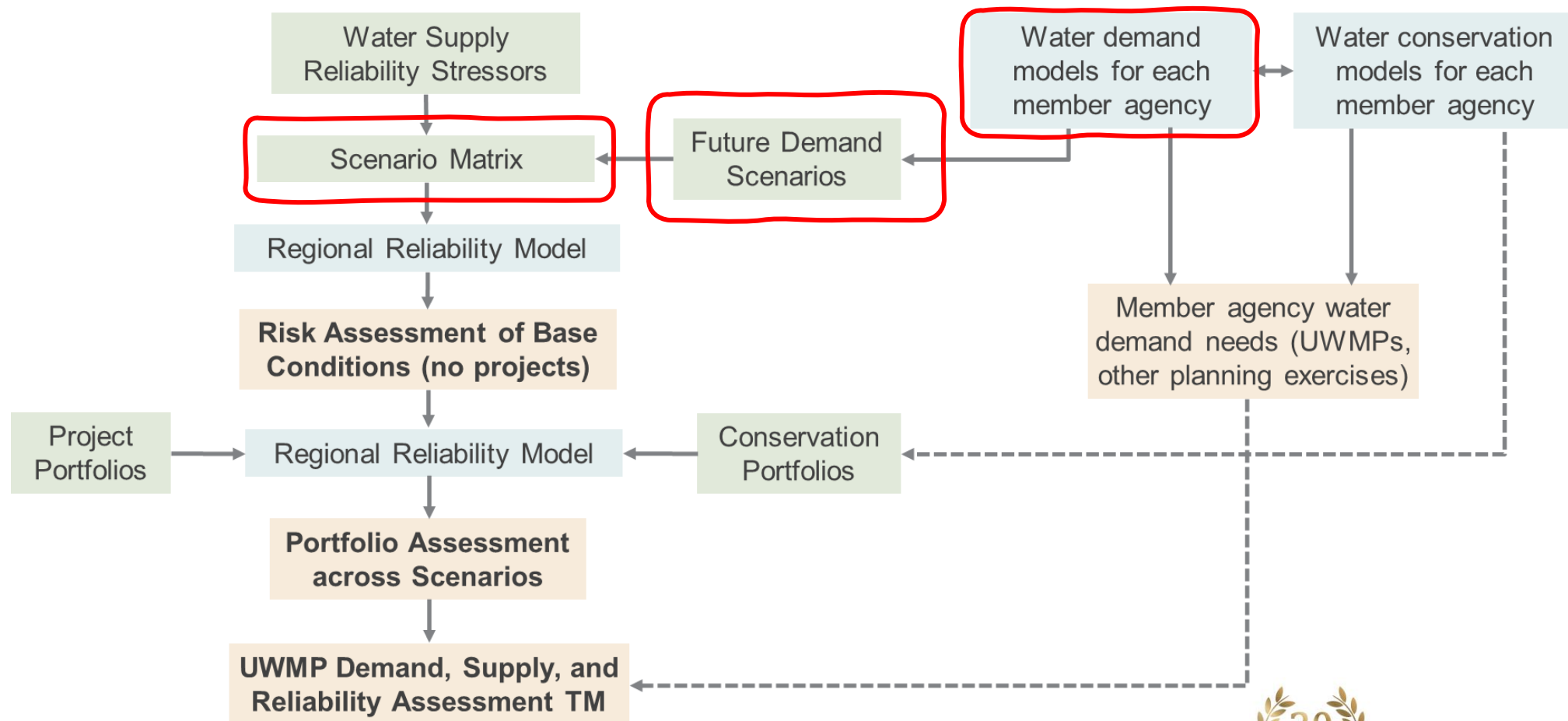
RESULT:
Prioritized portfolios of near- and long-term actions

4) Prepare a flexible implementation plan



RESULT:
Adaptive plan for 2050 Strategy implementation

Strategy 2050 and the Demand Study Interplay

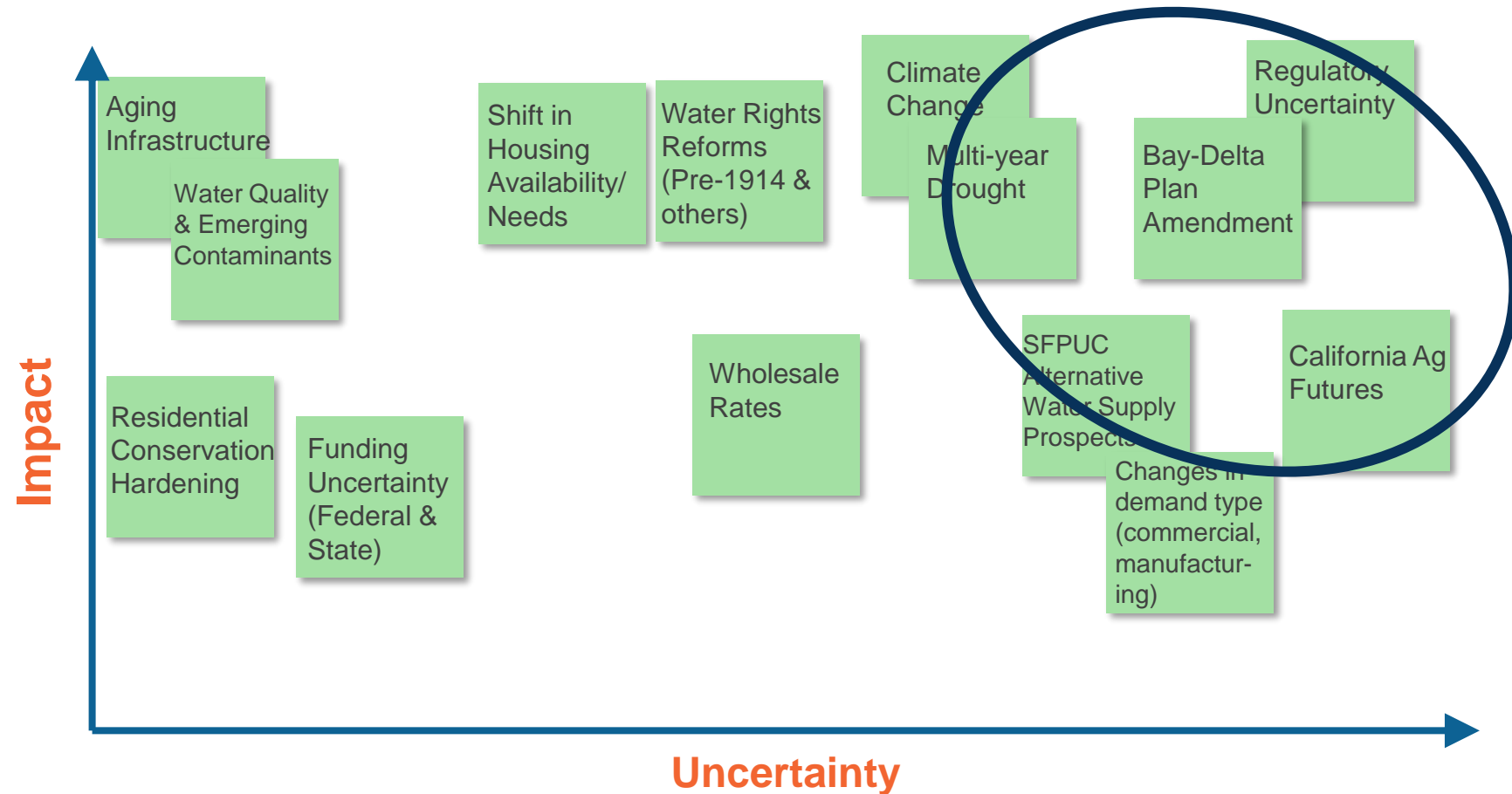


BAWSCA Held Scenario Planning Sessions with the WMR and the BPC to Support the Development of the Scenarios

Goal:

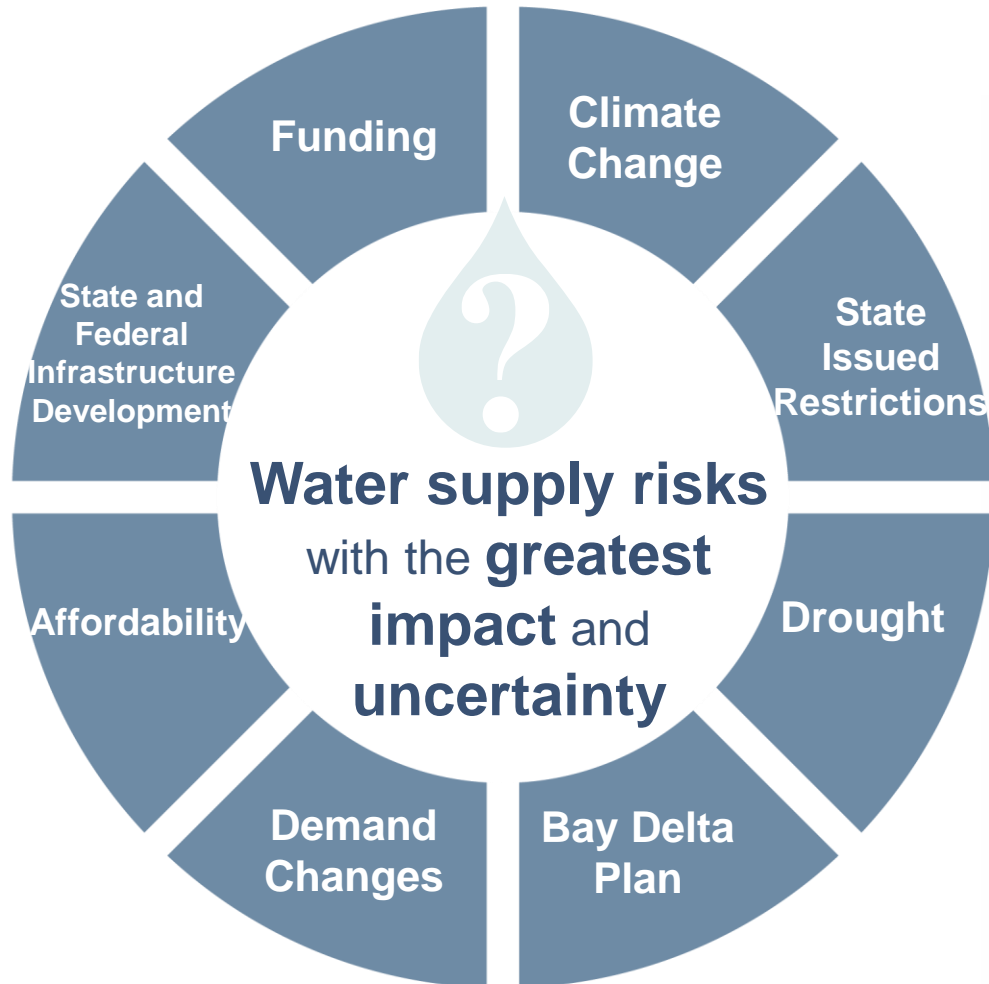
Identify the risks impacting water **supply reliability** both at the local agency and regional level and **quantify** the effects of these risks on water supply

- Identified 50+ drivers
- Drivers evaluated based on their relative impact to water supply reliability & degree of uncertainty



Sample produced by one breakout group during the workshop

Scenario Planning Session Takeaways



HOW WE ARE INCORPORATING IT

*These risks were grouped and/or broken down to form the **Primary Factors of Change** (scenario assumptions):*

- State Issued Restrictions
- Climate Change
- Drought
- Frequency/Severity
- Bay Delta Plan
- Local Water Supply/Water Quality
- SWP & CVP
- Housing Development
- Jobs Industry
- Population
- Housing Density
- Macroeconomic Indicator
- Water Rates

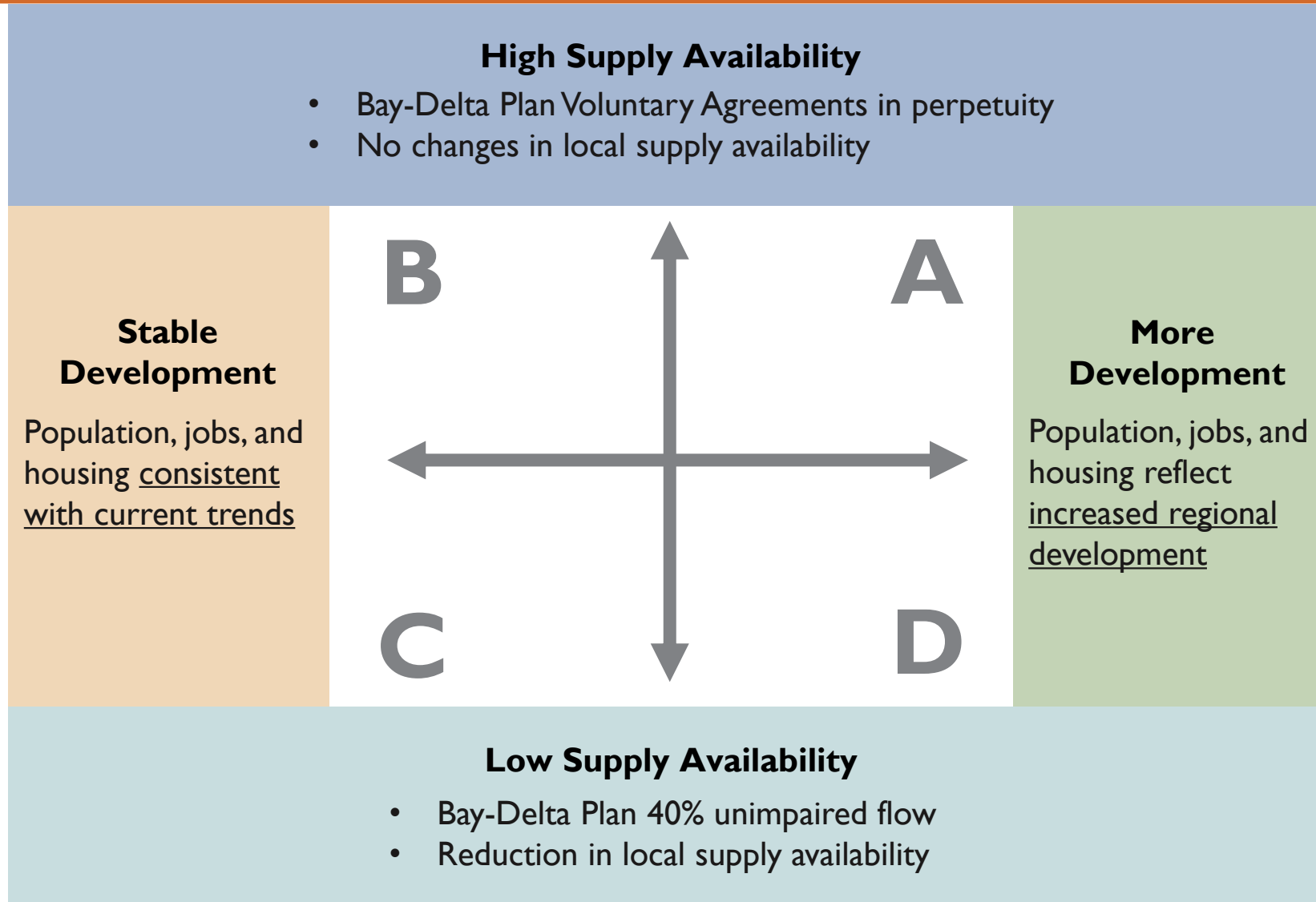
*These factors together form the **thematic uncertainties** which make up the axes of the scenario matrix:*

- Supply Availability
- Regional Development
- Water Rates/Affordability

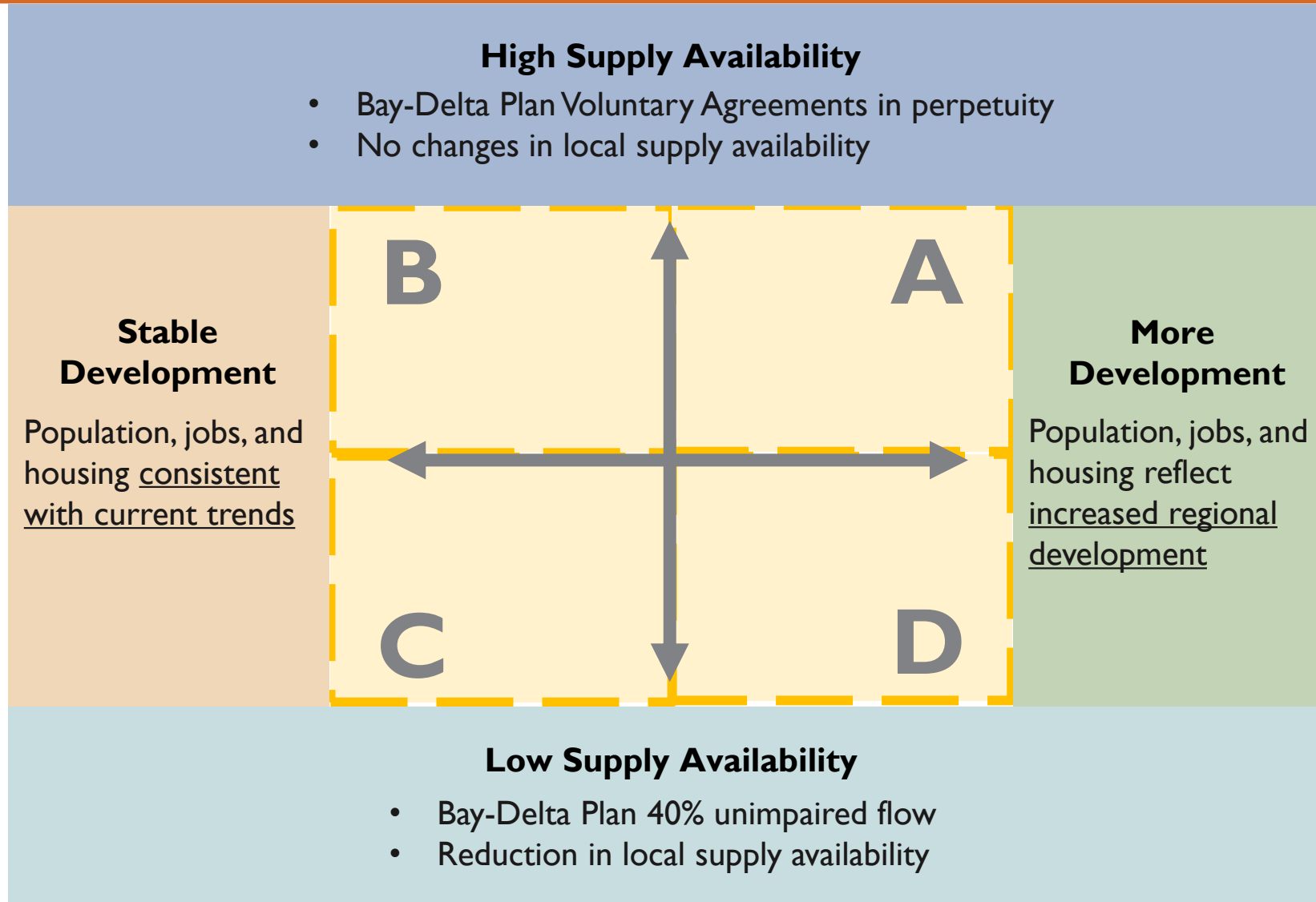
Other risks that may be more certain, but could have great impact:

- Aging Infrastructure
- Water Quality/Regulations

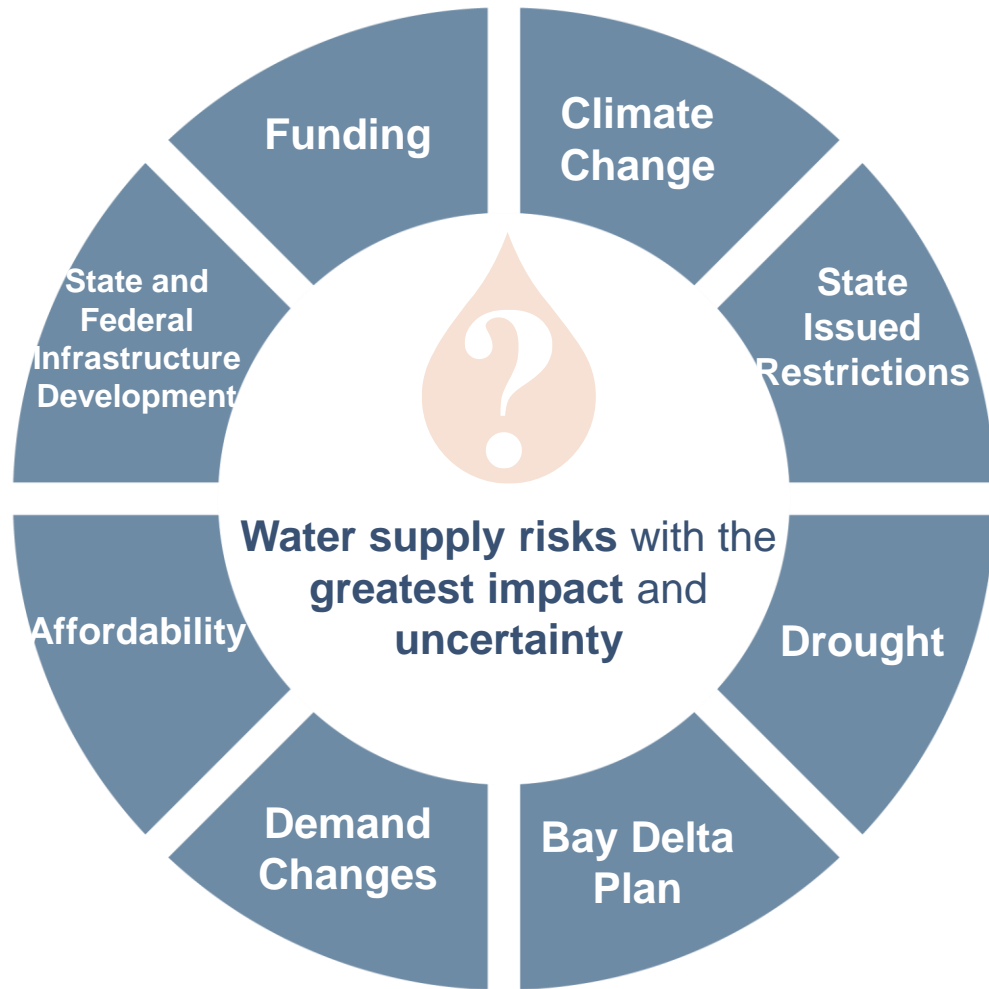
Summary of Scenario Assumptions



Summary of Scenario Assumptions



Board Discussion



To ensure continued collaboration and input throughout the development of Strategy 2050 BAWSCA is requesting input from the Board on the following questions:

- Which of the identified challenges resonate the most with you?
- What other major challenges do you think the BAWSCA region could face over the next 25 years?
- What specific aspect of a challenge should be further explored?

Other risks that may be more certain, but could have great impact:

- Aging Infrastructure
- Water Quality/Regulations



Next steps

- Finalize four planning scenarios, considering Board input
- Complete risk analysis and share results at future Board planning session
- Hold the next One Water Roundtable on May 20th to share information on water reliability projects being considered and collaborate on other project ideas for Strategy 2050
- Seek Board input on additional Strategy 2050 elements through future planning sessions

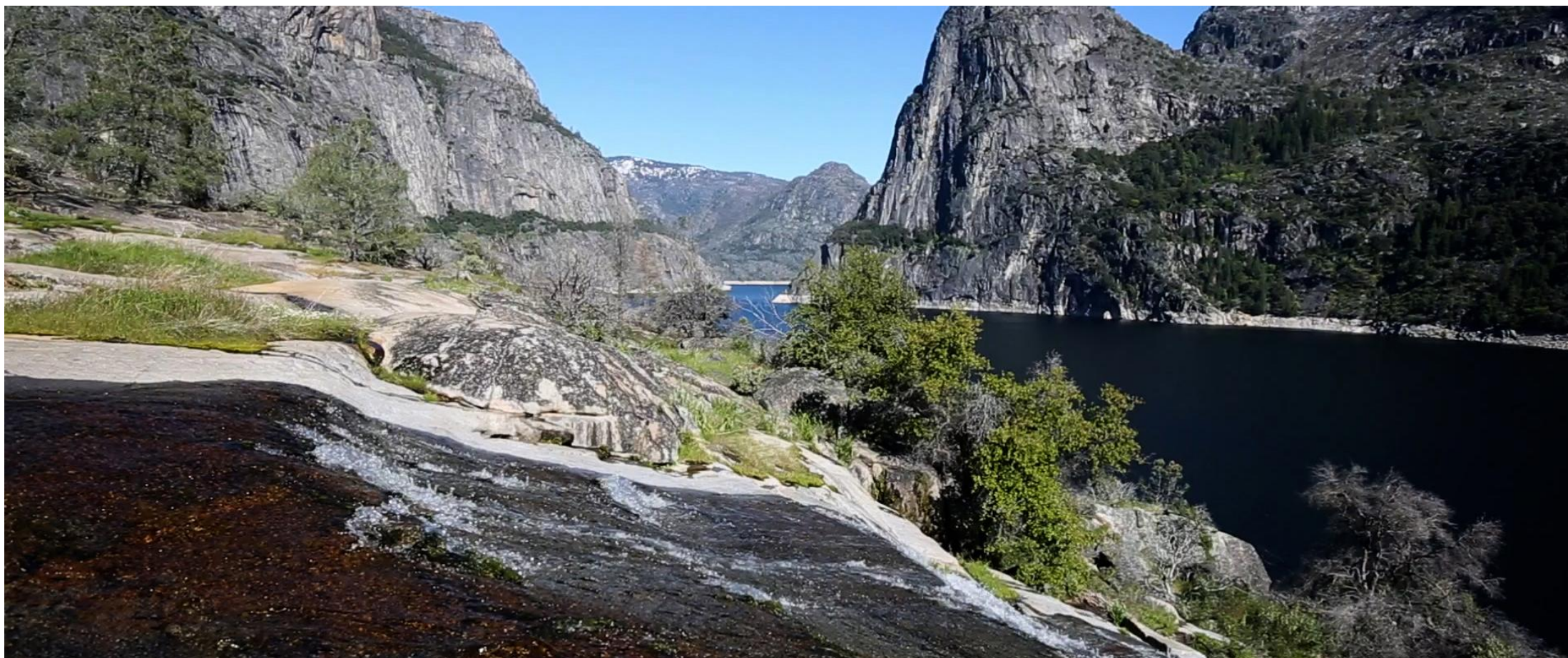


One Water Roundtable Series

- One Water Reliability Roundtable Series brings together different water professionals spanning across the BAWSCA service area
 - BAWSCA member agencies
 - Non-governmental organizations (NGOs)
 - Counties
 - Other water and wastewater agencies
 - Leaders and experts in water related fields
- Roundtable Series was initiated by BAWSCA in 2022
 - Insights from workshops informed Strategy 2050 scoping
 - Reliability Series forum and contact list will be used to facilitate stakeholder participation in Strategy 2050 development
- Roundtable Series will be used to facilitate stakeholder participation in Strategy 2050 development



CEO Reports



Bay-Delta Plan Update

SFPUC and BAWSCA continue to track the State Water Board's efforts and engage with them when appropriate. Recent activities:

- BAWSCA Statement of April 10, 2025, supporting the timely and continued evaluation of the Tuolumne Healthy Rivers and Landscapes (HRL) proposal by the State Water Board (included in Correspondence packet)
- State Water Board staff held eleven technical meetings on specific topics, from January through March 2025, to receive further input from the water community as they advance Phase 2
- The State Water Board is working toward the development of a Draft Phase 2 Plan for release in Summer 2025
- SFPUC continues to engage with the State Water Board on their efforts to produce a Scientific Basis Report needed in their evaluation of the Healthy Rivers and Landscape Program proposed for the Tuolumne River



WSA Amendment and Tier 2 Plan Adoption Update

- Adoption packet materials for the WSA amendment and Tier 2 Plan update are complete and available for agencies
 - Includes resolutions and sample staff report and presentation for agency use
- SFPUC adopted the WSA amendment on May 13th
- BAWSCA member agencies will begin adopting the WSA amendment and updated Tier 2 Plan in May
 - Adoption by all 26 agencies is expected to take up to six months
 - BAWSCA encourages agencies to schedule adoption at earliest possible meeting



Closed Session



Ragsdale, 2023



Report From Closed Session



BAWSCA 2018



Additional Time for Public Comments (Time Permitting)



Directors' Discussion



BAWSCA 2018



BAWSCA
Bay Area Water Supply & Conservation Agency

Next Meeting and Adjournment

**SPECIAL
MEETING
DUE TO
LOCATION**

Next Meeting

July 17, 2025

6:30 pm

LOCATION TO BE ANNOUNCED

