

**WATER RESOURCES & CONSERVATION
COMMITTEE MEETING SUMMARY MINUTES
Wednesday, February 26, 2020
4:15 p.m.**

ATTENDANCE

Directors: Jim Gunther

Staff: Laura Hidas, Thomas Niesar, Leonard Ash, Stephanie Nevins, Megan Maurino,
Jonathan Wunderlich, Robert Shaver



DISCUSSION TOPICS

1. Water Supply Outlook: Leonard Ash, Water Supply Supervisor, provided an update on the rainfall accumulation this water year, the current precipitation forecasts, and the District's plan to meet 2020 water production demands. On January 24th, the Department of Water Resources increased the District's Table A allocation from 10% to 15%, resulting in an allocation of 6,300 acre-feet of water, which the District plans to store in San Luis to meet 2021 demands. The Alameda Creek Watershed is currently trending well below average precipitation totals for this time of year at a total of 5.43 inches to date, reflecting no measured rainfall thus far in February. Mr. Ash reported that the latest 8- to 14-day, 30-day, and 90-day precipitation outlooks all indicate a drier than normal forecast. Given the drier conditions this winter, the District has shifted to dry year water supply planning, with an emphasis on increasing imported supplies and minimizing groundwater usage to preserve supplies in the event the following year is also dry. The District is planning on returning 12,300 acre-feet of water stored in San Luis Reservoir to help meet 2020 demand. Additionally, the District anticipates returning 13,700 acre-feet of Semitropic supplies, with 10,000 acre-feet assigned for meeting 2020 demands and the remaining 3,700 acre-feet of Semitropic returns to be stored in San Luis Reservoir and applied to 2021 demands. Similarly, the District currently expects to purchase about 2,500 acre-feet more than the contractual minimum amount of 8,567 acre-feet from the San Francisco Public Utility Commission. Staff estimates that 8,800 acre-feet of local water supplies will be utilized to meet the 42,200 acre-feet of expected demands in 2020. In summary, the District's water supply outlook for 2020 is sufficient despite the dry conditions thanks to its past investments in water supply reliability; Water Supply Staff anticipates that it may require a reserve appropriation from the Board to fund the dry-year operation expense.

Staff responded to questions from Director Gunther.

2. Bay Area Regional Reliability (BARR) Update: Thomas Niesar, Water Supply and Planning Manager, provided an update on developments with the BARR partnership. The BARR partnership is comprised of the District, Bay Area Water Supply and Conservation Agency (BAWSCA), Contra Costa Water District, East Bay Municipal Utility District, Marin Municipal Water District, San Francisco Public Utilities Commission (SFPUC), Valley Water, and Zone 7 Water Agency. The BARR was established in 2014 to cooperatively address water supply reliability concerns and drought preparedness on a mutually beneficial and regionally focused basis.

In 2017, the BARR partnership completed its first regional study, the Drought Contingency Plan (DCP), which recommended development of a regional water market program to identify and facilitate transfers and exchanges. BARR partners pursued and received \$400,000 in U.S. Bureau of Reclamation funding and commenced the Shared Water Access Program (SWAP) in late 2019. The SWAP will study the technical and legal details of regional water exchanges and transfers and develop portfolios of concepts for future consideration. The SWAP includes a second phase in which up to two pilot transfers may be executed, one of which will likely be a “desktop” study examining how ACWD’s facilities could support an exchange of water to benefit SFPUC and/or BAWSCA. The concept is for ACWD to execute a Delta water transfer, purchasing supply from an upstream of Delta seller for use in our service area, reducing ACWD’s demand on Hetch Hetchy deliveries that would then become available to other BAWSCA agencies. This concept will test several regional and District interests including supporting SFPUC/BAWSCA efforts to participate in Los Vaqueros Reservoir Expansion, Regional Desalination, or permanent transfer of other Delta based supplies via the South Bay Aqueduct.

In response to Director Gunther’s questions, Mr. Niesar explained that this pilot will support the Purified Water Feasibility Evaluation by examining means for sharing new sources of water with customers on the SFPUC system.

3. Conservation Programs Update: Stephanie Nevins, Water Conservation Supervisor, and Megan Maurino, Water Conservation Specialist, provided updates on two conservation programs: The Weather-Based Irrigation Controller (WBIC) Program and the Landscape Water Budget “Pilot” Program.

Weather-Based Irrigation Controller (WBIC) Program—The Bay Area Water Supply and Conservation Agency (BAWSCA) is offering BAWSCA member agencies (Participating Agencies) the opportunity to participate in a Regional Smart Controller Program (Program) for residential customers. Staff plans to enter into a Participation Agreement with BAWSCA for the remainder of FY 2019/20 to offer 100 incentives to SFR customers at \$75 per controller so that all District customers have an incentive to install a “smart” weather-based irrigation controller.

The program offers residential water customers of Participating Agencies an instant rebate (or incentive) on the purchase of Rachio smart irrigation controllers, which are designed to help customers better manage their outdoor water use. The Rachio device is a smart watering solution that provides residents guided schedule creation, automatic weather adjustments, and smartphone control for their irrigation systems. The Program also allows each Participating Agency to view program information, such as the number of active Rachio controllers in each region, irrigation schedules, and weather data via a web-based online platform.

District customers will benefit from a reduced controller cost share structure in which both the District and the customer each partially pay for the controller. The Rachio controller will be offered at a total cost of \$175 plus applicable sales tax. Of this cost, the District will pay BAWSCA \$75 per controller purchased, and BAWSCA will reimburse Rachio, and the customer will pay the remaining \$100 plus sales tax. The total estimated program cost is

\$8,250, which includes the Program Initialization fee (\$750), 100 smart controller incentives, and access to the agency portal.

The cost per acre-foot (AF) for this program ranges from \$110-295/AF, depending on the number of stations utilized and based on a 10-year life. There is sufficient funding in the FY 2019/20 budget to support the Program. This conservation update will require an amendment to the District's Rate and Fee Schedule and, therefore, this item will be taken to the March 12, 2020, Board Meeting. Staff responded to questions from Director Gunther regarding using videos and social media to advertise program.

Landscape Water Budget "Pilot" Program—Staff currently provides landscape water budget reports to customers with irrigation accounts once per year in March/April, through a program called the Dedicated Landscape Partnership (DLP) Program. The reports provide a comparison of a site's irrigation meter water use to an efficient or reasonable water use calculation. The calculations are based on area measurements and local weather data. Staff provided examples of the current reports to the Committee for review. The District has been providing this report to its landscape meter customers for almost 20 years, but the application that produces the reports is dated and can be challenging and time-consuming to work with. It takes approximately 160 hours of staff time each time the reports are generated and sent out.

Staff is proposing to move this program over to an existing online service, through the Bay Area Water Supply and Conservation Agency (BAWSCA), called WaterFluence, with a proposed start date of April 1, 2020, through June 30, 2020.

Staff provided the Committee with an overview of the WaterFluence service features, including an easy to update mapping interface, monthly and annual water use and budget data, alerts, and messaging capabilities. Staff's proposal is to move all DLP sites (approximately 900) over to WaterFluence, with the largest water users receiving full access to all features, and the rest of the sites monitored by staff for additional outreach. The proposal is estimated to cost up to \$11,418 for 3 months of access. The District currently has a participation agreement with BAWSCA for WaterFluence's large landscape audit services with \$15,000 available through the end of the fiscal year under that program. Staff is proposing to utilize a portion of the audit service funds toward the water budget service. There is sufficient funding in the FY 2019/20 budget to support the Program.

Existing DLP Program customers would receive notice of the change either directly through the service (as many are already participating in WaterFluence through other local water agencies), or customers would receive a letter. Staff expects that the District will want to continue the program into the next fiscal year, however, if the District decides not to continue with the program, all updated site measurement data will be available to update the current DLP program.

WaterFluence has been offering online water budgets for 17 years and many BAWSCA member agencies are already participating in this program. Participating BAWSCA sites have experienced overwatering reductions of over 50%. WaterFluence will save considerable staff time and is cost effective compared to District labor costs of running the DLP Program.

Participating in WaterFluence will continue to support the District's landscape water conservation goals and will help the District meet new State requirements for measurements of all landscaped areas served by landscape meters. WaterFluence is also compatible with AMI for real time landscape irrigation budgets and water management. Staff responded to questions from Director Gunther regarding the current DLP program, WaterFluence, and the proposed changes.

4. Amendments to the Delta Conveyance Finance Authority Agreement: Jonathan Wunderlich, Manager of Finance, provided background on the Delta Conveyance Finance Authority (Finance Authority) and presented proposed changes to its Joint Powers Authority agreement. The District was one of three founding members of the Finance Authority, which was created in 2018 to finance construction of the WaterFix project. The Finance Authority has now been in place for about 20 months and has 11 total members. Proposed revisions to the agreement reflect the current direction of Delta conveyance and provide for minor language clean-up now that the Finance Authority has been operating for nearly two years. These revisions include 1) more generically defining the conveyance project to be financed because the State's current plan is to pursue a single-tunnel project that is materially different from the WaterFix project identified in the agreement, 2) simplifying language that specifies the Finance Authority will operate under the rules applicable to the Metropolitan Water District of Southern California, 3) specifying that directors will serve without compensation, but may be reimbursed for expenses, 4) authorizing the Executive Committee to meet as it deems necessary instead of quarterly and that actions of the Executive Committee must be approved by a majority vote instead of a vote of three members, and 5) removing language that allowed for streamlined Finance Authority membership for agencies joining within five months of initial formation. Mr. Wunderlich advised that this issue will be presented at the March 2020 Board meeting.

5. Public Comments: There were no comments.

RECOMMENDATIONS

Topics discussed by the Committee were informational only, and no recommendations are being made.