

**WATER RESOURCES & CONSERVATION
COMMITTEE MEETING SUMMARY MINUTES
Wednesday, July 22, 2020
4:15 p.m.**

ATTENDANCE

Directors: Paul Sethy (Chair), Jim Gunther

Staff: Robert Shaver, Laura Hidas, Jon Wunderlich, Stephanie Nevins, Megan Maurino,
Thomas Niesar

AB

The monthly Water Resources and Conservation Committee Meeting was held on July 22, 2020 at 4:15 PM. Due to COVID-19 and in accordance with Governor Newsom's Executive Order N-25-20 which suspends portions of the Brown Act, this meeting was conducted by Zoom Webinar and Teleconference and members of the public were invited to participate.

DISCUSSION TOPICS

1. **BAWSCA / WaterFluence Large Landscape Water Budget Program:** Stephanie Nevins, Water Conservation Supervisor, provided an overview of the BAWSCA / WaterFluence Large Landscape Water Budget Program (Program) that the District initiated as a pilot program during the last quarter of FY 2019/20. The program is administered by the Bay Area Water Supply and Conservation Agency (BAWSCA), through their Large Landscape Program, and utilizes an online platform called WaterFluence to display landscape water use budgets for large landscape customers. The District established the pilot program to evaluate WaterFluence's online landscape water use budget service, with the intention of continuing this program during FY 2020/21 if it proved successful. Prior to this, and for almost 20 years, the District mailed hard copy landscape water use budget reports to customers with irrigation accounts. The District's previous program was very popular among some its largest landscape customers and their landscape contractors, but the program relied on a tedious and time-consuming manual process.

Staff provided the Committee an overview of the Program, which provides similar data to customers as the District's previous program, but has multiple additional benefits, including: streamlined access to site information for customers, increased customer engagement, increased staff efficiency, and a mapping interface for updating landscape area measurement information in collaboration with customers, which will be required for establishing the State's Conservation Legislation targets. Based on the success of the pilot program, staff proposes to continue and expand the Program during FY 2020/21. Expansion will include offering the service for an entire year and adding sites not yet served. A full year program will cost up to a maximum of \$50,000. There is funding in the approved FY 2020/21 budget to support this Program. The Program is cost effective, will save considerable District staff time, and will support the District's landscape water conservation goals as they tie into District Strategic Goals 2.1 – Maintain and Enhance Sustainability and Reliability of Local and Regional Water Supplies, and 2.3 – Evaluate New and Innovative Water Management Concepts. The Program will also assist the District in meeting new State conservation requirements.

Staff responded to questions from Director Sethy and Director Gunther. The Directors expressed support for the Program. The Program will be presented to the Board in August 2020.

2. Water Savings Assistance Partnership Program: Megan Maurino, Water Conservation Specialist, provided a review of the Water Savings Assistance Partnership Pilot Program (Pilot), a partnership program to improve water and energy use efficiency for income-qualified residents in the District's service area. The Pilot provided qualified residents with water use surveys, water conservation education, leak checks, water device installations, and toilet retrofits and repairs, in addition to the energy saving measures being installed as part of the Pacific Gas and Electric Company's (PG&E's) Energy Savings Assistance (ESA) Program. The contract for the Pilot began in June 2019 and will expire on September 30, 2020. So far, the Pilot Program has served 123 homes and has installed 56 0.8 gallons per flush (GPF) ultra-high-efficiency toilets. While there has been no activity since February due to COVID-19, a waitlist is being generated and appointments will resume when allowed per Alameda County Public Health Department guidelines. Lifetime water savings for the Pilot Program is estimated to be 46.8 acre-feet (AF). Program contractors installed fewer toilets than expected due to a lower number of qualifying toilets (greater than 3.5 GPF), and they identified needed repairs that were not part of the contract.

Ms. Maurino explained that based on the success of the Pilot, staff is proposing to implement the Water Savings Assistance Partnership Program (Program) in FY 2020/21. The Program is informed by real-world conditions encountered during the Pilot regarding saturation of ultra-low flush toilets and onsite repair needs, and will attempt to reach 215 homes for an estimated cost of \$150,000. Conservative water savings estimates for the Program are 112.4 AF of water per year for 215 homes. The District's partnership in the Program contributes 81.8 AF of the water savings estimate, which equates to a cost of \$1,834/AF and is competitive with the District's highest cost water from the San Francisco Public Utilities Commission. Services will be performed by Richard Heath and Associates Inc. (RHA), currently under contract to serve as PG&E's ESA Program Administrator. All services are provided at no cost to the customer. There are approximately 820 Help on Tap participants that may qualify for the Program. The Program is anticipated to run from October 2020 through June 2021. There are adequate funds in the FY 2020/21 budget for the Program. Support for this Program will help meet the District's Strategic Goal 2.1 – Maintain and Enhance Sustainability and Reliability of Local and Regional Water Supplies.

Staff responded to questions from Director Sethy and Director Gunther. The Directors expressed support for the Program. The Program will be presented to the Board in August 2020.

3. Los Vaqueros Expansion Project Usage Fees Overview and Project Updates: Jon Wunderlich, Manager of Finance, presented information regarding usage fees proposed as part of the project. The project builds on top of Contra Costa Water District's (CCWD) existing storage facilities and relies on their existing conveyance system for transporting water from the Delta to Los Vaqueros Reservoir. These facilities provide a benefit to the project and CCWD has put forth a proposal for partner agencies to pay fees for their use. The proposed fees include

recovering a proportional share of CCWD's operating costs for these facilities as well as recovering a share of their capital value. District staff have taken a leadership role in working with other partner agencies and an independent financial consultant to evaluate CCWD's proposed fees. CCWD has made several revisions to the proposed fees based on comments from the District and other partners, and staff from the respective agencies continue to work together to finalize the proposal. It is anticipated that usage fees will be discussed by participating agency General Managers later this year before a final proposal is taken to governing bodies for consideration. Usage fees are also proposed for East Bay Municipal Utilities District (EBMUD)-contributed facilities to the project and EBMUD is currently working on revisions to their original proposal.

Laura Hidas, Manager of Water Resources, provided additional updates on the overall LVE Project. CCWD and the Partners are currently continuing work under the existing Multi-Party Agreement and Amendment #1, which extended the time for current planning work through the end of 2020. Several workgroups have convened among the Partners to work on specific issues, with most activity to date this summer focused on planning for the formation of a Joint Powers Authority (JPA), and the usage fees discussed by Mr. Wunderlich. Conversations between CCWD, Department of Water Resources, and the SBA Contractors have also begun, as the project relies on use of the South Bay Aqueduct and State Water Project infrastructure to convey water to several of the Partners. Valley Water has undertaken a study on behalf of the SBA Contractors to evaluate available conveyance capacity in the SBA that could be available to Partners; District staff are contributing to this effort. CCWD is also drafting an Amendment No. 2 to the Multi-Party Agreement that will extend the current agreement through the end of 2021, modify the scope of work to include the next phase of planning efforts, and include a new cost-sharing commitment for Partners to continue participation. Staff is currently reviewing the draft and anticipates bringing Amendment No. 2 to the Board for consideration early this fall.

Staff responded to questions from the Directors.

4. Public Comments: There were no public comments.

RECOMMENDATIONS

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

Alameda County Water District

BAWSCA / WaterFluence Large Landscape Water Budget Program

July 22, 2020



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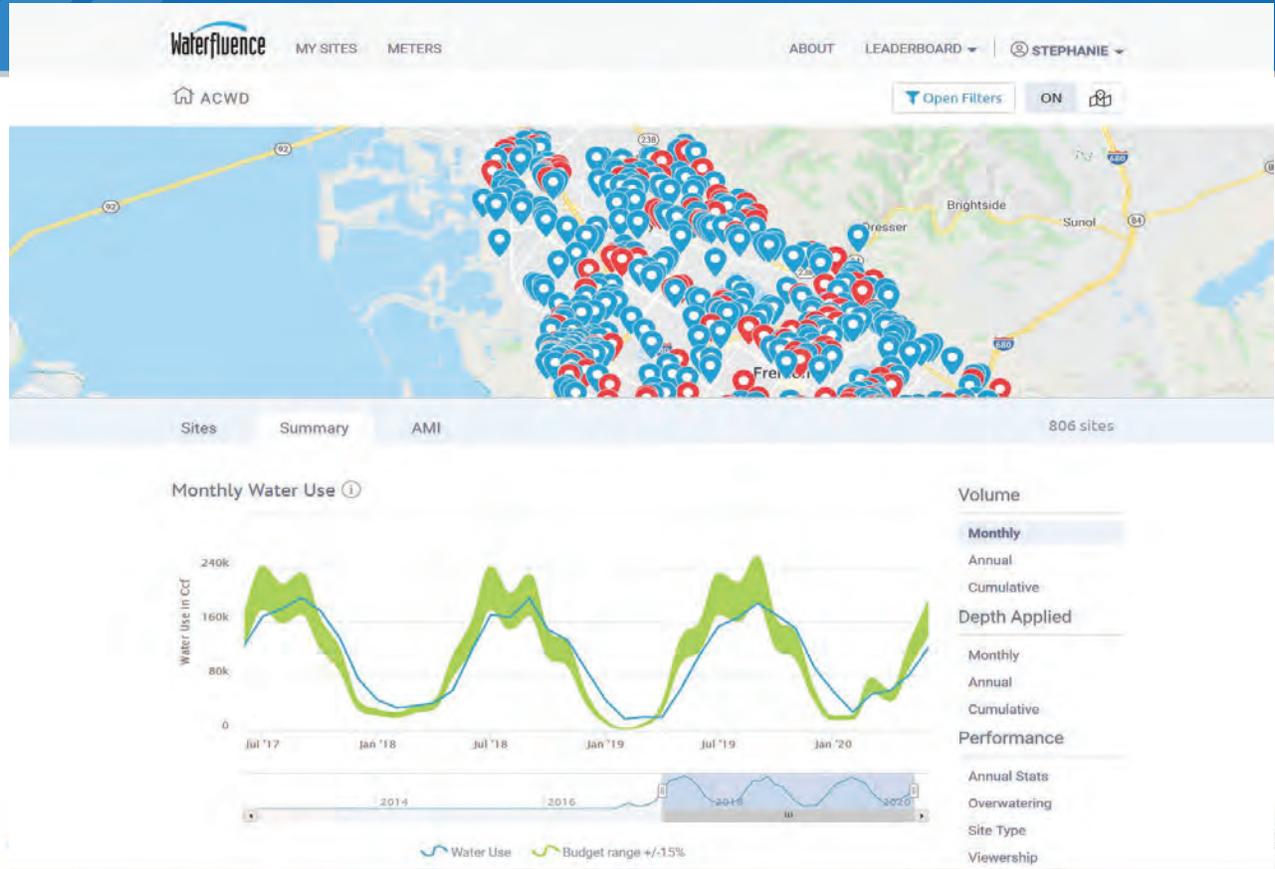
Background

- Launched as a Pilot program May/June 2020
- Presented at February 26, 2020 Water Resources & Conservation Committee
- Purpose:
 - Update the District's 20-year-old landscape water budget program (online access vs. hard copy mailed reports)
 - Increase efficiencies / free up staff resources for other conservation programs
 - Support meeting Conservation Legislation requirements
- Program did not include City Parks
 - Separate program
 - Includes city streetscapes

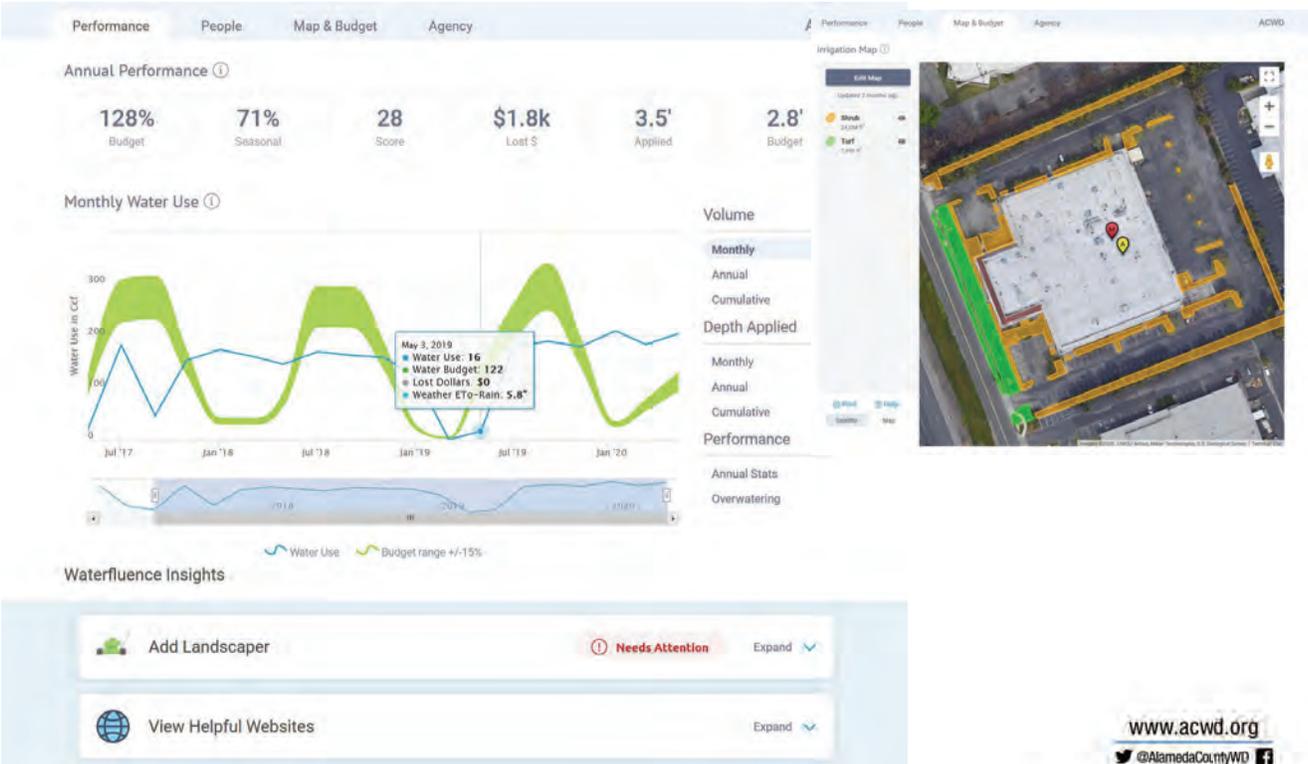


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Program Overview



Program Overview



Pilot Program Results

- 500 - Sites with Full Service
 - Highest water users
 - Full access to all features
- 306 - Sites with Data Analytics Service
 - ACWD access to all features
- 1,017 Acres - Irrigated area represented
- 3,000 Acre-Feet - Annual landscape water use captured
- Engagement:
 - Contacts identified – 290 sites
 - Online views - 175 sites
 - City of Fremont meeting, contacts with other cities



FY 2020/21 Program Proposal

- Continue and Expand:
 - 550 Sites with Full Service (~50 more)
 - 325 Sites with Data Analytics Service (~20 more)
 - Increase engagement (BAWSCA program is 69%, ACWD pilot program is 35%)
 - Reserve funds for up to 3 large landscape audits
- \$50,000 - Total included in approved FY 2020/21 budget
- Supports ACWD Strategic Goals:
 - 2.1 - Maintain and enhance sustainability and reliability of local and regional water supplies.
 - 2.3 - Evaluate new and innovative water management concepts
- August Board Meeting – BAWSCA agreement



Questions?



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Water Savings Assistance Partnership Program (WSAPP)

Water Conservation Program
July 22, 2020



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Program Description



The WSAPP (Program) will provide income qualified households:



- Basic indoor/outdoor assessments
- Leak location and leak referral to the District
- Water conserving device installations
- Toilet retrofits and repairs
- Water conservation education
- District conservation program information

In addition to the energy savings measures provided by PG&E's Energy Saving Assistance Program (ESA), **at no cost to the customer!**

Services are performed by Richard Heath and Associates Inc. (RHA)



2



Program Pilot

The Program has been piloted from June 2019 – September 2020. The pilot resulted in:

- 123 Homes Served
- 56 Ultra High-Efficiency (0.8GPF) Toilets Installed
- Total Program Pilot Costs: \$39,165
- Program Pilot Water Savings: 46.8 AF*
- Avoided cost per acre foot: \$837



Photo from August 2019 Ride Along

Lessons Learned from the Pilot

- Contractors not finding as many qualifying toilets (3.5 GPF or more)
- Repairs needed on toilets that were not covered by the District
- Uncertainty with PG&E Bankruptcy and COVID-19



*Toilet savings only with 20-year life
GPF-Gallons Per Flush

3



Program Pilot

Number of Homes Served by Program Pilot per Month and Associated Costs



August 2019 – Second contractor added to serve program
 February 2020 – Multi-family unit served
 March 2020 – PG&E issued Stop Work Order due to COVID-19



Proposed FY 20/21 Program

Amend contract by:

- Scaling up Program Pilot to serve 215 homes* for a maximum contract value of \$150,000
- Expanding toilet replacement requirements to include 1.6 GPF toilets
- Adding the cost of flange and angle stop repairs to be covered by the District
- Reducing the amount of time contractors spend talking to residents to protect against COVID-19

WSAPP Program ESTIMATED Water Savings		
	Water Savings	Cost/AF
TOTAL PROGRAM -- Estimated savings from high efficiency toilets, low flow showerheads, and faucet aerators.	112.4	\$1,335
ACWD SAVINGS -- Just toilets	81.8	\$1,835
NOTE: Savings not included: thermostatic shower valve, leak detection, education		

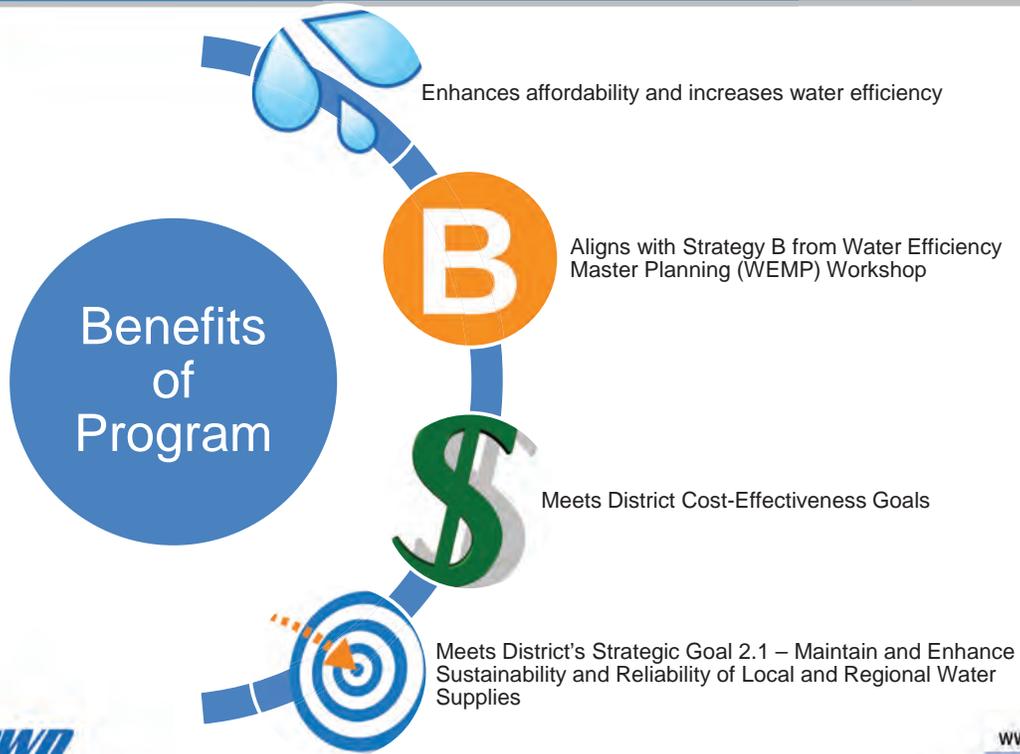
Customer \$ Savings Per Bill (with entire Program savings): \$19.34



*Number of homes is an estimate and is dependent on what is needed in each home assessed.



Program Benefits



Questions?



Los Vaqueros Expansion Project Usage Fees Overview



July 22, 2020

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Los Vaqueros Project Overview

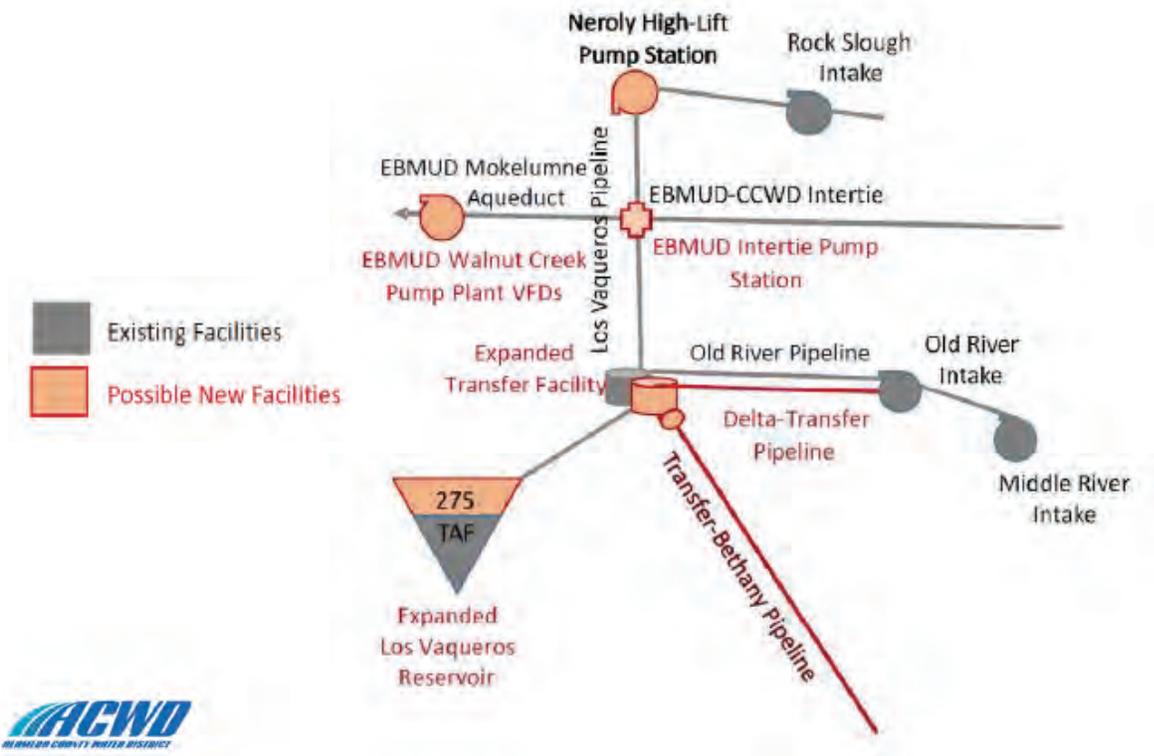
The project includes the following broad, primary operational components :

- Conveying water from the Delta through Contra Costa Water District's (CCWD) existing conveyance system to either 1) a new transfer pipeline to the South Bay Aqueduct for delivery, or 2) an expanded Los Vaqueros Reservoir for storage
- Delivering stored water as-needed for treatment and distribution or groundwater recharge



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Los Vaqueros Project Schematic



Los Vaqueros Financial Overview

The project has the following primary cost components:

- **Usage fees for use of existing conveyance and storage facilities**
- Capital costs to build new or modified facilities
 - California Water Commission has awarded a grant of up to \$459 million from Proposition 1
 - Working to secure funding from the Bureau of Reclamation
- Power and other operating costs
- Repair/replacement costs for new or modified facilities

Usage Fees Overview

Usage Fees Process

- First proposals issued by CCWD and East Bay Municipal Utility District (EBMUD) in late 2018
- ACWD worked with other partners to hire a consultant, Bartle Wells, to conduct an independent review of proposed fees. Bartle Wells' report was released at the end of 2019
- CCWD issued an updated proposal March 9, 2020
- Following partner feedback, CCWD issued more revisions June 5, 2020. Partners submitted additional feedback in July 2020
- EBMUD updates expected soon

Meaningful progress has been made on proposed CCWD usage fees



Usage Fees Overview

CCWD Usage Fees Components

- **Conveyance Facilities:**
 - O&M Fee – Fixed and variable operating costs proportional to actual volume of water conveyed. Primary components include power costs and CCWD O&M staff
 - Capital Fee – Proportional to volume of water conveyed based on CCWD's capital costs and a facility's lifetime conveyance capacity
- **Storage Facilities:**
 - Land – Based on partner agencies' proportional storage capacity in the expanded reservoir as a share of land acquisition costs
 - Shared Facilities – Share of original Los Vaqueros Reservoir capital costs for facilities that benefit the expansion project

Conveyance fees are ongoing based on operations while Storage fees are structured as a long-term 'buy-in'



Usage Fees Overview

Usage Fees Next Steps

- EBMUD updates
- Discussions with CCWD focusing on:
 - Facility capacity determination for conveyance system capital fees
 - Adjustment to storage facility fees due to 1) lack of impact to existing land/facilities, and 2) CCWD retaining full ownership
 - Appropriate facility valuation method
- Discussion by participating agency General Managers expected later this year



Conclusions

- CCWD and EBMUD are entitled to reasonable compensation for use of their facilities
- The methodology should be equitable and there should be opportunities to update fees in the future
- Usage fees are nearly ready for discussion by the General Managers prior to coming to each agency's Board
- Usage fees are just one of several cost categories and costs are just one of several broader considerations when deciding whether to participate in the Los Vaqueros project



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Questions?



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