

## AGENDA

### REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, June 12, 2025

7:30 p.m.

Westborough Water District Office

2263 Westborough Boulevard, South San Francisco

#### 1. ROLL CALL:

#### 2. PLEDGE OF ALLEGIANCE:

#### 3. CONSENT CALENDAR:

All items listed under the Consent Calendar are approved by a single motion of the Board. A Board member may request removal of any item for discussion and separate action:

##### A. Approval of Minutes:

1. Regular Meeting of May 8, 2025.

B. Accountant's Report for Period Ending April 30, 2025.

C. Investment Report for Period Ending May 31, 2025.

D. Claims Register for May 31, 2025.

#### 4. PUBLIC COMMENT:

*Members of the public are invited to participate during the public comment period or when an item on the agenda is introduced. Anyone wishing to speak should, after the recognition, give their name and address, speak clearly, and direct their remarks only to the Board. Please limit your remarks to no more than five (5) minutes. Items not on the agenda may be referred to Staff for consideration at a later date.*

#### 5. BUSINESS (OLD):

A. Report on Computer Fraud Incident.

**6. BUSINESS (NEW):**

- A. Consideration of Amendment to the "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" and Approval of an Updated Tier 2 Drought Response Implementation Plan, Resolutions No. 687 and 688.
- B. Consider Authorization of Task Order 25-03 with District Engineer, Pakpour Consulting Group, Inc., for Construction Support Services for the Skyline Tank No. 3 Improvements in the Amount of \$484,830.
- C. Review/Approve 5-Year Sewer Capital Improvement Plan.
- D. Review Draft of 2025/2026 Operating Budget.
- E. Review/Approve Proposal to Participate in BAWSCA Water Loss Management Program for 2025-2026.
- F. Review/Approve Revisions to District's Personnel Manual.
- G. Consideration of Cost of Living and Salary Adjustment for District Employees.
- H. Consideration of Cost-of-Living and Salary Adjustment for General Manager.

**7. WRITTEN COMMUNICATIONS:**

- A. JPIA's Letter Dated June 6, 2025, Regarding Liability, Property, and Workers' Compensation Programs Risk Assessment.

**8. ATTORNEY'S REPORT:**

**9. GENERAL MANAGER'S REPORT:**

- A. Report on District's Water Conservation for May 2025.
- B. Report on the ACWA/JPIA 2025 Membership Summit and Spring Conference, May 12 – May 15, 2025.
- C. Bay-WAVE Networking Event, May 22, 2025.

**10. ITEMS FROM BOARD OF DIRECTORS:**

- A. Report on the ACWA/JPIA 2025 Membership Summit and Spring Conference, May 12 – May 15, 2025 (Amuzie).

- B. Report on BAWSCA Meeting of May 15, 2025 (Chambers).

**11. CLOSED SESSION:**

- A. Closed Session – Public Employee Performance Evaluation, Government Code Section 54957  
Title: General Manager

**12. ADJOURNMENT:**

*Upon request, the Westborough Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the auxiliary aid or service at least 3 days before the meeting. Request should be sent to Westborough Water District at 2263 Westborough Boulevard, South San Francisco, CA 94080, or email [wwd@westboroughwater.org](mailto:wwd@westboroughwater.org). Availability of Public Records: all public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Acts, that are distributed to a majority of the legislative body will be available for public inspection at 2263 Westborough Boulevard, South San Francisco, CA 94080, at the same time that the public records are distributed or made available to the legislative body.*

**MINUTES OF THE REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS**

**Thursday, May 8, 2025**

The meeting was called to order at 7:30 p.m.

**1. ROLL CALL:**

Directors Present: Perry Bautista  
Tom Chambers  
Janet Medina  
Julie Richards  
Don Amuzie

Staff Present: Michael Conneran, Attorney  
Carlos Arias, Field Supervisor  
Wendy Bellinger, Office Supervisor  
Patricia Mairena, General Manager  
Joubin Pakpour, Engineer (*arrived at 7:50pm*)

Visitors Present: None.

**2. PLEDGE OF ALLEGIANCE:** Led by Director Richards.

**3. CONSENT CALENDAR:**

President Amuzie presented the Consent Calendar.

Director Chambers moved to approve the Consent Calendar as written, seconded by Director Bautista.

The motion was carried unanimously.

**4. PUBLIC COMMENT:** None

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Minutes of the Regular Meeting of the Board of Directors

Thursday, May 8, 2025

**5. BUSINESS (OLD):** None

**6. BUSINESS (NEW):**

The Board shifted the order of discussion for Items 6D, 6E, and 6F to allow Engineer Pakpour to arrive.

**D. Review/Approve Proposal for the Installation of Replacement Controllers and VFD Upgrade for the Westborough Lift Station in the amount of \$282,615.**

General Manager Mairena mentioned that the proposal in the board packet was requested by the Daly City Sanitation Department and the installation of these type of controls would allow the Westborough Lift Station to work with the new Daly City SCADA System, just like the other two lift stations which have already been updated. General Manager Mairena stated that this updated quote had gone up from the original one of \$260,000, and her recommendation was not to wait any longer, so to prevent the cost from going up further.

Director Chambers asked if this project could be part of the Sewer Capital Improvement Program. General Manager Mairena replied that she was working with Engineer Pakpour and Daly City in developing a 5-year Sewer CIP, and this project would be included.

Director Chambers moved to Approve the Proposal for the Installation of Replacement Controllers and VFD Upgrade for the Westborough Lift Station in the amount of \$282,615 in a contract approved by Attorney Conneran, seconded by Director Medina.

The motion was carried unanimously.

**E. Review/Approve Proposal for the Telemetry and SCADA Upgrade for the Westborough Lift Station in the amount of \$18,250.**

General Manager Mairena stated the work on this proposal was similar to what had been done to the Rowntree and Avalon Lift Stations, and it would allow this station to work with the new Daly City SCADA System. General Manager Mairena explained that with this upgrade, any emergency notices would appear on the sanitation on-call worker's cell phone, as well as the supervisors', instead of only a notice on a panel at the plant, where someone monitoring it would need to receive and process it.

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Director Chambers moved to Approve the Proposal for the Telemetry and SCADA Upgrade for the Westborough Lift Station in the amount of \$18,250 in a contract approved by Attorney Conneran, seconded by Director Richards.

The motion was carried unanimously.

**F. Computer Fraud Incident.**

General Manager Mairena displayed incident-related documentation which had been shared with Tri-Counties Bank (TCB) and JPIA. General Manager Mairena reported that Office Supervisor Bellinger had received an email, presumably from Field Supervisor Kennedy, asking to change his financial institution for the direct deposit (DD) of his paychecks. General Manager Mairena stated that Office Supervisor Bellinger asked her if it was okay to make the change, to which she replied to proceed, if that was what Mr. Kennedy wanted to do. Unknown to General Manager Mairena, Office Supervisor Bellinger handled the transaction electronically by emailing Mr. Kennedy a DD form and accepting it back via email.

General Manager Mairena stated that there were two direct deposit transactions that were submitted to Greendot Bank for a total of \$30,239.87, and while meeting with him on April 30, 2025, Mr. Kennedy's last day, she found out that he never made such a request. General Manager Mairena asked Office Supervisor Bellinger to contact TCB to see if it would be possible to reverse these transactions, and Office Supervisor Bellinger was instructed on how to process the reversal request. General Manager Mairena also instructed Office Supervisor Bellinger to issue a check to Mr. Kennedy to make him whole since that was his last working day, and by law, the District had to pay him what the District owed him.

General Manager Mairena reported that the next day, the District received notification from TCB that one of the two reversals, in the amount of \$24,989.08 had been returned for insufficient funds.

General Manager Mairena mentioned that on April 30<sup>th</sup>, she had also contacted the South San Francisco Police Department and filed a police report, and the officer had told her he would consult with his superior to see if the investigation would be a civil or criminal, and to let him know the outcome of the requests for reversal.

General Manager Mairena also mentioned that she had received a phone call from TCB letting her know that Greendot Bank were holding on to some funds which they may be able to return to the District, but it would take 30 to 45 days to release them.

General Manager Mairena stated that she had opened a claim with JPIA, and she had been told it would fall under the Crimes Policy, and not the Cyber Liability Policy, with a \$1,000 deductible. General Manager Mairena mentioned that JPIA will also be waiting to see what happens with the funds that Greendot Bank was holding.

General Manager Mairena noted that she had contacted Selerum, the District's IT consultant, and had requested them to check for any emails the District may have received in the past that were similar in nature, and that Mr. Manuel Guzman of Selerum will be putting together a proposal for Cyber Security Training for District Staff.

Director Chambers questioned why District staff would accept a request coming from a Gmail address, rather than the District's assigned email address. General Manager Mairena replied that Mr. Kennedy had mentioned that he had always communicated with his District's email address when addressing anyone at the District. General Manager Mairena stated that she was planning on changing the policy for DD requests to be personally presented and on paper form only.

General Manager Mairena recognized that these were public funds, and this should have never happened, and told the Board she had consulted with Attorney Conneran who had suggested that the Board may want to appoint an Ad Hoc committee to review and investigate this incident. Attorney Conneran mentioned that he was not aware the insurance would cover everything but \$1,000. General Manager Mairena mentioned that the police report may take up to seven days.

President Amuzie asked about forming the Ad Hoc committee, but after a brief discussion, it was decided to wait to see how much was recovered.

**A. Receive Water Capital Improvement Update.**

Engineer Pakpour apologized for his delay, which was due to another presentation. Engineer Pakpour proceeded to review the updated Water Capital Improvement 5-year plan with the Board, and mentioned that the projects and the numbers did not change since they were presented to the Board back on May 2024, but indicated that he had added rows to make the projects easier to track, thus showing how much was actually spent at the end of the fiscal year and how much would be rolling over to the next fiscal year. Engineer Pakpour reviewed the projects status and the actual figures of what is planned to roll over from this fiscal year.

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Engineer Pakpour reviewed how the worksheet would be updated as the District spends the funds, and he hoped to provide the Board with an updated worksheet every few months.

**B. Approve Resolution 685, Adopting Categorical Exemption for the Skyline Tank No. 3 Structural Retrofit.**

Engineer Pakpour told the Board that every project in California was required to have a CEQA (California Environmental Quality Act) analysis to see how it would impact the environment and explained that the law allows for categorical exceptions for work done for retrofitting or those having minimal impact. Engineer Pakpour stated they had hired MIG, and the cost for hiring an expert consultant to determine the categorical exceptions was minimal, but their work was defendable. Engineer Pakpour also stated that MIG had determined the project qualified for a CEQA categorical exemption.

Director Chambers pointed out that there was a typo on page 2 of the report, where the end of the project was stated as "2025", but should read "2026". Engineer Pakpour agreed with the correction.

Attorney Conneran mentioned that the project qualified for this class 1 categorical exception, and there were no other circumstances that would prevent the District from using it. Attorney Conneran stated that the report had very thorough clarification that the District could use this categorical exception, and the resolution asked to approve that. Then, staff would submit a Notice of Exemption with the County, which would start the clock on the statute of limitations, granting a 35-day period for anyone who may wish to sue the District. Engineer Pakpour replied that prior to suing the District, they would need to send notice. Engineer Pakpour stated if there were no other questions, he would ask the Board to approve the resolution. President Amuzie asked if there were further questions.

Director Chambers moved to approve Resolution No. 685, Adopting Categorical Exemption for the Skyline Tank No. 3 Structural Retrofit, seconded by Director Medina.

Roll Call

Director Bautista	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
President Amuzie	Aye

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The motion was carried unanimously.

Engineer Pakpour commented that the next step once the resolution was signed would be for the actual document to be filed with the County, and Brandon would coordinate with General Manager Mairena to get it filed. Attorney Conneran mentioned checking with the County about the fee.

**C. Approve Resolution 686, Awarding Contract to Euro Style Management in the amount of \$2,417,594 for the Skyline Tank No. 3 Structural Retrofit.**

Engineer Pakpour recalled to the Board that a month or two ago, he had mentioned to the Board that the Skyline Tank No. 3 project was out-to-bid, and there were 11 contractors present at the mandatory pre-bid meeting. Engineer Pakpour stated that only 3 of the 11 actually bid on the job, and that what the non-bidders told them was that they were unable to nail the suppliers for steel, paint, etc.

Engineer Pakpour mentioned that the District ended up with three good bids from:

1. Euro Style Management \$2,417,594
2. Disney Construction \$2,899,800
3. Valentine Corporation \$2,966,369

Engineer Pakpour pointed out that the lowest bid came from Euro Style Management, who painted Skyline Tank No. 3 a couple of years ago. Engineer Pakpour commented that his company only knew them for painting, but after checking, they found out that Euro Style Management had also done retrofitting work. Engineer Pakpour mentioned that the Engineer's estimate was \$2.6 million, and that back in 2023, the structural engineer estimated the construction work for the project at \$1.6 million. Engineer Pakpour noted that the two factors that contributed to cost were the inflation of structural steel and the change of codes from the 2019 structural analysis. Engineer Pakpour also noted that in 2023 the codes changed, and after the re-analysis of the project, the tank required more retrofitting; thus, increasing the cost. Engineer Pakpour outlined how each bid was thoroughly reviewed.

Engineer Pakpour recommended the approval of the resolution awarding the contract to Euro Style Management in the amount of \$2,417,594.

Director Chambers moved to approve Resolution No. 686, Awarding Contract to Euro Style Management in the amount of \$2,417,594 for the Skyline Tank No. 3 Structural Retrofit,

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seconded by Director Bautista.

Roll Call

Director Bautista	Aye
Director Chambers	Aye
Director Medina	Aye
Director Richards	Aye
President Amuzie	Aye

The motion was carried unanimously.

Engineer Pakpour commented that next week, they will get in touch with the contractor, letting them know that the Board had approved the contract and they will send them a packet with the agreement, bonds, etc., and a letter listing items to take care of, and once returned, that packet would be reviewed by Attorney Conneran for completeness. The agreement will then be presented to the Board President and General Manager Mairena for signature.

Engineer Pakpour stated that meanwhile, the contractor will provide them with submittals for materials, and once the contract was signed, a pre-construction meeting will be scheduled. Engineer Pakpour mentioned that once the project is started, there will be a monthly written report with updates on the progress of construction, pictures, and their recommendations for payment, and any change orders. Engineer Pakpour noted that at the next board meeting, they will be submitting a task order for the inspection portion of the project.

Engineer Pakpour stated that typically, the District's specifications state that no payment is to be made until the materials are installed; however, given the situation, he offered the contractor to prepare a proposal where they would buy the material, and the District would stockpile it securely at the site and pay for the material prior to installation.

**7. WRITTEN COMMUNICATIONS:** None

**8. ATTORNEY'S REPORT:**

Attorney Conneran commented on his partner, Clare Collins, giving a presentation today at the League of Cities, on tier rates, which the District does not have to worry about, and the legal consequences.

**9. GENERAL MANAGER'S REPORT:**

**A. Report on District's Water Conservation for April 2025.**

General Manager Mairena pointed out that this report is not on the board packet, since the SFPUC bill was just posted to the account. General Manager Mairena stated that the usage for this period is a bit higher than the 2020-2021 period, which was probably due to the nicer weather during this period.

Attorney Conneran inquired about mentioning that the District had received the packet from BAWSCA with the revised agreement, and that next month, the Board will be reviewing all the changes being made to the agreement. General Manager Mairena stated that Danielle McPherson from BAWSCA will be attending the June board meeting to examine the changes with the Board.

**B. Update on Field Supervisor Job Position.**

General Manager Mairena reported that former Field Supervisor, Johnny Kennedy, had retired and Carlos Arias was the new Field Supervisor. General Manager Mairena stated that the District had an ad for an entry level field employee on three different websites. General Manager Mairena mentioned that Tyler Armstrong will be staying on his current position, but once he was ready, she hoped to move him to the Senior Field Maintenance Worker position.

President Amuzie asked Carlos how he was finding the new position. Carlos replied that he had to work on the administrative side, but he felt confident, since he had several years of field experience, which the former Field Supervisor did not have when he took the position. Carlos thanked the Board.

**C. Additional Item: Update on the Cross-Connection Control Plan (CCCP).**

General Manager Mairena reported that Carlos and she had a very instructive kickoff meeting with SoCal, the consultant for the CCCP project. General Manager Mairena stated that as part of the CCCP, the District needs to conduct a Hazard Assessment involving every single connection to evaluate the potential risks of contamination from a cross-connection and determine the need for backflow prevention devices. General Manager Mairena mentioned that the Hazard Assessment does not need to be conducted immediately but a date for completion would need to be specified in the CCCP, and the consultant had recommended 3 to

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**Thursday, May 8, 2025**

5 years. General Manager Mairena reminded the Board that the District will need to have someone on staff that will be designated as the District's Cross-Connection Specialist to monitor the plan and respond (or have someone under his/her direction respond) to any cross-connection incidents. General Manager Mairena noted that for now, On-Call Worker, Donald Louie, will be the designated CCCP Specialist, since Tyler Armstrong was working on completing his own certification and Carlos was working on his back-flow device tester certification.

**10. ITEMS FROM BOARD OF DIRECTORS:** None

**11. CLOSED SESSION:** None

**12. ADJOURNMENT:**

Without objection, President Amuzie adjourned the meeting.

Time 8:32 p.m.

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Secretary

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President

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Date

**Westborough Water District**

Financial Statements  
With Accountant's Compilation Report  
April 30, 2025



**Chavan & Associates, LLP**  
Certified Public Accountants  
16450 Monterey Road, Ste. 5  
Morgan Hill, CA 95037

## Westborough Water District

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**Accountant's Compilation Report**

To the Board of Directors  
Westborough Water District  
City of South San Francisco, CA

Management is responsible for the accompanying financial statements of the business-type activities of the Westborough Water District, CA (the "District"), as of and for the ten months ended April 30, 2025, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information on pages 7 through 9 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. However, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.

A statement of cash flows for the ten months ended April 30, 2025, has not been presented. Accounting principles generally accepted in the United States of America require that a statement of cash flows be presented when financial statements purport to present financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.



We are not independent with respect to the District as of and for the ten months ended April 30, 2025, because we performed certain accounting services that impaired our independence. We were engaged to compile monthly summary reports of the District's transactions instead of a full set of financial statements. As such, we are required by the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants to disclose that the accompanying financial statements exclude the minimum required disclosures and statement of cash flows. This does not impact the credibility and accuracy of the information included in the accompanying financial statements.

*C & A LLP*

June 6, 2025  
Morgan Hill, California

**Westborough Water District**  
**Statement of Net Position**  
**April 30, 2025**

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**ASSETS**

**Current Assets:**

Cash (Including \$6,829,220 in Time Deposits)	\$ 7,466,642
Receivables	
Water	776,973
Sewer	43,907
Other	105,378
Prepaid Expenses and Other	51,620
Inventory	305,158
Total Current Assets	<u>8,749,678</u>

**Non-Current Assets:**

Lease Receivable	210,817
Utility Plant in Service (Note 5):	
Land	182,633
Work in Progress	299,784
Water Facility	8,231,334
Building	1,503,835
Joint-Use Facilities	94,907
Meters	946,125
Office Furniture and Equipment	161,364
Maintenance Facility	478,623
Sewer Facility	3,537,146
Total Utility Plant in Service (Capital Assets)	<u>15,435,751</u>
Less Accumulated Depreciation	<u>(7,513,918)</u>
Utility Plant in Service-Net Accumulated Depreciation	<u>7,921,833</u>
Total Non-Current Assets	<u>8,132,650</u>
Total Assets	<u><u>\$ 16,882,328</u></u>

**DEFERRED OUTFLOWS**

Deferred Pension Outflows	\$ 640,031
Deferred OPEB Outflows	<u>173,441</u>
Total Deferred Outflows	<u>\$ 813,472</u>

(continued)

*See accompanying notes and accountant's compilation report*

**Westborough Water District**  
**Statement of Net Position**  
**April 30, 2025**

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**LIABILITIES**

**Current Liabilities:**

Accounts Payable (Note 2)	\$ 1,084,600
Customers' Deposits	414,250
Unearned Revenue	231,113
Total Current Liabilities	<u>1,729,963</u>

**Long-term Liabilities:**

Accrued Vacation	142,172
Net Pension Liability	1,254,767
Net OPEB Obligation	267,500
Total Long-term Liabilities	<u>1,664,439</u>
Total Liabilities	<u>\$ 3,394,402</u>

**DEFERRED INFLOWS**

Deferred Lease Inflows	\$ 172,848
Deferred Pension Inflows	148,489
Deferred OPEB Inflows	138,665
Total Deferred Inflows	<u>\$ 460,002</u>

**NET POSITION**

Net Investment in Capital Assets	\$ 7,921,833
Restricted for Capital Facilities	347,103
Unrestricted:	
Reserved for Contingencies	278,273
Reserved for Capital Expenditures	1,916,100
Non-spendable Inventory and Prepays	356,778
Unappropriated	3,021,309
Total Net Position	<u>\$ 13,841,396</u>

(concluded)

*See accompanying notes and accountant's compilation report*

**Westborough Water District**  
**Statement of Activities**  
**For the Ten Months Ended April 30, 2025**

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**Operating Revenue:**

Water Sales (Note 3)	\$ 4,143,378
Sewer Svc. and Transfer Charges	2,828,165
Misc. Operations	19,942
<b>Total Operating Revenue</b>	<b><u>6,991,485</u></b>

**Operating Expense:**

Water Expenditures	2,580,735
Sanitary Sewer Expenditures	2,394,149
Admin. and General Expenditures	1,164,686
Depreciation	282,405
<b>Total Operating Expenses</b>	<b><u>6,421,975</u></b>

<b>Operating Income (Loss)</b>	<b>569,510</b>
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**Non-operating Income (Expense):**

Property Taxes	730,942
Investment Interest	221,261
Other	105,402
<b>Total Non-operating Income (Expense)</b>	<b><u>1,057,605</u></b>

<b>Change in Net Position</b>	<b>1,627,115</b>
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<b>Net Position - Beginning</b>	<b><u>12,214,281</u></b>
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<b>Net Position - Ending</b>	<b><u>\$ 13,841,396</u></b>
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*See accompanying notes and accountant's compilation report*

**Westborough Water District**  
**Selected Information - Substantially All Disclosures Required by**  
**Generally Accepted Accounting Principles are Not Included**  
**April 30, 2025**

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**NOTE 1** - There was no Bad Debt expense during the month.

**NOTE 2** - Accounts payable at April 30, 2025, includes \$927,407 of accrued treatment and disposal expense.

**NOTE 3** - Estimated operating revenues are used in preparing the financial statements for the months of January, March, May, July, September and November because actual figures are not available until one and one-half months after the close of these months.

**NOTE 4** - Accounts receivable are reported net an allowance for uncollectible accounts of \$1,873 to account for uncollectible water receivables for the period.

**NOTE 5** - Changes in utility plant in-service for the ten months ended April 30, 2025, were as follows:

Beginning Balance	\$	15,369,538
Engineering		-
Surveying		-
Contractors		-
Other Fixed Assets		66,213
<b>Ending Balance</b>	<b>\$</b>	<b>15,435,751</b>

**Westborough Water District**  
**Schedule of Income and Expense - Budget to Actual**  
**For the Ten Months Ended April 30, 2025**

	Year	2024-25	Percentage	Percentage	\$ Variance
	April	to Date	Budget	to Date	Variance
<b>Operating Revenue:</b>					
Water Sales (Note 3)	\$ 383,335	\$ 4,143,378	\$ 4,953,010	83.65%	0.32% \$ 15,870
Water Misc. Operations	2,016	19,942	20,000	99.71%	16.38% 3,275
<b>Total Water Operating Revenue</b>	<b>385,351</b>	<b>4,163,320</b>	<b>4,973,010</b>	<b>83.72%</b>	<b>0.38% 19,145</b>
 Sewer Svc. and Transfer Charges	 288,478	 2,828,165	 3,376,361	 83.76%	 0.43% 14,531
<b>Total Sewer Operating Revenue</b>	<b>288,478</b>	<b>2,828,165</b>	<b>3,376,361</b>	<b>83.76%</b>	<b>0.43% 14,531</b>
 <b>Total Operating Revenue</b>	 <b>673,829</b>	 <b>6,991,485</b>	 <b>8,349,371</b>	 <b>83.74%</b>	 <b>0.40% 33,676</b>
 <b>Operating Expense:</b>					
Water Expenditures	285,614	2,580,735	3,117,576	82.78%	0.55% 17,245
Admin. and General Expenditures	103,491	912,549	1,142,098	79.90%	3.43% 39,199
Depreciation	22,530	226,217	275,093	82.23%	1.10% 3,027
<b>Total Water Operating Expenses</b>	<b>411,635</b>	<b>3,719,501</b>	<b>4,534,767</b>	<b>82.02%</b>	<b>1.31% 59,471</b>
 Sanitary Sewer Expenditures	 223,161	 2,394,149	 2,918,715	 82.03%	 1.31% 38,114
Admin. and General Expenditures	20,445	252,137	384,072	65.65%	17.68% 67,923
Depreciation	5,735	56,188	66,179	84.90%	-1.57% (1,039)
<b>Total Sewer Operating Expenses</b>	<b>249,341</b>	<b>2,702,474</b>	<b>3,368,966</b>	<b>80.22%</b>	<b>3.12% 104,998</b>
 <b>Total Operating Expenses</b>	 <b>660,976</b>	 <b>6,421,975</b>	 <b>7,903,733</b>	 <b>81.25%</b>	 <b>2.08% 164,469</b>
 <b>Operating Income (Loss)</b>	 <b>12,853</b>	 <b>569,510</b>	 <b>445,638</b>	 <b>127.80%</b>	 <b>44.46% 198,145</b>
 <b>Non-operating Income (Expense):</b>					
Water Property Taxes & Assessments	43,415	516,115	487,900	105.78%	22.45% 109,532
Water Investment Interest	10,645	91,738	52,949	173.26%	89.92% 47,614
Other Non-operating Water Income (Expense)	2,785	27,933	37,000	75.49%	-7.84% (2,900)
<b>Total Water Non-Operating Income (Expenses)</b>	<b>56,845</b>	<b>635,786</b>	<b>577,849</b>	<b>110.03%</b>	<b>26.69% 154,246</b>
 Sewer Property Taxes & Assessments	 18,605	 214,827	 209,100	 102.74%	 19.41% 40,577
Sewer Investment Interest	15,206	129,523	79,424	163.08%	79.74% 63,336
Other Non-Operating Sewer Income (Expense)	-	77,469	-	100.00%	100.00% 77,469
<b>Total Sewer Non-Operating Income (Expenses)</b>	<b>33,811</b>	<b>421,819</b>	<b>288,524</b>	<b>146.20%</b>	<b>62.87% 181,382</b>
 <b>Total Non-operating Income (Expense)</b>	 <b>90,656</b>	 <b>1,057,605</b>	 <b>866,373</b>	 <b>122.07%</b>	 <b>38.74% 335,628</b>
 <b>Net Income (Loss)</b>	 <b>\$ 103,509</b>	 <b>\$ 1,627,115</b>	 <b>\$ 1,312,011</b>	 <b>124.02%</b>	 <b>40.68% \$ 533,773</b>

**Westborough Water District**  
**Water Fund Schedule of Income and Expense - Budget to Actual**  
**For the Ten Months Ended April 30, 2025**

	April	Year to Date	2024-25 Budget	Percentage to Date	Percentage Variance	\$ Variance YTD Plan
<b>Water Operating Revenue:</b>						
Water Sales (Note 3)	\$ 383,335	\$ 4,143,378	\$ 4,953,010	83.65%	0.32%	\$ 15,870
Misc. Operations	2,016	19,942	20,000	99.71%	16.38%	3,275
<b>Total Operating Revenue</b>	<b>385,351</b>	<b>4,163,320</b>	<b>4,973,010</b>	<b>83.72%</b>	<b>0.38%</b>	<b>19,145</b>
<b>Water Operating Expense:</b>						
Salaries	76,446	431,109	464,924	92.73%	-9.39%	(43,673)
Salaries Overtime	218	8,023	9,000	89.14%	-5.81%	(523)
Benefits	8,934	127,401	134,692	94.59%	-11.25%	(15,159)
Payroll Taxes	5,880	32,721	43,575	75.09%	8.24%	3,592
Technical Communications	878	9,129	13,424	68.01%	15.33%	2,058
Utilities	13,626	149,443	203,679	73.37%	9.96%	20,290
Supplies and Small Tools	1,011	10,647	15,000	70.98%	12.35%	1,853
Maintenance of System	-	36,434	62,900	57.92%	25.41%	15,983
Special Services	8,460	95,308	116,394	81.88%	1.45%	1,687
Vehicle Expense	961	24,382	35,000	69.66%	13.67%	4,785
Water Purchases	169,200	1,656,198	2,018,988	82.03%	1.31%	26,352
Admin. and General Expenditures						
Salaries	37,911	415,924	477,321	87.14%	-3.80%	(18,157)
Salaries-Temporary	794	1,587	2,000	79.35%	4.00%	80
Salaries-Overtime	-	-	2,000	0.00%	83.35%	1,667
Employee Benefits	13,362	173,416	197,564	87.78%	-4.44%	(8,779)
Payroll Taxes	2,933	23,960	44,159	54.26%	29.07%	12,839
Office Supplies and Postage	277	6,474	9,905	65.36%	17.97%	1,780
Memberships	-	50,110	50,718	98.80%	-15.47%	(7,845)
Utilities	85	916	1,492	61.39%	21.92%	327
Telephone	293	2,746	3,333	82.39%	0.96%	32
Water Conservation	105	2,683	5,600	47.91%	35.43%	1,984
Building & Grounds Maintenance	1,190	10,602	17,057	62.16%	21.18%	3,612
Parking Rentals	315	3,150	4,234	74.40%	8.93%	378
Directors Fees	500	3,450	7,900	43.67%	39.66%	3,133
Engineering Services	-	25,570	45,185	56.59%	26.74%	12,084
Accounting	3,777	28,873	32,795	88.04%	-4.71%	(1,544)
Legal	2,224	14,654	15,400	95.16%	-11.82%	(1,821)
Billing	415	28,342	39,692	71.40%	11.93%	4,735
Communications	232	11,678	22,427	52.07%	31.26%	7,011
General Election	-	-	14,000	0.00%	83.34%	11,667
Insurance	5,646	44,025	59,240	74.32%	9.02%	5,342
Bad Debts (Note 1)	-	134	1,000	13.40%	69.90%	699
Travel	-	5,742	14,726	38.99%	44.34%	6,530
Miscellaneous	30,318	35,903	14,502	247.57%	-164.24%	(23,818)
Banking and Cr. Card Fees	3,114	22,610	59,848	37.78%	45.55%	27,263
<b>Total Admin. and General Expenditures</b>	<b>103,491</b>	<b>912,549</b>	<b>1,142,098</b>	<b>79.90%</b>	<b>3.43%</b>	<b>39,199</b>
Depreciation Expense	22,530	226,217	275,093	82.23%	1.10%	3,027
<b>Total Water Operating Expense</b>	<b>411,635</b>	<b>3,719,501</b>	<b>4,534,767</b>	<b>82.02%</b>	<b>1.31%</b>	<b>59,471</b>
<b>Water Operating Income (Loss)</b>	<b>(26,284)</b>	<b>443,819</b>	<b>438,243</b>	<b>101.27%</b>	<b>17.94%</b>	<b>78,616</b>
<b>Water Non-operating Income (Expense):</b>						
Property Taxes	43,415	516,115	487,900	105.78%	22.45%	109,532
Investment Interest	10,645	91,738	52,949	173.26%	89.92%	47,614
Other Non-Operating Water Income (Expense)	2,785	27,933	37,000	75.49%	-7.84%	(2,900)
<b>Total Non-operating Income (Expense)</b>	<b>56,845</b>	<b>635,786</b>	<b>577,849</b>	<b>110.03%</b>	<b>26.69%</b>	<b>154,246</b>
<b>Net Income (Loss)</b>	<b>\$ 30,561</b>	<b>\$ 1,079,605</b>	<b>\$ 1,016,092</b>	<b>106.25%</b>	<b>22.92%</b>	<b>\$ 232,862</b>

**Westborough Water District**  
**Sewer Fund Schedule of Income and Expense - Budget to Actual**  
**For the Ten Months Ended April 30, 2025**

	Year April	Year to Date	2024-25 Budget	Percentage to Date	Percentage Variance	\$ Variance YTD Plan
<b>Sanitary Sewer Operating Revenue:</b>						
Sewer Svc. and Transfer Charges	\$ 288,478	\$ 2,828,165	\$ 3,376,361	83.76%	0.43%	\$ 14,531
<b>Total Operating Revenue</b>	<b>288,478</b>	<b>2,828,165</b>	<b>3,376,361</b>	<b>83.76%</b>	<b>0.43%</b>	<b>14,531</b>
<b>Sanitary Sewer Operating Expense:</b>						
Treatment & Disposal	212,836	2,242,457	2,706,161	82.86%	0.47%	12,677
Utilities	10,325	122,048	174,117	70.10%	13.24%	23,050
Repair of Pipelines	-	-	5,000	0.00%	83.34%	4,167
Repair of Pumps	-	-	21,000	0.00%	83.33%	17,500
Miscellaneous Sewer Expenses	-	29,644	12,437	238.35%	-155.02%	(19,280)
Admin. and General Expenditure						
Salaries	6,618	62,397	98,263	63.50%	19.83%	19,489
Employee Benefits	754	17,775	40,273	44.14%	39.20%	15,786
Payroll Taxes	627	5,080	9,586	52.99%	30.34%	2,908
Office Supplies and Postage	212	2,889	4,246	68.04%	15.28%	649
Memberships	-	309	486	63.58%	19.75%	96
Telephone	126	1,177	1,428	82.42%	0.91%	13
Water Conservation	45	1,150	2,400	47.92%	35.42%	850
Building & Grounds Maintenance	37	853	3,571	23.89%	59.45%	2,123
Parking Rentals	135	1,350	1,814	74.42%	8.93%	162
Directors Fees	500	2,850	4,400	64.77%	18.57%	817
Engineering Services	-	40,135	40,880	98.18%	-14.84%	(6,068)
Accounting	3,777	28,173	32,795	85.91%	-2.57%	(844)
Legal	960	15,185	15,400	98.60%	-15.27%	(2,352)
Billing	403	12,590	17,011	74.01%	9.32%	1,585
Communications	232	12,138	24,096	50.37%	32.96%	7,942
General Election	-	-	14,000	0.00%	83.34%	11,667
Insurance	5,646	44,025	59,241	74.32%	9.02%	5,343
Bad Debts (Note 1)	-	134	1,000	13.40%	69.90%	699
Miscellaneous	25	1,126	6,532	17.24%	66.09%	4,317
Banking and Cr. Card Fees	348	2,801	6,650	42.12%	41.22%	2,741
Total Admin. and General Expenditures	20,445	252,137	384,072	65.65%	17.68%	67,923
Depreciation Expense	5,735	56,188	66,179	84.90%	-1.57%	(1,039)
<b>Total Sanitary Sewer Operating Expense</b>	<b>249,341</b>	<b>2,702,474</b>	<b>3,368,966</b>	<b>80.22%</b>	<b>3.12%</b>	<b>104,998</b>
<b>Sanitary Sewer Operating Income (Loss)</b>	<b>39,137</b>	<b>125,691</b>	<b>7,395</b>	<b>1699.68%</b>	<b>1616.35%</b>	<b>119,529</b>
<b>Sanitary Sewer Non-operating Income (Expense):</b>						
Property Taxes	18,605	214,827	209,100	102.74%	19.41%	40,577
Investment Interest	15,206	129,523	79,424	163.08%	79.74%	63,336
Other Non-operating Sewer Income (Expense)	-	77,469	-	100.00%	100.00%	77,469
<b>Total Non-operating Income (Expense)</b>	<b>33,811</b>	<b>421,819</b>	<b>288,524</b>	<b>146.20%</b>	<b>62.87%</b>	<b>181,382</b>
<b>Net Income (Loss)</b>	<b>\$ 72,948</b>	<b>\$ 547,510</b>	<b>\$ 295,919</b>	<b>185.02%</b>	<b>101.69%</b>	<b>\$ 300,911</b>

WESTBOROUGH WATER DISTRICT  
INVESTMENT REPORT FOR PERIOD ENDING: MAY 31, 2025

LOCAL AGENCY INVESTMENT FUND  
MONTHLY ACTIVITY REPORT

<u>DATE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	<u>TRANSACTION BALANCE</u>
Beginning Balance			\$6,688,894.26
<i>No Transactions</i>			\$6,688,894.26
Ending Balance			\$6,688,894.26

Total Investments Last Report Period = \$6,688,894.26  
Total Investments at End of Report Period = \$6,688,894.26

Effective Interest Rate: 4.281%  
(as of 04/25)

Approved by:



Patricia Mairena  
General Manager

PM/pm

*The investments of the Westborough Water District as of this date are in compliance with the District's Statement of Investment Policy as adopted by the Board on February 8, 1996. The District has a sufficient cash position to meet its expenditure requirements for the next six months.*

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

June 06, 2025

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

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WESTBOROUGH WATER DISTRICT

GENERAL MANAGER  
P.O.BOX 2747  
SOUTH SAN FRANCISCO, CA 94083-2747

[Tran Type Definitions](#)

**Account Number:** 90-41-004

May 2025 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	6,688,894.26
Total Withdrawal:	0.00	Ending Balance:	6,688,894.26

WESTBOROUGH WATER DISTRICT  
INVESTMENT REPORT FOR PERIOD ENDING: MAY 31, 2025

MULTI-BANK SECURITIES, INC.  
MONTHLY ACTIVITY REPORT

<u>DATE</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>	<u>TRANSACTION BALANCE</u>
		Beginning Balance	\$142,213.50
05/31/25	\$ (287.43)	<i>Change in Account Value</i>	\$141,926.07
		Ending Balance	\$141,926.07

Total Investments Last Report Period = \$142,213.50  
Total Investments at End of Report Period = \$141,926.07

Effective Interest Rate: 3.700%  
(to maturity - 10/08/26)

Approved by:



Patricia Mairena  
General Manager

PM/pm

*The investments of the Westborough Water District as of this date are in compliance with the District's Statement of Investment Policy as adopted by the Board on February 8, 1996. The District has a sufficient cash position to meet its expenditure requirements for the next six months.*

Scan for  
Online Access



May 1, 2025 - May 31, 2025

Account Number: RMB-023565

WESTBOROUGH WATER DISTRICT  
PO BOX 2747  
S SAN FRAN CA 94083-2747

Portfolio at a Glance

Your Account Executive:  
PAUL REHMUS  
(800) 967-4513

	This Period
<b>BEGINNING ACCOUNT VALUE</b>	\$142,213.50
<b>Net Change in Portfolio<sup>1</sup></b>	-287.43
<b>ENDING ACCOUNT VALUE</b>	\$141,926.07
Estimated Annual Income	\$5,291.00

<sup>1</sup> Net Change in Portfolio is the difference between the ending account value and beginning account value after activity.

3.C.4

Asset Summary

Percent	Asset Type	Last Period	This Period
100%	Fixed Income	142,213.50	141,926.07
100%	<b>Account Total</b>	<b>\$142,213.50</b>	<b>\$141,926.07</b>

Please review your allocation periodically with your Account Executive.  
Your Account is 100% invested in Fixed Income.

Client Service Information

Your Account Executive: MBP

PAUL REHMUS  
MULTI-BANK SECURITIES  
1000 TOWN CENTER, STE 2300  
SOUTHFIELD MI 48075-1239

Contact Information

Business: (800) 967-4513  
E-Mail: customerservice@mbssecurities.com

Client Service Information

Service Hours: Weekdays 09:00 a.m. - 05:00 p.m. (EST)  
Client Service Telephone Number: (800) 967-9045  
Web Site: WWW.MBSSECURITIES.COM

## Your Account Information

### INVESTMENT OBJECTIVE

Investment Objective: NONE SPECIFIED

Please discuss your investment objective with your Account Executive.

### TAX LOT DEFAULT DISPOSITION METHOD

Default Method for Mutual Funds: First In First Out

Default Method for Stocks in a Dividend Reinvestment Plan: First In First Out

Default Method for all Other Securities: First In First Out

### BOND AMORTIZATION ELECTIONS

Amortize premium on taxable bonds based on Constant Yield Method: Yes

Accrual market discount method for all other bond types: Constant Yield Method

Include market discount in income annually: No

### ELECTRONIC DELIVERY

You have **not** enrolled any documents for electronic delivery. The following documents are available for electronic delivery:

Statements and Reports	Notifications	Tax Documents
Trade Confirmations	Prospectus	Proxy/Shareholder Communications

Please log in to your account or contact your Account Executive to make any changes to your electronic delivery preferences.

## Income and Expense Summary

	Current Period		Year-to-Date	
	Taxable	Non Taxable	Taxable	Non Taxable
<b>Interest Income</b>				
Bond Interest	0.00	0.00	2,638.25	0.00
<b>Total Income</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,638.25</b>	<b>\$0.00</b>

## Portfolio Holdings

Description	Quantity	Market Price	Market Value	Accrued Interest	Estimated Annual Income	Estimated Yield
<b>FIXED INCOME 100.00% of Portfolio (In Maturity Date Sequence)</b>						
<b>Certificates of Deposit</b>						
VALLEY NATL BK PASSAIC NJ CTF DEP 3.700% 10/08/26 B/E DTD 10/08/24 ACT/365 1ST CPN DTE 04/08/25 Security Identifier: 919853PF2	143,000.0000	99.2490	141,926.07	768.28	5,291.00	3.72%
<b>Total Certificates of Deposit</b>	<b>143,000.0000</b>		<b>\$141,926.07</b>	<b>\$768.28</b>	<b>\$5,291.00</b>	
<b>TOTAL FIXED INCOME</b>	<b>143,000.0000</b>		<b>\$141,926.07</b>	<b>\$768.28</b>	<b>\$5,291.00</b>	
				<b>Market Value</b>	<b>Accrued Interest</b>	<b>Estimated Annual Income</b>
<b>Total Portfolio Holdings</b>			<b>\$141,926.07</b>	<b>\$768.28</b>	<b>\$5,291.00</b>	

## Portfolio Holdings Disclosures

### Pricing

This section includes the net market value of the securities in your account on a settlement date basis, including short positions, at the close of the statement period. The market prices, unless otherwise noted, have been obtained from independent vendor services, which we believe to be reliable. In some cases the pricing vendor may provide prices quoted by a single broker or market maker. Market prices do not constitute a bid or an offer, and may differ from the actual sale price. Securities for which a price is not available are marked "N/A" and are omitted from the Total.

THE AS OF PRICE DATE ONLY APPEARS WHEN THE PRICE DATE DOES NOT EQUAL THE STATEMENT DATE.

### Estimated Annual Figures

The estimated annual income (EAI) and estimated annual yield (EAY) figures are estimates and for informational purposes only. These figures are not considered to be a forecast or guarantee of future results. These figures are computed using information from providers believed to be reliable; however, no assurance can be made as to the accuracy. Since interest and dividend rates are subject to change at any time, and may be affected by current and future economic, political, and business conditions, they should not be relied on for making investment, trading, or tax decisions. These figures assume that the position quantities, interest and dividend rates, and prices remain constant. A capital gain or return of principal may be included in the figures for certain securities, thereby overstating them. Refer to [www.bny.com/pershing/us/en/disclosures.html](http://www.bny.com/pershing/us/en/disclosures.html) for specific details as to formulas used to calculate the figures. Accrued interest represents interest earned but not yet received.

3.C.6

### Reinvestment

The dollar amount of Mutual Fund distributions, Money Market Fund dividend income, Bank Deposit interest income, or dividends for other securities shown on your statement may have been reinvested. You will not receive confirmation of these reinvestments. Upon written request to your financial institution, information pertaining to these transactions, including the time of execution and the name of the person from whom your security was purchased, may be obtained. In dividend reinvestment transactions, Pershing acts as your agent and receives payment for order flow.

### Option Disclosure

Information with respect to commissions and other charges incurred in connection with the execution of option transactions has been included in confirmations previously furnished to you. A summary of this information is available to you promptly upon your written request directed to your introducing firm. In order to assist your introducing firm in maintaining current background and financial information concerning your option accounts, please promptly advise them in writing of any material change in your investment objectives or financial situation. Expiring options which are valuable are exercised automatically pursuant to the exercise by exception procedure of the Options Clearing Corporation. Additional information regarding this procedure is available upon written request to your introducing firm.

### Certificates of Deposit

Certificates of Deposit acquired through the Certificate of Deposit Account Registry Service ("CDARS") and held in your brokerage account are subject to Securities Investor Protection Corporation (SIPC) coverage. Please see additional information about SIPC under Important Information and Disclosures on this statement.

Please be advised that the secondary market for CDs is generally illiquid; the actual value of CDs may be different from their purchase price; and a significant loss of principal could result if your CDs are sold prior to maturity. In the event that the CDs listed above do not indicate a market valuation, an accurate market value could not be determined. In the event that a price is listed above for your CDs, Pershing has obtained a price from sources deemed to be reliable or has priced your CDs using a matrix formula. Prices are estimates and the actual value you may obtain for your CD may be different if you elect to sell your CD in the secondary market.

### Foreign Currency Transactions

Pershing will execute foreign currency transactions as principal for your account. Pershing may automatically convert foreign currency to or from U.S. dollars for dividends and similar corporate action transactions unless you instruct your financial organization otherwise. Pershing's currency conversion rate will not exceed the highest interbank conversion rate

## Portfolio Holdings Disclosures (continued)

### Foreign Currency Transactions (continued)

identified from customary banking sources on the conversion date or the prior business day, increased by up to 1%, unless a particular rate is required by applicable law. Your financial organization may also increase the currency conversion rate. This conversion rate may differ from rates in effect on the date you executed a transaction, incurred a charge, or received a credit. Transactions converted by agents (such as depositories) will be billed at the rates such agents use.

### Proxy Vote

Securities not fully paid for in your margin account may be lent by Pershing to itself or others in accordance with the terms outlined in the Margin Agreement. The right to vote your shares held on margin may be reduced by the amount of shares on loan. The Proxy Voting Instruction Form sent to you may reflect a smaller number of shares entitled to vote than the number of shares in your margin account.

### Variable Rate Securities

Interest rate data for certain complex and/or variable rate securities is provided to Pershing by third-party data service providers pursuant to contractual arrangements. Although we seek to use reliable sources of information, the accuracy, reliability, timeliness, and completeness of interest rate data may vary sometimes, particularly for complex and/or variable rate securities and those with limited or no secondary market. As a result, we can offer no assurance as to the accuracy, reliability, timeliness, or completeness of interest rate data for such securities. Pershing may also occasionally make interest rate updates and adjustments based on its reasonable efforts to obtain accurate, reliable, timely, and/or complete interest rate data from other data sources, but we can similarly provide no assurance that those rates or adjustments will be accurate, reliable, timely, or complete.

When updated interest rate data is received from a third-party data service provider or adjusted by Pershing, the updated data will be reflected in various sources where interest rate data is used or viewed, including both paper and electronic communications and data sources. Prior use or communication of interest rate-related data will not be revised. Since variable interest rates may be subject to change at any time and are only as accurate as the data received from third-party data service providers or otherwise obtained by Pershing, interest rate data should not be relied on for making investment, trading, or tax decisions. All interest rate data and other information derived from and/or calculated using interest rates are not warranted as to accuracy, reliability, timeliness, or completeness and are subject to change without notice. Pershing disclaims any responsibility or liability to the fullest extent permitted by applicable law for any loss or damage arising from any reliance on or use of the interest rate data or other information derived from and/or calculated using interest rates in any way. You should request a current valuation for your securities from your financial adviser or broker prior to making a financial decision or placing an order or requesting a transaction in these securities.

### Structured Products

Structured products in this section are complex products and may be subject to special risks, which may include, but are not limited to: loss of initial investment; issuer credit risk; limited or no appreciation; risks associated with the underlying reference asset(s); no periodic payments; call prior to maturity (a redemption could affect the yield represented); early redemption fees or other applicable fees; price volatility resulting from issuer's and/or guarantor's credit quality; lower interest rates and/or yield compared to conventional debt with a comparable maturity; unique tax implications; concentration risk of owning the related security; limited or no secondary market; restrictions on transferability; conflicts of interest; and limits on participation in appreciation of underlying asset(s). To review a complete list of risks, please refer to the offering documents for the structured product. For more information about the risks specific to your structured products, you should contact your financial institution or advisor. Certain structured products are designed to make periodic distributions to you and any such structured product distributions you receive will be listed in the Transactions section of your statement. Structured product distributions may be listed there as "Bond Interest Received"; however, this description is not intended to reflect a determination as to either the asset classification of the product or the U.S. tax treatment of such distributions.

## Activity Summary (All amounts shown are in base currency)

	Credits This Period	Debits This Period	Net This Period	Credits Year-to-Date	Debits Year-to-Date	Net Year-to-Date
<b>Dividends and Interest</b>	\$0.00	\$0.00	\$0.00	\$2,638.25	\$0.00	\$2,638.25
<b>Cash</b>						
Withdrawals	0.00	0.00	0.00	0.00	-2,638.25	-2,638.25

**Activity Summary (continued)**

	Credits This Period	Debits This Period	Net This Period	Credits Year-to-Date	Debits Year-to-Date	Net Year-to-Date
<b>Total Cash</b>	\$0.00	\$0.00	\$0.00	\$0.00	-\$2,638.25	-\$2,638.25
<b>Totals</b>	\$0.00	\$0.00	\$0.00	\$2,638.25	-\$2,638.25	\$0.00

**Messages**

Although a money market mutual fund (money fund) seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in a money fund. Shares of a money fund or the balance of a bank deposit product held in your brokerage account may be liquidated upon request with the proceeds credited to your brokerage account. Please see the money fund's prospectus or the bank deposit product's disclosure document or contact your advisor for additional information. Pursuant to SEC Rule 10b-10(b)(1) confirmations are not sent for purchases into money funds processed on the sweep platform. Pursuant to applicable regulation, account statements will be produced monthly or quarterly. Federal Deposit Insurance Corporation (FDIC) eligible bank deposit sweep products automatically deposit any available cash into FDIC member banks where those balances are eligible for pass through FDIC insurance coverage on swept balances. Balances in FDIC member banks in bank deposit sweep products are not protected by Securities Investor Protection Corporation (SIPC).

3.C.8

**Important Information and Disclosures**
**The Role of Pershing**

- Pershing LLC, member FINRA, NYSE, carries your account as clearing broker pursuant to a clearing agreement with your financial institution.** Pershing is not responsible or liable for any acts or omissions of your financial institution or its employees and it does not supervise them. Pershing provides no investment advice nor does it assess the suitability of any transaction or order. Pershing acts as the agent of your financial institution and you agree that you will not hold Pershing or any person controlling or under common control with it liable for any investment losses incurred by you.
- Pershing performs several key functions at the direction of your financial institution. It acts as custodian for funds and securities you may deposit with it directly or through your financial institution or that it receives as the result of securities transactions it processes.
- Your financial institution is responsible for adherence to the securities laws, regulations and rules which apply to it regarding its own operations and the supervision of your account, its sales representatives and other personnel. Your financial institution is also responsible for approving the opening of accounts and obtaining account documents; the acceptance and, in certain instances, execution of securities orders; the assessment of the suitability of those transactions, where applicable; the rendering of investment advice, if any, to you and in general, for the ongoing relationship that it has with you.
- Inquiries concerning the positions and balances in your account may be directed to the **Pershing Customer Service Department at (201) 413-3333**. All other inquiries regarding your account or activity should be directed to your financial institution. Your financial organization's contact information can be found on the first page of this statement.
- For a description of other functions performed by Pershing please consult the Disclosure Statement provided to you upon the opening of your account. This notice is not meant as a definitive enumeration of every possible circumstance, but as a general disclosure. If you have any questions regarding this notice or if you would like additional copies of the Disclosure Statement, please contact your financial institution.
- Pershing is a member of the Securities Investor Protection Corporation (SIPC®). Please note that SIPC does not protect against loss due to market fluctuation. An explanatory brochure is available upon request at [www.sipc.org](http://www.sipc.org). In addition to SIPC protection, Pershing provides coverage in excess of SIPC limits. For more detailed information please visit: [www.bny.com/pershing/us/en/about/strength-and-stability.html](http://www.bny.com/pershing/us/en/about/strength-and-stability.html)
- This statement will be deemed conclusive. You are advised to report any inaccuracy or discrepancy (including unauthorized trading) promptly, but no later than ten days after receipt of this statement, to your financial organization and Pershing. Please be advised that any oral communication should be re-confirmed in writing to further protect your

## Important Information and Disclosures *(continued)*

### The Role of Pershing *(continued)*

rights, including your rights under the Securities Investor Protection Act.

- Your financial organization's contact information can be found on the first page of this statement. Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330.** Errors and Omissions excepted.

### Important Arbitration Disclosures

- All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

### Important Arbitration Agreement

Any controversy between you and Pershing LLC shall be submitted to arbitration before the Financial Industry Regulatory Authority. No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action, who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (I) the class certification is denied; (II) the class is decertified; or (III) the client is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein. The laws of the State of New York govern.

Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330.**

## CLAIMS REGISTER: MAY 2025

### 1. GENERAL ACCOUNT FUND:

Total from Cash Disbursements \$ 75,317.32

#### *Checks Issued During Month:*

ACWA-JPIA (Health Benefits & Ins.-06/25 & CR ADJ 05/25)	12,811.00
Amuzie, Don (ACWA Spring Conference 2025 - Mileage & Meal)	186.61
AT&T (P.S. Phone Bill to 05/01/25)	883.10
AT&T Mobility (Field & Office Cell Phones, 04/03-05/02)	330.16
CalPERS ( Retirement Contributions-05/15/25)	5,728.58
CalPERS ( Retirement Contributions-05/31/25)	5,728.60
Colina Association (Three Parking Spaces Rental, 06/25)	450.00
Direct Line (Answering Service, 04/15-05/14)	424.44
EFTPS (Employment Taxes-05/15/25)	10,525.77
EFTPS (Employment Taxes-05/31/25)	10,597.52
EDD (Employment Taxes-05/15/25)	2,515.46
EDD (Employment Taxes-05/31/25)	2,484.94
Four Star Automotive Inc. (Service, Labor & Parts on Truck #86)	2,492.35
Hach (Water Sampling Supplies)	94.24
Hanson Bridgett LLP (Special Legal Services & Monthly Retainer-04/25)	3,705.00
Home Depot Credit Services (Field Supplies to 05/13/25)	157.46
Liftoff Digital, LLC (Web Reporting & Hosting,05/25 )	75.00
Lowe's Business (Field Supplies to 05/17/25)	127.84
Mairena, Patricia (GM Mairena's Internet Services, 04/27-05/26 & 04/25 Membership Dues)	84.99
MRC (Xerox Copier Maintenance Agreement, 04/19-05/18)	224.72
O'Reilly Auto Parts (Field Truck Supplies)	35.14
PG&E (Summary Bill to 05/19/25)	28,478.83
Quadient Finance USA, Inc. (Postage Meter Refill )	500.00
Quadient Leasing USA, Inc. (Postage Meter Rental, 06/25-09/25)	177.15
SF Water Dept. (Water Purchases, 04/05-05/06)	186,181.65
So. SF Scavengers (Garbage Services, 04/25)	122.40
Telstar Instruments, Inc. (Electrical PM's @ Main Ofc & Skyline Pumps and Installation for Backup UPS at Skyline P.S. )	5,257.08
Tri Counties Bank (Monthly Credit Card Charges Thur 04/30/25)	4,659.80
WEX Bank (Wright Express-Gas Purchases to 05/15/25)	908.88

**SUB-TOTAL** \$ 361,266.03

#### *Updated Checks Voided During Month:*

none	-
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**TOTAL CLAIMS REGISTER AMOUNT** \$ 361,266.03

REPORT.: Jun 09 25 Monday  
RUN....: Jun 09 25 Time: 10:39  
Run By.: Wendy Bellinger  
Control Date.: 06/09/25 Posting Period.: 06-25 Fiscal Period.: (12-25) Cash Account No...: 13110

WESTBOROUGH WATER DISTRICT  
Accounts Payable Cash Requirements

PAGE: 001  
ID #: PY-RP  
CTL.: 000

VENDOR I.D.: AMU01 (AMUZIE, DON)

Invoice No	Description	Invoice Date	Actual Period	G/L Account #	Gross Amount	Discount Amount	Net Amount
		Due Date	Fiscal Tm				
050125-	DIRECTOR AMUZIE'S INTERNET SERVICE, 05/10/09	05/01/25	06-25	A 59450	65.00	.00	65.00
		05/01/25	12-25				
				** Vendor's Subtotal ----->	65.00	.00	65.00

VENDOR I.D.: ARM01 (ARMSTRONG, TYLER)

060925-	CCSC CLASS, SUNNYVALE, CA, 06/02-06/06	06/09/25	06-25	A 59450	237.79	.00	237.79
		06/09/25	12-25				
				** Vendor's Subtotal ----->	237.79	.00	237.79

VENDOR I.D.: BAU02 (BAUTISTA, PERRY H.)

052225-	DIRECTOR BAUTISTA'S INTERNET SERVICE, 06/25	05/22/25	06-25	A 59450	65.00	.00	65.00
		05/22/25	12-25				
				** Vendor's Subtotal ----->	65.00	.00	65.00

VENDOR I.D.: C.J01 (C.J. BROWN & COMPANY CPA'S)

043025-	FY24-25 AUDITED SERVICES, 4/25	04/30/25	06-25	A 59450	630.00	.00	630.00
		04/30/25	12-25				
				** Vendor's Subtotal ----->	630.00	.00	630.00

VENDOR I.D.: CAS01 (PETTY CASH)

053025-	MISC, EXPENSES, 05/25	05/30/25	06-25	A 59450	67.51	.00	67.51
		05/30/25	12-25				
				** Vendor's Subtotal ----->	67.51	.00	67.51

VENDOR I.D.: CHA04 (CHAMBERS, TOM)

051125-	DIRECTOR CHAMBERS' INTERNET SERVICE, 05/16-06/15	05/11/25	06-25	A 59450	65.00	.00	65.00
		05/11/25	12-25				
				** Vendor's Subtotal ----->	65.00	.00	65.00

VENDOR I.D.: DAL02 (DALY CITY, CITY OF)

050525-	3550 CARTER DR., SSF - SEWER LATERAL PERMIT	05/05/25	06-25	A 59450	100.00	.00	100.00
		05/05/25	12-25				
				** Vendor's Subtotal ----->	100.00	.00	100.00

VENDOR I.D.: HAC01 (HACH COMPANY)

14493455-	WATER SAMPLING SUPPLIES	05/12/25	06-25	A 59450	219.42	.00	219.42
		05/12/25	12-25				
				** Vendor's Subtotal ----->	219.42	.00	219.42

VENDOR I.D.: LIF01 (LIFTOFF DIGITAL, LLC)

36730-	WEB REPORTING & HOSTING, 06/25	06/01/25	06-25	A 59450	75.00	.00	75.00
		06/01/25	12-25				
				** Vendor's Subtotal ----->	75.00	.00	75.00

VENDOR I.D.: MAI01 (MAIRENA, PATRICIA)

REPORT.: Jun 09 25 Monday  
RUN...: Jun 09 25 Time: 10:39  
Run By.: Wendy Bellinger

WESTBOROUGH WATER DISTRICT  
Accounts Payable Cash Requirements

PAGE: 002  
ID #: PY-RP  
CTL.: 000

Control Date.: 06/09/25 Posting Period.: 06 25 Fiscal Period.: (12-25) Cash Account No.: 13110

VENDOR I.D.: MAI01 (MAIRENA, PATRICIA)

Invoice No	Description	Invoice Date	Actual Period	G/L Account #	Gross Amount	Discount Amount	Net Amount
		Due Date	Fiscal Tm	Discount			
053025-	CHONG'S SZECHWAN - MEAL & TIP AT '25 SPRING CONF.	05/30/25	06-25 Z	59450	19.06	.00	19.06
		06/01/25	12-25				
				** Vendor's Subtotal	19.06	.00	19.06

VENDOR I.D.: MED01 (MEDINA, JANET)							
050125-	DIRECTOR MEDINA'S INTERNET SERVICE, 05/10-06/09	05/01/25	06-25 A	59450	65.00	.00	65.00
		05/01/25	12-25				
				** Vendor's Subtotal	65.00	.00	65.00

VENDOR I.D.: OHR01 (OHRI, RACHANA)							
052125-	ONE WWD HET REBATE FOR ACCT NO OHR0001	05/21/25	06-25 A	59450	50.00	.00	50.00
		05/21/25	12-25				
060525-	ONE WWD HET REBATE FOR OHR0001	06/05/25	06-25 A	59450	50.00	.00	50.00
		06/05/25	12-25				
				** Vendor's Subtotal	100.00	.00	100.00

VENDOR I.D.: ORE01 (O'REILLY AUTO PARTS)							
313814817-	FIELD TRUCK SUPPLIES	05/22/25	06-25 A	59450	26.89	.00	26.89
		05/22/25	12-25				
313814829-	FIELD TRUCK SUPPLIES	05/23/25	06-25 A	59450	7.04	.00	7.04
		05/23/25	12-25				
				** Vendor's Subtotal	33.93	.00	33.93

VENDOR I.D.: PAK01 (PAKPOUR CONSULTING GROUP, INC.)							
4723-	ENGINEERING SERVICES, 04/25	05/06/25	06-25 A	59450	866.26	.00	866.26
		05/06/25	12-25				
4744-	ENGINEERING SERVICES, 05/25	06/05/25	06-25 A	59450	18741.06	.00	18741.06
		06/05/25	12-25				
				** Vendor's Subtotal	19607.32	.00	19607.32

VENDOR I.D.: PRE01 (PRECISE PRINTING AND MAILING)							
29927-	PRINTING & MAILING OF 05/15/25 BILLS	05/16/25	06-25 A	59450	863.11	.00	863.11
		05/16/25	12-25				
				** Vendor's Subtotal	863.11	.00	863.11

VENDOR I.D.: RIC03 (RICHARDS, JULIE L)							
043025-	DIRECTOR MEDINA'S INTERNET SERVICE, 05/25	04/30/25	06-25 A	59450	65.00	.00	65.00
		04/30/25	12-25				
				** Vendor's Subtotal	65.00	.00	65.00

VENDOR I.D.: SEL01 (SELERUM, INC.)							
60920-	OFC SUP H: DRIVE ERROR & MOM SERVER BUSY, RESET	06/04/25	06-25 A	59450	75.90	.00	75.90
		06/04/25	12-25				
				** Vendor's Subtotal	75.90	.00	75.90

VENDOR I.D.: UNI02 (UNITED STATES POSTAL SERV)							
060525-	BILLING, BULK MAILING, PERMIT 419	06/05/25	06-25 A	59450	5000.00	.00	5000.00
		06/05/25	12-25				
				** Vendor's Subtotal	5000.00	.00	5000.00

REPORT.: Jun 09 25 Monday  
RUN...: Jun 09 25 Time: 10:39  
Run By.: Wendy Bellinger

WESTBOROUGH WATER DISTRICT  
Accounts Payable Cash Requirements

PAGE: 003  
ID #: PY-RP  
CTL.: 000

Control Date.: 06/09/25 Posting Period.: 06-25 Fiscal Period.: (12-25) Cash Account No.: 13110

VENDOR I.D.: WES02 (W.W.D. PAYROLL ACCOUNT)

Invoice No	Description	Invoice Date		Actual Period		G/L Account #	Gross Amount	Discount Amount	Net Amount		
		Due Date	Fiscal	Tm	Discount						
053025-	PAYROLL TRANSFER, 05/25	05/30/25	06-25	A	59450	47014.07	.00	47014.07			
05/30/25 12-25											
		** Vendor's Subtotal ----->				47014.07	.00	47014.07			
-----											
VENDOR I.D.: \C025 (JOE CARUSO )											
000C50501-	MQ CUSTOMER REFUND FOR CAR0106	06/02/25	06-25	Z	59450	107.00	.00	107.00			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				107.00	.00	107.00			
-----											
VENDOR I.D.: \F002 (SHUXIAN FENG )											
000C50501-	MQ CUSTOMER REFUND FOR FEN0011	06/02/25	06-25	Z	59450	54.35	.00	54.35			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				54.35	.00	54.35			
-----											
VENDOR I.D.: \G020 (TERRENCE GEE )											
000C50501-	MQ CUSTOMER REFUND FOR GEE0043	06/02/25	06-25	Z	59450	124.61	.00	124.61			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				124.61	.00	124.61			
-----											
VENDOR I.D.: \G021 (JAIME GUEVARRA )											
000C50501-	MQ CUSTOMER REFUND FOR GUE0035	06/02/25	06-25	Z	59450	113.49	.00	113.49			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				113.49	.00	113.49			
-----											
VENDOR I.D.: \H025 (KING HSIAO )											
000C50501-	MQ CUSTOMER REFUND FOR HSI0006	06/02/25	06-25	Z	59450	80.02	.00	80.02			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				80.02	.00	80.02			
-----											
VENDOR I.D.: \L010 (MAGGIE LEE )											
000C50501-	MQ CUSTOMER REFUND FOR LEE0342	06/02/25	06-25	Z	59450	84.13	.00	84.13			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				84.13	.00	84.13			
-----											
VENDOR I.D.: \S015 (JOHN SOH )											
000C50501-	MQ CUSTOMER REFUND FOR SCH0047	06/02/25	06-25	Z	59450	41.04	.00	41.04			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				41.04	.00	41.04			
-----											
VENDOR I.D.: \T004 (MEI TANG )											
000C50501-	MQ CUSTOMER REFUND FOR TAN0102	06/02/25	06-25	Z	59450	60.33	.00	60.33			
		06/02/25	12-25								
		** Vendor's Subtotal ----->				60.33	.00	60.33			
-----											
VENDOR I.D.: \W019 (LOIS M. WEBB )											

REPORT.: Jun 09 25 Monday  
RUN...: Jun 09 25 Time: 10:39  
Run By.: Wendy Bellinger

WESTBOROUGH WATER DISTRICT  
Accounts Payable Cash Requirements

PAGE: 004  
ID #: PY-RP  
CTL.: 000

Control Date.: 06/09/25 Posting Period...: 06-25 Fiscal Period...: (12-25) Cash Account No...: 13110  
..... VENDOR I.D.: \W019 (LOIS M. WEBB )

Invoice	No Description	Invoice	Actual	G/L Account #	Gross	Discount	Net				
		Date	Period					Due Date	Fiscal Tm	Amount	Amount
000C50501-	MQ CUSTOMER REFUND FOR WEB0009			06/02/25	06-25	Z	59450	46.93	.00	46.93	
				06/02/25	12-25						
								** Vendor's Subtotal ----->	46.93	.00	46.93
000C50501-	MQ CUSTOMER REFUND FOR WON0341	VENDOR I.D.: \W020 (HENRY WONG )		06/02/25	06-25	Z	59450	63.27	.00	63.27	
				06/02/25	12-25						
								** Vendor's Subtotal ----->	63.27	.00	63.27
000C50501-	MQ CUSTOMER REFUND FOR ZHU0013	VENDOR I.D.: \Z013 (SIYING ZHU )		06/02/25	06-25	Z	59450	60.02	.00	60.02	
				06/02/25	12-25						
								** Vendor's Subtotal ----->	60.02	.00	60.02
000C50501-	MQ CUSTOMER REFUND FOR ZHU0014	VENDOR I.D.: \Z014 (KEVIN ZHU )		06/02/25	06-25	Z	59450	114.02	.00	114.02	
				06/02/25	12-25						
								** Vendor's Subtotal ----->	114.02	.00	114.02
								** Report's Total ----->	75317.32	.00	75317.32
								=====	=====	=====	=====
								** Total Vendors On This Report ----->	31		
								=====	=====	=====	=====
								** Total Vendors Needing Checks ----->	31		
								=====	=====	=====	=====

Code	Title
---	---
A	IMMEDIATE

## **STAFF REPORT**

TO:                   Board of Directors

FROM:                Patricia Mairena, General Manager

DATE:                June 9, 2025

RE:                   Update on Computer Fraud Incident

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### **BACKGROUND**

On 04/23/25, Office Supervisor Bellinger received an emailed request to change the financial institution for our former Field Supervisor Kennedy's direct deposit of his final paycheck which included accrued leave cash-out. The request turned out to be a fraud incident. Office Supervisor Bellinger had already submitted two ACH deposit entries to the new banking institution, Greendot Bank in the amounts of \$5,250.79 for his regular salary pay, and \$24,989.08 for cash out of his accrued vacation and sick leave.

### **INFORMATION**

On 04/30/25, on his last day of work, former Field Supervisor Kennedy reported to General Manager Mairena that his final paycheck had not been deposited to his bank account. He also stated he never submitted a request to Office Supervisor Bellinger to change his financial institution. Upon investigating the incident, it was determined that in fact, the request came from a bogus email address and the direct deposit form was not completed by Mr. Kennedy. The District had to re-issue the net paycheck amount of \$30,239.87, as he was retiring after over 23 years of service. That same day, with assistance from Tri-Counties Bank (TCB), the District's bank, Office Supervisor Bellinger processed two reversal transactions; however, \$24,989.08 was returned unpaid the next day due to insufficient funds.

On 04/30/25, General Manager Mairena reported the incident to JPIA and opened up a claim under the Crimes Policy with a possible deductible of \$1,000. She also filed a police report with the SSFPD. General Manager Mairena discussed the incident with the District's IT Consultant, Selerum, who searched for similar emails and will be presenting a proposal for cyber security training.

### **OUTCOME**

On May 1, 2025, the reversal transaction in the amount of \$5,250.79, remained credited to the District's bank account since it had not been returned unpaid.

On May 29, 2025, General Manager Mairena was notified by TCB that they were able to recover \$24,973.18 from Greendot Bank, and the funds had already been deposited to the District's bank account.

In total, TCB was able to recover a total of \$30,223.97, making the loss only \$15.90.

TCB Transactions Related to DD Incident - 04/30/25				
Date	Transaction	Credit	Debit	Notes
4/30/2025	Original DD ACH Sent to Greendot Bank Account		\$30,239.87	(\$5,250.79 plus \$24,989.08); this was part of the \$52,908.84 originally submitted.
4/30/2025	ACH Deposit - Reversal Requested	\$30,239.87		
5/1/2025	ACH Reversal - Returned due to Insufficient Funds		\$24,989.08	Only \$5,250.79 was not returned
5/29/2025	Funds Recovery Deposit - Partial Recovery on Outgoing ACH Deposit	\$24,973.18		Partial Funds Recovered, except \$15.90
	<b>Net Balance</b>	<b>\$55,213.05</b>	<b>\$55,228.95</b>	<b>Net difference = \$15.90 Loss</b>

**To: Board of Directors**

**From: General Manager and Legal Counsel**

**Date: June 9, 2025**

**Re: AMENDMENT TO THE 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 AND APPROVAL OF AN UPDATED TIER 2 DROUGHT RESPONSE  
IMPLEMENTATION PLAN**

This report provides an overview of two important water supply reliability contract actions that the Board is being asked to approve:

1. An amendment to the 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 (WSA): This amendment addresses three key areas:
  - a. Minimum Purchase Requirements: Modifies Minimum Purchase requirements to align with evolving water supply conditions.
  - b. Tier 1 Water Shortage Allocation Plan (Tier 1 Plan): Establishes a new method for considering collective Wholesale Customer SFPUC purchases when determining how excess use charges will be applied.
  - c. Updates: Revisions to address discrete issues that arose over the course of implementing the WSA.
2. An updated Tier 2 Drought Response Implementation Plan (Tier 2 Plan): The Tier 2 Plan provides the method for allocating water from the San Francisco Regional Water System (RWS) among the Wholesale Customers during periods of shortage caused by drought.

### **Background**

#### *Water Supply Agreement History*

In June 2009, the Westborough Water District (District) entered into a Water Supply Agreement with the City and County of San Francisco (San Francisco) and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County (2009 WSA). The 2009 WSA establishes the terms by which the twenty-six Wholesale Customers purchase water from the RWS. The 2009 WSA builds upon the 1984 "Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and Certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County."

In September 2017, the Bay Area Water Supply and Conservation Agency (BAWSCA) and the Water Management Representatives (WMR) of the BAWSCA member agencies began reviewing the issue of Minimum Purchase Requirements, as described in Section 3.07.C of the WSA, and discussing the creation of a process to transfer minimum annual purchase quantities among the Wholesale Customers. Throughout 2017 and 2018, the WMR held multiple meetings

during which the agencies currently subject to Minimum Purchase Requirements (Original Minimum Purchase Customers) and the other Wholesale Customers shared their interests and concerns regarding changes to the Minimum Purchase Requirements and allowing transfers of minimum annual purchase quantities.

In 2019, the District approved the 2018 Amended and Restated WSA (2018 WSA), at which time the Wholesale Customers expressed a collective interest in working together to develop a process for the expedited and permanent transfer of minimum annual purchase quantities. The Wholesale Customers directed BAWSCA to facilitate negotiation of a new WSA amendment to provide a procedure for expedited and permanent transfers of minimum annual purchase quantities in a manner that safeguards the financial and water supply interests of Wholesale Customers not participating in such transfers. This amendment was memorialized in the 2021 Amended and Restated WSA (2021 WSA).

#### *Tier 2 Plan Negotiations and Development of Minimum Purchase Quantity Reset Proposal*

In January 2021, BAWSCA began facilitating an update to the Tier 2 Plan, the method for allocating water from the RWS among the Wholesale Customers during shortages caused by drought. The Tier 2 Plan is an agreement among the twenty-six Wholesale Customers, and must be unanimously adopted by them. Each Wholesale Customer appointed a lead negotiator to represent the interests of its agency in the negotiations. Between January 2022 and June 2024, BAWSCA and the lead negotiators, supported by a consulting firm providing technical and modeling expertise, met at least 62 times, most often for half-day, in-person meetings and smaller virtual sub-group sessions, to negotiate the terms of the updated Tier 2 Plan.

In November 2021, San Francisco declared a water shortage emergency in response to the Governor's executive action declaring a drought state of emergency across most of California. This action triggered implementation of the Tier 1 and Tier 2 Plans by BAWSCA and San Francisco for the first time.

Throughout the two and a half years of Tier 2 Plan negotiations, the Wholesale Customers gained insight into unique characteristics of each agency and specific challenges related to water supplies and droughts. During these discussions, Wholesale Customers subject to the Minimum Purchase requirements (Minimum Purchase Customers) articulated the unique challenges that the Minimum Purchase Requirements present. More detailed information about these issues is provided in Attachment A, the Summary of the WSA Amendments.

In June 2023, following several years of discussions regarding the Minimum Purchase Requirements, the SFPUC proposed amending the 2021 WSA to reset the existing minimum annual purchase quantities to align with current water consumption trends, while protecting investment in the RWS. For the remainder of 2023, the SFPUC, the Original Minimum Purchase Customers, and BAWSCA held multiple meetings to identify amendments that would address challenges related to the Minimum Purchase Requirements. Once the SFPUC and the Original Minimum Purchase Customers finalized their recommended amendments to the Minimum Purchase Requirements, the Original Minimum Purchase Customers presented the proposals to the broader Wholesale Customers' group to secure their support. Negotiations among the Wholesale Customers were concluded in Fall 2024.

In June 2024, the lead negotiators concluded negotiations on the updated Tier 2 Plan. The agency representatives collectively agreed that they were ready to recommend the Tier 2

Plan to their governing boards for adoption. A summary of the Tier 2 Plan is provided in Attachment B.

*Tier 1 Plan Amendment*

In Fall of 2024, all twenty-six Wholesale Customers and San Francisco negotiated an amendment to the Tier 1 Plan in the WSA to incorporate a new "Tier 1 Family Plan," whereby San Francisco may only apply excess use charges to Wholesale Customers who exceed their individual shortage allocation when the collective Wholesale Customer usage exceeds the Tier 1 allocation. A more detailed summary of the WSA amendments are provided in Attachment A.

**Recommendations**

Staff recommends the Board approve:

1. A Resolution, approving revisions included in Exhibit A to the Resolution amending the Amended and Restated Water Supply Agreement Between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County (WSA), approving those revisions to be incorporated into a revised WSA dated as of 2025, and authorizing Board President to execute such Agreement when final execution copies are prepared and distributed by BAWSCA; and
2. A Resolution approving the Tier 2 Drought Response Implementation Plan.

**Attachments**

- A. Summary of WSA Amendments
- B. Summary of Tier 2 Plan

## Attachment A: Summary of WSA Amendments

### 1. Minimum Purchase Requirements

Existing Section 3.07 of the 2021 WSA provides that four Wholesale Customers (Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale, collectively, the "Original Minimum Purchase Customers") may purchase water from sources other than from San Francisco, but they are each obligated to purchase a specific minimum annual quantity of water from the San Francisco, referred to as a "Minimum Purchase Requirement." If a Minimum Purchase Customer does not meet its Minimum Purchase Requirement in a particular fiscal year, it must pay San Francisco for the difference between its metered water purchases during the fiscal year and its minimum annual purchase quantity set forth in Attachment E of the 2021 WSA.

It is assumed that the Minimum Purchase Requirements were originally designed to prevent four specific multi-source agencies from shifting from the RWS to other imported water sources. However, changed conditions, including recurring droughts, improved water use efficiency, and investments in local supplies have reduced demand on the RWS. Despite these improvements, the RWS remains vulnerable to severe droughts, prompting the San Francisco Public Utilities Commission (SFPUC) to invest in alternative water supplies. The Minimum Purchase Customers are well-positioned to develop their own local, drought-resilient supplies, which would reduce the regional dry-year supply gap, improving reliability of the RWS for all users. These amendments may reduce a perceived existing disincentive to improve efficiency and develop alternative supplies.

#### 1.1. Reduction of Minimum Annual Purchase Quantities (MPQ)

MPQs set in the 1984 Settlement Agreement and Master Water Sales Contract (1984 Contract) were calculated based on 80% of each of the four Original Minimum Purchase Customer's purchases from the RWS in the 1980s. The MPQs were later reduced by 5% as part of the 2009 WSA. Upon adoption of this amendment, the minimum annual purchase quantities of the Original Minimum Purchase Customers will be reset to 80% of each of the Minimum Purchase Customer's average purchases from the most recent four non-drought years and the amendment will establish a continuing, periodic review of the minimum annual purchase quantities on a 10-year schedule.

#### 1.2. Rebound Year Minimum Annual Purchase Quantity

Existing Section 3.07.C of the 2021 WSA provides that Minimum Purchase Requirements will be waived during drought, other period of water shortage on the RWS, or if the Governor declares a state of emergency that impacts water supply use or deliveries from the RWS. Minimum Purchase Requirements are reinstated in the first year immediately following a drought. However, water use does not rebound to pre-drought levels for several years, depending on the level of conservation achieved.

The amendment provides a temporary, one-year reduction in the minimum annual purchase quantities equal to half of the demand reduction from pre-drought levels to allow for drought rebound. For example, if a Minimum Purchase Customer's pre-drought use and minimum annual purchase quantity are 10 million gallons per day (MGD) and drought RWS purchases are 8 MGD, the Rebound Year minimum annual purchase quantity will be set at 9 MGD.

### **1.3. Collective Minimum Annual Purchase Quantities Considered Before Application of Imputed Sales**

Existing Section 3.07 of the 2021 WSA provides that if a Minimum Purchase Customer does not meet its Minimum Purchase Requirement in a particular fiscal year, it must pay the SFPUC for the difference between its metered water purchases during the fiscal year and its minimum annual purchase quantity. This amendment provides that the collective purchases from Original Minimum Purchase Customers will be considered together before an individual Original Minimum Purchase Customer is required to pay the difference between its metered water purchases and its Minimum Purchase Requirement. If collective purchases are more than the sum of minimum annual purchase quantities, payments to the SFPUC for an Original Minimum Purchase Customer(s) who did not meet its Minimum Purchase Requirement will not be required. If collective purchases are less than the sum of minimum annual purchase quantities, payments to the SFPUC for an Original Minimum Purchase Customer(s) who did not meet its Minimum Purchase Requirement will be proportionate to its share of total under usage.

## **2. Tier 1 Water Shortage Allocation Plan**

The Tier 1 Water Shortage Allocation Plan (“Tier 1 Plan” included as Attachment H of the WSA) is the method and process for allocating water from the RWS between San Francisco retail customers and the Wholesale Customers collectively during system-wide shortages caused by drought of 20% or less. Section 3.11.C.3 of the WSA provides that the SFPUC will honor allocations of water among the Wholesale Customers (“Tier 2 Allocations”) provided by BAWSCA or if unanimously agreed to by all Wholesale Customers.

The Tier 1 and Tier 2 Plans were implemented for the first time during the 2021 to 2023 drought. During the 2014 to 2017 drought, the Tier 1 and Tier 2 Plans were superseded by state-wide mandates from the Governor. During Tier 2 Plan negotiations, BAWSCA, the SFPUC, and the Wholesale Customers agreed to update the Tier 1 Plan to add a new “Tier 1 Family Plan.”

When the SFPUC declares a shortage emergency, it determines whether voluntary or mandatory rationing is required. At the end of the 12-month drought period, each Wholesale Customer's purchases from the RWS are compared to their annual drought allocation. Excess use charges are only applied during mandatory rationing periods.

The new Tier 1 Family Plan ensures that excess use charges are only applied when the collective Wholesale Customer usage exceeds the Tier 1 allocation. If this occurs, excess use charges will be proportionally applied to agencies that exceeded their individual Tier 2 Allocations.

For example, if the twenty-six Wholesale Customers collectively exceed the Tier 1 allocation by 2 MGD, and only two agencies exceed their Tier 2 Allocations by 3 MGD each, then these two agencies will share the excess use charges proportionally.

## **3. General Updates to the WSA**

Sections 2.03, 3.09, 9.07, and Attachment A, Definitions of “Imputed Sales” and “Level of Service Goals and Objectives” have been updated with current cross references, dates and corrections.

## Attachment B: Summary of Tier 2 Plan

The WSA authorizes the Wholesale Customers to adopt a methodology for allocating the water collectively available from the RWS among the twenty-six Wholesale Customers during system-wide shortages caused by drought (the Tier 2 Plan). San Francisco is not a party to the Tier 2 Plan. The existing Tier 2 Plan was adopted in 2011 and was originally set to expire in 2018. In 2018, the California State Legislature passed two bills to implement a long-term framework for water use efficiency, commonly referred to as, "Making Water Conservation a California Way of Life." These bills were anticipated to impact urban water use, and the extent of those impacts to the Wholesale Customers was unknown at the time. As such, the WMR instructed BAWSCA to hold off on initiating an update to the existing Tier 2 Plan. In 2018, and every year since, the BAWSCA Board of Directors (BAWSCA Board) has extended the term of the existing Tier 2 Plan by one year. In 2024, the BAWSCA Board extended the term of the existing Tier 2 Plan through the end of 2025 and specified that the existing Tier 2 Plan will be superseded by an updated Tier 2 Plan once unanimously adopted by the twenty-six Wholesale Customers.

Since the existing Tier 2 Plan was adopted in 2011, conditions impacting water use have changed (e.g., water supply sources, water use trends, land use, and customer base). During the 2021 to 2023 drought, the Tier 1 and Tier 2 Plans were implemented for the first time. At that time, it became clear that the existing Tier 2 Plan no longer operated as originally intended and that an update was necessary.

The updated Tier 2 Plan maintains many of the key elements of the existing Tier 2 Plan, such as a rolling base period that captures service area growth over time and inclusion of Individual Supply Guarantee (ISG), but it also provides necessary updates to ensure a minimum supply of RWS water for base/indoor use for the portion of each service area where RWS is delivered.

### 1. Tier 2 Plan Update Process

Between January 2022 and June 2024, BAWSCA facilitated negotiations between the Wholesale Customers through a series of meetings, workshops, and workgroups to update the Tier 2 Plan. The Wholesale Customers began by reviewing the prior Plan and other shortage allocation plans throughout the state, then discussed and agreed upon policy principles for a revised Tier 2 Plan. BAWSCA, with support from a technical consultant team, introduced potential elements of a formula to align with the agreed upon policy principles. In monthly workshops, the Wholesale Customers discussed these options and provided feedback on which elements should be included, along with suggested refinements. These workshops, and the discussions, suggestions, and comments expressed by the Wholesale Customers during this process, provided the primary forum through which the updated Tier 2 Plan was developed.

### 2. Tier 2 Plan Policy Principles

The Wholesale Customers collectively developed four policy principles to guide the development and performance of the updated Tier 2 Plan. These policy principles are outlined below.

- **Policy Principle #1** - Provide sufficient water for the basic health and safety needs of customers.

- **Policy Principle #2** - Minimize economic and other adverse impacts of water shortages on customers and the BAWSCA region.
- **Policy Principle #3** - Provide predictability of drought allocations through consistent and predetermined rules for calculation, while allowing for flexibility to respond to unforeseen circumstances.
- **Policy Principle #4** - Recognize benefits of, and avoid disincentives for, water use efficiency and development of alternative water supply projects.

### 3. Tier 2 Plan Allocation Formula

The updated Tier 2 Plan establishes a sequential allocation formula to determine how the available water from the RWS will be allocated among the individual Wholesale Customers. The allocation formula can generally be described as follows:

- The Minimum and Maximum Cutback establish the upper and lower bounds for each Wholesale Customer's final allocation. The Minimum Cutback is equal to 1/3 of the Overall Average Wholesale Customer Reduction, but no less than 5%. The Maximum Cutback is equal to 1.5 times the Overall Average Wholesale Customer Reduction.
- Each Wholesale Customer is allocated water on a residential per capita basis based on the State Indoor Water Use Efficiency Standard<sup>1</sup> and the portion of each Wholesale Customer's water demand met by the RWS.
- Each Wholesale Customer is allocated water based on its estimated non-residential indoor use by applying a cutback factor equal to half of the Overall Average Wholesale Customer Reduction to each Wholesale Customer's estimated non-residential indoor demand, also known as Base Period purchase, from the RWS.
- Each Wholesale Customer is allocated water based on its estimated seasonal purchases from the RWS.
- Remaining water is allocated to bring each Wholesale Customer's final allocation as close to its "Target Allocation" as possible, while ensuring that each Wholesale Customer's final allocation is between the Minimum and Maximum Cutback bounds. The Target Allocation is based on a weighted share of (1) the Wholesale Customer's Base Period purchases from the RWS and (2) its ISG.

### 4. Tier 2 Plan Term

The term of the updated Tier 2 Plan is coordinated with the term of the WSA to avoid simultaneous renegotiation of these related agreements.

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<sup>1</sup> SB 1157 (Hertzberg), signed into law in September 2022, established the standard for efficient indoor residential water use be 47 gallons per capita per day, lowering to 42 GPCD in 2030.

**RESOLUTION NO. 687**

**A RESOLUTION OF BOARD OF DIRECTORS OF THE WESTBOROUGH WATER DISTRICT APPROVING AN AMENDMENT TO THE 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**

**WESTBOROUGH WATER DISTRICT**

**WHEREAS**, water supply agencies in Alameda, San Mateo, and Santa Clara Counties have purchased water from the City and County of San Francisco (San Francisco) for many years; and

**WHEREAS**, the San Francisco Public Utilities Commission (SFPUC) operates the Regional Water System, which delivers water to communities in Alameda, San Mateo, and Santa Clara Counties, as well as to customers within San Francisco (collectively, “the Parties”); and

**WHEREAS**, the Parties entered into the “Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and Certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County” in 1984 (1984 Settlement Agreement and Master Water Sales Contract); and

**WHEREAS**, in April 2003, water supply agencies in Alameda, San Mateo and Santa Clara Counties (collectively referred to as the Wholesale Customers) established the Bay Area Water Supply and Conservation Agency (BAWSCA), as authorized by Water Code Sections 81300 *et seq.*; and

**WHEREAS**, upon expiration of the 1984 Settlement Agreement and Master Water Sales Contract, the Parties entered into the “Water Supply Agreement between San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County” (Water Supply Agreement or WSA) on July 1, 2009, authorized by SFPUC Resolution No. 09-0069, dated April 28, 2009; and

**WHEREAS**, in 2017, the Wholesale Customers directed BAWSCA to act as its authorized representative in discussions and negotiations with San Francisco to amend the Water Supply Agreement to address a number of substantive issues and these negotiations resulted in the Parties' adoption of the Amended and Restated Water Supply Agreement in 2018 authorized by SFPUC Resolution No. 18-0212, dated December 11, 2018; and

**WHEREAS**, in 2019 this Board approved the Amended and Restated Water Supply Agreement (2018 WSA); and

**WHEREAS**, pursuant to WSA Section 3.07, four Wholesale Customers (Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale, collectively, the “Original Minimum Purchase Customers”) may purchase water from sources other than the SFPUC, but they are each obligated to purchase a specific minimum annual quantity of water from the SFPUC, referred to as a “Minimum Purchase Requirement;” and

**WHEREAS**, historically, if a Minimum Purchase Customer does not meet its Minimum Purchase Requirement in a particular fiscal year, it must pay the SFPUC for the difference between its metered water purchases during the fiscal year and its minimum annual purchase quantity set forth in WSA Attachment E; and

**WHEREAS**, some Original Minimum Purchase Customers pay the SFPUC for water that is not delivered due to either insufficient potable demand within their service area or conservation efforts during drought rationing; and

**WHEREAS**, as part of the 2018 negotiations, the Wholesale Customers and the SFPUC resolved to work promptly to identify a resolution to this as part of a future contract amendment; and

**WHEREAS**, in 2019, the Wholesale Customers directed BAWSCA to draft a proposed amendment to the 2018 WSA to provide a procedure for expedited and permanent transfers of minimum annual purchase quantities that safeguards the financial and water supply interests of Wholesale Customers not participating in such transfers and these negotiations resulted in the Parties' adoption of the Amended and Restated Water Supply Agreement in 2021, authorized by SFPUC Resolution No. 21-009, dated January 26, 2021; and

**WHEREAS**, in 2022 this Board approved the Amended and Restated Water Supply Agreement (2021 WSA); and

**WHEREAS**, the 2021 WSA provided a significant, but incomplete solution to address the Original Minimum Purchase Customer's concerns with the minimum purchase quantities through a transfer process; and

**WHEREAS**, 2021 WSA Section 3.11.C. provides that the SFPUC may reduce the amount of water available to the Wholesale Customers in response to a drought; and

**WHEREAS**, 2021 WSA Section 3.11.C. provides that the Tier 1 Shortage Plan (Attachment H to the WSA) will be used, during system-wide shortages of 20% or less, to allocate water from the Regional Water System between Retail and Wholesale Customers ; and

**WHEREAS**, 2021 WSA Section 3.11.C. further provides that the SFPUC will honor allocations of water among the Wholesale Customers (Tier 2 Allocations) unanimously agreed to by all Wholesale Customers or provided by BAWSCA; and

**WHEREAS**, in 2021, the SFPUC and BAWSCA implemented the Tier 1 and Tier 2 Plans for the first time; and

**WHEREAS**, throughout 2022 and 2024, the Wholesale Customers convened at least once per month, most often for half-day in-person workshops, to negotiate an update to the method for sharing water made available from the SFPUC during shortages caused by drought (Tier 2 Plan); and

**WHEREAS**, each Wholesale Customer appointed a lead negotiator to represent the interests of its agency in the negotiations; and

**WHEREAS**, during the Tier 2 Plan negotiations, the Original Minimum Purchase Customers renewed discussions among the Wholesale Customers to identify a comprehensive and final solution to concerns about the minimum purchase quantities; and

**WHEREAS**, during the Tier 2 Plan negotiations, the Wholesale Customers identified, and the SFPUC agreed to, changes to the Tier 1 Plan that would facilitate agreement on the updated Tier 2 Plan; and

**WHEREAS**, in June 2023, following several years of discussions regarding the Minimum Purchase Requirements, the SFPUC proposed amending the 2021 WSA to reset the existing minimum annual purchase quantities to align with current water consumption trends, while protecting investment in the RWS; and

**WHEREAS**, in 2024, the SFPUC, the Original Minimum Purchase Customers, and BAWSCA held multiple meetings to identify amendments that would address challenges related to the Minimum Purchase Requirements; and

**WHEREAS**, once the SFPUC and the Original Minimum Purchase Customers discussed amendments to the Minimum Purchase Requirements, the Original Minimum Purchase Customers presented proposals to the broader Wholesale Customer group to secure their support; and

**WHEREAS**, in 2024, the Wholesale Customers came to a final agreement on a package that includes an updated Tier 2 Plan, amendments to the minimum purchase quantity requirements, and amendments to the Tier 1 Plan; and

**WHEREAS**, with its Alternative Water Supply Program, the SFPUC is in the early stages of planning for projects to support the Wholesale and Retail Customers' ability to respond to climate change and address future water supply challenges and vulnerabilities, such as regulatory changes, earthquakes, disasters, emergencies, and increases in population and employment; and

**WHEREAS**, the Original Minimum Purchase Customers are particularly well-suited to develop local, drought resilient supplies, which improve the reliability of the San Francisco Regional Water System (RWS) for all users; and

**WHEREAS**, under 2021 WSA Section 3.06.D, the Parties agree that they will diligently apply their best efforts to use both surface water and groundwater sources located within their respective service areas and available recycled water to the maximum feasible extent, taking into account the environmental impacts, the public health effects, and the effects on supply reliability of such use, as well as the cost of developing such sources; and

**WHEREAS**, each Wholesale Customer recognizes the importance of local water supplies in improving regional water supply reliability and commits to develop and use available local water supplies within their service areas, consistent with Section 3.06.D of the WSA; and

**WHEREAS**, the City of Mountain View approved a Recycled Water Feasibility Study Update Draft Report on March 22, 2022 with seven staff recommendations, including: (1) working with the City of Palo Alto and the Santa Clara Valley Water District on the first phase

of an advanced water purification system to improve recycled water quality, (2) planning and siting a recycled water storage reservoir in the City of Mountain View's North Bayshore Area to improve system performance and reliability, and (3) building-out the recycled water distribution system to serve all of North Bayshore and a portion of NASA Ames; and

**WHEREAS**, the City of Sunnyvale approved an updated Recycled Water Master Plan on September 24, 2024 and directed staff to look into expanding the recycled water system, which currently includes 22 miles of recycled water pipelines, two recycled water pump stations, and a recycled water storage tank with a 2.5-million-gallon capacity; and

**WHEREAS**, the City of Milpitas continues to promote the use of recycled water to existing and new customers along the recycled water pipeline within the city, and has committed to developing local groundwater supplies to help meet projected long term water demand; and

**WHEREAS**, since 1995, the Alameda County Water District has invested over \$300 million in water supply reliability initiatives to enhance local water supplies and reduce its dependence on imported supplies, including water conservation, conjunctive use groundwater management, brackish groundwater desalination, and groundwater banking; and

**WHEREAS**, as of January 2025, the SFPUC has budgeted \$298.3 million over the next ten years to fund water supply projects; and

**WHEREAS**, the Parties now desire to approve an amendment to the 2021 WSA to reduce the minimum annual purchase quantities to 80% of average purchases from the most recent four (4) non-drought years and establish a continuing, periodic review of the minimum annual purchase quantities on a 10-year schedule; and

**WHEREAS**, the amendment will also establish a Rebound Year minimum annual purchase quantity calculation for the first year following a waiver of the Minimum Purchase Requirements; and

**WHEREAS**, the amendment further provides that Imputed Sales will not apply to an Original Minimum Purchase Customer that does not meet its individual Minimum Purchase Requirements if the collective SFPUC purchases from all Original Minimum Purchase Customers are equal to or greater than the total collective minimum annual purchase quantity; and

**WHEREAS**, the Parties also desire to adopt an amendment to the Tier 1 Plan to provide that excess use charges will not apply to Wholesale Customers that exceed their individual annual shortage allocation if the Wholesale Customers' collective SFPUC purchases are less than the total Tier 1 allocation; and

**WHEREAS**, the amendment further provides that if the collective Wholesale Customers' SFPUC purchases exceed total Tier 1 allocation, excess use charges will be applied to each Wholesale Customer that exceeded its individual annual allocation, proportional to the collective Wholesale Customer's overuse of the total Tier 1 allocation; and

**WHEREAS**, the Parties also desire to adopt an amendment to the 2021 WSA to include the following substantive modifications:

- a) update references in Section 2.03.C regarding BAWSCA's authority to amend attachments;
- b) extend the timing of the completion of the WSIP to reflect the currently adopted program completion date (Section 3.09);
- c) correct a reference to a SFPUC resolution number in Section 9.07;
- d) update "Imputed Sales" definition in Attachment A to reference Attachment E;
- e) update "Level of Service Goals and Objectives" definition in Attachment A to reflect updated and expanded Level of Service Goals and Objectives adopted by the SFPUC in November 2023; and

**WHEREAS**, the SFPUC approved these amendments and authorized the execution of a 2025 Amended and Restated Water Supply Agreement incorporating these amendments on May 13, 2025 pursuant to SFPUC Resolution No. 25-0074; and

**WHEREAS**, the amendment considered now is not a "project" for the purposes of CEQA as it involves an administrative activity that does not result in a direct change to the environment (see 14 CCR Section 15378(b)(5)), and would not result in a direct or reasonably foreseeable indirect physical change in the environment (see 14 CCR Section 15060(c)(2)); and

**WHEREAS**, in the event the amendment is considered a "project," it would be subject to the categorical exemption for operation, repair, and maintenance of existing facilities (see 14 CCR Section 15301) and the amendment does not implicate substantial changes that involve a new significant environmental effect (see 14 CCR Section 15162(a)).

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Westborough Water District finds as follows:

1. The Board approves the revisions included in the attached Exhibit A, which contains those revisions to be incorporated into a revised WSA titled the "2025 Amended and Restated Water Supply Agreement Between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County" dated as of 2025 (2025 Amended and Restated Water Supply Agreement).
2. The Board President is authorized and directed to execute the 2025 Amended and Restated Water Supply Agreement, when final execution copies are prepared and distributed by BAWSCA.

PASSED AND ADOPTED this 12th day of June, 2025, by the following vote:

AYES:

NOES:

ABSENT:

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President, Board of Directors

ATTEST:

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Board Secretary

Attachment:

Exhibit A: Redline and clean excerpts showing changes to Sections 2.03, 3.07, 3.09, 9.07, Attachment A, Attachment E and Attachment H of the Amended and Restated Water Supply Agreement.

**3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases**

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;

2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or

3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Minimum Annual Purchase Quantities. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. -These Minimum Annual Purchase Quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers (collectively referred to as the Original Minimum Purchase Customers). Pursuant to Section 3.04, certain Wholesale Customers may also be required to purchase Temporary Modified Minimum Annual Purchase Quantities, set out in Attachment E-1, from San Francisco. Attachment E will be updated pursuant to Section 3.04 to reflect any reduction in existing Minimum Annual Purchase Quantities and any addition of new Minimum Annual Purchase Quantities when Temporary Modified Minimum Annual Purchase Quantities expire and are removed from Attachment E-1; Individual Water Sales Contracts between San Francisco and any Wholesale Customers who are participants in a transfer under Section 3.04 will similarly be amended, as necessary.

1. Annual Notice. After the end of each fiscal year, the SFPUC will send a written notice to each Wholesale Customer ~~that is subject to the minimum annual purchase requirements of this section~~ with a Minimum Annual Purchase Quantity, or a Temporary Modified Minimum Annual Purchase Quantity with a copy to BAWSCA. -The notice will include: (4

(a) the quantity of water delivered to the each of those Wholesale Customer Customers individually and all of the Original Minimum Purchase Customers collectively during the previous fiscal year; ~~(f)~~

~~2~~

(b) each Wholesale Customer's individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable, under Section 3.07.C.2);

~~(j) whether or not the Wholesale Customer met its minimum annual purchase requirement under this section;~~ ~~(3)~~

(c) whether or not each Wholesale Customer met its individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable);

(d) whether or not the Original Minimum Purchase Customers collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities (as adjusted for a Rebound Year, if applicable);

(e) any Imputed Sales charged to the Wholesale Customer Customers; and ~~(4)~~

(f) the status of any Temporary Modified Minimum Annual Purchase Quantity Quantities of the Wholesale Customer, if applicable. ~~Customer, if applicable.~~ Customers.

**G.2. Waiver and Rebound Year.** The minimum annual purchase requirements set out in Attachments E and E-1 will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than ~~its~~their Minimum Annual Purchase ~~Quantity~~Quantities or Temporary Modified Minimum Annual Purchase Quantities, and may be waived during a state of emergency declared by the Governor of California that impacts water supply use or deliveries from the Regional Water System. Once the waiver is no longer in effect, each of the minimum annual purchase requirements set out in Attachments E and E-1 shall be temporarily set, for one full fiscal year (referred to as the Rebound Year), to the midpoint between (1) the Wholesale Customer's actual San Francisco purchases for the final year in which the waiver was in effect, up to a maximum of the Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity, and (2) the Wholesale Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity set out in Attachment E or Attachment E-1, as applicable. Any fiscal year in which a Wholesale Customer meets its Rebound Year-adjusted Temporary Modified Minimum

Annual Purchase Quantity, but not its standard Temporary Modified Minimum Annual Purchase Quantity, will not count as a fiscal year in which the Wholesale Customer has met or exceeded its Temporary Modified Minimum Purchase Quantity for the purposes of Section 3.04.C(4)(a).

D. Minimum Annual Purchase Quantity Reset. As shown on Attachment E, in Fiscal Year 2025-26, the Parties reset the then-existing Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers to 80% of the average San Francisco purchases of each Customer over the four most recent non-drought years preceding Fiscal Year 2024-25, effective for Fiscal Year 2024-25. If the Parties extend the Term of this Agreement beyond June 30, 2034 pursuant to Section 2.02, the Parties will review the Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers again ten years after the Fiscal Year 2025-26 reset. If the Original Minimum Purchase Customers, or San Francisco, want to propose a reset of the Minimum Annual Purchase Quantities for Fiscal Year 2035-36, they will provide written notice on or before June 30, 2034. The Parties will meet and confer promptly to evaluate written reset proposals. By November 30, 2035, if the Parties have come to an agreement, the SFPUC will calculate the revised Minimum Annual Purchase Quantities based on the agreed upon methodology and provide written notice to the Original Minimum Purchase Customers and BAWSCA. The Original Minimum Purchase Customers will have at least 15 business days to review and meet and confer with the SFPUC with any questions or concerns before the revised quantities are finalized. If the Parties are unable to come to an agreement, the then-existing Minimum Annual Purchase Quantities will remain unchanged. Any changes to the Minimum Annual Purchase Quantities under this Section 3.07.D will be reflected in a revised Attachment E approved with the written concurrence of San Francisco and BAWSCA in accordance with Section 2.03.C. The Parties intend to include a continuing, periodic review of the Minimum Annual Purchase Quantities on a ten-year schedule in the successor to this Agreement.

E. Collective Minimum Annual Purchase Quantities Considered Before Application of Imputed Sales. Imputed Sales will not apply to any of the individual Original Minimum Purchase Customers in a particular fiscal year if those Customers have collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities shown in Attachment E (or adjusted for a Rebound Year pursuant to Section 3.07.C.2, if applicable). If the Original Minimum Purchase Customers do not collectively purchase that sum, any Original Minimum Purchase Customer that has not met its standard or Rebound Year-adjusted Minimum Annual Purchase Quantity will be responsible for Imputed Sales proportional to its share of the difference between that sum and the Original Minimum Purchase Customers' total purchases from San Francisco. Examples of this calculation are contained in

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Attachment E-3.

**2.03. Amendments.**

**C. Amendments to Attachments.** The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
C	Individual Supply Guarantees (amendments reflecting Section 3.04 transfers only)
E	Minimum Annual Purchase Quantities (amendments reflecting Section 3.04 transfers <u>and Section 3.07 resets</u> only)
E-1	Temporary Modified Minimum Annual Purchase Quantities
G	Water Quality Notification and Communications Plan (as may be amended)
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter
R	Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

**3.09. Completion of WSIP**

San Francisco will complete construction of the physical facilities in the WSIP by ~~December~~June 30, 2024~~2032~~. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted Level of Service Goals and Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

**9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough**

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-~~0653~~0053 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker

Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

**Attachment A - Definitions**

**“Imputed Sales”** apply when a Wholesale Customer does not meet the minimum annual purchase requirements of Section 3.07.C, as shown on Attachment E and Attachment E-1, except in fiscal years in which a waiver of these requirements is in effect. Imputed Sales are calculated as the difference between (1) a Wholesale Customer’s metered water purchases during a fiscal year, from July 1 to June 30, and (2) the larger of (a) or (b) as follows: (a) the Wholesale Customer’s Minimum Annual Purchase Quantity, as specified in Attachment E and may be adjusted pursuant to Section 3.07.C.2, or (b) the Wholesale Customer’s Temporary Modified Minimum Annual Purchase Quantity, as specified in Attachment E-1. and may be adjusted pursuant to Section 3.07.C.2. If a Wholesale Customer has more than one Temporary Modified Minimum Annual Purchase Quantity, the largest quantity is used for calculating Imputed Sales. Imputed Sales are considered wholesale water usage for the purposes of calculating the Proportional Annual Use, and any fees charged for Imputed Sales are considered wholesale revenues.

**“Level of Service Goals and Objectives”** refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP, as updated and expanded by the "2023 Amended and Updated Water Enterprise Level of Service Goals and Objectives," adopted by the Commission in Resolution No. 23-0210 dated November 28, 2023, and any amendments that may be adopted by the Commission.

**ATTACHMENT E**

**MINIMUM ANNUAL PURCHASE QUANTITIES**  
**(Section 3.07.C)**

AGENCY	MINIMUM ANNUAL PURCHASE QUANTITY (IN MGD) <sup>1</sup>
Alameda County Water District	<u>7.648</u> <u>6.682</u>
City of Milpitas	<u>5.341</u> <u>4.371</u>
City of Mountain View	<u>8.930</u> <u>6.047</u>
City of Sunnyvale	<u>8.930</u> <u>7.412</u>

<sup>1</sup> In Fiscal Year (FY) 2025-26, the then-existing Minimum Annual Purchase Quantities for Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale were reset to 80% of each of those four customers' average San Francisco purchases over the four non-drought years preceding FY 2024-25 (FY 2017-18, FY 2018-19, FY 2019-20, and FY 2020-21), effective FY 2024-25. Prior to this reset, from the effective date of this Agreement (July 1, 2009) through FY 2023-24, those four customers had the following Minimum Annual Purchase Quantities:

1. Alameda County Water District: 7.648 MGD
2. City of Milpitas: 5.341 MGD
3. City of Mountain View: 8.930 MGD
4. City of Sunnyvale: 8.930 MGD

## ATTACHMENT H

### WATER SHORTAGE ALLOCATION PLAN

This ~~Interim~~ Water Shortage Allocation Plan ("Plan"), also known as the Tier 1 Shortage Plan, describes the method for allocating water between the San Francisco Public Utilities Commission ("SFPUC") on the one hand, and the Wholesale Customers collectively on the other, during shortages caused by drought. The Plan also implements a method for allocating water among the individual Wholesale Customers, known as the Tier 2 Drought Response Implementation Plan ("Tier 2 Plan"), which has separately been adopted by the Wholesale Customers and does not include the SFPUC. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to "shortages" and "water shortages" are to be so understood. This Plan was initially adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been incorporated and updated to correspond to the terminology used in the ~~June~~ 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County ("Agreement"), as amended and restated from time to time.

#### SECTION 1. SHORTAGE CONDITIONS

**1.1. Projected Available SFPUC Water Supply.** The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

**1.2 Projected SFPUC Customer Purchases.** The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming year.Supply Year (defined as the period from July 1 through June 30).

**1.3. Shortage Conditions.** The SFPUC will compare the projected available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year ~~(defined as the period from July 1 through June 30)~~. When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

**1.3.1 Voluntary Response.** If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual ~~shortage~~Tier 1 and Tier 2 allocations as applicable (see Section 2 of this Attachment H) and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

**1.3.2 Mandatory Response.** If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

**1.4. Period of Shortage.** A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

## SECTION 2. SHORTAGE ALLOCATIONS

**2.1. Annual Tier 1 Allocations between the SFPUC and the Wholesale Customers.** The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

This Plan refers to the SFPUC's and Wholesale Customers' respective shares of available water so established as the SFPUC's and Wholesale Customers' Tier 1 allocations. The water allocated to the SFPUC shall correspond to the total allocation for all Retail Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

**2.2 Annual Tier 2 Allocations among the Wholesale Customers.** The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less (i.e., the Wholesale Customers' Tier 1 allocation) will be apportioned among them based on a methodology, known as the Tier 2 Plan, that has been separately adopted by all of the Wholesale Customers, and not the SFPUC, as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSA will deliver to the SFPUC General Manager a list, signed by the President of BAWSA's Board of Directors and its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established (known as Tier 2

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allocations) may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The Tier 2 Plan methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

**2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent.** The Tier 1 allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 ~~water~~ allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

**2.4. Monthly Water Budgets.** Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual Tier 2 allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 ~~shortage~~ allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

**2.5. Transfers of Shortage Allocations.** Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

### **SECTION 3. SHORTAGE WATER BANKING**

**3.1. Water Bank Accounts.** The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage -allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), -the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

**3.2. Bank Account Credits.** Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire -shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

**3.2.1. Maximum Balances.** The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

**3.3. Account Debits.** Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

**3.4. Transfers of Banked Water.** In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any effect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs- shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of

transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

**3.4.1. Transfer Limitations.** The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the Agreement.

#### **SECTION 4. WHOLESALE EXCESS USE CHARGES**

**4.1. Amount of Excess Use Charges.** Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

**4.2 Monitoring Suburban Water Use.** During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) -will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

**4.3. Suburban Excess Use Charge Payments.** An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

**4.4. Tier 1 Family Plan.** During periods of mandatory rationing, the SFPUC will not assess excess use charges on any of the Wholesale Customers if the Wholesale Customers' collective cumulative purchases over the course of the Supply Year are less than the Wholesale Customers' Tier 1 allocation, as set forth in Section 2.1. If the Wholesale Customers' collective cumulative purchases exceed the Wholesale Customers' Tier 1 allocation, the SFPUC shall assess excess use charges on each individual Wholesale Customer that exceeded its individual Tier 2 allocation (established in accordance with Section 2.2) over the course of the Supply Year in proportion to each individual Wholesale Customer's share of the collective Wholesale Customers' purchases that exceeded the Wholesale Customers' Tier 1 allocation.

#### **SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN**

**5.1. Construction of Terms.** This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

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**5.2. Governing Law.** This Plan is made under and shall be governed by the laws of the State of California.

**5.3. Effect on Agreement.** This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

**5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods.**

The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

**5.5. Termination.** This Plan shall expire at the end of the Term of the Agreement. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.

## SECTION 5. ALLOCATION CALENDAR

**6.1. Annual Schedule.** The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

**6.1.1**

<b>In All Years</b>	<b>Target Dates</b>
1. SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year	November 1
2. SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year	February
3. SFPUC issues initial estimate of available water supply	February 1
4. SFPUC announces potential first year of drought (if applicable)	February 1
5. SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases	February 1-May 31
6. SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable	March 1
7. SFPUC issues final estimate of available water supply	April 15 <sup>th</sup> or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
8. SFPUC determines amount of water available to Wholesale Customers collectively	April 15 <sup>th</sup> or sooner if adequate snow course measurement data is available to form a robust estimate on available water

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supply for the coming year.

<b>In Drought Years</b>	<b>Target Dates</b>
9. SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.	April 15-30
10. SFPUC declares the need for a voluntary or mandatory response	April 15-30
11. BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively	April 15- 30
12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule)	April 25—May 10
13. Wholesale Customers submit alternative monthly water budgets (optional)	May 8-May 24
14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30	June 1
15. Monthly water budgets become effective	July 1
16. Excess use charges indicated on monthly Suburban bills	August 1 (of the beginning year) through June 30 (of the succeeding year)
17. Excess use charges paid by Wholesale Customers for prior year	August of the succeeding year

**3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases**

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;
2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or
3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Minimum Annual Purchase Quantities. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. These Minimum Annual Purchase Quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers (collectively referred to as the Original Minimum Purchase Customers). Pursuant to Section 3.04, certain Wholesale Customers may also be required to purchase Temporary Modified Minimum Annual Purchase Quantities, set out in Attachment E-1, from San Francisco. Attachment E will be updated pursuant to Section 3.04 to reflect any reduction in existing Minimum Annual Purchase Quantities and any addition of new Minimum Annual Purchase Quantities when Temporary Modified Minimum Annual Purchase Quantities expire and are removed from Attachment E-1; Individual Water Sales Contracts between San Francisco and any Wholesale Customers who are participants in a transfer under Section 3.04 will similarly be amended, as necessary.

1. Annual Notice. After the end of each fiscal year, the SFPUC will send a written notice to each Wholesale Customer with a Minimum Annual Purchase Quantity, or a Temporary Modified Minimum Annual Purchase Quantity with a copy to BAWSCA. The notice will include:

- (a) the quantity of water delivered to each of those Wholesale Customers individually and all of the Original Minimum Purchase Customers collectively during the previous fiscal year;
- (b) each Wholesale Customer's individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable, under Section 3.07.C.2);
- (c) whether or not each Wholesale Customer met its individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable);
- (d) whether or not the Original Minimum Purchase Customers collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities (as adjusted for a Rebound Year, if applicable);
- (e) any Imputed Sales charged to the Wholesale Customers; and
- (f) the status of any Temporary Modified Minimum Annual Purchase Quantities of the Wholesale Customers.

2. Waiver and Rebound Year. The minimum annual purchase requirements set out in Attachments E and E-1 will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than their Minimum Annual Purchase Quantities or Temporary Modified Minimum Annual Purchase Quantities, and may be waived during a state of emergency declared by the Governor of California that impacts water supply use or deliveries from the Regional Water System. Once the waiver is no longer in effect, each of the minimum annual purchase requirements set out in Attachments E and E-1 shall be temporarily set, for one full fiscal year (referred to as the Rebound Year), to the midpoint between (1) the Wholesale Customer's actual San Francisco purchases for the final year in which the waiver was in effect, up to a maximum of the Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity, and (2) the Wholesale Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity set out in Attachment E or Attachment E-1, as applicable. Any fiscal year in which a Wholesale Customer meets its Rebound Year-adjusted Temporary Modified Minimum Annual Purchase Quantity, but not its standard Temporary Modified Minimum Annual Purchase Quantity, will not count as a fiscal year in which the Wholesale Customer has met or exceeded its Temporary Modified Minimum Purchase Quantity for the purposes of Section 3.04.C(4)(a).

D. Minimum Annual Purchase Quantity Reset. As shown on Attachment E, in Fiscal

Year 2025-26, the Parties reset the then-existing Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers to 80% of the average San Francisco purchases of each Customer over the four most recent non-drought years preceding Fiscal Year 2024-25, effective for Fiscal Year 2024-25. If the Parties extend the Term of this Agreement beyond June 30, 2034 pursuant to Section 2.02, the Parties will review the Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers again ten years after the Fiscal Year 2025-26 reset. If the Original Minimum Purchase Customers, or San Francisco, want to propose a reset of the Minimum Annual Purchase Quantities for Fiscal Year 2035-36, they will provide written notice on or before June 30, 2034. The Parties will meet and confer promptly to evaluate written reset proposals. By November 30, 2035, if the Parties have come to an agreement, the SFPUC will calculate the revised Minimum Annual Purchase Quantities based on the agreed upon methodology and provide written notice to the Original Minimum Purchase Customers and BAWSCA. The Original Minimum Purchase Customers will have at least 15 business days to review and meet and confer with the SFPUC with any questions or concerns before the revised quantities are finalized. If the Parties are unable to come to an agreement, the then-existing Minimum Annual Purchase Quantities will remain unchanged. Any changes to the Minimum Annual Purchase Quantities under this Section 3.07.D will be reflected in a revised Attachment E approved with the written concurrence of San Francisco and BAWSCA in accordance with Section 2.03.C. The Parties intend to include a continuing, periodic review of the Minimum Annual Purchase Quantities on a ten-year schedule in the successor to this Agreement.

E. Collective Minimum Annual Purchase Quantities Considered Before Application of Imputed Sales. Imputed Sales will not apply to any of the individual Original Minimum Purchase Customers in a particular fiscal year if those Customers have collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities shown in Attachment E (or adjusted for a Rebound Year pursuant to Section 3.07.C.2, if applicable). If the Original Minimum Purchase Customers do not collectively purchase that sum, any Original Minimum Purchase Customer that has not met its standard or Rebound Year-adjusted Minimum Annual Purchase Quantity will be responsible for Imputed Sales proportional to its share of the difference between that sum and the Original Minimum Purchase Customers' total purchases from San Francisco. Examples of this calculation are contained in Attachment E-3.

***Proposed 2025 Amended and Restated Water Supply Agreement: Sections 2.03, 3.09, and 9.07, and Attachment A Definitions.***

**2.03. Amendments.**

**C. Amendments to Attachments.** The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
C	Individual Supply Guarantees (amendments reflecting Section 3.04 transfers only)
E	Minimum Annual Purchase Quantities (amendments reflecting Section 3.04 transfers and Section 3.07 resets only)
E-1	Temporary Modified Minimum Annual Purchase Quantities
G	Water Quality Notification and Communications Plan (as may be amended)
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter
R	Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

### **3.09. Completion of WSIP**

San Francisco will complete construction of the physical facilities in the WSIP by June 30, 2032. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted Level of Service Goals and Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

### **9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough**

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-0053 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker

Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

#### **Attachment A - Definitions**

**“Imputed Sales”** apply when a Wholesale Customer does not meet the minimum annual purchase requirements of Section 3.07.C, as shown on Attachment E and Attachment E-1, except in fiscal years in which a waiver of these requirements is in effect. Imputed Sales are calculated as the difference between (1) a Wholesale Customer’s metered water purchases during a fiscal year, from July 1 to June 30, and (2) the larger of (a) or (b) as follows: (a) the Wholesale Customer’s Minimum Annual Purchase Quantity, as specified in Attachment E and may be adjusted pursuant to Section 3.07.C.2, or (b) the Wholesale Customer’s Temporary Modified Minimum Annual Purchase Quantity, as specified in Attachment E-1 and may be adjusted pursuant to Section 3.07.C.2. If a Wholesale Customer has more than one Temporary Modified Minimum Annual Purchase Quantity, the largest quantity is used for calculating Imputed Sales. Imputed Sales are considered wholesale water usage for the purposes of calculating the Proportional Annual Use, and any fees charged for Imputed Sales are considered wholesale revenues.

**“Level of Service Goals and Objectives”** refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP, as updated and expanded by the “2023 Amended and Updated Water Enterprise Level of Service Goals and Objectives,” adopted by the Commission in Resolution No. 23-0210 dated November 28, 2023, and any amendments that may be adopted by the Commission.

**ATTACHMENT E****MINIMUM ANNUAL PURCHASE QUANTITIES  
(Section 3.07.C)**

AGENCY	MINIMUM ANNUAL PURCHASE QUANTITY (IN MGD) <sup>1</sup>
Alameda County Water District	6.682
City of Milpitas	4.371
City of Mountain View	6.047
City of Sunnyvale	7.412

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<sup>1</sup> In Fiscal Year (FY) 2025-26, the then-existing Minimum Annual Purchase Quantities for Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale were reset to 80% of each of those four customers' average San Francisco purchases over the four non-drought years preceding FY 2024-25 (FY 2017-18, FY 2018-19, FY 2019-20, and FY 2020-21), effective FY 2024-25. Prior to this reset, from the effective date of this Agreement (July 1, 2009) through FY 2023-24, those four customers had the following Minimum Annual Purchase Quantities:

1. Alameda County Water District: 7.648 MGD
2. City of Milpitas: 5.341 MGD
3. City of Mountain View: 8.930 MGD
4. City of Sunnyvale: 8.930 MGD

# ATTACHMENT E-3

### ATTACHMENT E-3

#### Illustrations of Imputed Sales Considering Collective Regional Water System Use by Original Minimum Purchase Customers Compared to Sum of Minimum Annual Purchase Quantities Pursuant to Section 3.07.E

##### Scenario 1: Collective Purchases Equal to or Greater Than Sum of MAPQs<sup>1</sup> (No Imputed Sales)<sup>2</sup>

Line #	Wholesale Customer	A	B	C	D	$E = (D[\text{LINE } \#] / D5) \times (B5 - A5)$
		MAPQ	RWS <sup>3</sup> Use (mgd)	RWS Over MAPQ (mgd)	RWS Under MAPQ (mgd)	Proportion of Use Under Total MAPQ (mgd)
1	Alameda County Water District	6.682	7.682	1.00		N/A
2	City of Milpitas	4.371	3.871		-0.50	N/A
3	City of Mountain View	6.047	5.047		-1.00	N/A
4	City of Sunnyvale	7.412	7.912	0.50		N/A
5	Total	24.512	24.512	1.50	-1.50	N/A

##### Scenario 2: Collective Purchases Less Than Sum of MAPQs (by 1.0 mgd) (Imputed Sales)<sup>4</sup>

Line #	Wholesale Customer	A	B	C	D	$E = (D[\text{LINE } \#] / D5) \times (B5 - A5)$
		MAPQ	RWS Use (mgd)	RWS Over MAPQ (mgd)	RWS Under MAPQ (mgd)	Proportion of Use Under Total MAPQ (mgd)
1	Alameda County Water District	6.682	7.182	0.50		N/A
2	City of Milpitas	4.371	3.871		-0.50	-0.25
3	City of Mountain View	6.047	4.547		-1.50	-0.75
4	City of Sunnyvale	7.412	7.912	0.50		N/A
5	Total	24.512	23.512	1.00	-2.00	-1.0

<sup>1</sup> Minimum Annual Purchase Quantity (MAPQ)

<sup>2</sup> In Scenario 1, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5B) are equal to the sum of their Minimum Annual Purchase Quantities (Line 5A). Therefore, no Imputed Sales are applied to individual Original Minimum Purchase Customers that purchased less than their individual Minimum Annual Purchase Quantities (in this scenario, Milpitas and Mountain View).

<sup>3</sup> Regional Water System (RWS)

<sup>4</sup> In Scenario 2, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5B) are 1.0 mgd less than the sum of their Minimum Annual Purchase Quantities (Line 5A). Therefore, Imputed Sales are applied proportionally to any individual Original Minimum Purchase Customer that purchased less than its individual Minimum Annual Purchase Quantity (in this scenario, Milpitas and Mountain View), so that customer is responsible for its share of the difference between the sum of all Minimum Annual Purchase Quantities (Line 5A) and the collective amount of RWS use (Line 5B). In this scenario, Mountain View is responsible for 75% and Milpitas is responsible for 25% of the 1.0 mgd difference between Line 5A and Line 5B.

Scenario 3: Collective Purchases Equal to or Greater Than Sum of MAPQs – with Rebound Year-Adjusted MAPQs (No Imputed Sales)<sup>5</sup>

Line #	Wholesale Customer	A	B	C = A - ((A[LINE #] - B[LINE #]) / 2)	D	E	F	G = (F[LINE #] / F5) x (D5 - C5)
		MAPQ	RWS Use in Waiver's Final Year	Rebound Year-Adjusted MAPQ	RWS Use (mgd)	RWS Over Rebound Year-Adjusted MAPQ (mgd)	RWS Under Rebound Year-Adjusted MAPQ (mgd)	Proportion of Use Under Total Rebound Year-Adjusted MAPQ (mgd)
1	Alameda County Water District	6.682	5.682	6.182	7.512	1.33		N/A
2	City of Milpitas	4.371	3.371	3.871	3.591		-0.28	N/A
3	City of Mountain View	6.047	5.047	5.547	4.847		-0.70	N/A
4	City of Sunnyvale	7.412	6.412	6.912	7.782	0.87		N/A
5	Total	24.512	20.512	22.512	23.732	2.20	-0.98	N/A

<sup>5</sup> In Scenario 3, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5D) are greater than the sum of their Rebound Year-adjusted Minimum Annual Purchase Quantities that are currently in effect pursuant to Section 3.07.C.2 (Line 5C). Therefore, no Imputed Sales are applied to individual Original Minimum Purchase Customers that purchased less than their individual Rebound Year-adjusted Minimum Annual Purchase Quantities (in this scenario, Milpitas and Mountain View).

**ATTACHMENT H**  
**WATER SHORTAGE ALLOCATION PLAN**

This Water Shortage Allocation Plan (“Plan”), also known as the Tier 1 Shortage Plan, describes the method for allocating water between the San Francisco Public Utilities Commission (“SFPUC”), on the one hand, and the Wholesale Customers collectively, on the other, during shortages caused by drought. The Plan also implements a method for allocating water among the individual Wholesale Customers, known as the Tier 2 Drought Response Implementation Plan (“Tier 2 Plan”), which has separately been adopted by the Wholesale Customers and does not include the SFPUC. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to “shortages” and “water shortages” are to be so understood. This Plan was initially adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been incorporated and updated to correspond to the terminology used in the 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County (“Agreement”), as amended and restated from time to time.

**SECTION 1. SHORTAGE CONDITIONS**

**1.1. Projected Available SFPUC Water Supply.** The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

**1.2 Projected SFPUC Customer Purchases.** The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming Supply Year (defined as the period from July 1 through June 30).

**1.3. Shortage Conditions.** The SFPUC will compare the projected available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year. When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

**1.3.1 Voluntary Response.** If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual Tier 1 and Tier 2 allocations as applicable (see Section 2 of this Attachment H) and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

**1.3.2 Mandatory Response.** If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

**1.4. Period of Shortage.** A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to

California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

## SECTION 2. SHORTAGE ALLOCATIONS

**2.1. Annual Tier 1 Allocations between the SFPUC and the Wholesale Customers.** The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

This Plan refers to the SFPUC's and Wholesale Customers' respective shares of available water so established as the SFPUC's and Wholesale Customers' Tier 1 allocations. The water allocated to the SFPUC shall correspond to the total allocation for all Retail Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

**2.2 Annual Tier 2 Allocations among the Wholesale Customers.** The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less (i.e., the Wholesale Customers' Tier 1 allocation) will be apportioned among them based on a methodology, known as the Tier 2 Plan, that has been separately adopted by all of the Wholesale Customers, and not the SFPUC, as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSCA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSCA will deliver to the SFPUC General Manager a list, signed by the President of BAWSCA's Board of Directors and its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established (known as Tier 2 allocations) may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The Tier 2 Plan methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

**2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent.** The Tier 1 allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

**2.4. Monthly Water Budgets.** Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual Tier 2 allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

**2.5. Transfers of Shortage Allocations.** Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the

Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

### SECTION 3. SHORTAGE WATER BANKING

**3.1. Water Bank Accounts.** The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

**3.2. Bank Account Credits.** Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

**3.2.1. Maximum Balances.** The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

**3.3. Account Debits.** Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

**3.4. Transfers of Banked Water.** In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any effect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

**3.4.1. Transfer Limitations.** The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the Agreement.

## SECTION 4. WHOLESALE EXCESS USE CHARGES

**4.1. Amount of Excess Use Charges.** Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

**4.2 Monitoring Suburban Water Use.** During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

**4.3. Suburban Excess Use Charge Payments.** An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

**4.4. Tier 1 Family Plan.** During periods of mandatory rationing, the SFPUC will not assess excess use charges on any of the Wholesale Customers if the Wholesale Customers' collective cumulative purchases over the course of the Supply Year are less than the Wholesale Customers' Tier 1 allocation, as set forth in Section 2.1. If the Wholesale Customers' collective cumulative purchases exceed the Wholesale Customers' Tier 1 allocation, the SFPUC shall assess excess use charges on each individual Wholesale Customer that exceeded its individual Tier 2 allocation (established in accordance with Section 2.2) over the course of the Supply Year in proportion to each individual Wholesale Customer's share of the collective Wholesale Customers' purchases that exceeded the Wholesale Customers' Tier 1 allocation.

## SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN

**5.1. Construction of Terms.** This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

**5.2. Governing Law.** This Plan is made under and shall be governed by the laws of the State of California.

**5.3. Effect on Agreement.** This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

#### **5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods.**

The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

**5.5. Termination.** This Plan shall expire at the end of the Term of the Agreement. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.

### **SECTION 6. ALLOCATION CALENDAR**

**6.1. Annual Schedule.** The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

#### **6.1.1**

<b>In All Years</b>	<b>Target Dates</b>
1. SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year	November 1
2. SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year	February
3. SFPUC issues initial estimate of available water supply	February 1
4. SFPUC announces potential first year of drought (if applicable)	February 1
5. SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases	February 1-May 31
6. SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable	March 1
7. SFPUC issues final estimate of available water supply	April 15 <sup>th</sup> or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
8. SFPUC determines amount of water available to Wholesale Customers collectively	April 15 <sup>th</sup> or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.

<b>In Drought Years</b>	<b>Target Dates</b>
9. SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.	April 15-30
10. SFPUC declares the need for a voluntary or mandatory response	April 15-30
11. BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively	April 15- 30

12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule)	April 25—May 10
13. Wholesale Customers submit alternative monthly water budgets (optional)	May 8-May 24
14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30	June 1
15. Monthly water budgets become effective	July 1
16. Excess use charges indicated on monthly Suburban bills	August 1 (of the beginning year) through June 30 (of the succeeding year)
17. Excess use charges paid by Wholesale Customers for prior year	August of the succeeding year

## **RESOLUTION NO. 688**

### **A RESOLUTION OF BOARD OF DIRECTORS OF THE WESTBOROUGH WATER APPROVING TIER 2 DROUGHT RESPONSE IMPLEMENTATION PLAN PURSUANT TO SECTION 3.11.C OF THE AMENDED AND RESTATED WATER SUPPLY AGREEMENT**

#### **WESTBOROUGH WATER DISTRICT**

**THIS RESOLUTION IS ADOPTED** based upon the following facts and circumstances:

**WHEREAS**, The Westborough Water District is one of twenty-six (26) agencies in San Mateo, Santa Clara and Alameda Counties (Wholesale Customers) which purchase water from the City and County of San Francisco (San Francisco) pursuant to a Water Supply Agreement entered into in 2009, and recently amended in 2018, 2021 and 2025 (the Agreement or WSA). Collectively these 26 agencies are referred to in the Agreement as Wholesale Customers; and

**WHEREAS**, Section 3.11 of the Agreement addresses situations when insufficient water is available in the San Francisco Regional Water System (RWS) to meet the full demands of all users. Section 3.11.C provides that during periods of water shortage caused by drought, the San Francisco Public Utilities Commission (SFPUC) will allocate available water between its retail customers and the Wholesale Customers collectively, in accordance with a schedule contained in the Water Shortage Allocation Plan set forth in Attachment H to the Agreement (Tier 1 Plan); and

**WHEREAS**, Section 3.11.C authorizes the Wholesale Customers to adopt a Drought Allocation Plan, including a methodology for allocating the available water among the individual Wholesale Customers (Tier 2 Plan). The WSA also commits the SFPUC to honor allocations of water unanimously agreed to by all Wholesale Customers or, if unanimous agreement cannot be achieved, water allocations that have been adopted by the Board of Directors of the Bay Area Water Supply and Conservation Agency (BAWSCA). The Agreement also provides that the SFPUC can allocate water supplies as necessary during a water shortage emergency if no agreed upon plan for water allocation has been adopted by the 26 Wholesale Customers or the BAWSCA Board of Directors; and

**WHEREAS**, Commencing in January 2022, representatives appointed by the managers of each of the Wholesale Customers began meeting monthly to develop a set of principles to serve as guidelines for an equitable allocation methodology, and to develop formulas and procedures, in order to implement those principles. These discussions, and supporting technical analyses, have been conducted with the assistance of BAWSCA; and

**WHEREAS**, The Tier 2 Plan, attached to this resolution as Exhibit A, has been endorsed by all of the Wholesale Customer representatives who participated in the formulation process and they have each recommended that it be formally adopted by the governing body of their respective agencies; and

**WHEREAS**, The Tier 2 Plan allocates the collective Wholesale Customer share of RWS supply made available by the SFPUC among each of the 26 Wholesale Customers through December 31, 2034 and is coordinated with the term of the Agreement, and extension and renewal terms.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Westborough Water District is as follows:

1. The Tier 2 Drought Response Implementation Plan, as attached as Exhibit A (Tier 2 Plan), is approved.
2. This approval is conditioned upon all of the other twenty-five Wholesale Customers approving the Tier 2 Plan, such approvals being evidenced through adoption of similar resolutions or, in the case of private-sector organizations, by other equivalently binding written commitments signed by an executive officer acting within the scope of delegated authority, and all such approvals occurring on or before December 31, 2025. If such resolutions or binding commitments are not adopted by that date, this resolution will automatically expire and be of no further effect after December 31, 2025, unless it has been extended prior thereto by further action of this Board.

PASSED AND ADOPTED this 12<sup>th</sup> day of June, 2025, by the following vote:

AYES:

NOES:

ABSENT:

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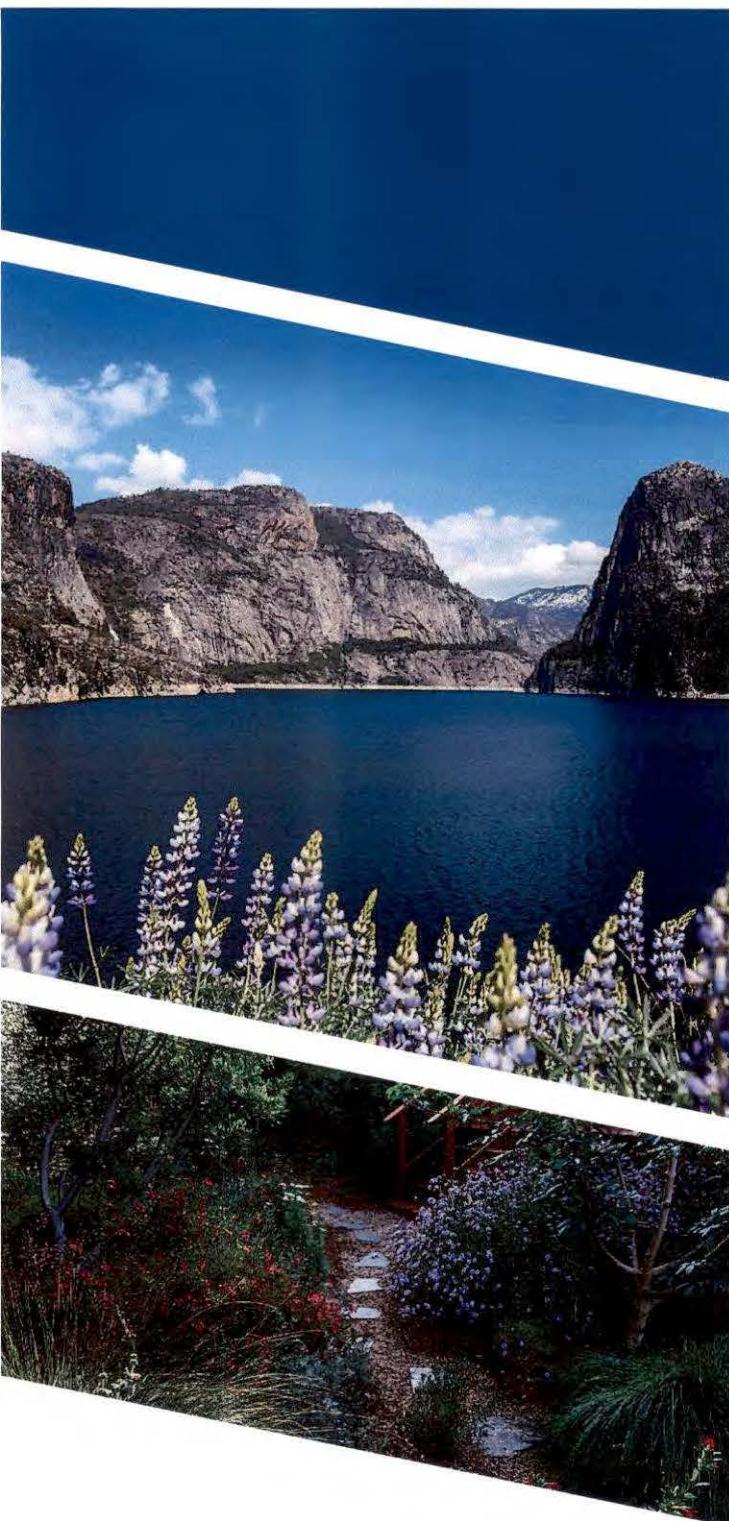
President, Board of Directors

ATTEST:

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Board Secretary

Attachment:  
Tier 2 Plan



# **Tier 2 Drought Response Implementation Plan**

Drought Shortage  
Allocation Plan for the  
Regional Water System  
Wholesale Customers

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## 1. Introduction

The Tier 2 Drought Response Implementation Plan (the “Plan” or “Tier 2 Plan”) describes the method for allocating the water made available by the San Francisco Regional Water System (“RWS”) among the Wholesale Customers during shortages caused by Drought. This Plan is adopted pursuant to Section 3.11(C) of the Amended and Restated Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers in Alameda, San Mateo, and Santa Clara Counties (the “WSA”).

## 2. Relationship to Water Supply Agreement

The WSA includes a Water Shortage Allocation Plan which, among other things, (a) provides for the allocation of available water between Retail Customers (e.g., retail water customers within the City and County of San Francisco) and the Wholesale Customers collectively during system-wide water shortages of 20 percent or less, (b) contemplates the adoption by the Wholesale Customers of this Plan for allocation of the Wholesale Customers share of available water, (c) commits the SFPUC to implement this Plan, (d) provides for banking of unused allocation, and (e) provides for the transfer of both banked water and shortage allocations between and among the Wholesale Customers and commits the SFPUC to implement such transfers. That plan is referred to as the Tier 1 Plan and is included as Attachment H to the WSA.

The Tier 1 Plan also provides the methodology for determining the Overall Average Wholesale Customer Reduction, expressed as a percentage cutback from prior year’s normal SFPUC purchases, and Overall Wholesale Customer Allocation, in million gallons per day (MGD), both of which are used in determining the final Allocation Factor for each Wholesale Customer. The Overall Average Wholesale Customer Reduction is determined by dividing the volume of water available to the Wholesale Customers (the “Overall Wholesale Customer Allocation” or “Tier 1 Allocation”), shown as a share of available water in Section 2 of the Tier 1 Plan, by the prior year’s normal total Wholesale Customers’ RWS purchases and subtracting that value from one.

## 3. Development Process

Between January 2022 and June 2024, Bay Area Water Supply and Conservation Agency (BAWSCA), supported by Woodard & Curran technical consultants, facilitated negotiations between the Wholesale Customers through a series of meetings, workshops, and workgroups to develop a formula and implementation plan to allocate RWS supplies in the event of shortage caused by a SFPUC declared Drought, as defined in the WSA. These meetings, workshops, and workgroups provided a forum for in-depth discussion of the objectives, mechanics, and policy aspects of the elements of an updated Plan.

The Wholesale Customers began negotiations by reviewing the prior Plan, then discussed and agreed upon four policy principles to lay the foundation for a revised Plan. BAWSCA, with support from Woodard & Curran as the technical consultant team, introduced potential elements of a formula to align with the agreed upon policy principles. In monthly workshops, the Wholesale Customers discussed these options and provided feedback on which elements should be included in the Plan, along with suggested refinements. These workshops, and the discussions, suggestions, and comments expressed by the Wholesale Customers during this process, were the primary forum through which this Plan was developed.

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## 4. Plan Policy Principles

The Wholesale Customers collectively developed four policy principles (the “Policy Principles”) to guide the development and performance of the Tier 2 Plan. The Tier 2 Plan and associated Tier 2 Plan Allocation Model were developed in consideration of these policy principles, with the intent to abide by each policy principle while minimizing conflicts between policy principles. The policy principles are summarized below and implemented in Attachment B, Tier 2 Plan Data Sources and Calculations.

1. **Policy Principle #1** - Provide sufficient water for the basic health and safety needs of customers.
2. **Policy Principle #2** - Minimize economic and other adverse impacts of water shortages on customers and the BAWSCA region.
3. **Policy Principle #3** - Provide predictability of drought allocations through consistent and predetermined rules for calculation, while allowing for flexibility to respond to unforeseen circumstances.
4. **Policy Principle #4** - Recognize benefits of, and avoid disincentives for, water use efficiency and development of alternative water supply projects.

## 5. Allocation Formula

Guided by the Policy Principles, the Wholesale Customers developed a specific formula for apportioning the Overall Wholesale Customer Allocation among the individual Wholesale Customers. The Tier 2 Allocation Model requires several inputs to calculate each Wholesale Customer’s allocation. First, Base Period data are collected to be used as inputs in the Tier 2 formula. Next each Wholesale Customer’s allocation is calculated in five steps.

### Base Period Calculations

The Base Period in the Tier 2 Plan is defined as the average of each Wholesale Customer’s two years with the highest volumes of SFPUC purchases from the previous three non-Drought years. A non-Drought year is defined as a full fiscal year (July 1 through June 30) in which the SFPUC has not declared a water shortage emergency, as defined in the WSA. BAWSCA’s Annual Survey, which compiles and publishes data self-reported by the Wholesale Customers, is the primary source for model inputs.

### Tier 2 Plan Allocation Formula Inputs

- **Population:** Each Wholesale Customer’s population as reported in the most recently published Annual Survey and is not tied to Drought or non-Drought year status.
- **Base Period SFPUC Purchases:** The average of each Wholesale Customer’s two years with the highest volumes of SFPUC purchases from the previous three non-Drought years.
- **Base Period Total Potable Water Production:** Total potable production as reported in the Annual Survey.

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- **Base Period SFPUC Reliance:** Each Wholesale Customer's Base Period SFPUC Purchases divided by Base Period Total Potable Water Production, expressed as a percentage.
- **Base Period Percent Indoor Demand:** The single lowest month's total potable demand (a proxy for indoor use) divided by the average monthly total potable demand, expressed as a percentage. The resulting percentages are averaged for the two selected Base Period years.
- **Base Period Percent Non-Residential Demand:** Each Wholesale Customer's potable water consumption from the Base Period from all customer categories except residential, divided by the Wholesale Customer's Base Period Total Potable Water Production, expressed as a percentage. The resulting percentages are averaged for the two selected Base Period years.
- **Individual Supply Guarantee (ISG):** Each Wholesale Customer's share of the Supply Assurance, as shown on Attachment C to the WSA, with proxies for Hayward, San Jose, and Santa Clara in order to provide inputs for the Tier 2 Allocation Formula

There are three exceptions to the Base Period Calculations: (1) Coastsid County Water District ("Coastside CWD") Base Period SFPUC Purchases and Base Period SFPUC Reliance, (2) Stanford Base Period Percent Indoor Demand, and (3) Stanford Population Calculation.

- (1) Coastside CWD Base Period SFPUC Purchases will be calculated as 94% of its Base Period Total Potable Water Production. Base Period SFPUC Reliance will be fixed at 94%. More information is provided in Attachment B.
- (2) Stanford's Base Period Percent Indoor Demand calculation will exclude demand from the month of December and/or January when the campus is closed and demand is abnormally low.
- (3) Stanford's population is calculated as described in Attachment B.

Furthermore, three Wholesale Customers do not have an ISG and a proxy is used in the Tier 2 Plan: (1) Hayward, (2) San Jose, and (3) Santa Clara. Background on ISG and each ISG proxy is described in Attachment B.

Data sources, methodologies, and equations used to calculate each input are described further in Attachment B.

## Step 0: Establish SFPUC Minimum and Maximum Cutback

The Minimum and Maximum Cutback establish the upper and lower bounds for each Wholesale Customer's final allocation.

No water is allocated in this step. Instead, allocations in subsequent steps are limited such that no Wholesale Customer's final allocation is outside the upper and lower bounds (i.e., above the Minimum Cutback or below the Maximum Cutback) established in this step.

**Minimum Cutback:** Each Wholesale Customer will contribute to meeting the Overall Average Wholesale Customer Reduction by taking a Minimum Cutback from its Base Period SFPUC

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Purchases (up to its ISG or proxy). This establishes the upper limit of each Wholesale Customer's potential final allocation. The Minimum Cutback, expressed as a percentage, is equal to 1/3 times the Overall Average Wholesale Customer Reduction, but no less than 5%.

**Maximum Cutback:** The Maximum Cutback establishes the lower limit of each Wholesale Customer's potential final allocation. The Maximum Cutback, expressed as a percentage, is equal to 1.5 times the Overall Average Wholesale Customer Reduction. The Maximum Cutback is calculated from each Wholesale Customer's Base Period SFPUC Purchases (up to its ISG, or proxy).

**Step 1 Override Exception:** If a Wholesale Customer's allocation in Step 1 exceeds the upper limit established by the Minimum Cutback at 1/3 times the Overall Average Wholesale Customer Reduction, the Wholesale Customer's Minimum Cutback will be reduced, but the Minimum Cutback will be no less than 5%.

Calculations and an example of the Step 1 Override Exception are provided in Attachment B.

## Step 1: Efficient Residential Allocation

Step 1 allocates water on a residential per capita basis, based on the State Indoor Water Use Efficiency Standard<sup>1</sup> and the portion of each Wholesale Customer's water demand met by the RWS.

The per capita efficient residential volume, in gallons, will align with the State Residential Indoor Water Use Efficiency Standard, established as 47 gallons per capita per day (GPCD) through 2029 and 42 GPCD beginning in 2030. This step multiplies the per-capita volume by each Wholesale Customer's Population and Base Period SFPUC Reliance to determine the total amount of supply allocated to each Wholesale Customer in this step.

## Step 2: Non-Residential Base Allocation

Step 2 allocates water based on each Wholesale Customer's estimated non-residential indoor/base demand.

To calculate non-residential indoor/base demand, each Wholesale Customer's Base Period SFPUC Purchases are multiplied by:

- Base Period Percent Indoor Demand
- Base Period Percent Non-Residential Demand
- Non-Residential Base Allocation Factor – this is equal to one minus 50% of the Overall Average Wholesale Customer Reduction.
  - For example, in a 20% Overall Average Wholesale Customer Reduction, the Non-Residential Base Allocation Factor will be 90% ( $1 - (20\% \div 2)$ ) of each Wholesale Customer's non-residential indoor/base demand.

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<sup>1</sup> SB 1157, signed into law in September 2022, established the standard for efficient indoor residential water use be 47 gallons per capita per day ("GPCD"), lowering to 42 GPCD in 2030.

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### **Step 3: SFPUC Maximum Cutback Reserve**

The Maximum Cutback establishes the lower limit for each Wholesale Customer's final allocation. See Step 0 for more information.

No water is allocated in this step. Instead, this step calculates the gap between each Wholesale Customer's allocation after Step 2 and the lower limit of its potential final allocation. This step then reserves the sum of the gap for all Wholesale Customers from the Overall Wholesale Customer Allocation for Step 5. This Maximum Cutback Reserve ensures, after other steps are applied, that sufficient water is available in the final step to provide that each Wholesale Customer's final allocation is equal to, or greater than, the lower limit of its potential allocation established by the Maximum Cutback.

### **Step 4: Seasonal Allocation**

Step 4 allocates water based on estimated seasonal purchases from the RWS.

The inverse of each Wholesale Customer's Base Period Percent Indoor Demand (1 - % Indoor Demand) is used to estimate percent seasonal demand, which is then multiplied by Base Period SFPUC Purchases to estimate each Wholesale Customers' SFPUC seasonal purchases. Each Wholesale Customer's estimated SFPUC seasonal purchases are multiplied by the Seasonal Cutback Factor to establish each Wholesale Customer's Seasonal Allocation.

The Seasonal Cutback Factor is calculated based upon the Overall Wholesale Customer Allocation remaining to be allocated after Step 2. Of the remaining Overall Wholesale Customer Allocation after Step 2 (less the Maximum Cutback Reserve), 50% is allocated through the Seasonal Minimum Allocation Step. The detailed methodology for calculating the Seasonal Cutback Factor is described in Attachment B.

### **Step 5: SFPUC Purchases and ISG-Based Allocation**

Step 5 allocates the water remaining after Step 4 to get agencies as close to the "Target Allocation" as possible. Each Wholesale Customer's Target Allocation is based on a weighted share of two-thirds Base Period SFPUC Purchases and one-third ISG (or proxy) while ensuring each agency's final allocation is between the Minimum and Maximum Cutback limits.

The detailed methodology for calculating the Base Period SFPUC Purchases and ISG weighted allocation is described in Attachment B.

## **6. Plan Implementation**

The Tier 2 Plan applies when, and only when, the SFPUC declares a Drought that has a system-wide water shortage of 20 percent or less. The Tier 2 Plan applies only to water acquired and distributed by the SFPUC to the Wholesale Customers through the WSA and has no effect on water obtained by a Wholesale Customer from any source other than the SFPUC.

### **Shortages Greater than 20 Percent**

In no way should it be construed that the Wholesale Customers relieve the SFPUC of its obligations established in the Level of Service goals adopted in the Water System Improvement

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Program (“WSIP”), including the level of service goal to “meet dry-year delivery needs while limiting drought rationing to a maximum 20 percent system-wide reduction water service during extended droughts” (2023 Amended and Updated LOS Goals and Objectives, SFPUC Resolution No. 23-0210, adopted November 28, 2023, updating the Resolution No. 08-0200, adopted October 30, 2008). Should conditions occur that result in system-wide shortages greater than 20%, the provisions in WSA Section 3.11(C) apply. The Tier 2 Plan calculations may be used during discussions with the SFPUC on how to implement reductions above 20% with the Wholesale Customers and for planning purposes only to estimate potential Wholesale Customer allocations for system-wide shortages greater than 20% (e.g., to inform efforts such as Urban Water Management Plans).

### **BAWSCA Role in Plan Implementation**

In accordance with the WSA, upon the SFPUC’s declaration or reconfirmation of a water shortage emergency, BAWSCA will calculate and provide the SFPUC with each Wholesale Customer’s individual percentage share of the amount of water allocated to the Wholesale Customers collectively.

In the event that shortage conditions change and the SFPUC takes action to declare an increase or decrease to the system-wide shortage level, BAWSCA will recalculate the Tier 2 Plan and submit new Allocation Factors to the SFPUC. When rerunning the Tier 2 calculations, the Base Period will not change to provide predictability (Policy Principle #3). The only inputs that will change are the Overall Wholesale Customer Allocation and population, if a more recent Annual Survey has been published.

If the appropriate base period data, as specified in this Plan, are not available when BAWSCA initially calculates the Tier 2 Allocation Factors, the Base Period may be updated. However, BAWSCA may only provide the SFPUC with updated Allocation Factors if the Commission takes action to declare or reconfirm a shortage condition.

Each year, BAWSCA will provide the Wholesale Customers with a review of the Tier 2 Plan. The annual review will include:

- Calculation of each Wholesale Customer’s Allocation Factor for regional shortages of 10% and 20% for the current Base Period, based upon the most recent published BAWSCA Annual Survey;
- Review of Base Period data used to develop the calculations.

### **7. Plan Term**

The term of the Tier 2 Plan will be the same as the WSA term and may be extended by the written agreement of all the Wholesale Customers. The Tier 2 Plan negotiators chose to coordinate the Plan term with WSA term in order to avoid simultaneous renegotiation of these related agreements. Pursuant to WSA Section 2, the WSA expires on June 30, 2034. In December 2031, the SFPUC may provide written notice to the Wholesale Customers that it is willing to extend the WSA for five years, through June 30, 2039. Between January 1, 2032 and June 30, 2032, any Wholesale Customer may accept the SFPUC’s offer to extend the Term by providing a written notice of extension to the SFPUC. If the WSA is extended, the Tier 2 Plan

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shall expire on December 31, 2034, unless extended by the written agreement of all Wholesale Customers. The Wholesale Customers will meet to review and potentially negotiate amendments to the Tier 2 Plan between July 2032 and June 2034.

If the SFPUC is not willing to extend the term of the WSA, or the Wholesale Customers decline the offer to extend the term of the WSA, the term of the Tier 2 Plan shall be automatically extended for two additional years through December 31, 2036 to allow for more time for the Wholesale Customers to meet to review and potentially negotiate amendments to the Tier 2 Plan between July 2034 and June 2036.

Sample schedules described above are provided in the table below.

Date	Extension of WSA with Limited Negotiated Changes	Parties must renegotiate WSA Terms
Dec 2031	SFPUC indicates willingness to extend term of WSA for 5 years	SFPUC indicates willingness to extend term of WSA for 5 years
Jan - Jun 2032	Wholesale Customers <u>accept</u> offer to extend term of WSA	Wholesale Customers <u>decline</u> offer to extend term of WSA
Jul 2032 - Jun 2034	Wholesale Customers meet to review, extend and potentially negotiate amendments to the Tier 2 Plan	SFPUC and Wholesale Customers negotiate amendments to WSA
Jul 2034 - Jun 2036		Wholesale Customers meet to review and potentially negotiate amendments to the Tier 2 Plan

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## Attachment A: List of Abbreviations and Definitions

### Abbreviations

**BAWSCA** – Bay Area Water Supply and Conservation Agency

**GPCD** – gallons per capita per day

**ISG** – Individual Supply Guarantee

**MGD** – million gallons per day

**RWS** – San Francisco Regional Water System

**SFPUC** – San Francisco Public Utilities Commission

**WSA** – Amended and Restated Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers in Alameda, San Mateo and Santa Clara Counties

**WSIP** – Water System Improvement Program

### Definitions

**Allocation Factor** – Each Wholesale Customer's portion of the Overall Wholesale Customer Allocation, expressed as a percent.

**Base Period** – The average of each Wholesale Customer's two years with the highest volumes of SFPUC purchases from the previous three non-Drought years.

**BAWSCA Annual Survey** – An annual survey of the Wholesale Customers, conducted by BAWSCA, to update key service area information including actual and projections of Wholesale Customer water demand and population.

**Drought** – “[a] water shortage caused by lack of precipitation, as reflected in resolutions of the Commission calling for voluntary or mandatory water rationing based on evaluation of water stored or otherwise available to the Regional Water System, whether or not the Commission declares a water shortage emergency pursuant to Water Code §§ 350 et seq., as amended from time to time.” (WSA, *Attachment A*)

**Individual Supply Guarantee** – “[each] Wholesale Customer's share of the Supply Assurance, as shown in Attachment C [to the WSA].” (WSA, *Attachment A*)

**Overall Average Wholesale Customer Reduction** – The percent cutback from Base Period SFPUC Purchases, calculated by dividing the Overall Wholesale Customer Allocation by the sum of the Wholesale Customer's Base Period SFPUC Purchases.

**Overall Wholesale Customer Allocation or Tier 1 Allocation** – The volume of water available to the Wholesale Customers from the RWS.

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**Regional Water System** – “[the] water storage, transmission and treatment system operated by the SFPUC in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco counties, including projects constructed under the WSIP, but excluding Direct Retail and Direct Wholesale assets.” (WSA, *Attachment A*)

**SFPUC Purchases** – For the purposes of the Tier 2 Plan, SFPUC Purchases are defined as the volume of water purchased by and delivered to a Wholesale Customer for use within its service area. SFPUC Purchases specifically exclude (1) **In-Lieu Water**, which is Regional Water System water pursuant to the WSA and the Regional Groundwater Storage and Recovery Project Operating Agreement and (2) **Imputed Sales**, both defined in the WSA, Attachment A.

**Supply Assurance** – “[the] 184 MGD maximum annual average metered supply of water dedicated by San Francisco to public use in the Wholesale Service Area (not including San Jose and Santa Clara) in the 1984 Agreement and Section 3.01 of this Agreement.” (WSA, *Attachment A*)

**Tier 1 Plan or Tier 1 Shortage Plan** – “[the] Water Shortage Allocation Plan (Attachment H) adopted by the SFPUC and the Wholesale Customers in conjunction with this Agreement [the WSA] describing the method for allocating water between the SFPUC and the Wholesale Customers collectively for shortages of up to 20% of deliveries from the Regional Water System, as amended from time-to-time.” (WSA, *Attachment A*)

**Tier 2 Plan or Tier 2 Drought Response Implementation Plan** – The method of apportioning the Tier 1 Allocation among the 26 Wholesale Customers.

**Tier 2 Plan Allocation Model** – The Excel-based tool used for applying the Tier 2 Plan allocation methodology and determining each Wholesale Customer's Allocation Factor.

**Wholesale Customers** – “[the] 26 water customers identified in Section 1.02 [of the WSA] that are contracting for purchase of water from San Francisco pursuant to [the WSA].” (WSA, *Attachment A*)

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## Attachment B: Tier 2 Plan Data Sources and Calculations

### BAWSCA Annual Survey

Each year, BAWSCA conducts an annual survey of its members in order to update key BAWSCA service area information including population, current and projected water use, and climatology. BAWSCA begins collecting data in October of each year. The Wholesale Customers submit data through BAWSCA's Water Conservation Database. Between approximately January and March, BAWSCA reviews the Wholesale Customers' submissions for potential errors and works with Wholesale Customers to confirm and finalize the data. The final report is published around March of each year for the fiscal year ending the previous June 30<sup>th</sup>.

Base Period inputs will use data published in the Annual Surveys from the previous three non-Drought years. Depending on when the SFPUC declares a shortage emergency, the most recent non-Drought year's Annual Survey may not be finalized and published. If the most recent non-Drought year's Annual Survey is not available, the Base Period inputs will use data from the three most recent non-Drought year's published in Annual Surveys.

### Base Period

The Tier 2 Plan uses historical SFPUC purchases, total potable water production, monthly potable production, potable consumption by customer category, and population for Steps 0 through 5. These values are established using a historical base period with established water supply and delivery data.

The Base Period for all inputs except population is defined as the average from the highest two years of SFPUC Purchases over the most recent three non-Drought years. The selection of Base Period is unique to each Wholesale Customer. Two example agencies are provided in the table below, where the data associated with the highest two years are highlighted.

Previous Non-Drought Year	Agency A		Agency B	
	SFPUC Purchases	Percent Non-Residential	SFPUC Purchases	Percent Non-Residential
Year 1	2.50	70%	5.90	58%
Year 2	2.75	69%	6.20	56%
Year 3	2.40	67%	6.10	55%
Calculation	$(2.50 + 2.75)$ 2	$(0.70 + 0.69)$ 2	$(6.20 + 6.10)$ 2	$(0.56 + 0.55)$ 2
Average of Highest Two Years	2.63	70%	6.15	55.5%

### Coastside CWD Special Provisions for Base Period Calculations

Coastside CWD Base Period SFPUC Purchases will be calculated as 94% of its Base Period Total Potable Water Production. Base Period SFPUC Reliance will be fixed at 94%.

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Coastside CWD's high variability in SFPUC purchases from year to year, the California Coastal Commission limitations on growth in its service area, and geographical and hydrological isolation set it apart from other Wholesale Customers. Uniquely among the Wholesale Customers, Coastside CWD does not have interties with other Wholesale Customers or agencies. Additionally, it has junior rights on local surface water supplies. To ensure resiliency, Coastside CWD must maximize its use of Denniston Creek in normal years to provide evidence to the State in its ongoing case to perfect its water rights. This results in low RWS purchases in non-drought years, which are the source of each Wholesale Customer's Base Period. The Coastside CWD special provisions for Base Period SFPUC Purchases ensure its dry year reliance on the RWS is reflected in the Tier 2 Plan.

### Minimum Cutback Factor

The minimum cutback factor is used to establish the upper limit at or below which each Wholesale Customer's final allocation will be. The minimum cutback factor is equal to 1/3 times the Overall Average Wholesale Customer Reduction, expressed as a percentage. Base Period SFPUC Purchases (up to ISG or proxy) are multiplied by 1 minus the minimum cutback factor. An example equation is provided below.

$$\text{Wholesale Customer final allocation upper limit} = \text{Base Period SFPUC Purchases} \times (1 - (1/3 \times \text{Overall Average Wholesale Customer Reduction}))$$

### Step 1 Override Exception

If a Wholesale Customer's allocation in Step 1 (Efficient Residential Allocation) is greater than the upper limit of its potential allocation established by the Minimum Cutback, the Step 1 allocation will override. However, no Wholesale Customer's final cutback will be less than 5%.

For example, in a 20% Overall Average Wholesale Customer Reduction, the Minimum Cutback will be 6.67% ( $20\% \times 1/3$ ). An example Wholesale Customer's calculation is provided below.

Base Period SFPUC Purchases	5.0 MGD
Minimum Cutback Factor	- 6.67%
Upper Limit of Potential Final Allocation	4.67 MGD

Population	101,000
Base Period SFPUC Reliance	100%
Residential Efficient Allocation	47 GPCD
Step 1 Allocation	4.75 MGD

The example agency's final cutback will be 5.1% as calculated below:

$$4.75 \text{ mgd} / 5.0 \text{ mgd} - 1 = -5.1\%$$

### Maximum Cutback Factor

The maximum cutback factor is used to establish the lower limit at or above each Wholesale Customer's final allocation. The maximum cutback factor is equal to 1.5 times the Overall Average Wholesale Customer Reduction, expressed as a percentage. Base Period SFPUC

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Purchases (up to ISG or proxy) are multiplied by 1 minus the minimum cutback factor. An example equation is provided below.

$$\begin{aligned} \text{Wholesale Customer final allocation lower limit} \\ = \text{Base Period SFPUC Purchases} \\ \times (1 - (1.5 \times \text{Overall Average Wholesale Customer Reduction})) \end{aligned}$$

## **Efficient Residential Volume**

The Tier 2 Plan uses a per-capita volume, in gallons, to calculate each Wholesale Customer's Efficient Residential Allocation (Step 1 of the Allocation Model). The per-capita volume is 47 gallons per capita per day through 2029 and 42 GPCD beginning in 2030, consistent with the State of California Indoor Residential Water Use Standard for 2025 established by SB 1157.

## **SFPUC Reliance**

For agencies with multiple potable water sources, the Tier 2 Plan calculates SFPUC Reliance by dividing each agency's Base Period SFPUC Purchases by Base Period Total Potable Water Production, expressed as a percentage. SFPUC Reliance is used in Step 1 to calculate multi-source agency's Residential Efficient Allocation met by the RWS.

## **Population**

The Tier 2 Plan uses population reported in the most recently published Annual Survey to calculate each Wholesale Customer's Efficient Residential Allocation in Step 1.

BAWSCA reviews data submitted for the Annual Survey and works with agencies to ensure the information is correct before making it public. As part of this annual review, BAWSCA will flag any agencies that have reported population increases greater than 5%. BAWSCA will first confirm with the agency that there are no reporting errors. If the reported data are correct, BAWSCA will include a note to all agencies during the annual review of the Tier 2 Plan.

## **Stanford University Population Calculation**

Stanford has historically reported its population in the BAWSCA Annual Survey using data from the Stanford Office of Institutional Research & Decision Support, which annually documents population based on student enrollment and data from human resources. This number captures all students (undergraduate and graduate), post-docs, faculty, and staff that are employed and work on campus. The population report does not directly capture residential population that is not enrolled or employed (significant others or dependents). However, it would include a daytime population component. Stanford reviewed several population sources and calculation methods including census data. Based on review of the available sources for population information, Stanford proposed, and the BAWSCA agencies agreed, to utilize a formula that captures student and faculty/staff residential population. This new approach would eliminate the inclusion of daytime staff and faculty who do not live on campus.

The formula takes the Office of Institutional Research & Decision Support data and uses only the "Total Students" and adds a multiplier of 2.57 people per residence (single and multi-family) for the faculty/staff housing area.

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Stanford Population = (Faculty/Staff Housing Residences x 2.57) + ("Total Students" from Population Report)

### Percent Indoor Demand

For each Base Period year, percent indoor demand is calculated by dividing each Wholesale Customer's lowest month of potable production by the Wholesale Customer's average monthly potable production. The two resulting percentages are averaged together. An example equation is provided below, where  $Y_1$  and  $Y_2$  represent the two Base Period years.

$$\% \text{ Indoor Use} = \frac{\frac{\text{Lowest Month Production}, Y_1}{\text{Average Monthly Production}, Y_1} + \frac{\text{Lowest Month Production}, Y_2}{\text{Average Monthly Production}, Y_2}}{2}$$

### Percent Seasonal Demand

Percent seasonal demand is calculated as the inverse of percent indoor demand.

$$\text{Percent Seasonal Demand} = 1 - \% \text{ Indoor Demand}$$

### Percent Non-Residential Demand

For each Base Period year, percent non-residential demand is calculated by first dividing each Wholesale Customer's potable water consumption from all residential customer categories by the Wholesale Customer's total annual potable production. The resulting percentage is subtracted from one to calculate the inverse and thus captures all non-residential demands including non-revenue water and dedicated irrigation meters<sup>2</sup>. The two resulting percentages from the two Base Period years are averaged together. An example equation is provided below, where  $Y_1$  and  $Y_2$  represent the two Base Period years.

$$\% \text{ NR Use} = \frac{(1 - \frac{\text{Residential Use}, Y_1}{\text{Potable Production}, Y_1}) + (1 - \frac{\text{Residential Use}, Y_2}{\text{Potable Production}, Y_2})}{2}$$

### Individual Supply Guarantee (ISG)

#### Use of ISG in the Tier 2 Plan

Each Wholesale Customer's ISG is used in the Tier 2 Plan calculations with proxies for Hayward, San Jose and Santa Clara, in order to provide inputs for the Tier 2 Allocation Formula. See WSA, Attachment C for a current list of ISG values.

Hayward's de facto ISG (22.1 MGD) is used in place of permanent ISG for the purposes of the Tier 2 Plan calculations. This figure is used in WSA, Attachment D, to determine whether Hayward's increased use requires pro-rata reduction of remaining Wholesale Customers' ISG.

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<sup>2</sup> Prior to FY 22-23, all consumption recorded under the dedicated irrigation sector in the Water Conservation Database is assumed to be non-residential. Starting in FY 22-23, Wholesale Customers were given the option to separate out residential vs. non-residential dedicated irrigation consumption.

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San Jose and Santa Clara's temporary and interruptible contract amounts (4.5 MGD each) are used in place of ISG for the purposes of the Tier 2 Plan calculations.

### **Background on ISG**

San Francisco has a perpetual legal obligation and commitment (Supply Assurance) to deliver 184 MGD to the 24 permanent Wholesale Customers collectively. The Supply Assurance is subsequently allocated among the 24 permanent Wholesale Customers through Individual Supply Guarantees (ISG), which represent each Wholesale Customer's share of the 184 MGD Supply Assurance. San Jose and Santa Clara are not included in San Francisco's Supply Assurance obligation; rather each has a temporary and interruptible water supply contract with San Francisco. Through the WSA and its individual contracts with San Jose and Santa Clara, San Francisco has many requirements to plan for water supply development and analyze the sufficiency of water supply to San Jose and Santa Clara. For example, San Francisco must complete a CEQA review and provide at least a 10-year notice of interruption.

### **Hayward does not have an Individual Supply Guarantee**

San Francisco and Hayward entered into a water supply contract on February 9, 1962 (the "1962 contract") which provided that San Francisco would supply Hayward with all water supplemental to water controlled by Hayward, in sufficient quantity to supply the total water needs of Hayward's service area "on a permanent basis." This 1962 contract remains the Individual Water Sales Contract between San Francisco and Hayward. Due to the terms of this ongoing contract, Hayward does not have an ISG. If Hayward's purchases exceed 22.1 MGD for three consecutive years, the remaining 23 Wholesale Customer's ISG will be reduced on a pro rata (WSA, Attachment D).

Currently, the sum of the 23 Wholesale Customers fixed ISG is 161.9 MGD.

184 MGD Supply Assurance - 161.9 MGD = 22.1 MGD water available for Hayward purchases  
(i.e., Hayward's "de facto" ISG)

Hayward's proxy ISG for the purpose of the Tier 2 Plan is 22.1 MGD.

### **San Jose and Santa Clara do not have an Individual Supply Guarantee**

During the term of the 1984 Settlement Agreement, San Francisco provided water to San Jose and Santa Clara on a temporary and interruptible basis, pursuant to SFPUC Resolution No. 85-0256. The SFPUC has contracted to supply a combined annual average of 9 MGD to San Jose and Santa Clara (4.5 MGD each) through 2028. The 9 MGD allocated to San Jose and Santa Clara is not included in the Supply Assurance. San Francisco will decide whether to make San Jose and Santa Clara permanent customers by December 31, 2028. (WSA, Sec. 4.05)

San Jose and Santa Clara's proxy ISG for the purpose of the Tier 2 Plan is 4.5 MGD each.



## Tier 2 Drought Implementation Plan

## July 2024 Model Concept - Efficient Res Allocation + Non-Res Base Allocation + Seasonal Allocation + Base SFPUC Purchases/ISG-Based Allocation - Variable Base Year

Model Set-up/Assumptions	
Allocation Year/Projection Year	FY24-25
Tier 1 Shortage Allocation (mgd)	114.20
Base Period SFPUC Purchases (mgd)	134.34
Overall Reduction from Base Period Required	-15.0%
SFPUC Maximum Cutback Factor	-22.5%
SFPUC Minimum Cutback Factor	-5.0%
Non-Residential Base Allocation %	92.5%
Step 5 Reserved % of Remaining Tier 1 Allocation (less Step 3 Reserved) after Step 2	50%
Unreserved % of Remaining Tier 1 Allocation (less Step 3 Reserved and Step 5 Reserved) After Step 2	50%
Seasonal Allocation %	7.9%
Step 5 ISG Weighting	33%
Step 5 Base SFPUC Purchases Weighting	67%
Residential Efficient Allocation (R-GPCD)	47.0
Adjustment % for SFPUC Minimum Cutback, if efficient residential allocation is greater than minimum cutback	95%
Effective Date for Model Run (update for testing only)	12/16/2024

Base Years	
Non-Drought Year 1	FY18-19
Non-Drought Year 2	FY19-20
Non-Drought Year 3	FY20-21

Error Message(s) (if applicable)	

## Calculation Steps for July 2024 Model Concept:

0. SFPUC Minimum Cutback
  - a. Calculate Minimum Cutback from Lesser of Base Period SFPUC Purchases and ISG (Lesser of Base Period SFPUC Purchases and ISG  $\times [1 + \text{SFPUC Minimum Cutback Factor}]$ )
  - b. Calculate Efficient Residential Allocation (population  $\times$  per capita allocation  $\times$  % SFPUC reliance)
  - c. Determine if Minimum Cutback is greater than the Efficient Residential Allocation
  - d. If Efficient Residential Allocation is greater than the Minimum Cutback, an agency's cutback may be no less than 5%
1. Efficient Residential Allocation
  - a. Calculate Efficient Residential Allocation (population  $\times$  per capita allocation)
  - b. Account for % SFPUC Reliance
  - c. Provide Efficient Residential Allocation
2. Non-Residential Base Allocation
  - a. Incorporate Estimated % Indoor Use (see glossary for definition and calculation of % Indoor Use)
  - b. Incorporate % Non-Residential Use
  - c. Calculate Non-Residential Base Allocation (% Indoor Use  $\times$  % Non-Residential Use  $\times$  Base Period SFPUC Purchases  $\times$  Non-Residential Indoor Allocation %)
  - d. Add Non-Residential Base Allocation to the Step 1 Allocation
3. Calculate Potential SFPUC Maximum Cutback Need
  - a. Calculate SFPUC Maximum Cutback (Base Period SFPUC Purchases  $\times [1 + \text{SFPUC Maximum Cutback Factor}]$ )
  - b. Reserve the sum of the potential SFPUC Maximum Cutback need for Step 5 (Maximum Cutback Reserve)
4. Seasonal Allocation
  - a. Determine % Seasonal Use (1 - % Indoor Use)
  - b. Calculate seasonal SFPUC Purchases (Base Period SFPUC Purchases  $\times$  % Seasonal Use)
  - c. Calculate Seasonal Allocation (seasonal SFPUC Purchases  $\times$  Seasonal Allocation %)
  - d. Add the Seasonal Allocation to the Step 2 Allocation
5. Base Period/ISG-Based Allocation
  - a. Calculate weighted average of Base Period SFPUC Purchases and ISG, up to Minimum Cutback
  - b. Calculate Weighted Share of total Tier 1 Allocation to Wholesale Customers (agency weighted average Base Period SFPUC Purchases/ISG  $\div$  total Wholesale Customer weighted average  $\times$  Tier 1 Allocation)
  - c. Calculate the gap between Step 4 allocation and the lesser of 1) weighted share, or 2) Minimum Cutback
  - d. Allocate remaining supplies, except Maximum Cutback Reserve, among agencies with a gap, proportionately to gap, up to the Minimum Cutback
  - e. Confirm allocation meets Maximum Cutback; allocate water from Maximum Cutback Reserve up to Maximum Cutback
  - f. Allocate remaining supplies among agencies with a gap, proportionately to gap, up to the Minimum Cutback

## Instructions:

1. Adjust aqua cells in OVERVIEW tab to adjust model parameters. If there are errors in the inputs, an error message will appear in Columns E-F.
2. View allocation calculations and results in "Tier 2 Allocation" and "Agency Charts" tabs.

Agency	Relevant Base Period Data						0. Establish SFPUC Minimum Cutback						1. Efficient Residential Allocation					
	Selected Base Year 1	Selected Base Year 2	Base Period SFPUC Purchases (mgd)	Base Period Reliance on SFPUC	ISG (mgd)	Total Potable Production (mgd)	Lesser of Base Period SFPUC Purchases and ISG (mgd)	SFPUC Minimum Cutback (mgd)	SFPUC Maximum Cutback (mgd)	Is efficient residential allocation greater than minimum cutback?	Adjusted SFPUC Minimum Cutback, if efficient residential allocation is greater than	0. Effective SFPUC Minimum Cutback (mgd)	Population	% Potable Demand Reliance on SFPUC	Allocation based on efficient residential indoor use (mgd)	Efficient Residential Allocation	1. Efficient Residential (mgd)	
Alameda CWD	2021	2020	8.63	22%	13.76	39.32	8.63	8.20	6.69	<input type="checkbox"/>	8.20	344,000	22%	16.17	3.55	3.55		
Brisbane	2019	2020	0.65	100%	0.98	0.65	0.65	0.62	0.50	<input type="checkbox"/>	0.62	4,851	100%	0.23	0.23	0.23		
Burlingame	2020	2019	3.45	100%	5.23	3.45	3.45	3.28	2.67	<input type="checkbox"/>	3.28	31,080	100%	1.46	1.46	1.46		
Coastside	2021	2019	1.69	94%	2.18	1.80	1.69	1.61	1.31	<input type="checkbox"/>	1.61	18,890	94%	0.89	0.83	0.83		
CWS - Total	2021	2020	29.23	95%	35.68	30.62	29.23	27.77	22.66	<input type="checkbox"/>	27.77	262,704	95%	12.35	11.78	11.78		
Daly City	2020	2019	3.84	64%	4.29	6.00	3.84	3.64	2.97	<input type="checkbox"/>	3.64	107,000	64%	5.03	3.22	3.22		
East Palo Alto	2020	2019	1.57	100%	3.46	1.57	1.57	1.49	1.21	<input type="checkbox"/>	1.49	29,519	100%	1.39	1.39	1.39		
Esterio	2020	2021	4.32	100%	5.90	4.32	4.32	4.10	3.35	<input type="checkbox"/>	4.10	37,443	100%	1.76	1.76	1.76		
Hayward	2021	2019	14.26	100%	22.10	14.26	14.26	13.55	11.06	<input type="checkbox"/>	13.55	159,800	100%	7.51	7.51	7.51		
Hillsborough	2021	2020	2.66	100%	4.09	2.66	2.66	2.53	2.06	<input type="checkbox"/>	2.53	11,592	100%	0.54	0.54	0.54		
Menlo Park	2019	2020	3.09	100%	4.46	3.09	3.09	2.94	2.40	<input type="checkbox"/>	2.94	20,319	100%	0.95	0.95	0.95		
Mid-Peninsula	2020	2021	2.63	100%	3.89	2.63	2.63	2.50	2.04	<input type="checkbox"/>	2.50	30,159	100%	1.42	1.42	1.42		
Millbrae	2019	2020	1.92	100%	3.15	1.92	1.92	1.83	1.49	<input type="checkbox"/>	1.83	20,666	100%	0.97	0.97	0.97		
Milpitas	2020	2021	5.67	67%	9.23	8.49	5.67	5.39	4.40	<input type="checkbox"/>	5.39	81,067	67%	3.81	2.54	2.54		
Mountain View	2021	2020	7.78	87%	12.46	8.90	7.78	7.40	6.03	<input type="checkbox"/>	7.40	81,501	87%	3.83	3.35	3.35		
North Coast	2021	2020	2.39	100%	3.84	2.39	2.39	2.27	1.85	<input type="checkbox"/>	2.27	37,082	100%	1.74	1.74	1.74		
Palo Alto	2021	2020	9.95	100%	16.58	9.95	9.95	9.45	7.71	<input type="checkbox"/>	9.45	68,624	100%	3.23	3.23	3.23		
Purissima Hills	2021	2020	1.82	100%	1.62	1.82	1.62	1.54	1.26	<input type="checkbox"/>	1.54	7,350	100%	0.35	0.35	0.35		
Redwood City	2020	2021	8.62	100%	10.93	8.62	8.62	8.19	6.68	<input type="checkbox"/>	8.19	90,928	100%	4.27	4.27	4.27		
San Bruno	2020	2021	0.93	30%	3.25	3.09	0.93	0.89	0.72	<input type="checkbox"/>	0.89	43,910	30%	2.06	0.62	0.62		
San Jose	2019	2020	4.27	99%	4.50	4.29	4.27	4.05	3.31	<input type="checkbox"/>	4.05	43,036	99%	2.02	2.01	2.01		
Santa Clara	2020	2021	3.25	20%	4.50	16.27	3.25	3.09	2.52	<input type="checkbox"/>	3.09	132,476	20%	6.23	1.24	1.24		
Stanford	2020	2019	1.43	100%	3.03	1.43	1.43	1.36	1.11	<input type="checkbox"/>	1.36	20,000	100%	0.94	0.94	0.94		
Sunnyvale	2021	2020	9.47	54%	12.58	17.68	9.47	8.99	7.34	<input type="checkbox"/>	8.99	156,317	54%	7.35	3.93	3.93		
Westborough	2020	2019	0.80	100%	1.32	0.80	0.80	0.76	0.62	<input type="checkbox"/>	0.76	13,486	100%	0.63	0.63	0.63		
<b>Total</b>			<b>134.34</b>		<b>193.02</b>	<b>196.04</b>		<b>134.14</b>				<b>1,853,800</b>		<b>87.13</b>		<b>60.49</b>		
<b>Allocated</b>																<b>60.49</b>		
<b>Unallocated</b>																<b>53.71</b>		
<b>Reserved</b>																<b>0</b>		

Agency	2. Non-Residential Base Allocation				3. SFPUC Maximum Cutback "Reserve"				4. Seasonal Allocation				5. Base SFPUC Purchases/ISG-Based Allocation with Minimum Cutback			
	Estimated % Indoor Use	% Non-Residential Use	Non-Residential Base Allocation (mgd)	2. Non-Residential Base Allocation (mgd)	SFPUC Maximum Cutback (mgd)	Does Step 2 Allocation Meet SFPUC Maximum Cutback?	SFPUC Maximum Cutback Shortfall (mgd)	% Seasonal Use	Seasonal SFPUC Purchases (mgd)	Seasonal Allocation (mgd)	4. Seasonal Allocation (mgd)	Weighted Average of Base Period SFPUC Purchases (up to ISG) and ISG (mgd)	Weighted Share of Tier 1 Allocation (mgd)	Lesser of Weighted Share and Minimum Cutback Allocation (i.e., Target Allocation)	Target Allocation Based Gap (mgd)	Target Based Allocation 1 (mgd)
Alameda CWD	69%	41%	2.22	<b>5.77</b>	6.69	<input type="checkbox"/>	0.92	31%	2.71	0.22	<b>5.99</b>	10.33	7.68	7.68	1.69	0.31
Brisbane	66%	68%	0.27	<b>0.50</b>	0.50	<input type="checkbox"/>	0.01	34%	0.22	0.02	<b>0.51</b>	0.76	0.56	0.56	0.05	0.01
Burlingame	73%	40%	0.93	<b>2.39</b>	2.67	<input type="checkbox"/>	0.28	27%	0.93	0.07	<b>2.46</b>	4.04	3.00	3.00	0.54	0.10
Coastside	64%	46%	0.47	<b>1.30</b>	1.31	<input type="checkbox"/>	0.01	36%	0.60	0.05	<b>1.35</b>	1.85	1.38	1.38	0.03	0.01
CWS - Total	61%	30%	5.02	<b>16.80</b>	22.66	<input type="checkbox"/>	5.85	39%	11.26	0.89	<b>17.69</b>	31.36	23.32	23.32	5.62	1.05
Daly City	88%	23%	0.73	<b>3.64</b>	2.97	<input checked="" type="checkbox"/>	0.00	12%	0.46	0.04	<b>3.64</b>	3.99	2.96	2.96	0.00	0.00
East Palo Alto	79%	18%	0.21	<b>1.49</b>	1.21	<input checked="" type="checkbox"/>	0.00	21%	0.33	0.03	<b>1.49</b>	2.19	1.63	1.63	0.00	0.00
Esterio	63%	45%	1.13	<b>2.89</b>	3.35	<input type="checkbox"/>	0.46	37%	1.58	0.13	<b>3.01</b>	4.84	3.60	3.60	0.59	0.11
Hayward	72%	45%	4.33	<b>11.85</b>	11.06	<input checked="" type="checkbox"/>	0.00	28%	3.95	0.31	<b>12.16</b>	16.85	12.53	12.53	0.37	0.07
Hillsborough	36%	9%	0.08	<b>0.62</b>	2.06	<input type="checkbox"/>	1.44	64%	1.70	0.14	<b>0.76</b>	3.13	2.33	2.33	1.57	0.29
Menlo Park	53%	63%	0.94	<b>1.90</b>	2.40	<input type="checkbox"/>	0.50	47%	1.47	0.12	<b>2.01</b>	3.54	2.63	2.63	0.62	0.12
Mid-Peninsula	68%	27%	0.45	<b>1.87</b>	2.04	<input type="checkbox"/>	0.18	32%	0.86	0.07	<b>1.93</b>	3.05	2.27	2.27	0.33	0.06
Millbrae	76%	36%	0.49	<b>1.46</b>	1.49	<input type="checkbox"/>	0.03	24%	0.46	0.04	<b>1.49</b>	2.33	1.73	1.73	0.24	0.04
Milpitas	78%	51%	2.08	<b>4.62</b>	4.40	<input checked="" type="checkbox"/>	0.00	22%	1.23	0.10	<b>4.72</b>	6.85	5.09	5.09	0.37	0.07
Mountain View	66%	43%	2.04	<b>5.39</b>	6.03	<input type="checkbox"/>	0.65	34%	2.64	0.21	<b>5.60</b>	9.33	6.94	6.94	1.34	0.25
North Coast	80%	24%	0.42	<b>2.16</b>	1.85	<input checked="" type="checkbox"/>	0.00	20%	0.48	0.04	<b>2.20</b>	2.87	2.13	2.13	0.00	0.00
Palo Alto	61%	38%	2.11	<b>5.34</b>	7.71	<input type="checkbox"/>	2.37	39%	3.90	0.31	<b>5.65</b>	12.14	9.03	9.03	3.38	0.63
Purissima Hills	38%	12%	0.07	<b>0.42</b>	1.26	<input type="checkbox"/>	0.84	62%	1.13	0.09	<b>0.51</b>	1.62	1.21	1.21	0.70	0.13
Redwood City	68%	34%	1.81	<b>6.08</b>	6.68	<input type="checkbox"/>	0.60	32%	2.80	0.22	<b>6.31</b>	9.38	6.98	6.98	0.67	0.13
San Bruno	78%	29%	0.20	<b>0.82</b>	0.72	<input checked="" type="checkbox"/>	0.00	22%	0.21	0.02	<b>0.84</b>	1.70	1.26	1.26	0.89	0.01
San Jose	69%	62%	1.68	<b>3.69</b>	3.31	<input checked="" type="checkbox"/>	0.00	31%	1.33	0.11	<b>3.79</b>	4.34	3.23	3.23	0.00	0.00
Santa Clara	73%	50%	1.10	<b>2.35</b>	2.52	<input type="checkbox"/>	0.17	27%	0.88	0.07	<b>2.42</b>	3.66	2.72	2.72	0.31	0.06
Stanford	63%	45%	0.38	<b>1.32</b>	1.11	<input checked="" type="checkbox"/>	0.00	37%	0.53	0.04	<b>1.36</b>	1.96	1.46	1.46	0.00	0.00
Sunnyvale	69%	42%	2.54	<b>6.48</b>	7.34	<input type="checkbox"/>	0.86	31%	2.98	0.24	<b>6.71</b>	10.49	7.80	7.80	1.09	0.20
Westborough	73%	28%	0.14	<b>0.76</b>	0.62	<input checked="" type="checkbox"/>	0.00	27%	0.22	0.02	<b>0.76</b>	0.97	0.72	0.72	0.00	0.00
<b>Total</b>			<b>31.83</b>	<b>91.90</b>	103.98		15.18		44.87	3.56	<b>95.38</b>	153.57	114.20	113.58	19.56	3.64
Allocated					<b>91.90</b>		<b>91.90</b>					<b>95.38</b>				
Unallocated					22.30		22.30					18.82				
Reserved					0		15.18					15.18				

Agency	First Iteration of Target Based Allocation (mgd)	1st/ISG-Based		Maximum Cutback			Second Iteration of Base Period/ISG-Based Allocation			Third Iteration of Base Period/ISG-Based Allocation If all agencies meet their Target Allocation, remaining water is allocated up to Minimum Cutback					Final Allocation (mgd)	Cutback Percentage	Allocation Factor
		Does Step 5 Initial Allocation Meet SFPUC Maximum Cutback?	Maximum Cutback (mgd)	Initial Step 5 Allocation with Maximum Cutback (mgd)	Target Allocation Based Gap (mgd)	Target Based Allocation 2 (mgd)	Second Iteration of Target Based Allocation (mgd)	Equal or Greater than Weighted Share/Minimum Cutback	Target Allocation Based Gap 3 (mgd)	Third Iteration of Target Based Allocation (mgd)	5. Weighted Share/ Maximum Cutback Based Allocation (mgd)						
Alameda CWD	6.30	<input type="checkbox"/>	0.39	6.69	0.99	0.86	7.57	<input type="checkbox"/>	0.11	0.00	7.57	7.57	12.3%	6.6%			
Brisbane	0.52	<input checked="" type="checkbox"/>	0.00	0.52	0.04	0.04	0.56	<input type="checkbox"/>	0.00	0.00	0.56	0.56	13.8%	0.5%			
Burlingame	2.56	<input type="checkbox"/>	0.11	2.67	0.33	0.29	2.97	<input type="checkbox"/>	0.04	0.00	2.97	2.97	14.0%	2.6%			
Coastside	1.35	<input checked="" type="checkbox"/>	0.00	1.35	0.02	0.02	1.38	<input type="checkbox"/>	0.00	0.00	1.38	1.38	18.8%	1.2%			
CWS - Total	18.74	<input type="checkbox"/>	3.91	22.66	0.66	0.59	23.24	<input type="checkbox"/>	0.07	0.00	23.24	23.24	20.5%	20.4%			
Daly City	3.64	<input checked="" type="checkbox"/>	0.00	3.64	0.00	0.00	3.64	<input checked="" type="checkbox"/>	0.00	0.00	3.64	3.64	5.0%	3.2%			
East Palo Alto	1.49	<input checked="" type="checkbox"/>	0.00	1.49	0.00	0.00	1.49	<input checked="" type="checkbox"/>	0.00	0.00	1.49	1.49	5.0%	1.3%			
Estero	3.12	<input type="checkbox"/>	0.23	3.35	0.25	0.22	3.57	<input type="checkbox"/>	0.03	0.00	3.57	3.57	17.3%	3.1%			
Hayward	12.23	<input checked="" type="checkbox"/>	0.00	12.23	0.30	0.27	12.50	<input type="checkbox"/>	0.03	0.00	12.50	12.50	12.4%	10.9%			
Hillsborough	1.05	<input type="checkbox"/>	1.01	2.06	0.27	0.24	2.30	<input type="checkbox"/>	0.03	0.00	2.30	2.30	13.6%	2.0%			
Menlo Park	2.13	<input type="checkbox"/>	0.27	2.40	0.24	0.21	2.61	<input type="checkbox"/>	0.03	0.00	2.61	2.61	15.7%	2.3%			
Mid-Peninsula	2.00	<input type="checkbox"/>	0.05	2.04	0.23	0.20	2.24	<input type="checkbox"/>	0.03	0.00	2.24	2.24	14.9%	2.0%			
Millbrae	1.54	<input checked="" type="checkbox"/>	0.00	1.54	0.19	0.17	1.71	<input type="checkbox"/>	0.02	0.00	1.71	1.71	11.1%	1.5%			
Milpitas	4.79	<input checked="" type="checkbox"/>	0.00	4.79	0.30	0.27	5.06	<input type="checkbox"/>	0.03	0.00	5.06	5.06	10.8%	4.4%			
Mountain View	5.85	<input type="checkbox"/>	0.19	6.03	0.90	0.80	6.84	<input type="checkbox"/>	0.10	0.00	6.84	6.84	12.2%	6.0%			
North Coast	2.20	<input checked="" type="checkbox"/>	0.00	2.20	0.00	0.00	2.20	<input checked="" type="checkbox"/>	0.00	0.00	2.20	2.20	7.7%	1.9%			
Palo Alto	6.28	<input type="checkbox"/>	1.44	7.71	1.31	1.17	8.88	<input type="checkbox"/>	0.15	0.00	8.88	8.88	10.8%	7.8%			
Purissima Hills	0.64	<input type="checkbox"/>	0.62	1.26	0.00	0.00	1.26	<input checked="" type="checkbox"/>	0.00	0.00	1.26	1.26	30.9%	1.1%			
Redwood City	6.43	<input type="checkbox"/>	0.25	6.68	0.29	0.26	6.95	<input type="checkbox"/>	0.03	0.00	6.95	6.95	19.5%	6.1%			
San Bruno	0.85	<input checked="" type="checkbox"/>	0.00	0.85	0.04	0.04	0.88	<input type="checkbox"/>	0.00	0.00	0.88	0.88	5.5%	0.8%			
San Jose	3.79	<input checked="" type="checkbox"/>	0.00	3.79	0.00	0.00	3.79	<input checked="" type="checkbox"/>	0.00	0.00	3.79	3.79	11.1%	3.3%			
Santa Clara	2.47	<input type="checkbox"/>	0.05	2.52	0.20	0.18	2.70	<input type="checkbox"/>	0.02	0.00	2.70	2.70	16.9%	2.4%			
Stanford	1.36	<input checked="" type="checkbox"/>	0.00	1.36	0.00	0.00	1.36	<input checked="" type="checkbox"/>	0.00	0.00	1.36	1.36	5.0%	1.2%			
Sunnyvale	6.92	<input type="checkbox"/>	0.42	7.34	0.47	0.41	7.75	<input type="checkbox"/>	0.05	0.00	7.75	7.75	18.1%	6.8%			
Westborough	0.76	<input checked="" type="checkbox"/>	0.00	0.76	0.00	0.00	0.76	<input checked="" type="checkbox"/>	0.00	0.00	0.76	0.76	5.0%	0.7%			
<b>Total</b>	<b>99.02</b>		<b>8.92</b>	<b>107.95</b>	<b>7.04</b>	<b>6.25</b>	<b>114.20</b>		<b>0.79</b>	<b>0.00</b>	<b>114.20</b>	<b>114.20</b>					
Allocated	99.02			107.95			114.20					114.20					
Unallocated	0.00			6.25			0.00					0.00					
Reserved	15.18			0.00			0.00					0.00					

Instructions: Copy/paste the table below into the "Historical Saves" tab, columns A through F.						
Agency	Agency	Allocation Year (FY)	Allocation Year (integer)	Final Allocation (mgd)	Cutback Percentage	Allocation Factor
Alameda CWD	Alameda CWD	FY24-25	2025	7.57	12%	7%
Brisbane	Brisbane	FY24-25	2025	0.56	14%	0%
Burlingame	Burlingame	FY24-25	2025	2.97	14%	3%
Coastside	Coastside	FY24-25	2025	1.38	19%	1%
CWS - Total	CWS - Total	FY24-25	2025	23.24	20%	20%
Daly City	Daly City	FY24-25	2025	3.64	5%	3%
East Palo Alto	East Palo Alto	FY24-25	2025	1.49	5%	1%
Esterio	Esterio	FY24-25	2025	3.57	17%	3%
Hayward	Hayward	FY24-25	2025	12.50	12%	11%
Hillsborough	Hillsborough	FY24-25	2025	2.30	14%	2%
Menlo Park	Menlo Park	FY24-25	2025	2.61	16%	2%
Mid-Peninsula	Mid-Peninsula	FY24-25	2025	2.24	15%	2%
Millbrae	Millbrae	FY24-25	2025	1.71	11%	1%
Milpitas	Milpitas	FY24-25	2025	5.06	11%	4%
Mountain View	Mountain View	FY24-25	2025	6.84	12%	6%
North Coast	North Coast	FY24-25	2025	2.20	8%	2%
Palo Alto	Palo Alto	FY24-25	2025	8.88	11%	8%
Purissima Hills	Purissima Hills	FY24-25	2025	1.26	31%	1%
Redwood City	Redwood City	FY24-25	2025	6.95	19%	6%
San Bruno	San Bruno	FY24-25	2025	0.88	5%	1%
San Jose	San Jose	FY24-25	2025	3.79	11%	3%
Santa Clara	Santa Clara	FY24-25	2025	2.70	17%	2%
Stanford	Stanford	FY24-25	2025	1.36	5%	1%
Sunnyvale	Sunnyvale	FY24-25	2025	7.75	18%	7%
Westborough	Westborough	FY24-25	2025	0.76	5%	1%
<b>Total</b>						
<b>Allocated</b>						
<b>Unallocated</b>						
<b>Reserved</b>						

Instructions: Copy/paste the table below into the "Historical Saves" tab, columns A through F.			
Input Category	Value	Allocation Year (FY)	Allocation Year (Integer)
Allocation Year/Projection Year	FY24-25	FY24-25	2025
Tier 1 Shortage Allocation (mgd)	114.20	FY24-25	2025
Overall Reduction from Base Period Required	-15%	FY24-25	2025
SFPUC Maximum Cutback Factor	-22%	FY24-25	2025
SFPUC Minimum Cutback Factor	-5%	FY24-25	2025
Non-Residential Base Allocation %	93%	FY24-25	2025
Step 5 Reserved % of Remaining Tier 1 Allocation (less Step 3)	50%	FY24-25	2025
Unreserved % of Remaining Tier 1 Allocation (less Step 3)	50%	FY24-25	2025
Seasonal Allocation %	8%	FY24-25	2025
Step 5 ISG Weighting	33%	FY24-25	2025
Step 5 Base SFPUC Purchases Weighting	67%	FY24-25	2025
Residential Efficient Allocation (R-GPCD)	47.0	FY24-25	2025
Adjustment % for SFPUC Minimum Cutback, if efficient	95%	FY24-25	2025

**Task Order No. 25-03**  
**Skyline Tank No.3 Structural Retrofit**  
**Pakpour Consulting Group, Inc.**

**1. PURPOSE**

The purpose of this task order is to authorize and direct ENGINEER to proceed with the work specified in item 2 of this task order, in accordance with the provisions of Section 2 of the AGREEMENT between the parties hereto dated August 11, 2021.

**2. SCOPE OF WORK**

The work authorized by this task order is described in attached Exhibit A, dated June 6, 2025.

**3. TIME OF PERFORMANCE**

The work authorized by this task order shall commence upon execution by both parties and shall be prosecuted diligently to completion.

**4. COMPENSATION AND PAYMENT**

Compensation shall be on a specific rate of compensation basis as provided in Section 4 of the AGREEMENT. The cost of the work authorized by this task order shall not exceed \$484,830.00. Payment shall be in accordance with Section 5 of the aforementioned AGREEMENT.

Previous Task Order: #23-24-01	September 15, 2023	\$141,796.00
Previous Task Order: #23-24-03	February 22, 2024	\$ 6,985.00
This Task Order:		<u>\$484,830.00</u>
	Total:	\$633,611.00

**5. TERM**

This task order shall become effective immediately upon its execution by both parties and shall be valid for the duration of the project.

**6. ITEMS AND CONDITIONS**

All items and conditions contained in the AGREEMENT dated August 11, 2021, between the DISTRICT and ENGINEER are incorporated herein by reference.

Executed on

Pakpour Consulting Group Inc.

Westborough Water District

Joubin Pakpour, PE  
President

Don Amuzie  
President, Board of Directors



June 6, 2025

**10025.14**

Patricia Mairena  
General Manager  
Westborough Water District  
2263 Westborough Boulevard  
South San Francisco, CA 94080

**Subject: Construction Management Services Proposal  
Skyline Tank No. 3 Structural Retrofit  
Westborough Water District**

Dear Patricia,

*Pakpour Consulting Group, Inc.* (PCG) prepared the following proposal to provide construction management services for the Skyline Tank No. 3 Structural Retrofit project. We based our services on a total of 180 working days, the maximum allowed under the project specifications, and Euro Style Management's preliminary schedule. We will team with several consultants who will provide a variety of services including special inspections, material testing, and environmental/engineering assistance.

**Construction Management Scope**

**Task 1.0 – Construction Inspection / Office Engineer:** PCG will provide the following scope throughout construction:

- Organize, attend, and run pre-construction meeting with District representatives, Contractor and other stakeholders as necessary to discuss the approved plans and specifications.
- Organize, attend, and record progress meetings, safety meetings, and issue resolution meetings. Provide meeting notes for progress meetings.
- Submittals – PCG will review material submittals and special site requirements for contract document compliance. We anticipate a minimum of 40 submittals through construction. PCG will also respond to Requests for Information anticipating upwards of 15 responses.
- Inspection – Provide full time construction inspection services and daily inspection reports.
- Perform material and equipment product/installation verification.
- Schedule – Review and track progress schedule from inception through construction closeout.

June 6, 2025 – Page 2  
Mairena – Skyline Tank No. 3 Structural Retrofit – CM Services Proposal

- Progress Payments - Track project costs from inception through construction closeout. Complete progress payment forms and submit for District processing.
- Change Orders and Claims – Evaluate potential changes and bring to District attention. Monitor progress of Change Order work and track time and materials. Provide and implement general cost control measures.
- Photographs – Provide project site documentation before, during, and after construction.
- Utilities - Coordinate with utility companies for relocation if necessary.
- Punch list and Final Inspection – Prepare punch list and perform final inspection.
- Coordinate construction of all District and other utilities to minimize interferences with project items.
- Monitor contractor work and minimize impacts upon public safety and convenience.
- When required, ensure advanced written notice is given to residents of nearby properties or general public informing them of work to take place affecting them.
- Identify actual and potential problems associated with construction and recommend sound solutions to the District.
- Oversee compliance with the reviewed water pollution control plan.
- Coordinate materials sampling and testing.
- Close-out Construction Contract.
- Record Drawing Red-lines – Maintain one set of red-lined record drawings with all changes. Adequate records will be kept during construction to verify record drawings are complete.

PCG will team with the following subconsultants to perform special inspections/observations:

- ZFA (Structural Engineer) – Structural observation
- Romig Engineers (Geotechnical Engineer) – Micropile observations, compaction testing
- Bay Area Coating Consultants (Coating Consultant) – Tank coating
- BSK Associates (Special Inspections/Materials Testing) – Welding, concrete/anchor placement
- MIG (Environmental Consultant) – Biological monitoring, environmental surveys

June 6, 2025 – Page 3  
 Mairena – Skyline Tank No. 3 Structural Retrofit – CM Services Proposal

**Task 2.0 – Record Drawings:** PCG will prepare record drawings in AutoCAD 2024 based on contractor and inspector red-lined plans. PCG will provide the District with one 22x34 hard copy on regular bond paper and a PDF.

**Proposed Budget**

Task	Description	Principal Engineer \$270	Senior Engineer \$235	Assistant Engineer \$165	Project Inspector* \$180	TOTAL
		Hours				
1.0	Construction Inspection / Office Engineer	20	390	80	800	1290
2.0	Record Drawings	0	20	40	0	60
	Total Hours	20	410	120	800	1350
	Direct Labor	\$5,400	\$96,350	\$19,800	\$144,000	\$265,550

ZFA - Structural Engineer	\$18,700
Romig - Geotechnical Engineer	\$29,150
Bay Area Coating Consultants - Coating Inspection	\$66,551
BSK Associates - Welding/Special Inspection and Testing	\$81,241
MIG - Biological/Archeological Monitoring	\$10,361
5% Direct Expense Fee (Mileage, Copies, Plots, Etc.)	\$13,278
<b>Total Budget</b>	<b>\$484,830</b>

\*Note the project inspector and any special onsite inspections/samplings from the subconsultants are prevailing wage positions.

Should you have any questions regarding this proposal please do not hesitate to contact me at (925) 224-7717. We look forward to working with the District on this project.

Very truly yours,

***Pakpour Consulting Group, Inc.***

DocuSigned by:

*Joubin Pakpour*

FD1650F8C0904EA...  
 Joubin Pakpour, PE  
 President

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**Westborough Water District**  
**2025 CIP Summary (Sewer Collection)**

Project Number	Project Name Programed Projects	2025 Dollars	2024-2025	105.0% 2025-2026	110.3% 2026-2027	115.8% 2027-2028	121.6% 2028-2029	Total
-	Rowntree Lift Station Improvements (PCL/HMI, SCADA, Fence, Stairway)	\$ 135,000	\$ 135,000					\$ 135,000
-	Avalon Lift Station Improvements (Fence)	\$ 5,000	\$ 5,000					\$ 5,000
-	Westborough Lift Station (VFT, SCADA) (#6)	\$ 300,000	\$ 300,000					\$ 300,000
-	Olympic Drive, from Dublin Drive to Westborough	\$ 130,000	\$ 130,000					\$ 130,000
S23-01	Appian-280 Easement Sanitary Sewer Improvements (#1 & #8)	\$ 1,700,000		\$ 1,470,000	\$ 330,750			\$ 1,800,750
S23-30	Westborough Pump Station Bypass (#2)	\$ 515,000			\$ 567,788			\$ 567,788
S23-02	Gellert Blvd / Archdale Ct Sanitary Sewer Improvements (#4)	\$ 1,105,000				\$ 1,047,651	\$ 243,101	\$ 1,290,752
S25-01	Westborough Lift Station Motor Control Center Cabinets (#7)	\$ 400,000					\$ 486,203	\$ 486,203
S25-02	Rowntree Lift Station Motor Control Center Cabinets (#7)	\$ 400,000					\$ 486,203	\$ 486,203
<b>Total Programed Projects</b>		<b>\$ 4,690,000</b>	<b>\$ 570,000</b>	<b>\$ 1,470,000</b>	<b>\$ 898,538</b>	<b>\$ 1,047,651</b>	<b>\$ 1,215,506</b>	<b>\$ 5,201,694</b>
<b>Approved Capital Expenditure + Roll Over (if any)</b>			<b>\$ 1,000,000</b>	<b>\$ 1,430,000</b>	<b>\$ 960,000</b>	<b>\$ 1,061,463</b>	<b>\$ 1,013,812</b>	
<b>Roll Over</b>			<b>\$ 430,000</b>	<b>\$ (40,000)</b>	<b>\$ 61,463</b>	<b>\$ 13,812</b>	<b>\$ (201,694)</b>	
<b>Average CIP per year</b>		<b>\$ 938,000</b>						<b>\$ 1,040,339</b>

<b>Unprogrammed Projects</b>		
S16-05	Westborough Pump Station Wet Well Improvements, Phase I	\$ 110,000
S16-06	Rowntree Pump Station Structural Analysis / Repair	\$ 90,000
S17-01	Westborough Sewer Pump Station Improvement	\$ 260,000
S17-03	Rowntree Sewer Pump Station Improvement	\$ 360,000
S21-01	Westborough Blvd Phase 1 Sanitary Sewer Improvements	\$ 1,360,000
S21-02	Westborough Blvd Phase 2 Sanitary Sewer Improvements	\$ 1,215,000
S21-03	Westborough Blvd Phase 3 Sanitary Sewer Improvements	\$ 1,690,000
S21-04	Shannon Dr & Vicinity Phase 1 Sanitary Sewer Improvements	\$ 1,565,000
S21-05	Shannon Dr & Vicinity Phase 2 Sanitary Sewer Improvements	\$ 1,515,000
S21-06	Shannon Dr & Vicinity Phase 3 Sanitary Sewer Improvements	\$ 1,680,000
S21-07	Oakmont Dr Sanitary Sewer Improvements	\$ 860,000
S21-08	Bantry Ln Sanitary Sewer Improvements	\$ 1,000,000
S21-09	Ardee Ln Sanitary Sewer Improvements	\$ 975,000

Programed Projects	\$ 4,690,000
Unprogrammed Projects	\$ 40,945,000
<b>2025 Total</b>	<b>\$ 45,635,000</b>

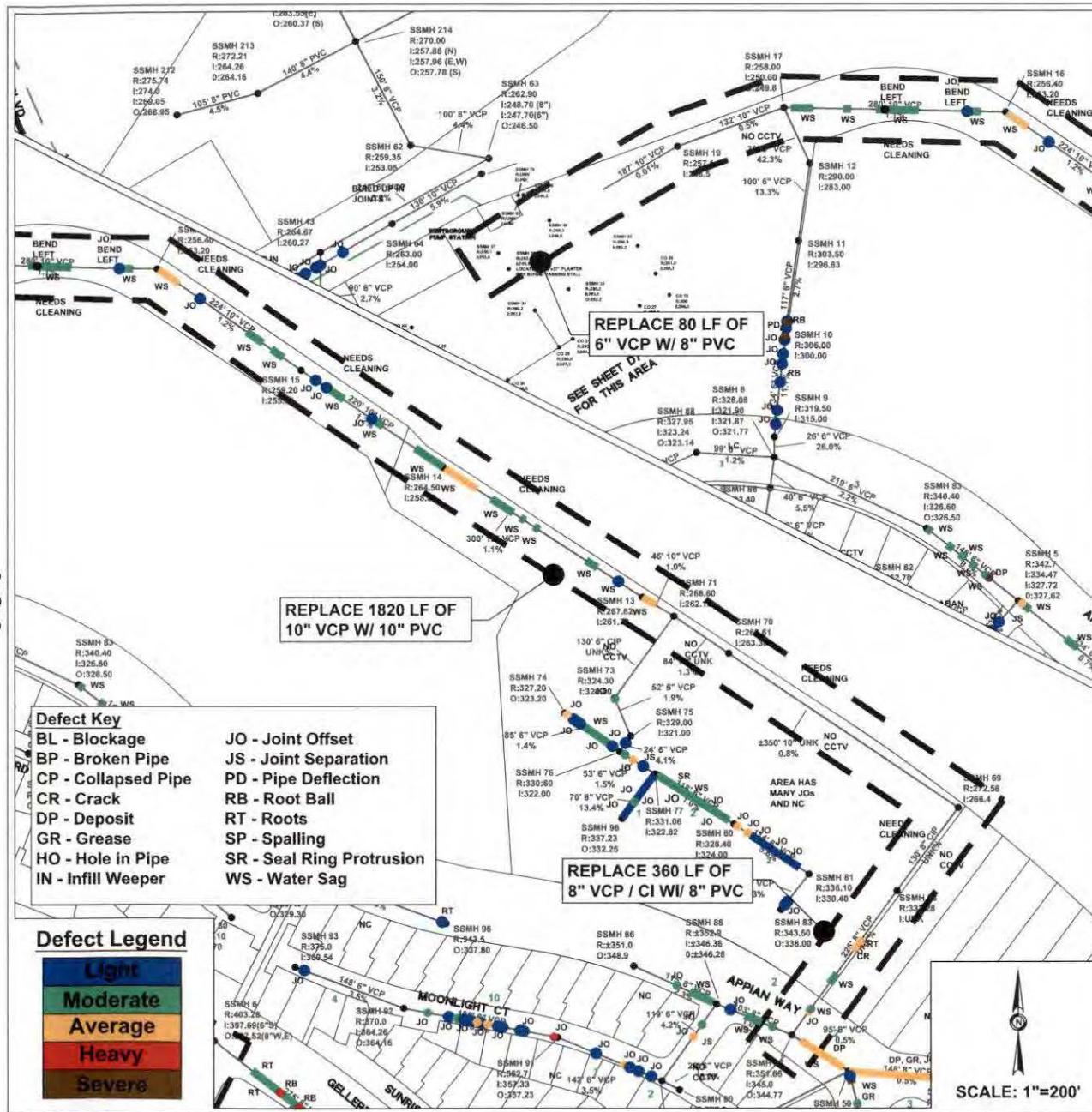
**ASSUMPTIONS**

Assumed Inflation Rate:	5%
Pipe/LF	\$ 400
Laterals	\$ 3,500
Manhole	\$ 10,000

**Westborough Water District**  
**2025 CIP Summary (Sewer Collection)**

6.C.2

S21-10	Tara Ln Sanitary Sewer Improvements	\$ 875,000
S23-03	Greendale Dr Easement Sanitary Sewer Improvements	\$ 525,000
S23-04	Galway Dr Sanitary Sewer Improvements	\$ 780,000
S23-05	Dublin Dr & Vicinity, Phase 1 Sanitary Sewer Improvements	\$ 1,415,000
S23-06	Dublin Dr & Vicinity, Phase 2 Sanitary Sewer Improvements	\$ 935,000
S23-07	Erin Pl Sanitary Sewer Improvements	\$ 855,000
S23-08	Olympic Dr Sanitary Sewer Improvements	\$ 1,350,000
S23-09	Tipperary Av & Vicinity Phase 1 Sanitary Sewer Improvements	\$ 1,310,000
S23-10	Tipperary Av & Vicinity Phase 2 Sanitary Sewer Improvements	\$ 1,420,000
S23-11	Donegal Ave & Vicinity Phase 1 Sanitary Sewer Improvements	\$ 1,015,000
S23-12	Donegal Ave & Vicinity Phase 2 Sanitary Sewer Improvements	\$ 935,000
S23-13	Wexford Ave Phase 1 Sanitary Sewer Improvements	\$ 895,000
S23-14	Wexford Ave Phase 2 Sanitary Sewer Improvements	\$ 1,155,000
S23-15	Barrington Ct & Vicinity Sanitary Sewer Improvements	\$ 1,615,000
S23-16	Kenry Way Sanitary Sewer Improvements	\$ 1,250,000
S23-17	Derry Way Sanitary Sewer Improvements	\$ 640,000
S23-18	Delvin Way Sanitary Sewer Improvements	\$ 950,000
S23-19	Gellert Blvd South Phase 1 Sanitary Sewer Improvements	\$ 775,000
S23-20	Gellert Blvd South Phase 2 Sanitary Sewer Improvements	\$ 715,000
S23-21	Buena Vista Rd Sanitary Sewer Improvements	\$ 860,000
S23-22	Moonlight Ct Sanitary Sewer Improvements	\$ 590,000
S23-23	Vista Ct Sanitary Sewer Improvements	\$ 960,000
S23-24	Valleyview Way Phase 1 Sanitary Sewer Improvements	\$ 995,000
S23-25	Valleyview Way Phase 2 Sanitary Sewer Improvements	\$ 885,000
S23-26	Appian Way North Sanitary Sewer Improvements	\$ 720,000
S23-27	Appian Way South Sanitary Sewer Improvements	\$ 1,405,000
S23-28	Waverly and Canyon Ct Sanitary Sewer Improvements	\$ 880,000
S23-29	Carter Dr Sanitary Sewer Improvements	\$ 1,135,000
S25-03	Leix Way, Myrna Ln, Meath Dr Sanitary Sewer Improvements	\$ 425,000
<b>Total Unprogrammed Projects</b>		<b>\$ 40,945,000</b>



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WESTBOROUGH WATER DISTRICT  
2263 WESTBOROUGH BOULEVARD  
SOUTH SAN FRANCISCO, CA 94080

**CAPITAL IMPROVEMENT PROGRAM**  
**APPIAN WAY / I-280 EASEMENT SS IMPROVEMENTS**  
**PROJECT S23-01**

## APPIAN WAY / I-280 EASEMENT SANITARY SEWER IMPROVEMENTS

### PROJECT BACKGROUND

The Appian Way / I-280 sanitary sewer alignment ( $\pm 2,260$  LF of 6"-10" vitrified clay pipe (VCP) and cast iron pipe (CIP)) is the sole trunk line for collecting sewage from the southeastern portion of the District and is a critical system element. The alignment is nearly 100% within cross-country terrain beginning near the Appian Way / Valley View Ave intersection, extending down steep terrain towards I-280 and then running parallel with I-280 before terminating at the Westborough Pump Station. In 2017, CCTV video determined the pipe showed a high frequency of internal defects as shown on the map - with some very severe. The City of Daly City also identified this alignment for replacement given access difficulties and consistent maintenance. Although some sections of main have minor defects, all pipe should be replaced holistically. This project replaces the existing sewer main in addition to replacing/rehabilitating manholes. For budgeting purposes, this project assumes open-trench construction and replacement with polyvinyl chloride (PVC).

### PROPOSED IMPROVEMENTS

Replace 80 LF 6" VCP w/ 8" PVC  
Replace 360 LF 8" VCP/CIP w/ 8" PVC  
Replace 1,820 LF of 10" VCP w/ 10" PVC  
Replace/rehabilitate 13 manholes

### PROJECT BENEFITS

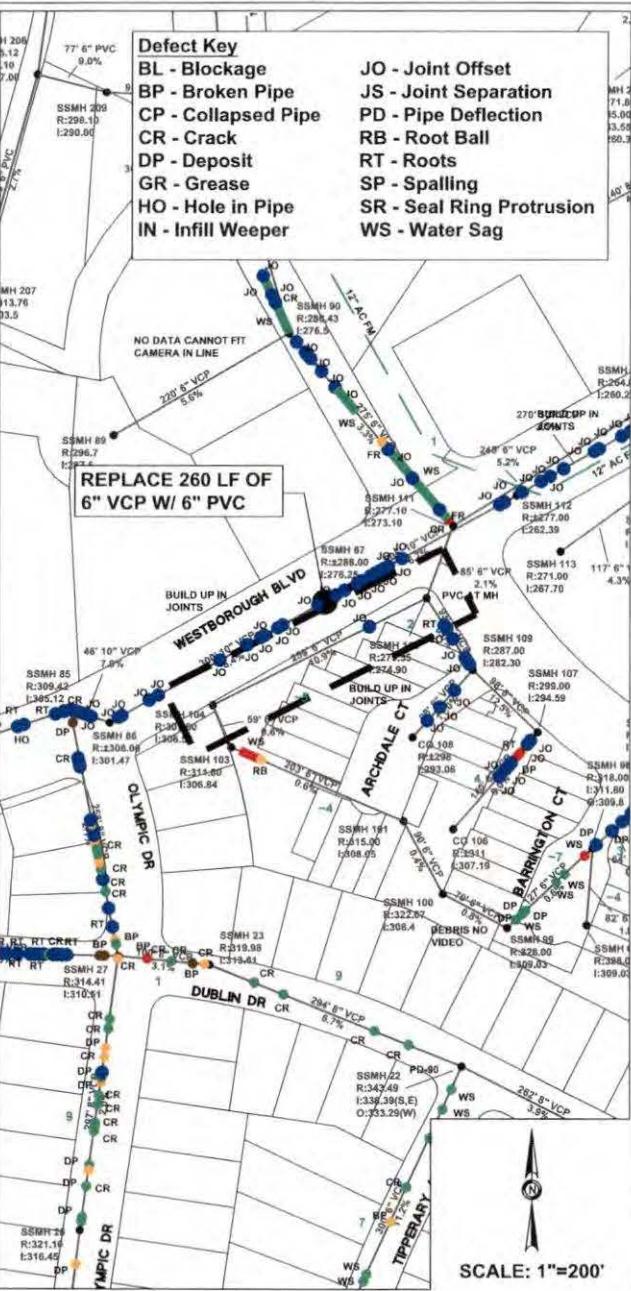
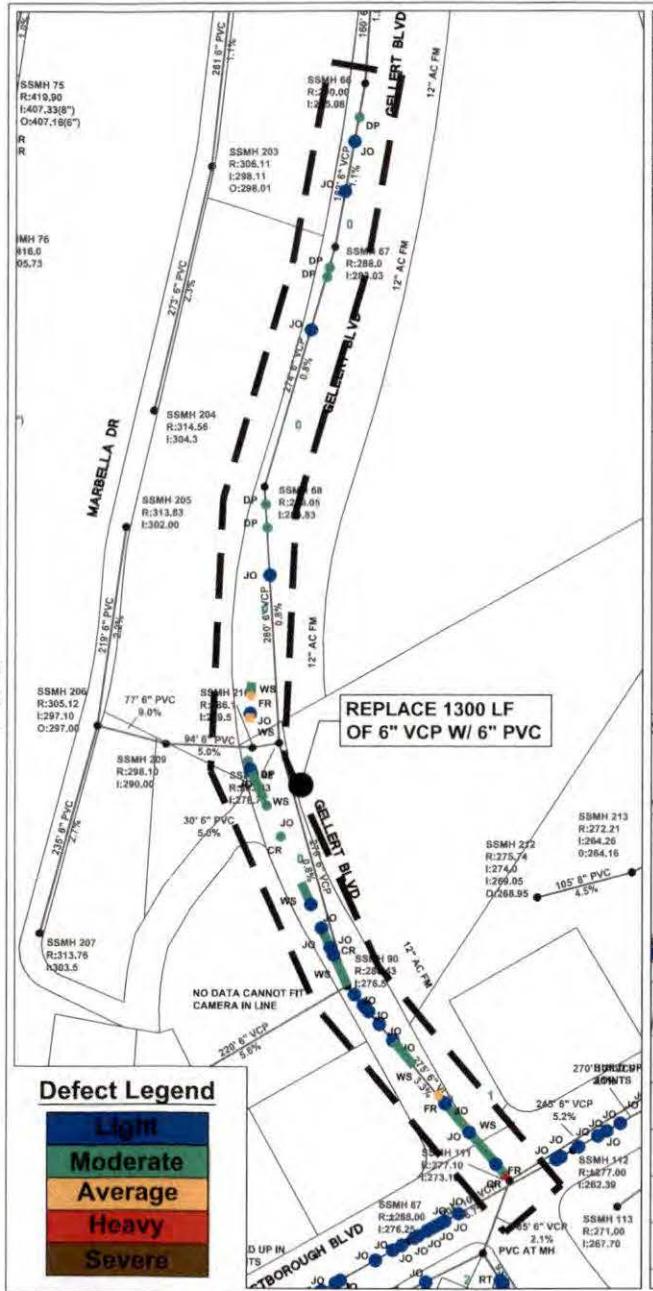
The Appian Way/ I-280 Easement Sanitary Sewer Improvements replaces  $\pm 2,260$  LF of deteriorating sanitary sewer main greatly reducing future maintenance and extending overall system life.

### PROJECT BUDGET (2025)

6" Pipe - 80 LF @ \$400/LF	\$ 32,000
8" Pipe - 360 LF @ \$450/LF	\$ 162,000
10" Pipe - 1,820 LF @ \$500/LF	\$ 910,000
Manholes - 13 @ \$10,000/EA	\$ 130,000
Subtotal Construction	\$ 1,234,000
Planning, Design, & Construction Support	\$ 185,000
Contingency ( $\pm 10\%$ )	\$ 141,000
<b>Project Budget</b>	<b>\$ 1,560,000</b>

### OPTIONAL

Construction Management/Inspection	\$ 125,000
Contingency ( $\pm 10\%$ )	\$ 15,000
<b>Total</b>	<b>\$ 140,000</b>



## GELLERT BLVD / ARCHDALE CT SANITARY SEWER IMPROVEMENTS

### PROJECT BACKGROUND

The City of Daly City identified portions of sanitary sewer main along Gellert Blvd and the Archdale Ct area (paralleling Westborough Blvd) for replacement due to known and consistent maintenance issues. The sewer mains consist of 6" vitrified clay pipe (VCP) - 260 LF along the Archdale Ct homes and ±1,300 LF along Gellert Blvd. In 2017, CCTV video determined the pipe showed a high frequency of internal defects as shown on the map - with some very severe. Although some sections of main have minor defects, it is recommended all pipe be replaced holistically. This project replaces the existing sewer main in addition to replacing/rehabilitating laterals and manholes. For budgeting purposes, this project assumes open-trench construction and replacement with polyvinyl chloride (PVC).

### PROPOSED IMPROVEMENTS

Replace 1,560 LF 6" VCP w/ 6" PVC

Replace 3 laterals

Replace/rehabilitate 8 manholes

### PROJECT BENEFITS

The Gellert Blvd / Archdale Ct Sanitary Sewer Improvements replaces ±1,560 LF of deteriorating sanitary sewer main greatly reducing future maintenance and extending overall system life.

### PROJECT BUDGET (2025)

6" Pipe - 1,560 LF @ \$400/LF	\$ 624,000
Manholes - 8 @ \$10,000/EA	\$ 80,000
Laterals - 3 @ \$3,500/EA	\$ 10,500
Traffic Control Premium	\$ 50,000
Subtotal Construction	\$ 764,500
Planning, Design, & Construction Support	\$ 155,000
Contingency (±10%)	\$ 95,500
<b>Project Budget</b>	<b>\$ 1,015,000</b>

### OPTIONAL

Construction Management/Inspection	\$ 80,000
Contingency (±10%)	\$ 10,000
<b>Total</b>	<b>\$ 90,000</b>



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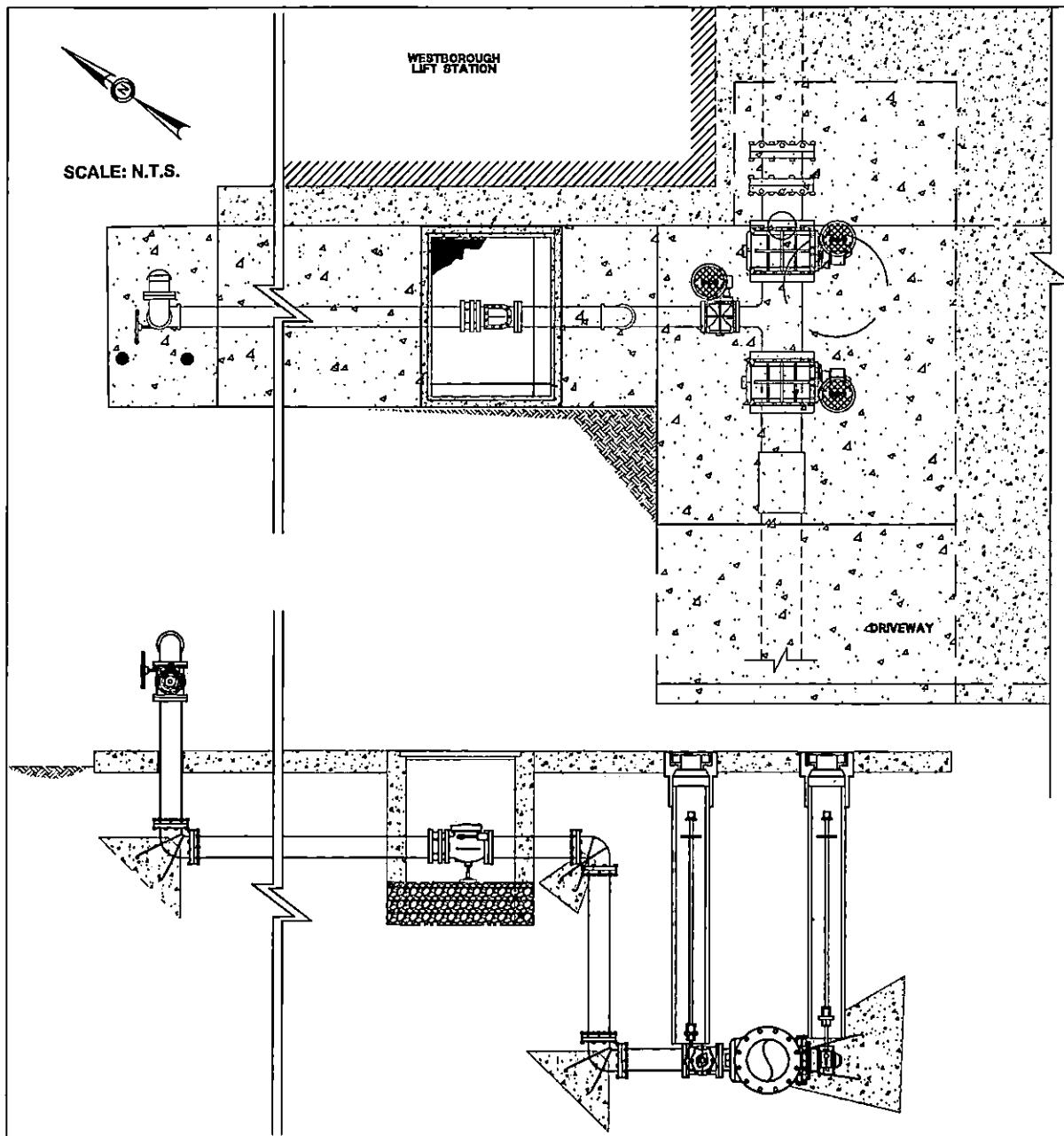


WESTBOROUGH WATER DISTRICT  
2263 WESTBOROUGH BOULEVARD  
SOUTH SAN FRANCISCO, CA 94080

CAPITAL IMPROVEMENT PROGRAM  
GELLERT BLVD / ARCHDALE CT SS IMPROVEMENTS  
PROJECT S23-02

Rev 2025  
Original 2023

6.C.5



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WESTBOROUGH WATER DISTRICT  
2263 WESTBOROUGH BOULEVARD  
SOUTH SAN FRANCISCO, CA 94080

## WESTBOROUGH PUMP STATION BYPASS

### PROJECT BACKGROUND

The Westborough Pump Station is located along Westborough Blvd next to the Westborough Water District office. It is the only sanitary sewer pump station owned by the District that currently has no bypass. A sewer bypass for the sewer pump station is critical for easier sewer pump and valve maintenance and repair. Not having the bypass significantly increases the cost of any repair.

1. 2 - 12" Plug Valves
2. 2 - 6" Plug Valves
3. 6" Check Valve
4. 12"/6" Fittings & Pipes
5. Surface Restoration

### PROPOSED IMPROVEMENTS

Install a new bypass system.

### PROJECT BENEFITS

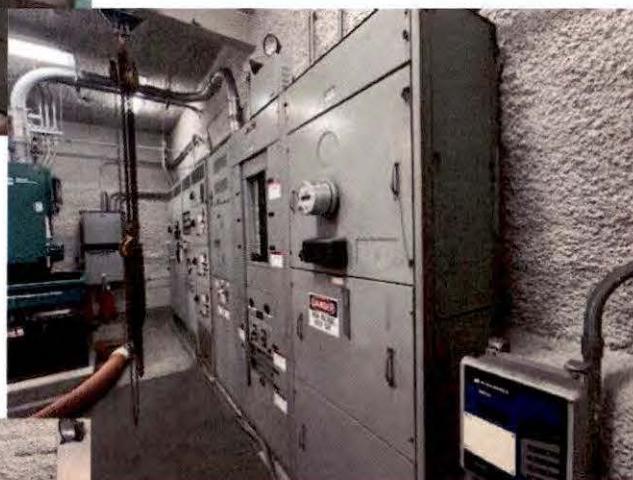
A bypass connection will make any repair easier and significantly decrease the repair cost.

### PROJECT BUDGET (2025)

Bypass Connection	\$ 350,000
Surface Restoration	\$ 25,000
Subtotal	\$ 375,000
Planning, Design, Construction Support	\$ 95,000
Contingency ( $\pm 10\%$ )	\$ 45,000
<b>Project Budget</b>	<b>\$ 515,000</b>

CAPITAL IMPROVEMENT PROGRAM  
WESTBOROUGH PUMP STATION BYPASS  
PROJECT S23-30

Rev 2025  
Original 2023



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WESTBOROUGH WATER DISTRICT  
2263 WESTBOROUGH BOULEVARD  
SOUTH SAN FRANCISCO, CA 94080

CAPITAL IMPROVEMENT PROGRAM  
WESTBOROUGH PUMP STATION MCC UPGRADE  
PROJECT S25-01

Original 2025

## WESTBOROUGH PUMP STATION MCC UPGRADES

### PROJECT BACKGROUND

The Westborough Pump Station is a critical pumping facility taking sewage from the lowest part of the District and pumping it uphill to Rowntree Pump Station. From the Rowntree Pump Station it is then pumped further uphill until it gravity feeds into the City of Daly City's sanitary sewer system. The City of Daly City indicated the existing motor control center (MCC), essentially the electrical infrastructure needed to power/control the pumps, has reached its service life where replacement components are not readily available. This project replaces the entire MCC with new modern materials and equipment.

### PROPOSED IMPROVEMENTS

Replace the existing Motor Control Center.

### PROJECT BENEFITS

Replacing the Motor Control Center will ensure the pump station continues to operate as designed without major complications due to outdated replacement parts.

### PROJECT BUDGET (2025)

MCC Control Panel	\$ 275,000
Subtotal	\$ 275,000
Planning, Design, Construction Support	\$ 85,000
Contingency ( $\pm 10\%$ )	\$ 40,000
<b>Project Budget</b>	<b>\$ 400,000</b>



## ROWNTREE PUMP STATION MCC PANEL UPGRADES

### PROJECT BACKGROUND

The Rowntree Pump Station is a critical pumping facility taking sewage from the middle part of the District and pumping it uphill until it gravity feeds into the City of Daly City's sanitary sewer system. The City of Daly City indicated the existing motor control center (MCC), essentially the electrical infrastructure needed to power/control the pumps, has reached its service life where replacement components are not readily available. This project replaces the entire MCC with new modern materials and equipment.

### PROPOSED IMPROVEMENTS

Replace the existing Motor Control Center.

### PROJECT BENEFITS

Replacing the Motor Control Center will ensure the pump station continues to operate as designed without major complications due to outdated replacement parts.

### PROJECT BUDGET (2025)

MCC Control Panel	\$ 275,000
Subtotal	\$ 275,000
Planning, Design, Construction Support	\$ 85,000
Contingency ( $\pm 10\%$ )	\$ 40,000
<b>Project Budget</b>	<b>\$ 400,000</b>



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WESTBOROUGH WATER DISTRICT  
2263 WESTBOROUGH BOULEVARD  
SOUTH SAN FRANCISCO, CA 94080

CAPITAL IMPROVEMENT PROGRAM  
ROWNTREE PUMP STATION MCC UPGRADE  
PROJECT S25-02

Original 2025

## **STAFF REPORT**

TO:                   Board of Directors  
FROM:                Patricia Mairena, General Manager  
DATE:                June 9, 2025  
RE:                   Adopt FY 2025-2026 Operating Budget

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### **SUMMARY**

Every year, prior to the start of the next fiscal year, the Board reviews and approves the Operating Budget for the upcoming fiscal year. Attached is the proposed FY 2025-2026 Operating Budget for the Board's review.

### **FISCAL IMPACT**

The proposed budget for FY 2025-2026 includes revenues of \$5,469,170 for the water fund and \$3,765,946 for the sewer fund, for a combined total of \$9,235,116, and operating expenses of \$4,386,947 for the water fund and \$3,608,359 for the sewer fund, for a combined total of \$7,995,306. In addition, the proposed budget for FY 2025-2026 includes non-operating income/expense of \$501,338 for the water fund and \$396,305 for the sewer fund, for a combined total of \$897,643. Depreciation for FY 2025-2026 is estimated at \$295,165 for the water fund and \$70,575 for the sewer fund, for a combined total of \$365,740.

### **ADDITIONAL INFORMATION**

In 2024, the District conducted a Water and Sewer Rate Study, and plans on modifying the rates according to its results. To estimate operating revenues, staff accounted for the planned rate adjustments that took place on July 1, 2024. The District also adjusted its Fixed Vs. Variable Revenue Recovery to 35% Fixed and 65% Variable, so meter charges will increase based on the American Water Works Association (AWWA) recommended meter capacity ratios. Each meter size will be charged based on their proportional impact on the system.

To estimate expenses, staff used most of the numbers from the Water and Sewer Rate Study, which already incorporated 3%, 6%, and 10% escalation factors, depending on the expense. For example: PG&E costs have an estimated 10% escalation factor due to its rising costs. There were a few expenses that were higher than anticipated such as Special Services due to regulatory compliance and Engineering, due to proposed updates to the District's water and sewer maps.

Per the Rate Study results, G&A expenses are being split between the water and sewer funds beginning in FY 2024/2025:

- 1/3 of the General Manager's Salary & Benefits will be allocated to the Sewer Fund.
- Unless designated 100% to water, most G&A expenses are split 70% to water and 30% to sewer.
- All Other Revenues (except for Rental Income) will be split 70% to water and 30% to sewer.
- Total Proposed G&A Allocation = 83% Water / 17% Sewer

The following table provides a summary between the Approved 2024-2025 Budget and the Proposed 2025-2026 Budget:

Table of Proposed FY 2025-2026 Operating Budget

**Westborough Water District  
Budget for Fiscal Year 2025-2026**

Item & Account Number	2024-2025 Budget	2025-2026 Budget
<b>WATER FUND</b>		
Operating Water Revenue		
Total Water Operating Revenue	\$4,973,010	\$5,469,170
Water Operating Expense		
Total Water Operating Expenses	\$4,259,674	\$4,386,947
Water Operating Income (Loss) Before Depreciation	\$713,336	\$1,082,223
Water Depreciation Expense	\$275,093	\$295,165
Water Operating Income (Loss)	<b>\$438,243</b>	<b>\$787,058</b>
Total Water Non-Operating Income	\$577,849	\$601,338
Interloan Repymt. from Water to Sewer	(\$100,000)	(\$100,000)
Water Net Income (Loss)	<b>\$916,091</b>	<b>\$1,288,396</b>
<b>SEWER FUND</b>		
Operating Sewer Revenue		
Total Sewer Operating Revenue	\$3,376,361	\$3,765,946
Total Sewer Operating Expenditures	\$2,918,715	\$3,253,405
Sewer Operating Income (Loss) Before Depreciation	\$73,574	\$157,587
Sewer Depreciation Expense (57101)	\$66,179	\$70,575
Sewer Operating Income (Loss)	<b>\$7,395</b>	<b>\$87,012</b>
Total Sewer Non-Operating Income	\$388,524	\$396,305
Sewer Net Income (Loss)	<b>\$395,919</b>	<b>\$483,317</b>
<b>Water and Sewer</b>		
Combined Net Income/Loss	<b>\$1,312,010</b>	<b>\$1,771,713</b>

**RECOMMENDATIONS:**

The proposed budget for FY 2025-2026 has been prepared in collaboration with the Budget Committee. Staff recommends that the Board review and adopt the proposed FY 2025-2026 Operating Budget.

Westborough Water District  
Budget for Fiscal Year 2025-2026

Item & Account Number	2024-2025 YTD Mar.2025	2024-2025 TY Projected	2021-2022 Actual	2022-2023 Actual	2023-2024 Actual	2024-2025 Budget	2025-2026 Budget
<b>WATER FUND</b>							
<b>Operating Water Revenue</b>							
Water Sales (41100)	\$3,760,043	\$5,013,391	\$3,620,708	\$4,011,005	\$4,143,441	\$4,953,010	\$5,449,170
Misc. Operations (42345)	\$17,926	\$23,901	\$12,960	\$23,995	\$23,589	\$20,000	\$20,000
<b>Total Water Operating Revenue</b>	<b>\$3,777,969</b>	<b>\$5,037,292</b>	<b>\$3,633,668</b>	<b>\$4,035,000</b>	<b>\$4,167,030</b>	<b>\$4,973,010</b>	<b>\$5,469,170</b>
<b>Water Operating Expense</b>							
Salaries (51110)	\$354,663	\$472,884	\$371,286	\$406,205	\$447,002	\$464,924	\$435,382
Sal. Temp (51112)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sal. OT (51113)	\$7,805	\$10,407	\$9,534	\$8,241	\$9,395	\$9,000	\$11,000
CalPERS (51115)	\$73,833	\$98,444	\$55,419	\$173,989	\$139,254	\$70,184	\$75,890
Benefits (51400)	\$44,634	\$59,513	\$55,637	\$51,746	\$54,596	\$64,508	\$82,526
Payroll Tax (51410)	\$26,841	\$35,788	\$28,653	\$31,258	\$33,734	\$43,575	\$41,069
OPEB - Prefunding (51450)	\$0	\$0	\$7,748	\$18,131	\$0	\$0	\$3,140
GASB75 Contra Exp.(Income)(51470)	\$0	\$0	\$0	(\$27,262)	\$0	\$0	\$0
Utilities (51130)	\$135,817	\$181,089	\$143,292	\$154,843	\$176,485	\$203,679	\$200,088
Supplies (51140)	\$9,636	\$12,848	\$11,862	\$13,047	\$18,337	\$15,000	\$15,450
Special Services (51150)	\$86,848	\$115,797	\$49,868	\$68,394	\$76,886	\$116,394	\$181,823
Vehicle Expense (51170)	\$23,421	\$31,228	\$45,387	\$48,944	\$30,917	\$35,000	\$35,865
Maint. of System (51200)	\$36,434	\$48,579	\$232,843	\$63,574	\$72,813	\$62,900	\$66,715
Water Purchases (51300)	\$1,486,938	\$1,982,584	\$1,536,804	\$1,734,787	\$1,814,651	\$2,018,988	\$2,090,820
Tech. Communications (51860)	\$8,251	\$11,001	\$8,020	\$9,620	\$9,903	\$13,424	\$12,325
<b>Total Water Operating Expense</b>	<b>\$2,295,121</b>	<b>\$3,060,162</b>	<b>\$2,556,354</b>	<b>\$2,755,517</b>	<b>\$2,883,973</b>	<b>\$3,117,576</b>	<b>\$3,252,093</b>
<b>Water General &amp; Administrative (G&amp;A):</b>							
Salaries (56110)	\$378,013	\$504,017	\$421,450	\$480,150	\$518,928	\$477,321	\$501,193
Salaries Temp (56112)	\$793	\$1,057	\$29,758	\$1,967	\$0	\$2,000	\$2,120
Salaries OT (56113)	\$0	\$0	\$0	\$0	\$749	\$2,000	\$2,120
Employee Benefits (56400)	\$79,707	\$106,276	\$108,421	\$106,156	\$113,177	\$115,134	\$112,270
OPEB - Prefunding (56450)	\$0	\$0	\$11,623	\$27,197	\$14,696	\$0	\$4,752
CalPERS (56115)	\$80,347	\$107,129	(\$76,790)	\$222,010	\$98,105	\$82,430	\$94,219
Payroll Taxes (56410)	\$21,027	\$28,036	\$32,416	\$32,201	\$34,220	\$44,159	\$46,149
Office Supplies & Postage (56210)	\$6,197	\$8,263	\$16,921	\$16,212	\$10,472	\$9,905	\$9,910
Memberships (56230)	\$50,110	\$66,813	\$56,467	\$50,568	\$57,731	\$50,718	\$53,128
Travel & Education (56250)	\$5,742	\$7,656	\$2,927	\$6,884	\$8,505	\$14,726	\$15,816
Utilities (56280)	\$831	\$1,108	\$915	\$1,208	\$880	\$1,492	\$1,492
Telephone/Internet (56290)	\$2,453	\$3,271	\$7,643	\$3,636	\$4,446	\$3,333	\$3,809
GASB75 Contra Exp.(Income)(56470)	\$0	\$0	(\$36,307)	(\$40,894)	\$0	\$0	\$0
Water Conservation (56500)	\$2,578	\$3,437	\$0	\$12,224	\$1,384	\$5,600	\$5,600
Bldg. & Grounds Maint (56700)	\$9,412	\$12,549	\$8,461	\$15,558	\$9,051	\$17,057	\$12,649

6.D.3

Item & Account Number	2024-2025	2024-2025	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
	YTD Mar.2025	TY Projected	Actual	Actual	Actual	Budget	Budget
Parking Rental Fees (56750)	\$2,835	\$3,780	\$5,400	\$5,400	\$5,400	\$4,234	\$3,969
Directors Fees (56810)	\$2,950	\$3,933	\$7,500	\$11,800	\$9,200	\$7,900	\$7,900
Engineering Svs. (56830)	\$25,570	\$34,093	\$96,201	\$65,440	\$17,509	\$45,185	\$50,619
Accounting Svs (56840)	\$25,096	\$33,461	\$53,109	\$35,200	\$28,600	\$32,795	\$33,395
Legal Services (56841)	\$12,430	\$16,573	\$48,592	\$30,663	\$19,567	\$15,400	\$16,400
Billing (56850)	\$27,927	\$37,236	\$50,312	\$39,866	\$60,742	\$39,692	\$43,285
Communications (56860)	\$11,446	\$15,261	\$33,337	\$31,864	\$16,488	\$22,427	\$23,184
General Election (56865)	\$0	\$0	\$32,000	\$2,685	\$0	\$14,000	\$0
Insurance (56870)	\$38,379	\$51,172	\$75,445	\$59,658	\$82,949	\$59,240	\$56,954
Bad Debts (56880)	\$134	\$179	\$156	\$85	\$12,888	\$1,000	\$1,000
Miscellaneous (56890)	\$5,585	\$7,447	\$9,969	\$5,512	\$63,576	\$14,502	\$10,118
Banking and Cr.Card Fees (56875)	\$19,496	\$25,995	\$20,034	\$64,403	\$67,760	\$59,850	\$22,805
<b>Total Water G &amp; A Operating Expense</b>	<b>\$809,058</b>	<b>\$1,078,744</b>	<b>\$1,015,961</b>	<b>\$1,287,653</b>	<b>\$1,257,023</b>	<b>\$1,142,098</b>	<b>\$1,134,854</b>
 <b>Total Water Operating Expenses</b>	 <b>\$3,104,179</b>	 <b>\$4,138,906</b>	 <b>\$3,572,314</b>	 <b>\$4,043,170</b>	 <b>\$4,140,996</b>	 <b>\$4,259,674</b>	 <b>\$4,386,947</b>
 <b>Water Operating Income (Loss) Before Depreciaton</b>	 <b>\$673,790</b>	 <b>\$898,386</b>	 <b>\$61,354</b>	 <b>(\$8,170)</b>	 <b>\$26,034</b>	 <b>\$713,336</b>	 <b>\$1,082,223</b>
 Water Depreciation Expense	 \$203,687	 \$271,583	 \$314,050	 \$335,130	 \$341,583	 \$275,093	 \$295,165
 <b>Water Operating Income (Loss)</b>	 <b>\$470,103</b>	 <b>\$626,803</b>	 <b>(\$252,697)</b>	 <b>(\$343,300)</b>	 <b>(\$315,549)</b>	 <b>\$438,243</b>	 <b>\$787,058</b>
 <b>Water Non-Operating Income (Expense)</b>							
Interest (49210)	\$81,093	\$108,124	(\$24,011)	\$55,802	\$241,748	\$52,949	\$49,648
Taxes & Assessments (49300)	\$472,700	\$630,267	\$624,157	\$652,922	\$647,270	\$487,900	\$517,611
Other Income (49700)	\$25,148	\$33,531	\$113,944	\$13,344	\$16,177	\$0	\$0
Bad Debt Recovery (49701)	\$0	\$0	\$0	\$468	\$0	\$0	\$0
Rental Income (49910)	\$25,054	\$33,405	\$0	\$33,408	\$33,448	\$37,000	\$34,080
Insurance Recovery (49702)	\$0	\$0	\$0	\$51,286	\$0	\$0	\$0
Cap Facilities Income (49800)	\$0	\$0	\$5,915	\$0	\$0	\$0	\$0
Capital Facility Expense (56885)	\$0	\$0	(\$7,715)	(\$500)	\$0	\$0	\$0
<b>Total Water Non-Operating Income</b>	<b>\$603,995</b>	<b>\$805,326</b>	<b>\$712,290</b>	<b>\$806,730</b>	<b>\$938,643</b>	<b>\$577,849</b>	<b>\$601,338</b>
 Debt Proceeds							
Interloan Repymt.from Water to Sewer	\$0	\$0	\$0	\$0	\$0	(\$100,000)	(\$100,000)
 <b>Water Net Income (Loss)</b>	 <b>\$1,074,097</b>	 <b>\$1,432,130</b>	 <b>\$459,593</b>	 <b>\$463,430</b>	 <b>\$623,094</b>	 <b>\$916,091</b>	 <b>\$1,288,396</b>

Item & Account Number	2024-2025	2024-2025	2021-2022 Actual	2022-2023 Actual	2023-2024 Actual	2024-2025 Budget	2025-2026 Budget
	YTD Mar.2025	TY Projected					
<b>SEWER FUND</b>							
<b>Operating Sewer Revenue</b>							
Sewer Service Fees (42351)	\$2,539,687	\$3,386,249	\$3,099,878	\$3,236,621	\$3,293,969	\$3,376,361	\$3,765,946
Misc. Operations (42345)	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0
<b>Total Sewer Operating Revenue</b>	<b>\$2,539,687</b>	<b>\$3,386,249</b>	<b>\$3,099,878</b>	<b>\$3,236,621</b>	<b>\$3,294,969</b>	<b>\$3,376,361</b>	<b>\$3,765,946</b>
<b>Sewer Operating Expenditures:</b>							
Treatment & Disposal (57320)	\$2,029,621	\$2,706,161	\$2,442,977	\$2,911,566	\$2,657,447	\$2,706,161	\$2,993,912
Utilites (57330)	\$111,723	\$148,964	\$99,978	\$118,703	\$146,402	\$174,116	\$162,547
Repair of Pipelines (57340)	\$0	\$0	\$0	\$0		\$5,000	\$5,000
Repair of Pumps (57350)	\$0	\$0	\$52,740	\$40,529	\$66,696	\$21,000	\$21,000
Connection Fees 57370)	\$0	\$0	\$0	\$100	\$4,270	\$0	\$0
Other Sewer Operating Expenses (57390)	\$29,644	\$39,525	\$26,550	\$60,220	\$65,095	\$12,437	\$70,946
<b>Total Sewer Operating Expenditures</b>	<b>\$2,170,988</b>	<b>\$2,894,651</b>	<b>\$2,622,245</b>	<b>\$3,131,118</b>	<b>\$2,939,910</b>	<b>\$2,918,715</b>	<b>\$3,253,405</b>
<b>Sewer General &amp; Administrative (G&amp;A):</b>							
Sewer Salaries (57110)	\$55,779	\$74,372	\$0	\$0	\$0	\$98,263	\$104,138
Sewer Employee Benefits (57400)	\$6,478	\$8,637	\$0	\$0	\$0	\$9,138	\$9,138
Sewer OPEB Prefunding (57450)	\$10,543	\$14,057	\$0	\$0	\$0	\$0	\$489
Sewer CalPERS 57115)	\$0	\$0	\$0	\$0	\$0	\$31,135	\$36,392
Sewer Payroll Taxes (57410)	\$4,453	\$5,937	\$0	\$0	\$0	\$9,586	\$10,120
Office Supplies & Postage (57210)	\$2,677	\$3,569	\$0	\$0	\$0	\$4,245	\$4,247
Memberships (57230)	\$309	\$412	\$0	\$0	\$0	\$486	\$492
Utilities (57330)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Travel & Education (57250)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone/Internt (57290)	\$1,051	\$1,401	\$0	\$0	\$0	\$1,428	\$1,632
GASB75 Contra Exp.(Income) (57470)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Water Conservation (57500)	\$1,105	\$1,473	\$0	\$0	\$0	\$2,400	\$2,400
Bldg. & Grounds Maint (57700)	\$816	\$1,088	\$0	\$0	\$0	\$3,571	\$2,488
Parking Rental Fees (57750)	\$1,215	\$1,620	\$0	\$0	\$0	\$1,814	\$1,701
Directors Fees (57810)	\$2,350	\$3,133	\$0	\$0	\$0	\$4,400	\$4,400
Engineering Svs. (57830)	\$40,135	\$53,513	\$0	\$0	\$0	\$40,880	\$19,250
Accounting Svs (57840)	\$24,396	\$32,528	\$0	\$0	\$0	\$32,795	\$33,395
Legal Services (57841)	\$14,225	\$18,967	\$0	\$0	\$0	\$15,400	\$16,400
Billing (57850)	\$12,187	\$16,249	\$0	\$0	\$0	\$17,011	\$18,551
Communications (57860)	\$11,906	\$15,875	\$0	\$0	\$0	\$24,096	\$24,853
General Election (57865)	\$0	\$0	\$0	\$0	\$0	\$14,000	\$0
Insurance (57870)	\$38,379	\$51,172	\$0	\$0	\$0	\$59,240	\$56,954
Bad Debts (57880)	\$134	\$179	\$0	\$0	\$0	\$1,000	\$1,000
Miscellaneous Sewer Expenses (57890)	\$1,101	\$1,468	\$0	\$0	\$0	\$6,531	\$4,379
Banking and Cr.Card Fees (57885)	\$2,453	\$3,271	\$0	\$0	\$0	\$6,650	\$2,534
<b>Total Sewer G&amp;A Operating Expenses</b>	<b>\$231,692</b>	<b>\$308,923</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$384,072</b>	<b>\$354,954</b>

Item & Account Number	2024-2025 YTD Mar.2025	2024-2025 TY Projected	2021-2022 Actual	2022-2023 Actual	2023-2024 Actual	2024-2025 Budget	2025-2026 Budget
<b>Total Sewer Operating Expenses</b>	<b>\$2,402,680</b>	<b>\$3,203,573</b>	<b>\$2,622,245</b>	<b>\$3,131,118</b>	<b>\$2,939,910</b>	<b>\$3,302,786</b>	<b>\$3,608,359</b>
<b>Sewer Operating Income (Loss) Before Depreciaton</b>	<b>\$137,007</b>	<b>\$182,676</b>	<b>\$477,633</b>	<b>\$105,503</b>	<b>\$355,059</b>	<b>\$73,574</b>	<b>\$157,587</b>
Sewer Depreciation Expense (57101)	\$50,453	\$67,271	\$0	\$0	\$0	\$66,179	\$70,575
<b>Sewer Operating Income (Loss)</b>	<b>\$86,554</b>	<b>\$115,405</b>	<b>\$477,633</b>	<b>\$105,503</b>	<b>\$355,059</b>	<b>\$7,395</b>	<b>\$87,012</b>
<b>Sewer Non-Operating Income (Expense)</b>							
Interest (58213)	\$114,317	\$152,423	\$0	\$0	\$0	\$79,424	\$74,471
Taxes & Assessments (48310-48330 & 48600)	\$196,222	\$261,629	\$0	\$0	\$0	\$209,100	\$221,833
Other Income (48700)	\$77,469	\$103,292	\$0	\$0	\$0	\$0	\$0
Bad Debt Recovery (48701)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance Recovery (48750)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cap Facilities Income (48800)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Facility Expense (57885)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interloan Repymt.to Sewer from Water (xxxxx)	\$0	\$0	\$0	\$0	\$0	\$100,000	\$100,000
<b>Total Sewer Non-Operating Income</b>	<b>\$388,008</b>	<b>\$517,344</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$388,524</b>	<b>\$396,305</b>
GASB 87 Adjustments (Net)			\$21,097				
<b>Sewer Net Income (Loss)</b>	<b>\$474,562</b>	<b>\$632,749</b>	<b>\$498,730</b>	<b>\$105,503</b>	<b>\$355,059</b>	<b>\$395,919</b>	<b>\$483,317</b>

Water and Sewer							
Combined Net Income/Loss	\$1,548,659	\$2,064,879	\$958,323	\$568,933	\$978,153	\$1,312,010	\$1,771,713

Month Factor	\$0.75
Water Sales Factor	\$0.75

Month Factor	0.75	Usage Factor	0.75
<b>Total Revenue</b>	<b>\$ 10,232,759</b>		
<b>Water Revenue</b>	<b>\$ 6,070,508</b>		
<b>Sewer Revenue</b>	<b>\$ 4,162,251</b>		

## Water and Sewer Revenue

### Water Sales (41100)

(SFPUC - \$0.13 increase + WWD \$0.68)	Current Rate	\$ 10.02
	Projected Rate	\$ 10.83
	Est Units	330,000
	Water Sales	\$ 3,573,900
	Meter Charges	\$ 1,872,870
	Fire Detector Check Fees	\$ 2,400
	<b>Sub-Total</b>	<b>\$ 5,449,170</b>

#### Water Sales -Water Fund

100% \$ 5,449,170

Budget \$ 5,449,170

Water Sales	Units
Jul.2023-June 2024	328,203
Jul.2022-June 2023	320,721
Jul.2021-June 2022	338,638
Jul.2020-June 2021	370,550
Jul.2019-June 2020	363,719

	Dollars	Units
Actual YTD	\$ 3,760,043	
Budget	\$ 4,953,010	321,000
Proj TY	\$ 5,013,391	
2022-2023	\$ 4,143,441	
2021-2022	\$ 4,011,005	
2020-2021	\$ 3,620,708	

### Interest (49210 and 48215)

Current Reserves - LAIF Less Capital Improvements	\$ 2,899,295
Current Interest Rate	4.281%
CD Interest (\$141,926.07 @ 3.55%)	\$ 9,928
<b>Sub-Total</b>	<b>\$ 124,119</b>

<b>Interest - Water Fund</b>	40% \$ 49,648
<b>Interest - Sewer Fund</b>	60% \$ 74,471
<b>Budget</b>	<b>\$ 124,119</b>

	Dollars
Actual YTD	\$ 195,410
Budget	\$ 158,847
Proj TY	\$ 260,547
2022-2023	\$ -
2021-2022	\$ -
2020-2021	\$ -

<b>Taxes &amp; Assessments (49310, 49320, 49330, &amp; 49600 and 48310, 48320, 48330, &amp; 48600)</b>	
2025-2026 Property Taxes	\$ 739,444
<b>Sub-Total</b>	<b>\$ 739,444</b>
<b>Taxes &amp; Assessments-Water Fund</b>	70% \$ 517,611

<b>Taxes &amp; Assessments-Sewer Fund</b>	30% \$ 221,833
<b>Budget</b>	<b>\$ 739,444</b>

	Dollars
Actual YTD	\$ 668,922
Budget	\$ 697,000
Proj TY	\$ 891,896
2023-2024	\$ 647,270
2022-2023	\$ 652,922
2021-2022	\$ 624,157

### Sewer Service Fees (42351)

(NSMCSD - \$0.00 increase + WWD \$0.37)	Current Rate	\$ 12.23
	New Rate	\$ 13.45
Units (Jan-Feb.2025)	=	46,666
\$13.45 x 46,666 x 6 billings		\$ 3,765,946
	<b>Sub-Total</b>	<b>\$ 3,765,946</b>

<b>Sewer Service Fees Sewer Fund</b>	100% \$ 3,765,946
<b>Budget</b>	<b>\$ 3,765,946</b>

#### Base Period for Billing (Jan-Feb) Less Irrigation

Jan-Feb 2024 Usage	46,012
Jan-Feb 2023 Usage	46,242
Jan-Feb 2022 Usage	48,278
Jan-Feb 2021 Usage	50,226
Jan-Feb 2020 Usage	50,811

	Dollars	Units
Actual YTD	\$ 2,539,687	
Budget	\$ 3,376,361	46,012
Proj TY	\$ 3,386,249	
2022-2023	\$ 3,293,969	
2021-2022	\$ 3,236,621	
2020-2021	\$ 3,099,878	

### Misc. Operations Revenue (42345)

Late & reconnection fees (for Water Accounts Only)	\$ 20,000
<b>Sub-Total</b>	<b>\$ 20,000</b>

<b>Misc. Operations- Water Fund</b>	100% \$ 20,000
<b>Misc. Operations - Sewer Fund</b>	0% \$ -
<b>Budget</b>	<b>\$ 20,000</b>

	Dollars
Actual YTD	\$ 17,926
Budget	\$ 20,000
Proj TY	\$ 23,901
2022-2023	\$ -
2021-2022	\$ 23,995
2020-2021	\$ 12,960

### Rental Income (49910)

Per month	
Rent from Cellular Tower	\$3,261
Less GASB87 Adj.	\$421
<b>Sub-Total</b>	<b>\$ 34,080</b>
<b>Rental Income-Water Fund</b>	100% \$ 34,080
<b>Rental Income - Sewer Fund</b>	0% \$ -
<b>Budget</b>	<b>\$ 34,080</b>

	Dollars
Actual YTD	\$ 25,054
Budget	\$ 37,000
Proj TY	\$ 33,405
2023-2024	\$ 33,448
2022-2023	\$ 33,408
2021-2022	\$ -

### Capital Facilities Income (49800 and 48800)

Capital Facilities Income	\$	-
Sub-Total	\$	-
<i>Capital Fac.- Water Fund</i>	70%	\$ -
<i>Capital Fac. - Sewer Fund</i>	30%	\$ -
Budget	\$	-

	Dollars
Actual YTD	\$ -
Budget	\$ -
Proj TY	\$ -
2022-2023	\$ -
2021-2022	\$ -
2020-2021	\$ -

### Interfund Loan Repayment Income

#### *Repayment from Water Fund to Sewer Fund*

Interloan Fund Repayment from Water to Sewer Fund	\$	100,000
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<i>Interfund Loan Repayment Water Fund</i>	0%	\$ -
<i>Interfund Loan Repayment-Sewer Fund</i>	100%	\$ 100,000
Budget	\$	100,000

	Dollars
Actual YTD	\$ -
Budget	\$ -
Proj TY	\$ -
2022-2023	\$ -
2021-2022	\$ -
2020-2021	\$ -

### Other Income (49700 and 48700)

Other Income	\$	-
Sub-Total	\$	-
<i>Other Income - Water Fund</i>	70%	\$ -
<i>Other Income - Sewer Fund</i>	30%	\$ -
Budget	\$	\$0

### Bad Debt Recovery (49701 and 48701)

Bad Debt Recovery	\$	-
Sub-Total	\$	-
<i>Bad Debt Recovery- Water Fund</i>	70%	\$ -
<i>Bad Debt Recovery- Sewer Fund</i>	30%	\$ -
Budget	\$	\$ -

Total Budget \$ 3,352,093

Water Budget

## Water Expenses:

### Salaries (51110)

Position	Current	Annual
Field Supervisor	\$ 161,000	\$ 170,660
Field Worker	\$ 87,389	\$ 96,128
Field Worker -EL	\$ 83,720	\$ 86,232
Cost of Living	2.70%	
On-Call Duty		\$ 55,363
Incentive Awards/Merit Increase		\$ 15,000
Sick Leave - Buy Back		\$ 12,000

Water Fund 100% Budget \$ 435,382

	Dollars
Actual YTD	\$ 354,663
Budget	\$ 464,924
Proj TY	\$ 472,884
2023-2024	\$ 447,002
2022-2023	\$ 406,205
2021-2022	\$ 371,286

### Salaries Temp (51112)

Temporary Field Employees	Annual
	\$ -

Water Fund 100% Budget \$ -

	Dollars
Actual YTD	\$ -
Budget	\$ -
Proj TY	\$ -
2023-2024	\$ -
2022-2023	\$ -
2021-2022	\$ -

### Salaries Overtime (51113)

Emergency Repairs	Annual
	\$ 11,000

Water Fund 100% Budget \$ 11,000

### Employee CalPERS Benefits (51115)

	% Contribution	Budgeted	Payroll	Annual
Retirement - Classic @	11.94%	\$	170,660	\$ 20,377
Retirement - PEPRA @	7.96%	\$	182,360	\$ 14,516
CalPERS - UAL (Classic)	35.77%	\$	113,029	\$ 40,430
CalPERS - UAL (PEPRA)	40.99%	\$	1,383	\$ 567

Water Fund 100% Budget \$ 75,890

	Dollars
Actual YTD	\$ 73,833
Budget	\$ 70,184
Proj TY	\$ 98,444
2023-2024	\$ 139,254
2022-2023	\$ 173,989
2021-2022	\$ 55,419

### Employee Benefits (51400)

	Per Mo	# of Employees	Annual
Medical	\$ 1,702	3	\$ 61,288
Delta Dental	\$ 86	3	\$ 3,089
Vision	\$ 21	3	\$ 752
Employee Life Ins.	\$ 28	3	\$ 990
Retiree Medical	\$ 1,367	1	\$ 16,408

Water Fund 100% Budget \$ 82,526

### Payroll Tax (51410)

	Budgeted Payroll	Annual
FICA @	7.65% \$ 446,382	\$ 34,148
Medicare/ No cap	1.45% \$ 446,382	\$ 6,473
SUI-Field x 4 employees	1.60% \$ 7,000	\$ 448

Water Fund 100% Budget \$ 41,069

	Dollars
Actual YTD	\$ 26,841
Budget	\$ 43,575
Proj TY	\$ 35,788
2023-2024	\$ 33,734
2022-2023	\$ 31,258
2021-2022	\$ 28,653

## Employee OPEB Benefits (51450)

Note: Field Share of Contribution is:	37.46%	Annual
ADC-Actuarial Determined Contribution	\$ 70,152	
Less Retiree HB Already Budgeted for	\$ (43,785)	
Less Implied Subsidy	\$ (17,986)	
Net OPEB Due	\$ 8,381	\$ 3,140
Net Employee OPEB Benefits		\$ 3,140
(If Net OPEB Due is less than zero, then use zero)		

Water Fund 100% Budget \$ 3,140

	Dollars
Actual YTD	\$ -
Budget	\$ -
Proj TY	\$ -
2023-2024	\$ -
2022-2023	\$ 18,131
2021-2022	\$ 7,748

## Utilities (51130)

	Average Mo.	Total	
PG&E		\$ 199,162	Annual
Main PS	\$ 15,027		
Skyline	\$ 1,570		
Christen Hill	\$ 67	\$ 926	

(District's share of electrical cost)

Water Fund 100% Budget \$ 200,088

	Dollars
Actual YTD	\$ 135,817
Budget	\$ 203,679
Proj TY	\$ 181,089
2023-2024	\$ 176,485
2022-2023	\$ 154,843
2021-2022	\$ 143,292

## Supplies/Small Tools (51140)

	Supplies and Small Tools	Annual
		\$ 15,450

Water Fund 100% Budget \$ 15,450

	Dollars
Actual YTD	\$ 9,636
Budget	\$ 15,000
Proj TY	\$ 12,848
2023-2024	\$ 18,337
2022-2023	\$ 13,047
2021-2022	\$ 11,862

## Special Services (51150)

	Annual
Lead/Copper Testing (every 3 yrs.)	\$ 1,575
Bacteria Test (\$120 per week x 52)	\$ 6,240
SFWD THM Test (\$1,420 per qtr. x 4)	\$ 5,680
UCMR5 Testing (every 5 yrs.; split in 2 FY: next is 28-30)	\$ -
Cross Connection Fee	\$ 23,952
Dept Health Fee (Water System Fees)	\$ 34,582
Tanks Cathodic Protection (\$1,090 per tank per year)	\$ 3,270
BAWSCA Water Loss Program	\$ 20,569
AWSDA Program	\$ 10,500
UWMP (every 5 years; next one due 2030)	\$ 50,000
CARB - Volvo Generator (every 2 years - 10/2026)	\$ -
BAAQM - Volvo Generator Permit	\$ 1,336
Misc. Special Services Expenses	\$ 4,120
Hazard Assessment Training	\$ 20,000

Water Fund 100% Budget \$ 181,823

	Dollars
Actual YTD	\$ 86,848
Budget	\$ 116,394
Proj TY	\$ 115,797
2023-2024	\$ 76,886
2022-2023	\$ 68,394
2021-2022	\$ 49,868

## Vehicle Expense (51170)

	Annual
Gas Purchases	\$ 15,365
Maintenance of Vehicles	\$ 10,500
Maintenance of VacCon	\$ 10,000

Water Fund 100% Budget \$ 35,865

	Dollars
Actual YTD	\$ 23,421
Budget	\$ 35,000
Proj TY	\$ 31,228
2023-2024	\$ 30,917
2022-2023	\$ 48,944
2021-2022	\$ 45,387

### Maintenance of System (51200)

	Annual
System Repairs	\$ 52,530
Encroachment Permits	\$ 2,500
XiO Communication Scada Sys.	\$ 9,185
Volvo Generator Maintenance	\$ 2,500

#### Water Fund

100%

Budget **\$ 66,715**

### Water Purchases (51300)

Current rate	\$ 5.67
New Rate	\$ 5.80 (SFPUC - \$0.13 increase)
Estimated Purchase in	Units
	333,000
Meter Charge	\$ 1,471
Bond Surcharge	\$ 11,290
BAWCA Wtr.Mgmt.C	\$ 786
	\$ 1,931,400
	\$ 17,652
	\$ 135,480
	\$ 6,288

#### Water Fund

100%

Budget **\$ 2,090,820**

#### Actual purchases

	Notes:
FY 24/25 Proj TY	329,446 Units
FY 24/25 (11 months)	302,796 Units
2023-2024	331,829 Units
2022-2023	340,055 Units
2021-2022	332,197 Units
	11,916 to NCCWD
	26,041 from NCCWD

#### Dollars

Actual YTD	\$ 36,434
Budget	\$ 62,900
Proj TY	\$ 48,579
2023-2024	\$ 72,813
2022-2023	\$ 63,574
2021-2022	\$ 232,843 *Note: 2 transmission line breaks

#### Dollars

Actual YTD	\$ 1,486,938
Budget	\$ 2,018,988
Proj TY	\$ 1,982,584
2023-2024	\$ 1,814,651
2022-2023	\$ 1,734,787
2021-2022	\$ 1,536,804

### Technical Communications (51860)

	Monthly	Annual
Cell Phone (6) and Hot Spot (1)		\$ 4,234
Underground Service Alert		\$ 900
Answering Service		\$ 4,410
AT&T Lines - Copper Linee (Skyline)	\$ 232	\$ 2,781

#### Water Fund

100%

Budget **\$ 12,325**

### Sewer Fund Loan Repayment

	Annual
Sewer Fund Loan Repayment	\$ 100,000

#### Dollars

Actual YTD	\$ 8,251
Budget	\$ 13,424
Proj TY	\$ 11,001
2023-2024	\$ 9,903
2022-2023	\$ 9,620
2021-2022	\$ 8,020

#### Dollars

Actual YTD	\$ -
	56,954 \$ -
Proj TY	\$ -
2023-2024	\$ -
2022-2023	\$ -
2021-2022	\$ -

100%

Budget **\$ 100,000**

<b>Total Budget</b>	<b>\$ 1,489,808</b>
<b>Water Fund Budget</b>	<b>\$ 1,134,854</b>
<b>Sewer Fund Budget</b>	<b>\$ 354,954</b>

### General and Administrative Expenses: Water and Sewer

Salaries (56110 and 57110)			Salaries Temp (56112)		
Position	Current	Annual	Temporary Office Employees		Annual
GM Salary	\$ 289,099	\$ 306,445			\$ 2,120
GM Car Allowance	\$ 6,000	\$ 6,000			
<b>GM Salary Sub-Total</b>	<b>\$ 312,445</b>				
Office Supervisor	\$ 145,619	\$ 149,550			
Operations Assistant	\$ 103,146	\$ 109,335			
<b>Admin Salaries Sub-Total</b>	<b>\$ 258,886</b>				
Cost of living	2.70%				
Incentive awards/Merit Increase		\$ 12,000			
Sick Leave - Buy Out		\$ 22,000			
<b>Admin Sub-Total</b>		<b>\$ 292,886</b>			
<b>Total Salaries</b>		<b>\$ 605,331</b>			
<b>Salary - Water Fund (Admin)</b>	100%	\$ 292,886	<b>Salaries Temp- Water Fund</b>	100%	\$ 2,120
<b>Salary - Water Fund (GM Salary)</b>	66.67%	\$ 208,307			
<b>Salary - Sewer Fund (GM Salary)</b>	33.33%	\$ 104,138			
<b>Budget</b>	<b>\$ 605,331</b>		<b>Budget</b>	<b>\$ 2,120</b>	
Dollars			Dollars		
Actual YTD	\$ 433,792		Actual YTD	\$ 793	
Budget	\$ 551,693		Budget	\$ 2,000	
Proj TY	\$ 602,280		Proj TY	\$ 1,057	
2023-2024	\$ 518,928		2023-2024	\$ -	
2022-2023	\$ 480,150		2022-2023	\$ 1,967	
2021-2022	\$ 421,450		2021-2022	\$ 29,758	
Salaries Overtime (56113)			Employee CalPERS Benefits (56115 and 57115)		
Overtime	\$	Annual			
		2,120			
<b>Salaries OT- Water Fund</b>	100%	\$ 2,120	<b>CalPERS - Water Fund (Admin)</b>	100%	\$ 21,423
			<b>CalPERS - Water Fund (GM)</b>	66.67%	\$ 72,796
			<b>CalPERS - Sewer Fund (GM)</b>	33.33%	\$ 36,392
			<b>Budget</b>	<b>\$ 130,611</b>	
Dollars			Dollars		
Actual YTD	\$ -		Actual YTD	\$ 80,347	
Budget	\$ 2,000		Budget	\$ 113,565	
Proj TY	\$ -		Proj TY	\$ 107,129	
2023-2024	\$ 749		2023-2024	\$ 98,105	
2022-2023	\$ -		2022-2023	\$ 222,010	
2021-2022	\$ -		2021-2022	\$ (76,790)	
Employee OPEB Benefits (56450 and 57450)					
<i>Note: Admin. Share of Contribution is</i>	62.54%	Annual			
ADC-Actuarial Determined Contribution	\$ 70,152				
Less Retiree HB Already Budgeted for	<b>(\$43,785)</b>				
Less Implied Subsidy	<b>\$ (17,986)</b>				
<b>Net OPEB Due</b>	<b>\$ 8,381</b>	<b>\$ 5,241</b>			
Net Employee OPEB Benefits					
<i>(If Net OPEB Due is less than zero: then use zero)</i>					
<b>CalPERS - Water Fund (Admin)</b>	72%	\$ 3,774			
<b>CalPERS - Water Fund (GM)</b>	18.67%	\$ 979			
<b>CalPERS - Sewer Fund (GM)</b>	9.33%	\$ 489			
<b>Budget</b>	<b>\$ 5,241</b>				
Dollars					
Actual YTD	\$ -				
Budget	\$ -				
Proj TY	\$ -				
2023-2024	\$ 14,696				
2022-2023	\$ 27,197				
2021-2022	\$ 11,623				

Employee Benefits (56400 and 57400)				Payroll Tax (56410 and 57410)			
Per month				Budgeted			
Number of Employees				Payroll			
Annual				Annual			
Medical - GM	\$ 2,074	1	\$ 24,882	FICA-GM	7.65%	\$ 312,445	\$ 23,902
Dental - GM	\$ 103	1	\$ 1,241	FICA-GM Buyout	7.65%	\$ 20,000	\$ 1,530
Vision - GM	\$ 21	1	\$ 251	Medicare-GM (No cap)	1.45%	\$ 312,445	\$ 4,530
Life Insurance-GM	\$ 87	1	\$ 1,043	Medicare-GM Buyout (No cap)	1.45%	\$ 20,000	\$ 290
<b>GM Benefits Sub-Total</b>			<b>\$ 27,416</b>	SUI -GM ( \$7,000 cap)	1.60%	\$ 7,000	\$ 112
				<b>GM Taxes Sub-Total</b>			<b>\$ 30,365</b>
Medical - Admin	\$ 2,532	2	\$ 60,773	FICA-Admin	7.65%	\$ 258,886	\$ 19,805
Dental Admin	\$ 142	2	\$ 3,406	FICA-Admin, Directors	7.65%	\$ 12,300	\$ 941
Vision - Admin	\$ 21	2	\$ 502	FICA-Admin, Buyout	7.65%	\$ 2,000	\$ 153
Life Insurance-Admin	\$ 51	2	\$ 1,214	Medicare-Admin (No cap)	1.45%	\$ 258,886	\$ 3,754
Directors Life Ins.	\$ 12	5	\$ 720	Medicare-Directors (No cap)	1.45%	\$ 12,300	\$ 178
Retiree Medical	\$ 2,281	1	\$ 27,377	Medicare-Admin.Buyout (No cap)	1.45%	\$ 20,000	\$ 290
<b>Admin Benefits Sub-Total</b>			<b>\$ 93,991</b>	SUI-Admin, x 2 employees	1.60%	\$ 7,000	\$ 224
				SUI-Admin x 5 directors	1.60%	\$ 7,000	\$ 560
				<b>Admin Taxes Sub-Total</b>			<b>\$ 25,905</b>
<b>Total Benefits</b>			<b>\$ 121,408</b>	<b>Total Payroll Taxes</b>			<b>\$ 56,269</b>
<b>Benefits - Water Fund (Admin)</b>	100%	\$ 93,991		<b>Payroll Tax- Water Fund (Admin)</b>	100%	\$ 25,905	
<b>Benefits - Water Fund (GM)</b>	66.67%	\$ 18,279		<b>Payroll Tax - Water Fund (GM)</b>	66.67%	\$ 20,244	
<b>Benefits - Sewer Fund (GM)</b>	33.33%	\$ 9,138		<b>Payroll Tax - Sewer Fund (GM)</b>	33.33%	\$ 10,120	
	<b>Budget</b>	<b>\$ 121,408</b>			<b>Budget</b>	<b>\$ 56,269</b>	
Dollars				Dollars			
Actual YTD	\$ 86,185			Actual YTD	\$ 25,480		
Budget	\$ 124,272			Budget	\$ 53,744		
Proj TY	\$ 114,913			Proj TY	\$ 33,973		
2023-2024	\$ 113,177			2023-2024	\$ 10,472		
2022-2023	\$ 106,156			2022-2023	\$ 32,201		
2021-2022	\$ 108,421			2021-2022	\$ 32,416		
Office Supplies (56210 and 57210)				Memberships (56230 and 57230)			
Annual				Annual			
Copier Maintenance Agreement	\$ 2,268			SSF Chamber of Commerce	\$ 280		
Printer Toners	\$ 3,000			Costco	\$ 260		
Postage Meter Rental	\$ 856			SMC CSDA	\$ 100		
Postage for Meter	\$ 2,000			Miscellaneous	\$ 1,000		
Office Supplies	\$ 2,500			<b>Memberships Subtotal (Water &amp; Sewer)</b>	\$ 1,640		
Year-end Forms	\$ 500			BAWSCA Assessment	\$ 31,206		
P.O. Box Fee	\$ 532			A.C.W.A.	\$ 20,774		
Payroll and Vendor Checks	\$ 1,000			<b>Memberships Subtotal (Water Only)</b>	\$ 51,980		
Miscellaneous Supplies	\$ 1,500						
<b>Total Office Supplies (Water &amp; Sewer)</b>		<b>\$ 14,156</b>		<b>Total Memberships</b>		<b>\$ 53,620</b>	
<b>Office Supplies - Water Fund</b>	70%	\$ 9,910		<b>Memberships- Water Fund</b>	70%	\$ 53,128	
<b>Office Supplies - Sewer Fund</b>	30%	\$ 4,247		<b>Memberships - Sewer Fund</b>	30%	\$ 492	
	<b>Budget</b>	<b>\$ 14,156</b>			<b>Budget</b>	<b>\$ 53,620</b>	
Dollars				Dollars			
Actual YTD	\$ 8,874			Actual YTD	\$ 50,419		
Budget	\$ 14,151			Budget	\$ 51,204		
Proj TY	\$ 11,832			Proj TY	\$ 67,225		
2023-2024	\$ 9,905			2023-2024	\$ 57,731		
2022-2023	\$ 16,212			2022-2023	\$ 50,568		
2021-2022	\$ 16,921			2021-2022	\$ 56,467		

Travel and Education (56250 and 57250)			Utilities (56280 and 57330)		
ACWA Spring and Fall Conferences - Registration	\$ 4,176	Annual	PG&E	\$ 124	Monthly
ACWA Spring and Fall Conferences - Housing	\$ 7,040		Main Office - Gas Meter	\$ 1,492	Annual
Region 5 x 4 /accommodation, meals	\$ -				
State Legislator Conf (Sacramento)	\$ -				
Staff Attendance to Training Conferences	\$ 1,000				
Staff Continuing Ed & Seminars	\$ 2,500				
CSDA Meetings	\$ 100				
Miscellaneous	\$ 1,000				
<b>Total Travel &amp; Education</b>	<b>\$ 15,816</b>		<b>Total Utilities</b>	<b>\$ 1,492</b>	
<i>Travel &amp; Education- Water Fund</i>	100%	\$ 15,816	<i>Utilities- Water Fund</i>	100%	\$ 1,492
<i>Travel &amp; Education - Sewer Fund</i>	0%	\$ -	<i>Utilities - Sewer Fund</i>	0%	\$ -
	Budget	<b>\$ 15,816</b>		Budget	<b>\$ 1,492</b>
Dollars			Dollars		
Actual YTD	\$ 5,742		Actual YTD	\$ 831	
Budget	\$ 14,726		Budget	\$ 1,492	
Proj TY	\$ 7,656		Proj TY	\$ 1,108	
2023-2024	\$ 8,505		2023-2024	\$ 880	
2022-2023	\$ 6,884		2022-2023	\$ 1,208	
2021-2022	\$ 2,927		2021-2022	\$ 915	
Telephone/Internet (56290 and 57290)			Water Conservation (56500 and 57500)		
Comcast - Phone and Internet	\$ 432	Per month	Water Conservation items	\$ 4,000	Annual
			Toilet/Washing Rebate Program	\$ 4,000	
<b>Total Telephone/Internet</b>	<b>\$ 5,441</b>		<b>Total Water Conservation</b>	<b>\$ 8,000</b>	
<i>Telephone/Internet - Water Fund</i>	70%	\$ 3,809	<i>Water Conservation-Water Fund</i>	70%	\$ 5,600
<i>Telephone/Internet - Sewer Fund</i>	30%	\$ 1,632	<i>Water Conservation - Sewer Fund</i>	30%	\$ 2,400
	Budget	<b>\$ 5,441</b>		Budget	<b>\$ 8,000</b>
Dollars			Dollars		
Actual YTD	\$ 3,504		Actual YTD	\$ 3,683	
Budget	\$ 4,761		Budget	\$ 8,000	
Proj TY	\$ 4,672		Proj TY	\$ 4,911	
2023-2024	\$ 4,446		2023-2024	\$ 1,384	
2022-2023	\$ 3,636		2022-2023	\$ 12,224	
2021-2022	\$ 7,643		2021-2022	\$ -	
Buildings and Grounds Maint (56700 and 57700)			Parking Rentals (56750 and 57750)		
Alarm Monitoring - Office: <i>Burglar and Fire</i>	\$ 421	Per month	Colina Parking: 3 parking spots	\$ 158	Per month
Alarm Maintenance	\$ -			\$ -	Annual
SSF Scavenger	\$ 129			\$ 5,670	
Fire Extinguishers Annual Maint.	\$ -				
Supplies/Equipment Maintenance	\$ -				
Miscellaneous	\$ -				
<b>Bldg. &amp; Grounds Maint. Subtotal (Water &amp; Sewer)</b>	<b>\$ 8,294</b>				
Alarm Monitoring - Skyline	\$ 1,088				
Ponta-Potty - Skyline Tank Site	\$ 166				
Skyline Tank Site Gate Maint.	\$ -				
<b>Bldg. &amp; Grounds Maint. Subtotal (Water Only)</b>	<b>\$ 6,844</b>				
<b>Total Building &amp; Grounds Maint.</b>	<b>\$ 15,138</b>		<b>Total Parking Rentals</b>	<b>\$ 5,670</b>	
<i>Bdg. &amp; Grounds Maint.- Water Fund</i>	70%	\$ 12,649	<i>Parking Rentals - Water Fund</i>	70%	\$ 3,969
<i>Bdg. &amp; Grounds Maint. - Sewer Fund</i>	30%	\$ 2,488	<i>Parking Rentals - Sewer Fund</i>	30%	\$ 1,701
	Budget	<b>\$ 15,138</b>		Budget	<b>\$ 5,670</b>
Dollars			Dollars		
Actual YTD	\$ 10,228		Actual YTD	\$ 4,050	
Budget	\$ 20,629		Budget	\$ 6,048	
Proj TY	\$ 13,637		Proj TY	\$ 5,400	
2023-2024	\$ 9,051		2023-2024	\$ 5,400	
2022-2023	\$ 15,558		2022-2023	\$ 5,400	
2021-2022	\$ 8,461		2021-2022	\$ 5,400	

<b>Directors' Fees (56810 and 57810)</b>			<b>Engineering Services (56830 and 57830)</b>		
Regular Meetings	\$	6,000	Misc. Engineering Projects	\$	38,500
Committee Mtgs.	\$	1,800	<i>Engineering Services Sub-Total (Water &amp; Sewer)</i>	50% & 50%	\$ 38,500
Special Meetings	\$	1,000			
<i>Directors' Fees Sub-Total (Water &amp; Sewer)</i>	50% & 50%	\$ 8,800			
ACWA Spring	\$	1,000	Update Standard Plans and Specifications	\$	31,369
ACWA Fall	\$	1,000	<i>Engineering Services Sub-Total (Water Only)</i>	100%	\$ 31,369
SMC CSDA	\$	800			
Region 5 mtg	\$	500	<i>Engineering Services Sub-Total (Sewer Only)</i>	100%	\$ -
Suburban Tour	\$	200			
<i>Directors' Fees Total Directors' Fees (Water Only)</i>	100%	\$ 3,500			
<b>Total Directors' Fees</b>		<b>\$ 12,300</b>	<b>Total Engineering Services</b>		<b>\$ 69,869</b>
<i>Directors' Fees - Water Fund</i>	50% & 100%	\$ 7,900	<i>Engineering - Water Fund</i>	50% & 100%	\$ 50,619
<i>Directors' Fees - Sewer Fund</i>	50%	\$ 4,400	<i>Engineering- Sewer Fund</i>	50% & 100%	\$ 19,250
	<b>Budget</b>	<b>\$ 12,300</b>		<b>Budget</b>	<b>\$ 69,869</b>
Dollars			Dollars		
Actual YTD	\$ 5,300		Actual YTD	\$ 65,705	
Budget	\$ 12,300		Budget	\$ 86,065	
Proj TY	\$ 7,067		Proj TY	\$ 87,607	
2023-2024	\$ 9,200		2023-2024	\$ 17,509	
2022-2023	\$ 11,800		2022-2023	\$ 65,440	
2021-2022	\$ 7,500		2021-2022	\$ 96,201	*14* Main Transmission Line Break
<b>Accounting Services (56840 and 57840)</b>			<b>Legal Services (56841 and 57841)</b>		
	Per month	Annual		Per month	Annual
Accountant	\$ 2,575	\$ 30,900	Monthly Retainer	\$ 900	\$ 10,800
Auditing Services	\$ 28,240	\$ 28,240	Miscellaneous Legal Matters	\$	\$ 22,000
Misc. CWS (Programming)		\$ 2,000			
OPEB Actuarial -ADC		\$ 3,400			
OPEB Actuarial - GASB75		\$ 2,250			
<b>Total Accounting Services</b>		<b>\$ 66,790</b>	<b>Total Legal Services</b>		<b>\$ 32,800</b>
<i>Accountant Services - Water Fund</i>	50%	\$ 33,395	<i>Legal Services - Water Fund</i>	50%	\$ 16,400
<i>Accountant Services - Sewer Fund</i>	50%	\$ 33,395	<i>Legal Services- Sewer Fund</i>	50%	\$ 16,400
	<b>Budget</b>	<b>\$ 66,790</b>		<b>Budget</b>	<b>\$ 32,800</b>
Dollars			Dollars		
Actual YTD	\$ 49,492		Actual YTD	\$ 26,655	
Budget	\$ 65,590		Budget	\$ 30,800	
Proj TY	\$ 65,989		Proj TY	\$ 35,540	
2023-2024	\$ 28,600		2023-2024	\$ 19,567	
2022-2023	\$ 35,200		2022-2023	\$ 30,663	
2021-2022	\$ 53,109		2021-2022	\$ 48,592	
<b>Billing (56850 and 57850)</b>			<b>Communications (56860 and 57860)</b>		
	Annual			Per month	Annual
Billing Forms and Envelopes	\$ 9,000		Newsletters (3x\$2500)	\$	\$ 7,500
Postage for Bills and Annual Mailing Permit	\$ 17,535		Postage for Newsletters	\$	\$ 4,759
Stuffing and Mailing Bills (bi-monthly)	\$ 864	\$ 5,184	Prop. 218 Notice	\$	\$ 3,943
Reminder Notices and Envelopes	\$	2,200	Prop. 218 Notice Mailing	\$	\$ 3,570
Postage for Reminders	\$	1,424	Public Hearing Ads & Ordinances	\$	\$ 1,000
Other Printed Materials	\$	400	Internet Service (\$65x6x12)	\$	\$ 4,680
Misc. Supplies	\$	1,500	Website - Lift-off	\$ 83	\$ 990
Billing Software Maintenance (quarterly)	\$ 3,023	\$ 12,093	GoDaddy - Licenses	\$	\$ 3,024
Hardware Maintenance	\$	1,000	Zoom (\$17.99 per month)	\$ 18	\$ 216
Envelope Stuffer Maintenance	\$	1,600	Miscellaneous	\$	\$ 3,000
Check Endorser Maint. Agreement	\$	400	<i>Communications Sub-Total (Water &amp; Sewer)</i>	50% & 50%	\$ 32,681
Hand Held Sensus Support	\$	3,000			
Other Software	\$	1,500			
IT Support - Selerum	\$	5,000			
<b>Total Billing</b>		<b>\$ 61,836</b>	Annual Sewer Postcard and Mailing	\$	\$ 2,738
<i>Billing - Water Fund</i>	70%	\$ 43,285	Banner Permit - Sewer Conservation Period	\$	\$ 350
<i>Billing - Sewer Fund</i>	30%	\$ 18,551	SMC Sewer Parcels File	\$	\$ 417
	<b>Budget</b>	<b>\$ 61,836</b>	CWS Programming Sewer File	\$	\$ 500
			<b>Communications Subtotal (Sewer Only)</b>	100%	<b>\$ 8,513</b>
			Water Quality Report	\$	\$ 1,575
			Water Quality Report Translations	\$	\$ 3,090
			Water Quality Report Postage	\$	\$ 1,828
			Water Conservation Banner - Permit	\$	\$ 350
			<b>Communications Subtotal (Water Only)</b>	100%	<b>\$ 6,843</b>
			<b>Total Communications</b>		<b>\$ 48,037</b>
<i>Communications - Water Fund</i>	50% & 50%	\$ 23,184			
<i>Communications - Sewer Fund</i>	50% & 50%	\$ 24,853			
	<b>Budget</b>	<b>\$ 48,037</b>			

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Total Budget \$ 3,253,405

Sewer Budget

Sewer Expenses:

Treatment (57320)

	Billing Period	Annual Usage
Jan/Feb'25 Flow =	46,666	279,996
Less Adj. Granted	0	0
Per Unit Charge x 6 billing periods	\$ 10.71	\$ 3,000,073
Less WWD Reimbursable charges		\$ (20,000)
County Collection Fee (3,795 x \$1.35)		\$ 5,000
County Administrative Fee		\$ 3,530
SWRCB Annual Permits for Lift Stations		\$ 5,309

Sewer Fund 100% Budget \$ 2,993,912

Utilities (57330)

	Dollars	Average Mo.	Total
PG&E:			
Avalon LS	\$ 614		
Rowntree LS	\$ 6,877		
Westboroug LS	\$ 5,359		
AT&T Dialer Lines (3 Copper Lines)	\$ 232	\$	8,344

Sewer Fund 100% Budget \$ 162,547

Dollars

	Dollars
Actual YTD	\$ 2,029,621
Budget	\$ 2,706,161
Proj TY	\$ 2,706,161
2023-2024	\$ 2,657,447
2022-2023	\$ 2,911,566
2021-2022	\$ 2,442,977

Dollars

	Dollars
Actual YTD	\$ 111,723
Budget	\$ 174,116
Proj TY	\$ 148,964
2023-2024	\$ 146,402
2022-2023	\$ 118,703
2021-2022	\$ 99,978

Repair of Pipelines (57340)

Repair of Pipelines \$ Annual

Sewer Fund 100% Budget \$ 5,000

Repair of Pumps (57350)

Repair of Pumps \$ Annual

Sewer Fund 100% Budget \$ 21,000

Dollars

	Dollars
Actual YTD	\$ -
Budget	\$ 5,000
Proj TY	\$ -
2023-2024	\$ -
2022-2023	\$ -
2021-2022	\$ -

Dollars

	Dollars
Actual YTD	\$ -
Budget	\$ 21,000
Proj TY	\$ -
2023-2024	\$ 66,696
2022-2023	\$ 40,529
2021-2022	\$ 52,740

Other Sewer Operating Expenses (57390)

Generators Maintenance \$ Total

Generators Maintenance	\$ 10,153
SMC Env. Health - Generator Permits (3)	\$ 1,622
BAAQM - Sewer Lift Stations Generators Permits (3)	\$ 1,921
SSMP (every 6 yrs. next one: FY30/31)	\$ 20,930
SSMP Audit (every 2 yrs; next one: FY 26/27)	\$ 28,750
SERP (Spil Emergency Response Plan - Update as needed)	\$ -
Misc. Other Sewer Operating Expenses	\$ 7,571

Sewer Fund 100% Budget \$ 70,946

Dollars

	Dollars
Actual YTD	\$ 29,644.00
Budget	\$ 12,437.25
Proj TY	\$ 39,525.33
2023-2024	\$ 65,095
2022-2023	\$ 60,220
2021-2022	\$ 26,550

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY**  
**PARTICIPATION AGREEMENT FOR THE WATER LOSS MANAGEMENT PROGRAM**

**JULY 1, 2025 TO JUNE 30, 2026**

The Bay Area Water Supply and Conservation Agency (BAWSCA) administers a Water Loss Management (Program), under which E Source Companies LLC (Contractor) supports participating BAWSCA agencies in reducing water losses to an economically optimized level and in complying with water loss requirements implemented by the State of California.

BAWSCA has entered into a professional services agreement (PSA) with Contractor, attached hereto as Attachment 1 (the PSA). Program details are provided in the Exhibit A.

Members who wish to participate in this Program for July 1, 2025 – June 30, 2026 should complete and sign this Participation Agreement and return it to BAWSCA, attention Negin Ashoori.

The respective roles and responsibilities of BAWSCA and each Participating Agency are outlined below:

**BAWSCA's Roles and Responsibilities:**

1. Overall Program management and coordination.
2. Coordinate Regional Water Loss Control Work Group.
3. Maintain program bill and budget information.

**Participating Agency's Roles and Responsibilities:**

1. Agreement to Program Scope of Work (Exhibit A).
2. Provide data and respond to Contractor inquiries to complete selected Program tasks to Contractor in a timely manner.
3. Cooperate with BAWSCA in the administration of the Program.

Participating agencies may be required to pre-pay BAWSCA a deposit of 100% of the maximum program cost shown in line 7 of the table on page 2. BAWSCA will determine whether the deposit account will be required upon receipt of the applications and will notify the Participating Agencies of its determination. If a deposit is required, BAWSCA will invoice individual Participating Agencies for the full deposit amount. Participating Agencies can add funds to their deposit account at any time during the Program period. Each Participating Agency's funds will be separately accounted for and the interest tracked individually. The deposit account will be used by BAWSCA to pay Contractor for the Program implementation costs monthly. On a monthly basis, BAWSCA will invoice each Participating Agency for its Program costs, detailing use of the deposit account, and identifying the remaining budget balance. At the end of the year, each Participating Agency will have the option of receiving a check for any remaining balance in the deposit account or applying the remaining balance to participation in next year's Program.

Each Participating Agency may terminate participation in the Program or revise its participation level upon 30 days written notice to BAWSCA. Participating Agencies electing to terminate their participation will be responsible for all costs related to the Participating Agencies' participation in the Program up to the effective date of termination.

**\*Prior to finalizing this Application, Agency Representative should contact Tim Marcella, representing the Contractor team, to review requested program details to ensure program success. Contact Tim at [tim\\_marcella@esource.com](mailto:tim_marcella@esource.com).**

Rate Schedule

Program Item	Subtask Selection	Unit Cost x Quantity	Total Cost
A. Validation	<input type="checkbox"/> Level 1 Validation	\$2,700	\$2,700
1. Program Management	<input type="checkbox"/> 1.a Ongoing Administration	\$446 x <u>2</u> <i># of subtasks selected from 2.a-f, 3.a-b, 4.a-d, 5</i>	\$892
	<input type="checkbox"/> 1.b Monthly Status & Budget Updates	\$892 <i>required if any subtasks beyond validation are selected</i>	\$892
2. Water Audits & Data Sources	<input type="checkbox"/> 2.a Water Audit Compilation & Reporting	\$7,817	\$7,817
	<input type="checkbox"/> 2.b Billing Data Analysis	\$5,118	\$5,118
	<input type="checkbox"/> 2.c Source Meter Volumetric Accuracy Testing & Reporting	<i>Determined upon discussion with E Source</i>	
	<input type="checkbox"/> 2.d Field Pressure Survey & Reporting	\$14,755	
	<input type="checkbox"/> 2.e Water Audit Miscellaneous Support	<i>Determined upon discussion with E Source (rates in Table 1 below)</i>	
	<input type="checkbox"/> 2.f Eye on Water Detailed Flow Analysis	<i>Determined upon discussion with E Source (rates in Table 1 below)</i>	
3. Leakage Analysis & Recovery	<input type="checkbox"/> 3.a Real Losses Component Analysis	\$25,552	
	<input type="checkbox"/> 3.b Leak Detection – Preparation, Kick Off & Reporting	\$5,504 <i>(required if conducting leak detection)</i>	
	<input type="checkbox"/> 3.c Leak Detection – Survey	<i>Price based on tiered rate (see Table 2)</i>	
4. Apparent Loss Analysis & Reporting	<input type="checkbox"/> 4.a-1 Small Meter Test Strategy & Sample	\$7,687	
	<input type="checkbox"/> 4.a-2 Small Meter Test Sample	\$3,301	
	<input type="checkbox"/> 4.a-3 Small Meter Test Data Analysis	\$7,893	
	<input type="checkbox"/> 4.a-4 Large Meter Test Design	\$3,862	
	<input type="checkbox"/> 4.a-5 Large Meter Test Data Analysis	\$6,122 <i>Typical cost; discuss pricing with E Source</i>	
	<input type="checkbox"/> 4.b Customer Meter Accuracy Testing via Subcontractor	<i>See Separate Agreement</i>	
5. Targeted SWRCB Assistance	<input type="checkbox"/> Targeted SWRCB Water Loss Standard Assistance	<i>Determined upon discussion with E Source</i>	

6. BAWSCA Administration Fee		\$150
7. Maximum Program Cost	Total Items 1-6	\$17,569

### Billing Rates

Table 1. Hourly Rate Table for additional services (Task 2.e and others, as necessary)

Role	Rate (hourly)
Project Advisor	\$ 297
Project Director	\$ 241
Project Manager	\$ 205
Analyst	\$ 160

Table 2. Comprehensive Leak Detection Mileage Rate Table (Task 3.b)

Mileage Surveyed	\$/mile
Mile 1 through Mile 50	\$ 464
Mile 51 through Mile 100	\$ 406
Miles 101 +	\$ 348

#### Notes:

1. Please reference "Exhibit A – Scope of Work" for explanation of work involved in each task and for an explanation of why an agency would sign up.
2. BAWSCA Administration Fee required for participation in all tasks except Task A.
3. Task dependencies to highlight in the above task selection table:
  - Task 1.a and 1.b Program Management costs are required if any items beyond Task A – Level 1 Validation are selected.
  - 3.b Leak Detection – Kick Off is required if 3.c Leak Detection – Survey is selected.

#### Timeline

To memorialize this arrangement, please have the enclosed copy of this Participation Agreement executed by an individual authorized to enter into such agreements and return it to BAWSCA, attention Negin Ashoori. Agencies can enroll on an ongoing basis.

By submitting this Application to Participate, the Participating Agency agrees to pay its share of the Program costs, up to the maximum in line 7. within thirty (30) days of its receipt of an invoice from BAWSCA. In addition, the Participating Agency represents it has reviewed the PA attached hereto as Attachment 1; and the Participating Agency hereby acknowledges and finds acceptable the terms and conditions of the PSA including all of its exhibits. The Participating Agency is responsible for working with Contractor to ensure it remains within the Maximum Program Budget. Participating Agency agrees to hold BAWSCA harmless from any claims or actions arising from Contractor's performance or any allegation that materials or services provided by Contractor infringe or violate third party intellectual-property right. The person signing below represents and warrants that they are authorized by the Participating Agency to bind the Participating Agency to this Participation Agreement.

Date: June 12, 2025

[Signature of authorized representative]

Name: Patricia Mairena – General Manager

Agency: Westborough Water District

## SECTION III

### BENEFITS

**Section 3.01. Holidays.** The following are the official District holidays and the dates of their observance:

<u>Holiday</u>	<u>Date of Observance</u>
New Year's Eve	December 31
New Year's Day	January 1
Martin Luther King Day	3rd Monday in January
Presidents' Day	3rd Monday in February
Good Friday (Office closes at 12:00 Noon) to 3 p.m.	Friday Before Easter
Memorial Day	Last Monday in May
Juneteenth	June 19th
Independence Day	July 4
Labor Day	1st Monday in September
<u>Indigenous Peoples' Day</u>	<u>2nd Monday in October</u>
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25
2 Floating Holidays	Individual Employees' Choice (Two Working Days) To be scheduled 7 days in advance)

All full-time employees will receive time off with pay at their normal base rate for each District-observed holiday. Part-time and temporary employees are not eligible for paid holiday benefits. Moreover, all employees are ineligible for holiday benefits while they are on leave of absence. If a holiday falls on a Saturday, time off with pay will be given the preceding Friday. If a holiday falls on a Sunday, time off with pay will be given the following Monday. Holidays that occur during an eligible employee's vacation will not be counted as vacation days taken. This paragraph shall not apply to on call employees receiving weekend duty pay under Section 2.02 on a holiday weekend. Compensation for such employees shall be governed by that section.

**Section 3.02. Vacation.** Full time employees shall earn vacation in accordance with the following schedule:

June 9, 2025

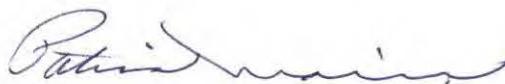
Dear Board of Directors,

I am pleased to report that District staff continue to be cross-trained, and I am satisfied with everyone's performance this past year, particularly with all the new regulations that the State has been passing and requiring, even of water districts with small size staff, like ours. I am in the process of conducting staff evaluations, and everyone has performed at their expected level or above, and new goals have been set (or will be set) for next year.

With the above in mind, I am submitting the following recommendations for your consideration. This percentage has already been integrated in the FY 2025-2026 Budget:

Position	COLA %	Merit %	Total Increase	Revised Pay
Operations Assistant	2.70%	3.30%	6.0%	\$ 109,335.27
Office Supervisor	2.70%		2.7%	\$ 149,550.26
Field Supervisor	2.70%	3.30%	6.0%	\$ 170,660.00
Field Worker	2.70%	7.30%	10.0%	\$ 96,127.91
On Call Worker	2.70%		2.7%	\$ 46.22

Respectfully,



Patricia Mairena  
General Manager

PM/pm



June 6, 2025

Ms. Patricia Mairena, General Manager  
Westborough Water District  
P.O. Box 2747  
South San Francisco, California 94083-2747

**Re: Liability, Property, and Workers' Compensation Programs Risk Assessment**

Dear Ms. Mairena:

This letter is a follow-up to my visit on May 29, 2025. The purpose was to obtain an update on Westborough Water District's (WWD) operations, review loss history, and evaluate risk exposures. It was great to hear about your new upcoming five-year sewer capital improvement plan. Please thank Carlos Arias, Field Supervisor, for his time and consideration. Below are highlights of our discussions and related ACWA JPIA resources.

**Professional Development Program (PDP)**

We discussed the JPIA's [Professional Development Program](#) (PDP). The PDP provides an opportunity for the District's staff to enhance their knowledge and perform their jobs safely, legally, and efficiently. Per our conversation, the PDP would be beneficial to supervisors and operations staff, such as Carlos, by maximizing personal and organizational success. There are three areas or tracks within the PDP: Operations, Supervisor Basics, and Human Resources. Each area focuses on risk identification and effective leadership skills and can prepare employees for advancement. Each area's courses include face-to-face training, online and self-study options, and various activities such as an H.R. LaBounty Safety Award nomination.

**Loss History**

The JPIA reviews losses that occurred over the last five years of coverage. These claims have the most impact on pooled programs and can assist in identifying trends, training, and risk reduction efforts. In the last five years, the District has had three workers' compensation claims, one liability claim, and two property claims. The District's current Experience Modification Rates (E-Mod) are 0.80 in the Workers' Compensation Program and 1.32 in the Liability Program. E-Mod rates are not calculated for the Property Program. Rates below 1.0 result in discounts on your District's contributions. We discussed the recent cyber claim in the property program. The District contracts its Information Technology (IT) services with an outside vendor. We discussed the benefits of utilizing KnowB4, a cyber-attack training system provided at no cost to members who participate in the cyber liability program. Please contact [Nidia Watkins](#) in Member Services at (916) 786-5742 for enrollment information.

Ms. Patricia Mairena, General Manager  
Westborough Water District  
June 6, 2025  
Page 2

### **Risk Control Manual (RCM)**

The [RCM](#) is a resource members can use when developing or updating policies for their Safety and Loss Control Programs. During our meeting, I provided an overview of the following sections:

- **Section 1 - Injury/Illness Prevention Program (IIPP)** – Templates and best practices are provided for the District's use when reviewing the IIPP, including the [JPIA's Self Audit Checklist](#).
- **Section 10 – Competent/Authorized Person Forms** – This section has resources for designating employees as [Authorized Traffic Control Supervisors](#), [Authorized Flaggers](#), [Authorized Equipment Operators](#), and more. We discussed using the Authorized Equipment Operator Form for Vac-con truck operators.

### **Commitment to Excellence (C2E) Program**

We discussed the [C2E Program](#) as a “best practices” approach to high frequency and high severity loss drivers for the pool. I provided a brief overview of the resources available in the “Wildfire Prevention” and “Construction” Loss Reduction Focus Areas. The JPIA asks members to partner with us by signing the “Commitment to Excellence” certificate, showing knowledge of our resources to reduce claims in these areas. Enclosed with this letter is a C2E Certificate for you and your board's approval. Having a signed C2E Certificate on file creates eligibility for the [JPIA's Risk Control Grant Program](#).

### **Risk Control Grant Program**

I highlighted the JPIA's Risk Control Grant Program which is designed to promote the implementation of best practices that will prevent or mitigate losses for members who participate in at least two JPIA pooled Programs: Workers' Compensation, Liability, and/or Property Programs. The Grant Program incentivizes members to renew their Commitment to Excellence and review the best practices applicable to their operations. This is accomplished by funding up to \$10,000 for specific one-time, non-routine risk management, loss control programs, or activities that are intended to address those risks. We discussed line locating equipment such as a Ground Penetrating Radar (GPR) device to help identify underground pipes, as a possible grant submission. This year's Grant Program will begin accepting applications in October 2025. Please visit the [Risk Control Grant Program](#) information page for further information, past winners, and eligibility requirements.

### **Safety Awards**

The [H.R. LaBounty Safety Awards Program](#) is designed to promote safe workplace behavior and operations practices while rewarding employees who participate in risk-reducing actions. The recently installed vehicle cameras to assist the District against third-party liability claims in the event of an accident is a possible submission. Please visit the H.R. LaBounty Safety Awards Program page for more information.

### **2024-25 Risk Assessment Focus Areas**

The following risk reduction and loss control programs are being highlighted for this policy year. The goal is to promote the implementation of best practices that may limit exposures and reduce losses to the membership.

Ms. Patricia Mairena, General Manager  
Westborough Water District  
June 6, 2025  
Page 3

#### **Underground Service Alert (USA)-811**

Carlos manages the USA North program for the District. The District's primary excavation method is hydro excavation using a Vac-Con truck and hand digging in the tolerance zones. If the District has one of its lines hit, reporting it to the Damage Information Reporting Tool (DIRT) is a good practice.

#### **Cross-Connections**

The District has an ordinance for its Cross-Connection Program. We discussed the benefits of having an ordinance rather than a policy for cross-connections. For more information, please review the [JPIA Source](#) article on the [Benefits of a Cross-Connection Ordinance](#).

#### **Serious Injury/Illness Reporting**

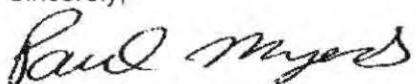
We reviewed Cal/OSHA's definition of a serious injury and the process of reporting such injuries within the required eight-hour time frame if one should occur. More information on the reporting process can be found on Cal/OSHA's [webpage](#) on how to report a work-related accident. The JPIA has a [Sample Standard Operating Guideline \(SOG\)](#) for members to use if needed.

#### **Field Visit**

Carlos took me to visit the Westborough Lift Station, Rountree Pump Station, and Avalon Lift Station. All sites were clean and well-maintained. I recommend installing "No Trespassing" signage at Roundtree above and below and at Avalon. Good signage and fencing is a *C2E Infrastructure* loss reduction best practice.

I want to thank Westborough Water District for being a JPIA member. If you have any questions or need assistance, please contact me at (916) 774-7050, ext. 3144, or via email at [PMyers@acwajpia.com](mailto:PMyers@acwajpia.com).

Sincerely,



Paul Myers, SMP  
Risk Control Advisor II

606:tl

Enc.: C2E Certificate

c: JPIA Member Services  
JPIA Risk Management Committee  
Janet Medina, JPIA Board Member

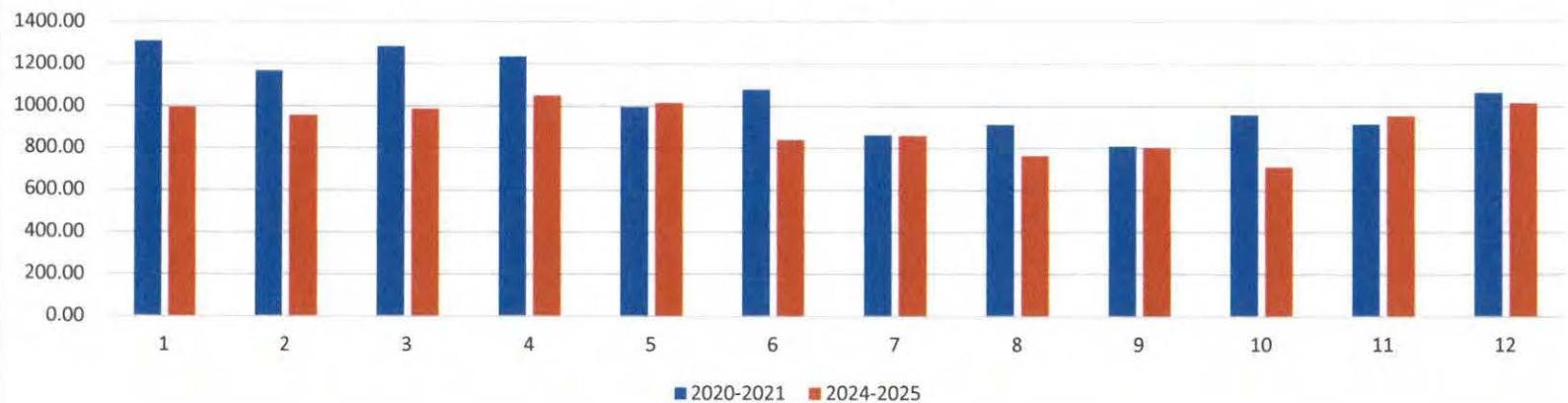
## Water Purchases Comparison 2020-2021 to 2024-2025

FY 2020-2021				FY 2024-2025				Comparison
Period	HCF Purchased	No. of Days Billed	HCF per Day	Period	HCF Purchased	No. of Days Billed	HCF per Day	
06/05/20 to 07/07/20	43157	33	1307.79	06/06/24 to 07/05/24	29818	30	993.92	-313.87
07/08/20 to 08/06/20	34995	30	1166.50	07/06/24 to 08/06/24	30586	32	955.83	-210.67
08/07/20 to 09/04/20	37162	29	1281.45	08/06/24 to 09/06/24	30568	31	986.07	-295.38
09/05/20 to 10/06/20	39480	32	1233.75	09/07/24 to 10/03/24	28338	27	1049.57	-184.18
10/05/20 to 11/02/20	26876	27	995.41	10/04/24 to 11/05/24	33484	33	1014.68	19.27
11/03/20 to 12/04/20	34525	32	1078.91	11/06/24 to 12/05/24*	25215	30	840.48	-238.42
12/05/20 to 01/04/21	26748	31	862.84	12/06/24 to 01/06/25	27485	32	858.90	-3.94
01/05/21 to 02/01/21	25531	28	911.82	01/06/25 to 02/05/25	22906	30	763.54	-148.29
02/02/21 to 03/04/21	25095	31	809.52	02/06/25 to 03/06/25	23262	29	802.13	-7.38
03/05/21 to 04/05/21	30684	32	958.88	03/07/25 to 04/04/25	20610	29	710.70	-248.17
04/06/21 to 05/05/21	27430	30	914.33	04/05/25 to 05/06/25	30524	32	953.88	39.54
05/06/21 to 06/03/21	30907	29	1065.76	05/07/25 to 06/04/25	29507	29	1017.48	-48.28
<b>Total Purchases</b>	<b>382590</b>	<b>364</b>	<b>1051.07</b>	<b>Total Purchases</b>	<b>332303</b>	<b>364</b>	<b>912.92</b>	

\* Includes a Meter Reading Billing Adjustment for previous period of \$14,597.87

GPCPD YTD	50.64
GPCPD 23/24	50.29
GPCPD 22/23	49.46
GPCPD 21/22	50.62
GPCPD 20/21	58.30
GPCPD 19/20	59.11

Water Purchases Comparison  
2020-2021 and 2024-2025



**Notes from JPIA/ACWA 2025 Spring Conference May 12<sup>th</sup> thru May 15  
in Monterey, California**

**JPIA Board of Directors Meeting - May 12th**

**Welcome From the Board President Melody McDonald**

Melody welcomed the attendees and iterated the convention would make the team connect, collaborate, grow, and make our community stronger and strengths the work we do across the water industry. She expressed her pride in celebrating this year the 10th Anniversary of the Leadership Essentials for the Water Industry. She asked for support from the members and thanked the convention sponsors. She also introduced ANDY the Goat, champion of California Water Agencies.

**Introducing the ACWA JPIA Panel**

Moderated by Adrienne Beatty, CEO, and comprised of the following summarizing each of their respective departments' services, best practices, tools, and resources and answering subsequent questions from the attendees.

Jennifer Jobe, Director of Pooled Programs

Erin Bowles, Workers Compensation Claims Manager

Erin Bowles, Workers Compensation HR Manager

Sarah Crawford, Member Education Manager

Adam Dedman, Employee Benefits Manager

Dan Steele, Finance Manager

Tony Waterford, HR Manager

Kayla Villa, Litigation Manager

Robin Flint, Risk Control Manager

Erin Kowaleski, IT Manager

**State of Employee Benefits Programs by Adam Dedman, Employee Benefits Manager and Tom Sher, Senior VP Alliant Insurance Services Inc.**

Their presentation provided updates on key issues that affect the program as follows:

- Enhancing wellness options
- Dental Network Access
- Risk Management in Employee Benefits
- UHC Medicare Advantage Plan Medicare and Medicaid
- GLP-1 Issues
- National Health Trends
- Medical Inflation and GLP-1s

**Leadership Essentials the Water Industry (LEWI) by Sarah Crawford, Training Manager**

Sarah talked about the Leadership Essentials program which began in 2015 calls for dynamic responses from water agencies to develop skills needed to lead now and into the future. The program with over 215 senior water agency alumni, a yearlong robust education experience to develop leadership skills and facilitate growth in three spectrums: Members can apply at [bit.ly/JPIALeaderDev](http://bit.ly/JPIALeaderDev) by June 16, fees apply. Participation fee for 2025 – 26 is \$2195 (\$2495 for non-members) for tuition. There is the “Jerry” E.G. Gladbach Leadership grant to cover tuition and travel for a participant each respectively for NorCal and SoCal cohorts.

### **Water Safety Award Recognition (aka Walter “Andy” Selles Commitment to Excellence) by Robin Frisk Control Manager**

Robin announced the inaugural award for membership with minimal property, liability and workers compensation losses as follows:

1. Orchard Dale Water District for districts with twenty-nine employees or less
2. Stockton East Water District for districts with twenty-nine or more employees

### **ACWA JPIA Risk Pool Recognition by David deBernardi, Finance Director**

David announced that ACWA JPIA was honored for recognition from three highly respected organizations as follows:

1. Association of Governmental Risk Pools (AGRIP)
2. California Association of Joint Powers Authority (CAJPA)
3. Government Finance Officers Association

Following David’s presentation, the board reviewed and approved the following:

1. ACWA JPIA audited financial statements for the year ended September 30, 2024.
2. Proposed operating budget for the fiscal years October 1, 2025, through September 30, 2026,

### **Ancillary Programs Update by Jennifer Jobe, Program Director**

Jennnifer presented the following:

1. Dam Failure Liability Program with seventeen members provides coverage for third party and member property damages.
2. Excess Crime with seventy-three members provides coverage for losses related to monetary crimes.
3. The Public Officials Bond, which includes eleven members, offers coverage for agency public officials in case of failure to perform their duties faithfully and honestly.
4. Underground Storage Tank Pollution Liability, with 10 members, provides coverage for the 3rd party claims bodily and property damage.

5. Cyber Liability, with 279 members, covers financial losses resulting from data breaches.

### **ACWA Updates by Marwan Khalifa, Interim ACWA Executive Director**

Marwan introduced himself, announced 2025 as election year for ACWA president and VP positions and implored for continued partnership with the membership.

### **CEO Updates by Adrienne Beatty JPIA CEO**

Adrienne presented AI Impact on JPIA ops and CWIF Update. According to her the challenges are:

- Diverse, complex operations
- Data fragmentations
- High need for collaborations

The opportunities she states are:

- Rapid, complete communications
- Enhanced data analysis
- Improved opportunity for innovation

According to her AI- Enablement Strategy are:

1. Implement AI Acceptable Use Policy
2. Build AI staff skills.
3. Identify AI champion.
4. Determine AI enablement levels of service providers.
5. Educate governing body.

She followed up with current and future implementations.

The California Water Insurance Fund (CWIF) aims to achieve a 20-year rate of return and an average annual rate of return of 7% to ensure sufficient funding for anticipated withdrawals to cover long-term liabilities.

### **Update by Robert Greenfield, JPIA General Counsel**

According to Robert there is only one pending lawsuit.

### **JPIA Board of Directors Meeting - May 13th**

### **Managing Risk and Recognizing Excellence by Robin Flint, Risk Control Manager**

Robin started by sharing the Risk management team and regional (North, Central and South) leads, member benefits and program resources. She was then preceded by:

1. Dick York, GM Sacramento Suburban Water District on Risk Assessment project visit in his district
2. Jesse ?, Moulton Niguel water District adopting C2E (Commitment to Excellence) using Risk Control manual.
3. Alta Irrigation (founded 8/14/1888) using old structures risk management to identify challenges.

### **Securing Our Water Future: Building Support for Infrastructure and Cultivating Leaders**

In this session Citrus Heights Water District customer advisory groups (CAC) started in 2017 shared value for districts and communities, building support for infrastructure and developing future leaders. The CAC consists of diverse CHWD customers from various backgrounds. Also explored key takeaways for attendees. Citrus Heights serves 70,000 customers with thirty-eight employees and a \$36 million budget. The panel of four from the CAC representing the population of the customer base reviewed a case study – Project 2030 Water Main Replacement of life cycle replacement of its aging system funded by rate payers.

Key takeaways are as follows:

- Shared value for all customers, the water district and boards
- Board, staff, CAC member benefits.
- Blueprint for future challenges

Lessons learned are never too late to start and involvement with the community is essential.

### **ACWA Opening Meeting May 14th.**

Cathy Green, ACWA president welcomed the attendees and discussed the search for a new ACWA executive director following the departure of Dave Eggerton, she also announced the impending election of ACWA President and VP later in the year.

### **ACWA Updates by Marwan Khalifa, Interim ACWA Executive Director**

Marwan introduced himself, announced 2025 as election year for ACWA president and VP positions and implored for continued partnership with the membership. He also covered the following:

- ACWA refreshed strategic plan.
- Members to get engaged in legislative activities.
- ACWA funding and water quality
- Building a strong culture and team
- Presented the ACWA staff.

## **Keynote Speaker, Katherine Zitsch, President National Water Alliance, DC**

National Water Supply Alliance President Katherine Zitsch compared how California and the U.S. Southeast share several issues in common. Both suffer from severe droughts, feature water challenges facing urban and agricultural communities alike and have a wary eye on the emergence data centers as a new type of high demand water users. During the late 2000s, drought brought Atlanta to within a month of running out of water, said Zitsch, who also serves as Senior Water Policy Advisor at the Georgia Water Planning and Policy Center. But as in California, conditions radically reversed with the arrival of severe flooding. Water concerns easily cross-country and political differences. "It is red, it is blue, it is urban, it is rural, it is all of the above," Zitsch said.

The certainty of there always being a drought around the next corner makes conservation a perennial topic, as well as the need for more water infrastructure funding. Georgia's transportation and energy sectors are booming, with the latter fed by increasing demand from new data centers. "We're accelerating, but people don't talk about the water supply, which is used for cooling," Zitsch said. "And so my thing is, that during any dinner party that you hear somebody say 'infrastructure' and they're talking about something, you need to say, 'and water'." Zitsch closed with a call for collaboration on water advocacy. "Water is a team sport," Zitsch said, later adding "When we get to Congress, we have to be doing it together. It is why I'm so excited to be here today.

Following the presentation Ernie Avila the ACWA VP thanked Kathy, discussed the implementation of the ACWA strategic plan, ACWA as change agents for California water and Excellence in water leadership award.

## **JPIA Board President Update by Melody McDonald**

Melody addressed the following:

- JPIA Leadership programs and Executive election
- Recognized the ACWA team.
- CWIF Investment
- Introduced mascot "ANDY" the GOAT
- Thanked the sponsors.

## **CEO's Update by Adriene Beatty**

Adrienne addressed the following:

- CWIF in five years existence earned \$39 million and 6.35% rate of return.
- June 4<sup>th</sup> meeting to discuss dividends.
- Adding new employees to meet future needs

## **ACWA Foundation by John Varela, Chair**

This non-profit foundation in its third year and a dream of Pam Tobin erstwhile ACWA president will provide a tax-exempt structure to educate, mentor, research and invest in the next generation of water leaders, while focusing on attracting a diverse workforce representative of the communities we serve. This nonprofit foundation will also provide a way to fund scholarships, which will open pathways for those who have demonstrated their potential as future water leaders.

## **Preparing for California Growing Emergency Threats a panel discussion**

California water systems are under increasing pressure from threats of natural disasters. The panel discussion emphasizes the importance of funding and fast-tracking resilience projects to safeguard the future. Moderator is Joone Lopez Moulton Niguel Water district.

1. Cal OES, Lori Nezhura, Deputy Director, discussed the five level emergency plans for her organization.
2. Metropolitan Water District, Anthony? The discussion addressed challenges including earthquakes, financing, aging infrastructure, the difficulties faced by small water systems, and desalination projects to meet demand.
3. Golden State Water, Brandy Hancocks, went over funding challenges for their 2024 Wrightwood damage to their facility.
4. City of San Diego Alvarado Treatment Plant, Rick Brady engineer WHB Engineers Company reviewed his company's involvement with seismic retrofits at the treatment facility.
5. Chelsy Shipman, Associate Director of Global's US Public Finance Department, reviewed the challenges faced by water agencies in California, such as the requirements of Prop 218, risk management, climate events, and credit concerns.

## **California Water Resilience Initiative: building Public Private Partnerships by Eric Tsai, Supervising Engineer, California Department of Water Resources (DWR)**

The California Water Resilience Initiative (CWRI), a private sector led effort to reduce, reuse and restore one-million-acre feet of in California by 2030 is related to engage water agencies and local governments on projects related to water efficiency and reuse, stormwater capture, groundwater recharge and more. It aims to equip local water leaders to address climate change impacts at the watershed level. Also build and support inclusive and diverse watershed network and inform sound resilience planning with quantitative climate vulnerability and adaptation analysis.

This initiative encourages and supports locally led watershed networks to: Manage water from headwaters to outflow at a watershed scale • Prioritize equity and inclusiveness • Analyze climate risks and adaptations at a watershed scale • Collaborate across water, flood, groundwater, water quality, forest/fire, ecosystem, and

land use sectors. • Develop metrics to track outcomes regionally and statewide • Implement resilient and equitable projects and solutions.

In 2024 four water sheds American, Calaveras, Pajaro, Russian and Ventura rivers respectively were awarded \$2 million each in a pilot program and the lessons learned were:

Program flexibility meets regions where they are. Each pilot is unique to each watershed

- Organizing watershed networks has increased collaboration across upper and lower watershed, laying groundwork for surface water/groundwater integration

- Tribal engagement assistance/support needed

Findings from pilot projects will inform and help shape future DWR funding programs and guide.

efforts to strengthen water resilience across California.

- “Cohort” meetings with all watershed pilots have helped them learn from each other

## **Workforce Development Data Revolution: Attracting New Generation of Leaders**

Moderator is Joone Lopez Moulton

As districts search for new strategies to attract new talent and retain them in the industry this panel discussion is show and tell from the following presenters:

1. Valley Water, Aaron Baker, Chief Operating Officer of Water Utility Enterprise Valley Water
2. Janor E., Eastern Muni Water District
3. Brad Tacket, Sun Construction, Arizona
4. ?, State Water Resources Board

The following are key takeaways from the panel:

- Finding the right of date using AI
- Governmental agencies driven by boards and processes and take long.
- Collaborate with the legal team to ensure the district is on the right path.
- Human interphase making the final call and SMEs are still relevant.
- Prioritize succession planning and new skill sets to meet changes.
- Look for innovators in younger employees.
- Work with other agencies, trade schools, high schools and colleges to attract water jobs.
- Work with all levels of the workforce to ensure transparency.
- Keep pace with changing technologies and meld old with new.
- Long term trajectory of your organization's hiring is a serious subject, watch out for red flags.

- Keep an open mind, trust but verify.
- Keep it simple using data to be efficient.

## Region 5 Meeting

John Varela, Region 5 chair, introduced members of the board and welcomed the group with updates on the new ACWA leadership. ACWA Foundation Executive Director Lisa Mealoy gave the following updates:

- Appeal for donations, support, and recommendations from the ACWA members.
- Refreshed mission through education and workforce development.
- Engagement with community colleges about teachers of water industry
- Reaching out to veterans
- Next generation water path

Committees' updates are as follows:

- Agriculture is working on Delta plan, regulatory programs to support healthy rivers, Bay Delta and reliable water supply.
- Business Development update on working subgroups, ACWA programs, certificate of excellence and conference.
- Communication update on awards and scholarships, communications on Ag, water quality and website, respectively.
- Energy re: AI and water energy, water energy nexus, rising energy costs, AB 1594, linear generator and clean fleet working group.
- Federal Affairs re: increased water storage, state and federal legislation, PFAS fire hydrants, tribal water rights, low-income assistance, and regulatory frameworks
- Finance re: Current inventory and future water rates.
- Groundwater re: SIGMA and groundwater recharge
- Local Government re: Updated Accessory Dwelling Unit (ADU) and paving standards
- Membership re: Using social media to promote ACWA membership, goal of 500 members from 468.
- State Legislation re: Regulatory updates, 2025 water updates FEMA programs, LOTUS, drinking water and energy cyber security.
- Legal Affairs re: Wildfire reliability, legal education, water right working group, Prop 218, and JPIA
- Water Management re: Bay Delta water update, climate change, water measurement and use and SB88.
- Water Quality re: Lead and copper ruling, detection limits for metals and organisms, federal and state endangered species act, financial insurances, drinking water needs assessment, SB 200, Prop 4 and PFAS challenges.
- Outreach Task Force Update re: Encourage districts to promote outreach in their areas.

Cathy Green addressed the team regarding the process to hire a ne ACWA executive director, appointment of interim director, impending election for ACWA President and VP later this year, ACWA new five-year strategic plan and thanked the attendees.

Jennifer Jobe, Director JPIA Pooled Programs updated the following:

- New Executive committee
- New JPIA building using cash on hand.
- CWIF performing well at 6.35% rate of return.
- Pooled programs renewals
- Cyber security consultant expected on board.
- Property Insurance 15% increase and 10% for employee benefits

### **ACWA Meeting May 15th**

#### **State, Local and Federal Efforts to Enhance Water Supply a panel discussion led by Sarge Green, Board Director Fresno Metropolitan Flood Control District**

1. California State Water Resources Control Board, Dorene D'Adamo, Vice Chair
2. Bureau of Reclamation, Adam Nickels, Acting Regional Director
3. Friant Water Authority, Johnny Amaral, Chief External Affairs/Operating Officer

#### **Keynote Speaker Dan Keppen Executive Director Family Farm Alliance.**

Family Farm Alliance Executive Director Dan Keppen delivered the Thursday keynote address drawing on his quarter-century of experience advocating on behalf of Western growers and ranchers. He plans to retire by the end of the year. Keppen emphasized the critical importance of agriculture and the incredibly stressful work of farmers who contend with water supply difficulties, rising operating costs and increasing regulatory pressures. At the same time, rising food costs are hitting all Americans, who are paying 11.2% of their disposable income on food compared to 6.2% in 2005. And yet, educating people on where exactly their food comes from remains a challenge in communicating the unique story of American irrigated agriculture, Keppen said. "One of the biggest challenges that we face in agriculture is trying to explain to policy makers and the public in general, 'where does their food come from?'," Keppen said.

"Lots of folks just assume it comes from, you know, Vons or Ralphs or Safeway. You all know where your food comes from, right? It comes from farmers and ranchers, and nobody does it better than American producers." Keppen highlighted alfalfa as an example of people misunderstanding the link between farming and their food. "If you like milk and steak and burgers and ice cream and cheese and yogurt, you'd better like alfalfa," Keppen said. "Alfalfa contributes to the environment, it provides healthy soils, clean water, clean air, and where I live, wildlife habitat like you wouldn't believe." He

also called on all members of the water community to get engaged. "Regardless of where you get your water or what you use it for, there are so many critical challenges facing our industry this year," Keppen said. "Really, your voice now is really needed more than ever".

### **Water Agencies Shaping Tomorrow Through Exemplary Projects and Programs**

Water agencies throughout the state are known for their excellence in innovative projects. This panel of the four Clair A. Hill Award for Excellence finalists share their experience in their projects'.

1. Orchard Dale Water District Miller Reservoir, City of Westminster Mitigation project using FEMA funding. Communication, operational strategy, open-mindedness, and patience are key in project success.
2. The Calleguas-Municipal Water District Interconnection project aims to enhance reliability and flexibility in delivering water during both planned and unplanned outages. **This initiative received the overall award.**
3. San Bernardino Valley Water Conservation District groundwater recharge project to increase water levels.
4. Santa Margarita Water Department, Trampas Canyon Reservoir project improvements on their annual water supply.

## BAWSCA Meeting of 15 May 2025

I chaired the BAWSCA meeting of 15 May 2025, which was held on the 4<sup>th</sup> floor College Heights Conference Room at the College of San Mateo. We met at this location as Burlingame was unavailable and the elevator was out at Foster City, making it non-ADA compliant. After the Board Policy Committee (BPC) report and the consent calendar, we went into the SFPUC report. Water conditions are good with upcountry 98.7% full and total system storage 96.9% full (vs a normal of 85.1%). Both Bay Area and upcountry are just below median precipitation for the year while the water year still runs through September. After 3 years of “normal” precipitation statewide reservoirs are above normal although most (like Shasta and Oroville) are not “full” as they (unlike Hetch Hetchy) have a flood control mission and must leave open storage for runoff. There was significant public comment (and some board member comment) on SFPUC’s design drought and BAWSCA’s position on the Bay/Delta plan and lawsuit. Regarding the design drought, SFPUC (and agencies like WWD in our Urban Water Management Plans) have been using an 8.5-year drought which combines usage from 2 recent droughts. This has been used for the past 33 years in all SFPUC’s planning and environmental documents. Tuolumne River Trust and some other non-governmental organizations (NGOs) think this design drought requires too much storage (and provides insufficient flow for the fish) and is elevating costs for SFPUC’s Alternative Water Supply (AWS) program (although the AWS program has barely entered planning mode). NGOs challenged SFPUC’s design drought and had SFPUC conduct multiple workshops (including hiring scientific experts to speak) in 2022 (still available online) on how it was derived. Now some of these same NGOs want BAWSCA to conduct similar study sessions/workshops.

Other members of the public challenged BAWSCA’s position (and requested workshops) on the Bay Delta Voluntary Agreement (or, as it is now called, the Healthy Rivers and Landscapes (HLA) agreement). BAWSCA was not a party in developing the Tuolumne HLA and since it does not operate the Hetch Hetchy system, it would not implement the agreement (although our water supply would be affected by the implementation). BAWSCA’s position is that the agreement should be evaluated by the State Water Resources Control Board as the 2018 agreement said they would. This evaluation is currently underway for at least the Sacramento River (or Phase 2) tributaries. Two months ago, SFPUC and irrigation districts wrote the governor requesting the Tuolumne River HLA be considered along with those for the Phase 2 tributaries and hopefully there will be some results by late summer. Although the NGOs would willing participate in any workshop we sponsored, at least I do not see it as an efficient use of our resources and, as State Board public comment periods are over, I am sure the State Board would not be interested in any “findings” an additional workshop could provide.

Finally, we got to the approval of our work plan, budget, and assessment revision part of the meeting. There were a few modifications stressing affordability, but the plan was essentially

approved as submitted. Although some board members (and a member of the public) felt we should be making optional payments to pay down our unfunded pension liability, the board agreed to the BPC proposal to not commit funds until after the end of the current fiscal year. In December 2025, after this year's funds will have been transferred to the General Reserve, it would be a better time to make the decision. We anticipate 5-10% of this year's funds will be left over and have planned to have next year's assessment to fund only 97% of the budget (with the rest coming out of General Reserve). This should leave some funds to pay down our unfunded liability more rapidly than the 20-year horizon used by CalPERS. The board approved a 2.3% increase in assessment to fund next year's budget.

After approving the budget, we approved the thirteen consultant contracts which will allow BAWSCA (and its subscription programs) to function in the coming year. Then, after 2 more "housekeeping" motions, we spent about 90 minutes reviewing and soliciting ideas for Strategy 2050. The discussion was led by BAWSCA's Dr. Negin Ashoori and our contractor's (and ex-BAWSCA employee) Andree Lee. After reviewing progress to date and Water Management Rep (WMR) input on impediments to a future reliable supply of high quality water, Board members were asked 1) which of the identified challenges resonated the most with them, 2) what other major challenges do you think the BAWSCA region could face over the next 25 years, and 3) what specific aspect of a challenge should be further explored. Things such as aging infrastructure/capital improvements, regulatory restrictions, conservation, and demand forecasting were mentioned. Negin and Andree took notes and will continue to work with the board and WMR's to develop a long-term strategy over the next two years.

As the meeting went beyond our normal 2.25-hour maximum length, we extended the meeting to accommodate a brief CEO report. The major news was that 2 days earlier SFPUC approved amendments to our Water Supply Agreement (WSA) which allows us to resolve the minimum purchase problem. Now it is up to the agencies to approve the modified WSA along with revised Tier 2 allocations, hopefully before 30 June. There was no new real news on any of our closed session (Bay Delta, FERC, etc) so closed session was cancelled. Our next meeting will be July 18 with the location to be determined.