Dublin San Ramon Services District
Water, wastewater, recycled water

Board of Directors

AGENDA

NOTICE OF REGULAR MEETING
TIME: 6 p.m. **DATE:** Tuesday, August 16, 2022
PLACE: Regular Meeting Place
7051 Dublin Boulevard, Dublin, CA

The Boardroom is open to the public during open session. Due to the COVID-19 pandemic, meeting attendees are required to conduct a self-screening before entering District facilities. Face coverings are optional.

Our mission is to protect public health and the environment by providing reliable and sustainable water, recycled water, and wastewater services in a safe, efficient, and fiscally responsible manner.

1. CALL TO ORDER

2. PLEDGE TO THE FLAG

3. ROLL CALL – Members: Goel, Halket, Johnson, Rubio, Vonheeder-Leopold

4. SPECIAL ANNOUNCEMENTS/ACTIVITIES

5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC)
At this time those in the audience are encouraged to address the Board on any item of interest that is within the subject matter jurisdiction of the Board and not already included on tonight's agenda. Comments should not exceed five minutes. Speaker cards are available from the District Secretary and should be completed and returned to the Secretary prior to addressing the Board. The President of the Board will recognize each speaker, at which time the speaker should proceed to the lectern, introduce him/herself, and then proceed with his/her comment. Written comments received by 3 p.m. on the day of the meeting will be provided to the Board.

6. AGENDA MANAGEMENT (CONSIDER ORDER OF ITEMS)

7. CONSENT CALENDAR
Matters listed under this item are considered routine and will be enacted by one Motion, in the form listed below. There will be no separate discussion of these items unless requested by a Member of the Board or the public prior to the time the Board votes on the Motion to adopt.

7.A. Approve Regular Meeting Minutes of August 2, 2022
Recommended Action: Approve by Motion

7.B. Affirm No Changes to the Apportioning Planning Costs Policy
Recommended Action: Approve by Motion

7.C. Adopt Revised Budget Accountability Policy and Rescind Resolution No. 19-18
Recommended Action: Adopt Policy by Resolution

7.D. Approve Health Insurance Contribution for Calendar Year 2023 for Stationary Engineers Local 39, International Federation of Professional and Technical Employees, Local 21, Mid-Management Employees Bargaining Unit, Unrepresented Employees, and General Manager
Recommended Action: Approve by Resolution

8. BOARD BUSINESS

8.A. Adopt Revised District Safety Programs Policy, Renamed to District Environmental, Health, and Safety Programs Policy, and Rescind Resolution No. 53-16
Recommended Action: Adopt Policy by Resolution

8.B. Receive DSRSD Safety Programs Presentation
Recommended Action: Receive Presentation

8.C. Approve Revisions to Mid-Cycle Operating Budget Adjustments for Fiscal Years Ending 2022 and 2023
Recommended Action: Approve by Resolution

8.D. Approve Water Supply Assessment and Water Supply Verification for SCS Dublin Development Project
Recommended Action: Approve by Resolution

8.E. Receive Presentation on District's Water Conservation Status
Recommended Action: Receive Presentation

8.F. Approve Health Insurance Maximum Contribution for Calendar Year 2023 for Board of Directors
Recommended Action: Approve by Resolution

9. REPORTS

9.A. Boardmember Items

9.A.1. Joint Powers Authority and Committee Reports
9.A.2. Submittal of Written Reports for Day of Service Events Attended by Directors
9.A.3. Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda

9.B. Staff Reports

9.B.1. Event Calendar
9.B.2. Correspondence from the Board

10. CLOSED SESSION

10.A. Public Employee Performance Evaluation Pursuant to Government Code Section 54957
Title: General Manager

11. REPORT FROM CLOSED SESSION

12. ADJOURNMENT

All materials made available or distributed in open session at Board or Board Committee meetings are public information and are available for inspection during business hours by calling the District Secretary at (925) 828-0515. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

DUBLIN SAN RAMON SERVICES DISTRICT
MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

August 2, 2022

Pursuant to the authorizations provided by Government Code Section 54953(e), and local county health orders issued to address the COVID-19 pandemic, the Board meeting was held via Teams Teleconference. The District Boardroom was closed to the public. The public could observe and comment by electronic means as described on Page 4. As required by the Brown Act, all votes were taken by roll call vote due to the attending Directors participating via teleconference.

1. CALL TO ORDER

A regular meeting of the Board of Directors was called to order at 6 p.m. by President Halket.

2. PLEDGE TO THE FLAG

3. ROLL CALL

Boardmembers present at start of meeting:
President Richard M. Halket, Vice President Marisol Rubio, Director Georgean M. Vonheeder-Leopold, and Director Ann Marie Johnson.

Director Arun Goel was absent.

District staff present: Dan McIntyre, General Manager; Jan Lee, Assistant General Manager; Carol Atwood, Administrative Services Director/Treasurer; Steve Delight, Engineering Services Director/District Engineer; Jeff Carson, Operations Director; Douglas E. Coty, General Counsel; and Nicole Genzale, Executive Services Supervisor/District Secretary.

4. DECLARATION OF TELECONFERENCE MEETINGS

4.A. Authorize Remote Teleconference Meetings until September 1, 2022, Pursuant to California Government Code Section 54953(e)

Vice President Rubio MOVED for approval of Resolution No. 37-22, Finding that there is a Proclaimed State of Emergency by Governor Newsom Due to COVID-19, and Authorizing Remote Teleconference Meetings of the Board of Directors of Dublin San Ramon Services District for the Period August 2, 2022 Through September 1, 2022, Pursuant to the Authorizations Provided for in California Government Code Section 4953(e). Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

5. SPECIAL ANNOUNCEMENTS/ACTIVITIES – None

6. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:12 p.m.

Four (4) emailed comments received from City of Pleasanton residents were read aloud by Executive Services Supervisor/District Secretary Genzale regarding opposition to the proposed

location of a joint residential recycled water fill station at Zone 7 Water Agency's Parkside facility in Pleasanton:

- 7/29/2022 Kathy Marshall
- 7/30/2022 Tom Walker
- 8/2/2022 Jingwen Tsou
- 8/2/2022 Christy Murphey

Speaker: Mr. John Hsu, (Dublin resident) – Mr. Hsu addressed the Board and requested assistance regarding a notification he received for a 2020 account delinquency. Staff requested Mr. Hsu email his concern to staff for resolution.

7. AGENDA MANAGEMENT (CONSIDER ORDER OF ITEMS) – No changes were made.

8. CONSENT CALENDAR

Vice President Rubio MOVED for approval of the items on the Consent Calendar. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

8.A. Approve Regular Meeting Minutes of July 19, 2022 – Approved

8.B. Award Construction Agreement to SSB Construction for the FOF Roof Replacement (CIP 22-A030), WWTP Roof Replacements (CIP 22-P011), and Field Operations Facility-Skylight Replacements (CIP 20-A024) Projects – Approved

8.C. Consider Approval of Director Reimbursement for Attendance at the City of Dublin's 40th Anniversary Gala Celebration "The Ruby Affair"– Approved

9. BOARD BUSINESS

9.A. Public Hearing: Approve the Annual Delinquency Water and Sewer Charges Levy Report and Direct the Levy and Collection of Delinquent Water and Sewer Charges on the 2022–2023 Alameda County and Contra Costa County Secured Property Tax Rolls

President Halket announced the item and declared the Public Hearing open. He asked for the staff presentation. Utility Billing & Customer Services Supervisor Mayette Bailey reviewed the item for the Board. She reported that one protest had been received since the agenda packet was published.

President Halket inquired if there were any comments from the public. There was no public comment received. President Halket declared the Public Hearing closed.

The Board and staff discussed the options available to customers having difficulty paying their water bill, such as payment plans and low-income programs to avoid water shut-offs. They also discussed the few shut-offs that had occurred due to tenant delinquencies. Staff confirmed that payment option information is made readily available for customers struggling with their bill and can be provided in various languages.

Director Johnson MOVED to approve Resolution No. 38-22**,** Approving the Annual Delinquency Water and Sewer Charges Levy Report and Directing the Levy and Collection of the Outstanding (over 90 Days) Delinquent Utility Billing Water and Sewer Receivables on the Alameda County and Contra Costa County Secured Property Tax Rolls For 2022-2023. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

9.B. Public Hearing: Approve the Annual Wastewater Service Charges Levy Report and Direct the Levy and Collection of Wastewater Service Charges on the 2022–2023 Alameda County and Contra Costa County Secured Property Tax Rolls

President Halket announced the item and declared the Public Hearing open. He asked for the staff presentation. Administrative Services Director Atwood reviewed the item for the Board. She reported that the publicly noticed rate of $298.62 for Residential Multi-Family and Accessory Dwelling Units was incorrect and the correct rate is lower at $287.59. She also reported that one protest had been received since the agenda packet was published.

President Halket inquired if there were any comments from the public. There was no public comment received. President Halket declared the Public Hearing closed.

The Board and staff discussed the various billing methods available to the District and confirmed that by charging wastewater charges via the property tax roll, the District is guaranteed to receive 100% payment of billings from the County.

Director Vonheeder-Leopold MOVED to approve Resolution No. 39-22**,** Approving the Annual Wastewater Service Charges Levy Report and Directing the Levy and Collection of Wastewater Service Charges on the Alameda County and Contra Costa County Secured Property Tax Rolls for 2022-2023. Director Johnson SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

9.C. Receive Report on Low Income Assistance (LIA) Program and Provide Direction

Utility Billing & Customer Services Supervisor Bailey reviewed the item for the Board.

The Board and staff discussed the continued viability and success of the program. The program is sustained by non-ratepayer revenue (annual cell phone tower revenue) and has funding available to include additional participants. President Halket stated how pleased he is with the success of this District program.

Vice President Rubio MOVED to Direct Staff to Continue the Low Income Assistance Program at its Current Coverage of 100% of the Fixed Meter Fee. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

9.D. Receive Report and Authorize Early Payoff of the 2017 Interfund Loan to the Local Wastewater Replacement Fund from the Local Wastewater Expansion Fund

Administrative Services Director Atwood reviewed the item for the Board. The Board and staff briefly discussed the District's history utilizing interfund transfers and best practices when doing so.

Director Vonheeder-Leopold MOVED to approve Resolution No. 40-22, Authorizing Early Payoff of the 2017 Interfund Loan to the Local Wastewater Replacement (Fund 210) from the Local Wastewater Expansion (Fund 220). Director Johnson SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

9.E. Adopt Revised Director Travel and Expenses Policy and Rescind Resolution No. 1-20

Executive Services Supervisor/District Secretary Genzale reviewed the item for the Board.

Vice President Rubio clarified that checking with staff when making lodging decisions is not required but good practice. She also proposed that the timeframe for Directors to submit expense reports for reimbursements be adjusted from 30 days to 45 days.

Vice President Rubio MOVED to approve Resolution No. 41-22**,** Revising the Director Travel and Expenses Policy, with an Amendment to Section 4.d. to Increase 30 days to 45 days for Expense Report Submittal, and Rescinding Resolution 1-20. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

9.F. Adopt Revised Guidelines for Conducting District Business Policy and Rescind Resolution No. 38-14, and Rescind Processing Board Correspondence Policy and Resolution No. 1-14

Executive Services Supervisor/District Secretary Genzale reviewed the item for the Board.

The Board acknowledged staff's accomplishment in producing a more concise and user-friendly policy. Staff reported that the policy content removed regarding new Director onboarding and coaching has been captured and incorporated into separate materials provided during the new Director orientation process.

Vice President Rubio MOVED to approve Resolution No. 42-22**,** Revising the Guidelines for Conducting District Business Policy and Rescinding Resolution No. 38-14. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

Vice President Rubio MOVED to approve Resolution No. 43-22**,** Rescinding the Processing Board Correspondence Policy and Rescinding Resolution No. 1-14. Director Vonheeder-Leopold SECONDED the MOTION, which CARRIED with FOUR AYES and ONE ABSENT (Goel) per roll call vote.

9.G. Progress Report on the Strategic Plan for Fiscal Years Ending 2022–2026

General Manager McIntyre reviewed the item for the Board. President Halket expressed appreciation for strides made regarding the District's emergency response planning.

10. REPORTS

10.A. Boardmember Items

10.A.1. Joint Powers Authority and Committee Reports – None

10.A.2. Submittal of Written Reports for Day of Service Events Attended by Directors

Vice President Rubio submitted written reports to Executive Services Supervisor/District Secretary Genzale. She reported that she attended the Association of California Water Agencies annual conference July 12-14 in Washington DC and the Annual State of the County Address by District 2 Supervisor Candace Andersen on July 27. She summarized the activities and discussions at the meetings.

Director Johnson submitted a written report to Executive Services Supervisor/District Secretary Genzale. She reported that she also attended the Annual State of the County Address by District 2 Supervisor Candace Andersen on July 27. She summarized the activities and discussions at the meeting.

10.A.3. Request New Agenda Item(s) Be Placed on a Future Board or Committee Agenda – None

10.B. Staff Reports

10.B.1. Event Calendar – General Manager McIntyre reported on the following:

- The City of Dublin's 40th Anniversary "The Ruby Affair" is being held Saturday, August 6, 2022 at the Heritage Park & Museum.
- The September 6, 2022 Board meeting is expected to be cancelled due to lack of business items.
- A Special Board meeting workshop is expected to be held in late September.

10.B.2. Correspondence to and from the Board on an Item not on the Agenda was included in the agenda packet.

11. ADJOURNMENT

President Halket adjourned the meeting at 7:23 p.m.

Submitted by,

Nicole Genzale, CMC
Executive Services Supervisor/District Secretary

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Affirm No Changes to the Apportioning Planning Costs Policy

RECOMMENDATION:

Staff recommends the Board of Directors approve, by Motion, affirmation of no changes to the Apportioning Planning Costs policy.

DISCUSSION:

All District policies are reviewed on a rotating four-year cycle to ensure that they remain current and that the Board seated at the time continues to concur with that policy. Staff recently reviewed the Apportioning Planning Costs policy (P400-18-2) and recommends no changes. For convenience of the Board, a copy of the current policy with updated review history is attached. If affirmed, the policy will be scheduled for subsequent review in 2026.

Originating Department: Administrative Services	**Contact: C. Atwood**	**Legal Review: Not Required**
Financial Review: Not Required	**Cost and Funding Source: N/A**	
Attachments: ☐ None ☐ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☒ Other (see list on right)	**Attachment 1 – Marked-up Apportioning Planning Costs policy**	

Dublin San Ramon Services District
Water, wastewater, recycled water

Policy

Policy No.: ~~P400-18-2~~	**Type of Policy:** Finance
Policy Title: Apportioning Planning Costs	
Policy Description: Protects the District from claims from property owners who paid planning costs that should be collected from an adjacent property owner	
Approval Date: 5/15/2018	**Last Review Date:** ~~2018~~2022
Approval Resolution No.: 23-18	**Next Review Date:** ~~2022~~2026
Rescinded Resolution No.: 65-09	**Rescinded Resolution Date:** 12/1/2009

It is the policy of the Board of Directors of Dublin San Ramon Services District that:

Any work undertaken, and services provided by the District, pursuant to a Planning Service Agreement and the District's Policy Regarding Extension of Utility Services which is funded by and on behalf of a particular landowner or developer, shall not be subject to reimbursement by or through the District for benefits which may be derived therefrom by other landowners or developers, except as may be agreed upon between or among said landowners or developers and the District and upon a finding by this Board that such reimbursement or other allocation of such costs is equitable and in the public's interest.

Policy is current and no changes need to be adopted by the Board of Directors. Status Quo Chronology:	
Date Adopted:	
May 15, 2018	
Reviewed by Committee or Board:	Date:
Board	**August 16, 2022**

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Adopt Revised Budget Accountability Policy and Rescind Resolution No. 19-18

RECOMMENDATION:

Staff recommends the Board of Directors adopt, by Resolution, the revised Budget Accountability Policy and rescind Resolution No. 19-18.

DISCUSSION:

The purpose of the Budget Accountability policy is to provide guidelines for the implementation and monitoring of the District's adopted Operating and Capital Budgets. Staff is proposing one change to the policy which will increase the capitalization thresholds for when to recognize the cost of the asset over several years via depreciation charges versus expensing the asset in the year of acquisition.

Fixed asset capitalization limits vary between entities with the majority of organizations setting capitalization rate thresholds at a very conservative level. Where this has been common practice, new "best practice" opinions in the industry are proposing that capitalization thresholds be set with consideration of each entity's total asset valuation. By setting limits specific to each organizations' infrastructure values, fixed asset monitoring and requirements for recording deprecation over the life of the asset become more reasonable and less cumbersome.

The current capitalization policy limits are $10,000. Staff is recommending that the District increase the capitalization policy limits to $20,000. This level of asset capitalization will capture all fleet equipment, with the exception of our golf carts, and all major fixed asset components.

The marked-up policy (Attachment 1) and the proposed policy without the markups (Exhibit A to Resolution) are included for review. In accordance with the District's practice of reviewing each of its policies on a rotating four-year cycle to ensure that they remain current and that the Board seated at that time continues to concur with that policy, this policy is scheduled for review again in 2026 if the Board adopts a revised policy this year.

Originating Department: Administrative Services	**Contact: C. Atwood**	**Legal Review: Not Required**
Financial Review: Yes	**Cost and Funding Source: N/A**	
Attachments: ☐ None ☒ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☒ Other (see list on right)	**Attachment 1 – Marked-up Budget Accountability policy**	

Dublin San Ramon Services District
Water, wastewater, recycled water

Policy

Policy No.: ~~P400-18-1~~	**Type of Policy:** Finance
Policy Title: Budget Accountability	
Policy Description: Operations and Capital Improvement Program Budget Controls	
Approval Date: ~~3/20/2018~~8/16/2022	**Last Review Date:** ~~2018~~2022
Approval Resolution No.: ~~19-18~~	**Next Review Date:** ~~2022~~2026
Rescinded Resolution No.: ~~16-17~~19-18	**Rescinded Resolution Date:** ~~4/4/2017~~3/20/2018

It is the policy of the Board of Directors of Dublin San Ramon Services District to provide guidelines for the implementation and monitoring of the District's adopted Operating and Capital Budgets as follows:

Operating Budget

Accountability: The General Manager is responsible for meeting the budgetary objectives set by the Board. The Board approves the Operating Budget at the total fund level ensuring that it maintains control of rates and fees. In addition, the Board approves the maximum number of Full-Time Equivalent staff positions (FTE's) as well as the number of those FTE's that are limited-term positions. Finally, the Board approves budgets for the purchase or replacement of capital assets. A capital asset is defined as a real or personal property that has a unit acquisition cost equal to, or greater than, $~~10,000~~ 20,000 and an estimated life greater than three years.

There are various "levels of control" within a budget. Although the District's budget is prepared at the line-item level for internal monitoring purposes, it is impractical and inefficient to control the budget at this level.

Monitoring: Financial reports are distributed to the Board and management on a quarterly basis as "Regular and Recurring Reports" to show budget and actual expenses at a level of detail sufficient to monitor accountability.

Administrative Adjustments: The General Manager may make 'no net change' budget adjustments within the same fund; this ensures that rates will not be affected.

Reporting: Administrative budget adjustments will be reported to the Board as "Regular and Recurring Reports."

CAPITAL ASSETS: The budget contains funding for new capital assets, and for existing assets that are expected to be replaced or refurbished due to wear, age, or obsolescence. The District's asset management program will typically identify items that are due for replacement or refurbishment.

Capital Assets that were not budgeted but need replacement or major refurbishment during the budget cycle:

1. Assets that are still functioning but are judged to be in need of replacement or major refurbishment must be addressed by proposing a budget adjustment prior to expending any funds.
2. Assets that fail and are no longer functioning must be identified as either "mission critical" or "non-mission critical" and then addressed as follows:
   a) For all "mission critical" items, the General Manager has the authority to spend whatever funds are necessary to rehabilitate or replace the failed item.
   b) For "non-mission critical" items of $175,000 or less, the General Manager can approve the expenditure if there are sufficient reserves in the replacement fund.
   c) For "non-mission critical" items over $175,000, a budget adjustment must be prepared and approved by the Board prior to purchasing or refurbishing the asset.

Budgeted Capital Assets that cost more than the amount approved by the Board:

When a budgeted capital item's cost is determined through the purchasing process to be in excess of the amount approved by the Board, the General Manager may approve the purchase of that item if the adjustment does not exceed $175,000. If the item exceeds this amount or in total exceeds $175,000, a budget adjustment is required prior to purchase.

Reporting: Capital asset purchases or refurbishments approved by the General Manager will be reported to the Board as "Regular and Recurring Reports."

Capital Improvement Program (CIP) Budget

Accountability: In adopting the CIP Budget, the Board authorizes new projects and programs, and approves total project and program budgets. Project budgets are broken down by phase to assist the project manager in budgeting and managing the project. Expenses are controlled at the project total level. Project Managers are responsible for their assigned projects. The General Manager is responsible for ensuring that the individual project appropriations and total fund appropriations are not exceeded, except as otherwise permitted by other policy(ies).

Projects Created from Programs: The General Manager, or designee, is authorized to create a CIP project from a CIP program up to a maximum of $175,000. Projects with original budgets in excess of this amount are approved by the Board.

Policy No.: ~~P400-18-1~~	**Policy Title:** Budget Accountability

Project Budget Adjustments: If an individual project (including a project created from a program) is expected to exceed its total budget, the project manager is responsible for requesting a budget adjustment. The General Manager is authorized to approve budget adjustments of up to $175,000 per project. If the project was originally funded from a program, program funds shall be used to fund the increase during the two-year budget cycle. Adjustments in excess of the General Manager's authority are approved by the Board.

Reporting: Financial reports are distributed to the Board and management on a quarterly basis to show budget and actual expenses at a level of detail sufficient to monitor accountability. Any project budget adjustment approved by the General Manager will be reported to the Board as "Regular and Recurring Reports."

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT REVISING THE BUDGET ACCOUNTABILITY POLICY AND RESCINDING RESOLUTION NO. 19-18

WHEREAS, on June 15, 2004, the Board of Directors adopted a Budget Accountability policy, which was revised on November 1, 2011, June 2, 2015, April 4, 2017, and March 20, 2018; and

WHEREAS, the District's fixed asset capitalization policy threshold has not been updated for many years; and

WHEREAS, the District intends to set thresholds commensurate to the organization's infrastructure values and new industry "best practice"; and

WHEREAS, increased capitalization policy limits will reflect more reasonable and less cumbersome fixed asset reporting; and

WHEREAS, increased limits will not compromise our capacity reserve fee study assumptions; and

WHEREAS, staff is recommending increasing the capitalization policy limit to $20,000 with an estimated life of three years or more to efficiently record infrastructure expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California that the revised Budget Accountability policy, attached as Exhibit "A," is hereby adopted; and Resolution No. 19-18, attached as Exhibit "B," is hereby rescinded.

ADOPTED by the Board of Directors of the Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 16th day of August, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

_____
Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

Dublin San Ramon Services District
Water, wastewater, recycled water

Policy

Policy No.:	Click here to enter text.	**Type of Policy:**	Finance
Policy Title:	Budget Accountability		
Policy Description:	Operations and Capital Improvement Program Budget Controls		
Approval Date:	8/16/2022	**Last Review Date:**	2022
Approval Resolution No.:	Click here to enter text.	**Next Review Date:**	2026
Rescinded Resolution No.:	19-18	**Rescinded Resolution Date:**	3/20/2018

It is the policy of the Board of Directors of Dublin San Ramon Services District to provide guidelines for the implementation and monitoring of the District's adopted Operating and Capital Budgets as follows:

Operating Budget

Accountability: The General Manager is responsible for meeting the budgetary objectives set by the Board. The Board approves the Operating Budget at the total fund level ensuring that it maintains control of rates and fees. In addition, the Board approves the maximum number of Full-Time Equivalent staff positions (FTE's) as well as the number of those FTE's that are limited-term positions. Finally, the Board approves budgets for the purchase or replacement of capital assets. A capital asset is defined as a real or personal property that has a unit acquisition cost equal to, or greater than, $20,000 and an estimated life greater than three years.

There are various "levels of control" within a budget. Although the District's budget is prepared at the line-item level for internal monitoring purposes, it is impractical and inefficient to control the budget at this level.

Monitoring: Financial reports are distributed to the Board and management on a quarterly basis as "Regular and Recurring Reports" to show budget and actual expenses at a level of detail sufficient to monitor accountability.

Administrative Adjustments: The General Manager may make 'no net change' budget adjustments within the same fund; this ensures that rates will not be affected.

Reporting: Administrative budget adjustments will be reported to the Board as "Regular and Recurring Reports."

CAPITAL ASSETS: The budget contains funding for new capital assets, and for existing assets that are expected to be replaced or refurbished due to wear, age, or obsolescence. The District's asset management program will typically identify items that are due for replacement or refurbishment.

Capital Assets that were not budgeted but need replacement or major refurbishment during the budget cycle:

1. Assets that are still functioning but are judged to be in need of replacement or major refurbishment must be addressed by proposing a budget adjustment prior to expending any funds.
2. Assets that fail and are no longer functioning must be identified as either "mission critical" or "non-mission critical" and then addressed as follows:
   a) For all "mission critical" items, the General Manager has the authority to spend whatever funds are necessary to rehabilitate or replace the failed item.
   b) For "non-mission critical" items of $175,000 or less, the General Manager can approve the expenditure if there are sufficient reserves in the replacement fund.
   c) For "non-mission critical" items over $175,000, a budget adjustment must be prepared and approved by the Board prior to purchasing or refurbishing the asset.

Budgeted Capital Assets that cost more than the amount approved by the Board:

When a budgeted capital item's cost is determined through the purchasing process to be in excess of the amount approved by the Board, the General Manager may approve the purchase of that item if the adjustment does not exceed $175,000. If the item exceeds this amount or in total exceeds $175,000, a budget adjustment is required prior to purchase.

Reporting: Capital asset purchases or refurbishments approved by the General Manager will be reported to the Board as "Regular and Recurring Reports."

Capital Improvement Program (CIP) Budget

Accountability: In adopting the CIP Budget, the Board authorizes new projects and programs, and approves total project and program budgets. Project budgets are broken down by phase to assist the project manager in budgeting and managing the project. Expenses are controlled at the project total level. Project Managers are responsible for their assigned projects. The General Manager is responsible for ensuring that the individual project appropriations and total fund appropriations are not exceeded, except as otherwise permitted by other policy(ies).

Projects Created from Programs: The General Manager, or designee, is authorized to create a CIP project from a CIP program up to a maximum of $175,000. Projects with original budgets in excess of this amount are approved by the Board.

Policy No.:	**Policy Title:** Budget Accountability

Project Budget Adjustments: If an individual project (including a project created from a program) is expected to exceed its total budget, the project manager is responsible for requesting a budget adjustment. The General Manager is authorized to approve budget adjustments of up to $175,000 per project. If the project was originally funded from a program, program funds shall be used to fund the increase during the two-year budget cycle. Adjustments in excess of the General Manager's authority are approved by the Board.

Reporting: Financial reports are distributed to the Board and management on a quarterly basis to show budget and actual expenses at a level of detail sufficient to monitor accountability. Any project budget adjustment approved by the General Manager will be reported to the Board as "Regular and Recurring Reports."

RESOLUTION NO. 19-18

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT REVISING THE BUDGET ACCOUNTABILITY POLICY AND RESCINDING RESOLUTION NO. 16-17

WHEREAS, the District elected to become subject to the California Uniform Construction Cost Accounting Act (the Act) (Section 22000, et seq. of the Public Contract Code), by Resolution No. 7-18 approved by the Board of Directors at a regular Board meeting held February 6, 2018; and

WHEREAS, on March 20, 2018, the Dublin San Ramon Services District Board adopted Resolution No. 18-18 revising the Purchasing policy; and

WHEREAS, the current Budget Accountability policy, last revised by Resolution No. 16-17, contains provisions that are in conflict with the newly revised Purchasing policy and the Act; and

WHEREAS, staff is recommending changes to the policy to be consistent with the Purchasing policy and the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California that the revised Budget Accountability policy, attached as Exhibit "A" be adopted; and Resolution No. 16-17, attached as Exhibit "B," is hereby rescinded.

BE IT FURTHER RESOLVED that this resolution shall be effective on April 6, 2018, the date that authorizing Ordinance No. 343 will become effective.

ADOPTED by the Board of Directors of the Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its Special meeting held on the 20th day of March 2018.

AYES: 4 - Directors Madelyne A. Misheloff, Edward R. Duarte, D.L. (Pat) Howard, Georgean M. Vonheeder-Leopold

NOES: 0

ABSENT: 1 - Director Richard M. Halket

Georgean M. Vonheeder-Leopold

Georgean M. Vonheeder-Leopold, President

ATTEST: Nicole Genzale

Nicole Genzale, District Secretary

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Approve Health Insurance Contribution for Calendar Year 2023 for Stationary Engineers Local 39, International Federation of Professional and Technical Employees, Local 21, Mid-Management Employees Bargaining Unit, Unrepresented Employees, and General Manager

RECOMMENDATION:

Staff recommends the Board of Directors approve, by Resolution, a health insurance premium contribution for the period of January 1, 2023 to December 31, 2023 for Stationary Engineers, Local 39 (Local 39), International Federation of Professional and Technical Employees, Local 21 (Local 21), Mid-Management Employees Bargaining Unit (MEBU), Unrepresented Senior Managers and Unrepresented Management, Professional, Technical, Administrative, and Confidential Employees, and General Manager.

SUMMARY:

In July 2022, the California Public Employees' Retirement System (CalPERS) notified contracting agencies of health premium rate changes to take effect on January 1, 2023. In accordance with contractual requirements of labor contracts (MOUs), the Board resolution for salary and benefits for Unrepresented Employees, and the General Manager's Personal Services Agreement, and Section 22892 of the Public Employees, Medical and Hospital Care Act, the District's Board of Directors must adopt a resolution to revise the employer (District) contribution towards employees' health insurance premiums if such contracts specify a change to the employer contribution for the following calendar year. A copy of the resolution must be sent to CalPERS no later than November 30, 2022, for an effective date of January 1, 2023. The District has fully complied with any and all applicable provisions of Government Code Section 7507. Staff has also reviewed the requirements of the employer mandate under the Patient Protection and Affordable Care Act (PPACA) and has determined that the District meets compliance requirements. CalPERS requires that the District submit a separate resolution for each District health contract account. Thus, this item addresses the Employee health contract account (PEMHCA CalPERS Health Contract) and a companion item to tonight's agenda addresses the Boardmember health contract account (PEMHCA Non-CalPERS Health Contract).

DISCUSSION:

In July 2022, the CalPERS Board of Directors approved the 2023 medical premium rates for all HMO and PPO plans and set the rates for the vested retirees "100/90 formula" rate. The maximum District contribution toward monthly health premiums for 2023 will increase from the 2022 plan year rates from $857.03 to $885.39 for employee-only, from $1,714.12 to $1,770.80 for employee plus one dependent, and from $2,228.36 to $2,302.04 for employee plus two or more dependents. The amount is calculated based on the base plan, which is decided by labor agreements as the Kaiser plan offered by CalPERS in Region 1. Per the labor agreements, if the Kaiser rate for 2023 is higher than the 2022 District maximum contribution, the District and employee will share 50% of the increased cost. If the Kaiser rate for 2023 is less than the 2022 District maximum contribution, then the District maximum contribution would remain unchanged. As the Kaiser rate for 2023 is higher than the 2022 District maximum contribution, the 2023 District maximum contribution will change and be increased (See Table 2).

From 2022 to 2023, CalPERS Region 1 basic healthcare plan premiums rose on average 1.13% for HMO plans and increased by an average of 15.64% for PPO plans. See Table 1 for plan-specific premium changes ranging from a decrease of 7.24% for Blue Shield Access Plus to a 17.7% increase for PERS Gold.

Based on participation, plan selection, and coverage level, as of July 2022, the District has sufficient funds budgeted for health benefits for calendar year 2023. The projected District contributions, based on current employee enrollment data, are approximately $2,200,000 for calendar year 2023.

Originating Department: Administrative Services	**Contact: M.Gallardo/C. Atwood**	**Legal Review: Not Required**
Financial Review: Not Required	**Cost and Funding Source: Within Budget / FYE 2023 Operating Budget**	
Attachments: ☐ None ☒ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☐ Other (see list on right)		

Health Plan Changes in 2023

For calendar year 2023, the CalPERS Board of Directors approved the expansion of the Blue Shield Trio HMO plan into seven counties and approved expanded Blue Shield Access Plus HMO plan into 11 counties. The CalPERS Board of Directors added an additional Medicare Plan called Kaiser Permanente Senior Advantage Summit. This is a new $0.00 copay plan in California that will be offered alongside its existing $10.00 copay Senior Advantage plan. For calendar year 2023, Blue Shield Trio HMO and UnitedHealthCare HMO plan will continue to be unavailable in Bay Area counties, while the Blue Shield Access Plus HMO plan has reentered into eight (8) Bay Area counties. Although the UnitedHealthCare HMO and Blue Shield Trio HMO plans are unavailable in some or all Bay Area counties, there will be a total of eight (8) plans offered in the Bay Area in 2023, consisting of five (5) HMO plans and two (2) PPO plans.

Active Employee Impact

In 2023, there will be two health plans available to employees that are 100% District-paid. Given that the premiums for some HMO and PPO plans have increased, while there are other plans available to employees at no cost, staff anticipates that the District may see movement of participants between plans during the Open Enrollment period from September 19, 2022, to October 14, 2022, in an effort to reduce costs.

Retiree Medical Update

Between 2004 and 2007, the District opted, by Board resolution, to elect CalPERS retiree medical vesting in accordance with state vesting schedule under Government Code Section 22893 for employee medical benefits into retirement. In order to be eligible to receive a District contribution toward medical under the medical vesting plan, an employee must retire from the District and have a minimum of 10 years of CalPERS service, including a minimum of 5 years of service accrued at the District. This change to the medical vesting schedule allows for employees to receive a District contribution equal to a percentage of the CalPERS 100/90 formula amount based on their full years of CalPERS Service. The percentage contribution begins at 50% for 10 years of service and increases by five percent for each year of service, up to 100% at 20 years of service. Employees who retired prior to the adoption of the retiree medical vesting plan or were hired prior to the retiree medical vesting plan and did not elect medical vesting, are eligible to receive a medical contribution equal to the amount approved by Board resolution for active employees. The retiree medical vesting plan ensures that employees are provided with a District contribution toward retiree medical that is proportionate to their years of service, making long-term retiree medical contributions sustainable for the District.

Since the adoption of the retiree medical vesting plan more than 15 years ago, the District has seen a shift in the demographics of our retirees enrolled in medical and receiving a District contribution. There are now more District retirees under the medical vesting plan than those not in the medical vesting plan and eligible to receive a contribution equivalent to active employees. As of August 2022, the District has a total of 100 retirees enrolled in medical, with 69 in the vesting plan and 31 in the “non-vested” plan.

The contribution breakdown of the 69 retirees in the retiree medical vesting plan are as follows:

Retiree Medical Vesting Demographics	
Year of Service/ Percentage Contribution	Number of Retirees
10 Years - 50%	5
11 Years - 55%	1
12 Years - 60%	1
13 Years - 65%	1
14 Years - 70%	3
15 Years - 75%	4
16 Years - 80%	0
17 Years - 85%	1
18 Years - 90%	7
19 Years - 95%	4
20 Years - 100%	42

The breakdown of the medical plan type for the 31 retirees not vested in the retiree medical vesting plan and eligible for a District contribution amount equal to the active employee level is shown below:

Retiree Medical Vesting Demographics	
Medical Plan Type	**Number of Retirees**
Medicare Supplemental	29
Medicare/Basic Combination	0
Basic	2

All but two of those retirees are enrolled in a Medicare Supplemental CalPERS plan. As such, the District's contribution for these retiree medical premiums is considerably lower, as the Medicare Supplemental plan premiums are generally less than half the cost of the Basic or Medicare/Basic Combination plans.

As the number of employees in the non-vested retiree medical group move into the lower cost Medicare Supplemental plans, and with new employees automatically enrolled in the retiree medical vesting plan, the District will continue to see more long-term controlled and sustainable costs for retiree medical contributions.

Affordable Care Act Compliance

Staff has reviewed the requirements under Section 4980H of the IRS Code of Regulations, pertaining to the Employer Shared Responsibility under Section 1513 of the Patient Protection and Affordable Care Act (PPACA) and has determined that:

- The District offers health insurance coverage to 100% of District employees;
- All CalPERS health plans offered in plan year 2023 provide minimum essential coverage and meet the minimum value standard under the law;
- The employee-only share of the premium of the lowest-cost plan offered through CalPERS meets the affordability standard safe harbor; and
- The District's contracting third-party agencies offer compliant health insurance coverage to temporary staff assigned to the District.

Based on the above analysis, staff determined that the District continues to be compliant with the employer mandate under the PPACA.

Table 1: CalPERS Region 1 Basic Plan Monthly Premium Rates

		2022 Rates			2023 Rates			
Type	Plan	Single	2-Party	Family	Single	2-Party	Family	% Change Premium
HMO	Anthem HMO Select	$1,015.81	$2,031.62	$2,641.11	$1,128.83	$2,257.66	$2,934.96	11.13%
HMO	Anthem HMO Traditional	$1,304.00	$2,605.00	$3,390.40	$1,210.71	$2,421.42	$3,147.85	-7.15%
HMO	Blue Shield Access Plus[1]	$ 116.01	$2,232.02	$2,901.63	$1,035.21	$2,070.42	$2,691.55	-7.24%
HMO	Blue Shield Trio[2]	$ 898.54	$1,797.08	$2,336.20	$ 888.94	$1,777.88	$2,311.24	-1.07%
HMO	Health Net SmartCare	$1,153.00	$2,306.00	$2,997.80	$1,174.50	$2,349.00	$3,053.70	1.86%
HMO	Kaiser CA	$ 857.06	$1,714.12	$2,228.36	$ 913.74	$1,827.48	$2,375.72	6.61%
HMO	UnitedHealthcare[2]	$1,020.28	$2,040.56	$2,652.73	$1,044.07	$2,088.14	$2,714.58	2.33%
HMO	Western Health Advantage	$ 741.26	$1,482.52	$1,927.28	$ 760.17	$1,520.34	$1,976.44	2.55%
PPO	PERS Gold	$701.23	$1,402.46	$1,823.20	$825.61	$1,651.22	$2,146.59	17.7%
PPO	PERS Platinum	$1,057.01	$2,114.02	$2,748.23	$1,200.12	$2,400.24	$3,120.31	13.5%

[1] Not available in the following Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Solano, and
[2] Not available in Bay Area counties.

Table 2: District's Monthly Contribution Amounts for Plan Year 2023

Employee only	$885.39/month
Employee plus one dependent	$1,770.80/month
Employee plus two or more dependents	$2,302.04/month

Table 3: Retiree Vesting "100/90 Formula" Rates for Plan Year 2023

Employee only	$883.00/month
Employee plus one dependent	$1,699.00/month
Employee plus two or more dependents	$2,124.00/month

Table 4: CalPERS Region 1 Basic Plan Monthly Premium Rates – Employee Cost Share Impact Analysis

		2022 Employee Share			2023 Employee Share			Analysis of Employee Share	
Type	Plan	Single	2-Party	Family	Single	2-Party	Family	# of EEs Enrolled	% Change in Family Rate
HMO	Anthem HMO Select	$158.75	$ 317.50	$ 412.75	$243.44	$ 486.86	$ 632.92	3	53.3%
HMO	Anthem HMO Traditional	$446.94	$ 893.88	$1,162.04	$325.32	$ 650.62	$ 845.81	0	-27.2%
HMO	Blue Shield Access Plus[1]	$258.95	$ 517.90	$ 673.27	$149.82	$ 299.62	$ 389.51	3	-42.1%
HMO	Blue Shield Trio[2]	$ 41.48	$ 82.96	$ 107.84	$ 3.55	$ 7.08	$ 9.20	0	-91.5%
HMO	Health Net SmartCare	$295.94	$ 591.88	$ 769.44	$289.11	$ 578.20	$ 751.66	2	-2.3%
HMO	Kaiser CA	$ -	$ -	$ -	$ 28.35	$ 56.68	$ 73.68	81	0.0%
HMO	UnitedHealthcare[2]	$163.22	$ 326.44	$ 424.37	$158.68	$ 317.34	$ 412.54	0	-2.8%
HMO	Western Health Advantage	$ -	$ -	$ -	$ -	$ -	$ -	0	0.0%
PPO	PERS Gold	$ -	$ -	$ -	$ -	$ -	$ -	4	0.0%
PPO	PERS Platinum	$199.95	$399.90	$519.87	$314.73	$ 629.44	$ 818.27	7	57.4%

[1] Not available in the following Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma
[2] Not available in Bay Area counties.

RESOLUTION NO.

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT FIXING THE EMPLOYER CONTRIBUTION AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT FOR STATIONARY ENGINEERS LOCAL 39, INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL EMPLOYEES, LOCAL 21, MID-MANAGEMENT, UNREPRESENTED EMPLOYEES, AND GENERAL MANAGER

WHEREAS, the Dublin San Ramon Services District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and

WHEREAS, Government Code Section 22892(a) provides that a contracting agency subject to the Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and

WHEREAS, the International Federation of Professional and Technical Employees, Local 21 ("Local 21"), the Mid-Management Employees Bargaining Unit ("MEBU"), the Stationary Engineers, Local 39 ("Local 39") have met in good faith and agreed to labor contracts effective December 13, 2021 through December 21, 2025; and

WHEREAS, the Unrepresented Senior Management and Unrepresented Management, Professional, Technical, Administrative, and Confidential employees are provided salary and benefits by Board Resolution No. 7-22 in place which include provisions for monthly health benefit contributions through calendar year 2025; and

WHERAS, the General Manager has a Personal Services Agreement in place which includes a provision for monthly health benefit contributions through calendar year 2025; and

WHEREAS, the specific language of these labor and employment agreements establishes the employer's monthly health benefit contribution effective January 1, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, that:

(a) The employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of their enrollment, including the enrollment of eligible family members, in a health benefit plan or plans, effective on January 1, 2023, up to a maximum of:

Medical Group	Monthly Employer Contribution		
	Single	Two-Party	Family
002 Mid-Management Monthly	$885.39	$1,770.80	$2,302.04
003 Unrepresented Senior Management Monthly	$885.39	$1,770.80	$2,302.04
004 Unrepresented Management, Professional, Technical, Administrative, and Confidential Monthly	$885.39	$1,770.80	$2,302.04
005 Local 39 Monthly	$885.39	$1,770.80	$2,302.04
011 Local 21 Monthly	$885.39	$1,770.80	$2,302.04
013 General Manager Monthly	$885.39	$1,770.80	$2,302.04
007 Mid-Management Hourly	$885.39	$1,770.80	$2,302.04
008 Unrepresented Senior Management Hourly	$885.39	$1,770.80	$2,302.04
009 Unrepresented Management, Professional, Technical, Administrative, and Confidential Hourly	$885.39	$1,770.80	$2,302.04
010 Local 39 Hourly	$885.39	$1,770.80	$2,302.04
012 Local 21 Hourly	$885.39	$1,770.80	$2,302.04

Plus, administrative fees and Contingency Reserve Fund assessments and be it further resolved;

(b) Dublin San Ramon Services District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further resolved;

(c) That the participation of the employees and annuitants of Dublin San Ramon Services District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Dublin San Ramon Services District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System (CalPERS) may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further resolved;

(d) That the executive body appoint and direct, and it does hereby appoint and direct, Nicole Genzale, District Secretary, to file with the Board a verified copy of this resolution, and to

perform on behalf of Dublin San Ramon Services District all functions required of it under the Act.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 16th day of August, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

_____
Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Adopt Revised District Safety Programs Policy, Renamed to District Environmental, Health, and Safety Programs Policy, and Rescind Resolution No. 53-16

RECOMMENDATION:

Staff recommends the Board of Directors adopt, by Resolution, the revised District Safety Programs policy, renamed to the District Environmental, Health, and Safety Programs policy, and rescind Resolution No. 53-16.

DISCUSSION:

The District's strong commitment to safe operations is reflected in the organization's mission, core values, and current strategic plan. This commitment is formalized in the existing District Safety Programs policy (P700-16-1), and is manifested by the Environmental, Health, and Safety Program (EHS) in the Operations Support Services Division.

When the Operations Support Services Division formed in June 2020, the Operations Department adjusted the "Safety and Facilities" nomenclature of the Safety Program to reflect the regulatory compliance industry's standard "Environmental, Health, and Safety" terminology. As a result of this adjustment, EHS enjoys more successful recruitment efforts, cultivates a clear understanding of roles and responsibilities throughout the organization, and ultimately supports stronger, safer District staff performance.

The District Safety Programs policy (the "Policy") establishes the District's commitment to adhering to applicable environmental, health, and safety laws (California Code of Regulations, Title 8, Section 3203) and was last reviewed in August 2016. While District policies are reviewed every four years, the scheduled review of the Policy was delayed due to workload impacts from the COVID-19 pandemic. During the Fiscal Year Ending 2022 review of the Policy, staff considered any legal obligations as well as opportunities to align the Policy with the District's steadfast commitment to safety and recent EHS program development.

The District's legal obligation to provide a safety policy is met by the District's Illness and Injury Prevention Plan. The proposed revisions to the existing Policy – including a revised title and revised content – allow the Policy to evolve beyond adherence to the law and to meet industry best practices.

In its proposed form the updated Environmental, Health, and Safety Program policy aligns with the goals set forth in the District's Strategic Plan and incorporates aspirational goals to foster a positive safety culture. Additionally, the Policy reflects the program's alignment with regulatory compliance industry standards and terminology.

The marked-up policy (Attachment 1) and proposed policy without the markups (Exhibit A) are included for review. In accordance with the District's practice of reviewing each of its policies at least every four years, this policy is scheduled for review again in 2026 if the Board adopts a revised policy this year.

Originating Department: Operations	**Contact: D. Griffin/J. Carson**	**Legal Review: Yes**
Financial Review: Not Required	**Cost and Funding Source: N/A**	
Attachments: ☐ None ☒ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☒ Other (see list on right)	**Attachment 1 – Marked-Up District Safety Programs policy**	

Dublin San Ramon Services District
Water, wastewater, recycled water

Policy

Policy No.: ~~P700-16-1~~	**Type of Policy:** Personnel
Policy Title: ~~District Safety Programs~~ District Environmental, Health, and Safety Programs	
Policy Description: Provide a safe work environment for all employees; regular, part-time, limited-term, interns, temporary, contract, consultant, and elected officials.	
Approval Date: ~~8/16/2016~~8/16/2022	**Last Review Date:** ~~2016~~2022
Approval Resolution No.: ~~53-16~~	**Next Review Date:** ~~2020~~2026
Rescinded Resolution No.: ~~74-07~~53-16	**Rescinded Resolution Date:** ~~12/18/2007~~8/16/2016

~~It is~~ The purpose of the~~is~~ policy of the Board of Directors of Dublin San Ramon Services District is to ~~:~~

establish the District's commitment to protecting the health and safety of employees and the public and preserving the quality of the environment as the highest priorities. By fostering a positive culture that prioritizes environment, health, and safety, the District reduces risk and severity of injuries and incidents.

The District develops and implements environmental, health, and safety programs to ensure compliance with all applicable federal, state, and local requirements, including permits, plans, and regulations. The District's Injury and Illness Prevention Program (IIPP) specifies roles and responsibilities for all staff and contractors and provides mechanisms to prevent, communicate, manage, and correct unsafe work conditions without fear of retaliation.

Environmental, health, and safety programs shall be continually evaluated and periodically updated and reported to the DSRSD Board.

~~The District shall comply with applicable safety, health, and environmental laws, regulations, and requirements. The District shall perform work in a manner that protects the health and safety of employees and the public, preserves the quality of the environment, and prevents property damage. Safety, health, and the environment are to be priority considerations in the planning and execution of all work activities in the District.~~

~~The District's policy to provide a safe work environment applies to all regular, part-time, limited-term, interns, temporary, and contract employees, contractors, consultants, and elected officials.~~

~~All employees are required to follow all District safety rules and procedures as a condition of continued employment. The District has adopted a Safety Program in accordance with the requirements of California Code of Regulations, Title 8, Section 3203. Copies of the safety program and the regulations it is based upon is available from Human Resources or the District Safety Officer. The program has and will continue to be thoroughly communicated to all employees.~~

Policy No.: ~~P700-16-1~~	**Policy Title:** ~~District Safety Programs~~ District Environmental, Health, and Safety Programs

The General Manager shall develop comprehensive rules and procedures in furtherance of this policy.

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT REVISING THE DISTRICT SAFETY PROGRAMS POLICY, RENAMED TO DISTRICT ENVIRONMENTAL, HEALTH, AND SAFETY PROGRAMS POLICY, AND RESCINDING RESOLUTION NO. 53-16

WHEREAS, on December 18, 2007, the District adopted Resolution No. 74-07 establishing a District Safety Programs policy declaring the District's commitment to comply with applicable safety, health, and environmental laws, regulations, and requirements; and

WHEREAS, on August 16, 2016, the District reviewed and updated the District Safety Programs policy to reference the California Code of Regulations, Title 8, Section 3203; and

WHEREAS, after recent staff review, the policy is revised to reflect the regulatory compliance industry's standard "environmental, health, and safety" terminology, to align with goals set forth in the District's Strategic Plan, and to incorporate aspirational goals to foster a positive safety culture; and

WHEREAS, the policy will hereby be known as the District Environmental, Health, and Safety Programs Policy.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, that the revised District Environmental, Health, and Safety Program policy, attached as Exhibit "A," is hereby adopted; and Resolution No. 53-16 is hereby rescinded and attached as Exhibit "B."

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 16th day of August, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

_____
Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

Dublin San Ramon Services District
Water, wastewater, recycled water

Policy

Policy No.:	**Type of Policy:** Personnel
Policy Title: District Environmental, Health, and Safety Programs	
Policy Description: Provide a safe work environment for all employees; regular, part-time, limited-term, interns, temporary, contract, consultant, and elected officials.	
Approval Date: 8/16/2022	**Last Review Date:** 2022
Approval Resolution No.:	**Next Review Date:** 2026
Rescinded Resolution No.: 53-16	**Rescinded Resolution Date:** 8/16/2016

The purpose of this policy of the Board of Directors of Dublin San Ramon Services District is to establish the District's commitment to protecting the health and safety of employees and the public and preserving the quality of the environment as the highest priorities. By fostering a positive culture that prioritizes environment, health, and safety, the District reduces risk and severity of injuries and incidents.

The District develops and implements environmental, health, and safety programs to ensure compliance with all applicable federal, state, and local requirements, including permits, plans, and regulations. The District's Injury and Illness Prevention Program (IIPP) specifies roles and responsibilities for all staff and contractors and provides mechanisms to prevent, communicate, manage, and correct unsafe work conditions without fear of retaliation.

Environmental, health, and safety programs shall be continually evaluated and periodically updated and reported to the DSRSD Board.

The General Manager shall develop comprehensive rules and procedures in furtherance of this policy.

RESOLUTION NO. 53-16

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT REVISING THE DISTRICT SAFETY PROGRAMS POLICY AND RESCINDING RESOLUTION NO. 74-07

WHEREAS, on December 18, 2007 the District adopted Resolution No. 74-07 establishing a District Safety Programs policy declaring the District's commitment to comply with applicable safety, health, and environmental laws, regulations, and requirements; and

WHEREAS, District policy is to annually review 25% of District policies; and

WHEREAS, the District has reviewed and updated the District Safety Programs policy to reference the California Code of Regulations, Title 8, Section 3203; and

WHEREAS, the policy is updated to include interns to be covered under the policy, making the body of the policy consistent with the description.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, as follows:

(1) The revised District Safety Programs policy, attached as Exhibit "A" be adopted.

(2) Resolution No. 74-07 is hereby rescinded and attached as Exhibit "B".

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 16th day of August, 2016, and passed by the following vote:

AYES: 5 - Directors Richard M. Halket, Georgean M. Vonheeder-Leopold, Edward R. Duarte, Madelyne A. Misheloff, D.L. (Pat) Howard

NOES: 0

ABSENT: 0

D.L. (Pat) Howard, President

ATTEST: _____
Nicole Genzale, District Secretary

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Receive DSRSD Safety Programs Presentation

RECOMMENDATION:

Staff recommends the Board of Directors receive a presentation on DSRSD's safety programs.

DISCUSSION:

The DSRSD Strategic Plan establishes a goal to "embrace a safety culture by updating the District's environmental health and safety programs." Administrative responsibility to achieve this goal is delegated to the Environmental Health and Safety Program (EHS) in the Operations Support Services Division.

A safety program presentation was last provided to the Board in 2016. Staff have prepared a presentation assessing the current state of the safety program, its role in supporting DSRSD, recent accomplishments, and anticipated upcoming projects and goals (Attachment 1). A summary of key points from the presentation is below:

- A positive and proactive safety culture is critical to a safe workplace. The safety culture at DSRSD is fostered by the safety team who ensures that all employees are actively engaged with onsite safety, beginning with new employee safety orientation, and continuing with ongoing staff training, frequent communications, a robust inventory of safety programs, and two-way trust built with timely responsiveness to situations as they arise.
- In 2021, EHS conducted a comprehensive assessment of District safety programs and conducted a safety program gap analysis to determine what written safety programs were necessary to remain fully compliant with a variety of safety regulations. Nine of the 30 identified programs are new to DSRSD. While DSRSD currently is meeting safety requirements in the identified areas, a comprehensive written program is necessary to summarize requirements and to document DSRSD's safety activities. Documenting the programs will help transfer the knowledge to future safety professionals at DSRSD.
- Each safety program update takes several months and includes multiple levels of review by stakeholders and management. In the past two years, EHS updated five safety programs. One program, Lockout and Tagout, ensures that electricity or process or water flow is locked out to keep workers safe during preventative or corrective maintenance, with actual locks on the switches as well as forms and communications. Staff recently trained on new Lockout and Tagout procedures and purchased over 600 locks to implement the program.
- EHS also supports the Confined Space Rescue Team. Due to the frequency of DSRSD work in confined spaces, an elite team of volunteers among DSRSD staff are trained and ready to rescue DSRSD staff from confined spaces with a much faster average response time than specialized fire department rescue personnel. This capability requires extensive training, equipment, and drilling.
- Throughout the COVID pandemic, EHS worked closely with management and human resources to keep DSRSD staff safe, including:
    - Managed the distribution and subsequent collection of rental furniture to support staff teleworking during the emergency telework declaration;
    - Liaised with County emergency services;
    - Helped to provide timely communications to staff;
    - Helped to develop apps to complete symptom checks and contact tracing;
    - Procured and distributed Personal Protective Equipment (PPE) and at-home COVID tests to staff; and
    - Administered COVID training for staff.

Additional information will be provided at future board meetings with regular updates on EHS safety program progress.

Originating Department: Operations	**Contact: D. Griffin/J. Carson**	**Legal Review: Not Required**
Financial Review: Not Required	**Cost and Funding Source: N/A**	
Attachments: ☐ None ☐ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☒ Other (see list on right)	**Attachment 1 – Safety Programs PowerPoint Presentation**	

PRESENTATION TO THE BOARD OF DIRECTORS

Operations Department Safety Update

Diane Griffin, Operations Compliance Manager
Dave Peters, EHS Program Administrator
Jeff Carson, Operations Director

August 16, 2022

Dublin San Ramon Services District
Water, wastewater, recycled water

DSRSD Safety Commitments

Mission

Protect public health and the environment by providing reliable and sustainable water, recycled water, and wastewater services in a safe, efficient, and fiscally responsible manner.

DSRSD Strategic Plan Goal

Embrace a safety culture by updating the District's environmental health and safety programs

Core Value
Protect Public Health and the Environment
Sustain Financial Stability
Be Open and Transparent
Fairness, Respect, Honesty, and Ethics
Operate Safely
Provide High Quality Customer Service
Provide Sustainable, Efficient, Reliable, and Secure Services
Perform at a High Standard

DSRSD Safety Culture

- New Employee Orientation
- Safety Training
- Injury and Illness Prevention Program
- Safety Communications
  - Safety Committee
  - SharePoint
  - Incentive Program
- Safety Programs
- Real Time Responsiveness

Safety at Work

DSRSD staff changing overhead light

Safety Programs

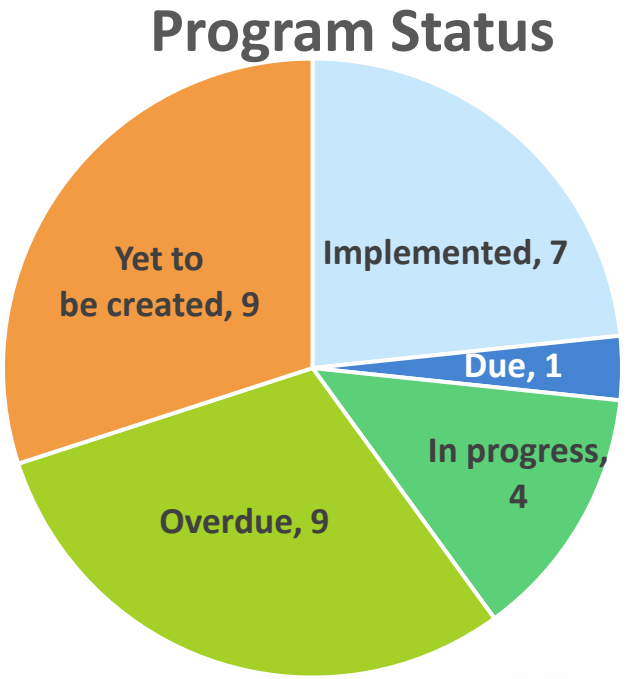
- Asbestos Safety
- Biological Hazards
- Bloodborne Pathogens
- Chemical Hygiene Plan
- Chemical Safety and Hazard Communication
- Commercial Driver Safety
- Confined Space
- Contractor Safety
- Crane Safety
- Driver Safety
- Electrical Safety
- Emergency Action Plan
- Ergonomics
- Equipment Safety
- Fall Protection
- Fire Prevention
- Hearing Conservation
- Heat Illness Prevention
- Hot Work / Welding
- IIPP
- Lockout / Tagout
- Mobile Elevated Work Platforms
- PPE
- Powered Industrial Trucks
- Respiratory Protection
- Silica Safety
- Trenching and Excavation Safety
- Wildfire Smoke
- Workplace Violence Prevention
- Workzone Safety and Traffic Control

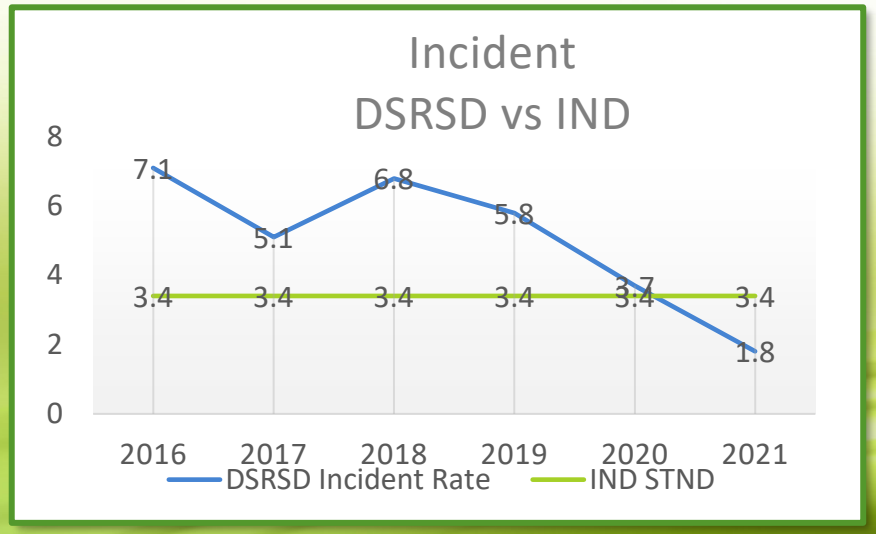
Safety Programs

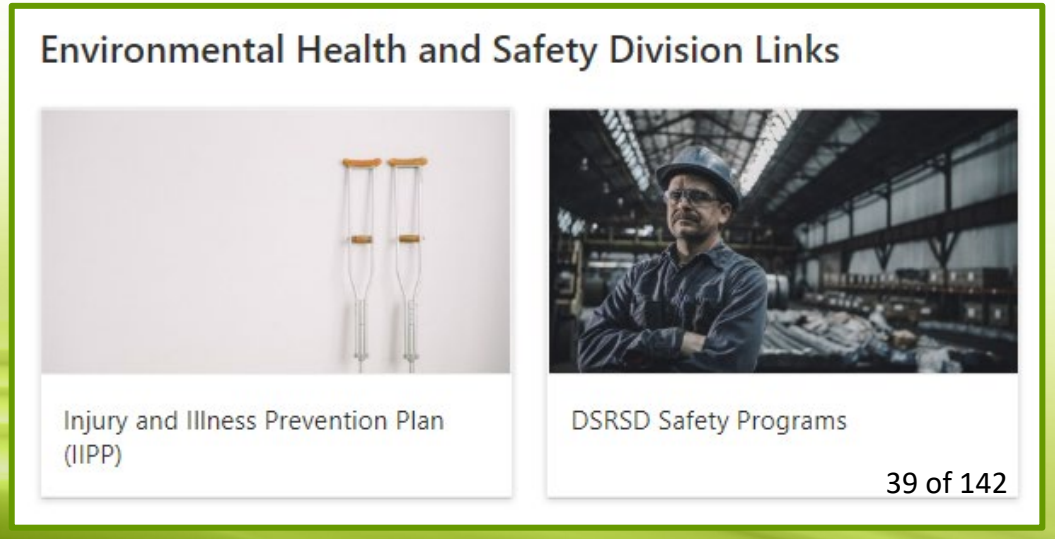
- 30 specific safety programs
- 15-57 hours of training per employee each year
- 3-4 months to complete review cycle for written programs

Safety Accomplishments

- Program Gap Analysis and Reviews
- Staff Training
- Improved Communications
- Metrics







Safety Program Accomplishments

» **Written Program Updates:**

- Heat Illness Prevention
- Chemical Hygiene
- Fall Protection
- ★ Lockout Tagout
- ★ Contractor Safety Program (nearing completion)

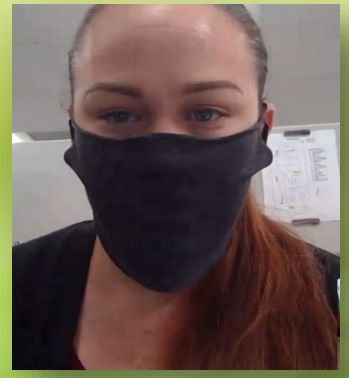
» **Confined Space Rescue Team**


Fall Protection training


Confined Space Rescue Team training

COVID-19 Protocols

- Interpretations of Orders and Guidance
- Plans and Communications
- Symptom Checks and Contact Tracing
- Training
- PPE and Tests
- Emergency Telework Implementation



A Look Ahead

DSRSD Strategic Plan Goal

Embrace a safety culture by updating the District's environmental health and safety programs

- Monitor (and move past) COVID
- Develop sustainable / transferrable comprehensive program
  - Develop and/or update written programs
  - Increase communication and schedules
- Maintain excellent safety record
- Strive for culture of continuous compliance

THE DSRSD SAFETY TEAM

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Approve Mid-Cycle Operating Budget Adjustments for Fiscal Years Ending 2022 and 2023

RECOMMENDATION:

Staff recommends the Board of Directors approve, by Resolution, the mid-cycle operating budget adjustments for fiscal years ending (FYE) 2022 and 2023.

SUMMARY

On June 1, 2021, the District adopted a two-year operating budget for FYE 2022 and 2023. At the end of the first year, staff reviewed budget-to-actual revenues and expenditures to look for material differences from the budget signifying new trends and/or events that were not anticipated at the time of budget adoption. Based on the magnitude of these budget-to-actual variances, staff recommends amendments to the adopted budgets. Recommendations include adopting a budget for the unanticipated State Covid Relief Funds, the new Seventh Supplemental Agreement with City of Pleasanton, carryover of equipment ordered but not yet received due to supply shortages, and operating budget increases primarily in the areas of overtime, chemicals, and on-call services.

DISCUSSION:

Staff has completed the review of the operating budget and proposes several budget adjustments for both fiscal years as noted below.

Revenues – For FYE 2022, increase grant budgets in the Replacement (Fund series 210, 310 and 610) and Expansion (Fund series 220, 320 and 620) totaling $2,596,110, and other revenue in the Administrative Cost Center (Fund 900) totaling $251,856, to reflect one-time grant monies received in conjunction with the State COVID Relief Funds.

Operating Transfers In/Out – For FYE 2023, increase Operating Transfers In for the Local Replacement (Fund 210) for $1,998,236 and increase Operating Transfers Out for the Regional Replacement (Fund 310) to reflect the Seventh Supplemental Agreement to Agreement for Wastewater Disposal Services with City of Pleasanton to purchase the West Dublin Trunk Sewer Line. In addition, recognize an Operating Transfer Out from the Local Replacement (Fund 210) and an Operating Transfer In to the Local Expansion (Fund 220) for early repayment of the 2017 loan as approved by the Board on August 2, 2022.

Capital Outlay – For FYE 2022 and 2023, staff is recommending the majority of the 2022 capital outlay requests be carried over due to supply chain issues resulting in delivery delays. Expenditures are recognized when the asset is delivered to the District and paid for. To keep the budget-to-actual comparisons in the same year, this recommendation will reduce the operating budget in FYE 2022 by $1,008,110 and transfer this previously approved budget to FYE 2023. In addition, three new unanticipated items have been added. In FYE 2022, the District Office boiler needed replacement ($55,000), and in FYE 2023, the purchase price of each of four Ford F-250 trucks increased by $5,000 ($20,000 total) and the District needed to replace the CoGen heat exchanger ($30,000).

LAVWMA (Livermore-Amador Valley Water Management Authority) – For FYE 2023, operating expenditure projections increased to adjust to LAVWMA's adopted budget ($36,090), and debt expenditures were decreased to reflect the 2021 bond refinancing ($978,564).

Originating Department: Administrative Services	**Contact: H. Chen/C. Atwood**	**Legal Review: Not Required**
Financial Review: Yes	**Cost and Funding Source: See Exhibit A to Resolution for complete listing of funds**	
Attachments: ☐ None ☒ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☐ Other (see list on right)		

DERWA (DSRSD-EBMUD Recycled Water Authority) – For FYE 2023, operating expenditure projections increased to adjust to the DERWA adopted budget ($71,469).

Operating – For FYE 2022 and 2023, the District experienced a large amount of overtime and temporary staffing assistance due to vacancies, the Tyler-Munis system conversion, and increased regulatory reporting. There have been increases in insurance, fuel, utility costs, and a 100% increase in the chemical sodium hypochlorite. Standby pay (negotiated with District's recent Stationary Engineers Local 39 labor contract) to ensure weekend coverage for the maintenance and electrical divisions is reflected in Mid-Cycle as well as the EBDA (East Bay Dischargers Authority) brine charges, unanticipated call-out repair work in Field Operations Division, and pre-stocking of District maintenance supplies to ensure availability of parts. The majority of these increases were absorbed in FYE 2022 with savings in other areas but are recommended for increases in FYE 2023 to reflect the post-COVID trends. Finally, several operating budgets have been carried forward to FYE 2023 to finalize the workforce study, Boardroom Audio/Visual project, emergency preparedness efforts, and Environmental Laboratory Accreditation Program compliance. A detailed list of these items, with proposed budget impacts for both fiscal years, is included in Exhibit A to the resolution. These adjustments result in an additional operating appropriation for all funds of $475,000 in FYE 2022 and $1,880,000 in FYE 2023.

The chart below shows the total budget impact by fund for the two years. As discussed above, the most notable adjustments are from the operation transfer in/out between the Local Replacement (Fund 210) and the Regional Replacement (Fund 310) for the transfer of the West Dublin Trunk Line asset ($1,998,236), the additional funds received by the State COVID Relief Funds (all x10 and x20 series) of $2,847,996, and the additional costs incurred by the Water Enterprise (Fund 600) for water system repairs due to aging infrastructure ($700,000 and $400,000 for FYE 2022 and 2023, respectively).

Fund	Net Adjustment
200	-$5,000
210	$1,284,270
220	$892,032
300	-$7,526
310	-$1,753,261
320	$959,131
600	-$1,321,469
610	$310,289
620	$798,649
900	$101,856
	$1,258,971

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING MID-CYCLE OPERATING BUDGET ADJUSTMENTS FOR FISCAL YEARS ENDING 2022 AND 2023

WHEREAS, the District prepares a two-year budget that is reviewed after one year to determine if any substantive changes are needed; and

WHEREAS, staff has performed a mid-cycle review of the budget and is recommending budget adjustments not anticipated when the budget was originally adopted in June 2021; and

WHEREAS, the mid-cycle review includes amendments to revenue to reflect monies awarded under the State COVID Relief Funds, Operating Transfers In/Out to reflect the Seventh Supplemental Agreement to Agreement for Wastewater Disposal Services with City of Pleasanton, and advanced payoff of the Local Wastewater Loan, Capital Outlay carryover requests due to supply chain delivery issues, LAVWMA and DERWA budget adjustments, Operational carryover requests for Environmental Laboratory Accreditation Program consultants, the Boardroom Audio/Visual project, and other operating requests to reflect additional costs associated with inflation and temporary help; and

WHEREAS, the proposed budget revisions are supported by the General Manager and Administrative Services Director.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, that the Budget Adjustments shown on Exhibit “A” for Fiscal Years Ending 2022 and 2023 are hereby approved and adopted.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 16th day of August, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

_____
Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

Midcycle Budget Adjustments **Exhibit A**

Description	Munis GL Number	*****Budget Request***** FYE2022 Incr/(Decr)	FYE2023 Incr/(Decr)	
Grant Allocation				
Sewer Capacity Reserve Fees Dublin	21000000.511000	$90,702		COVID-19 Fiscal Relief funds
Sewer Capacity Reserve Fees Dublin	22000000.511000	$100,364		COVID-19 Fiscal Relief funds
Sewer Capacity Reserve Fees Dublin	31000000.511000	$291,475		COVID-19 Fiscal Relief funds
Sewer Capacity Reserve Fees Dublin	32000000.511000	$959,131		COVID-19 Fiscal Relief funds
Water Capacity Reserve Fees	61000000.511000	$355,789		COVID-19 Fiscal Relief funds
Water Capacity Reserve Fees	62000000.511000	$798,649		COVID-19 Fiscal Relief funds
Total Revenue Loss Allocation		$2,596,110		
Equipment <$10k	90000000.721100	$251,856		COVID-19 Fiscal Relief funds
Total Expense Reimbursement Allocation		$251,856		
Total Grant Allocation		**$2,847,966**		
Operating Transfers				
Transfer In - Other	22000000.615000		$791,668	Prepayment of Loan
Transfer In - Other	21000000.615000		$1,998,236	City of Pleasanton 7th Supplemental
Transfer Out - Other	21000000.915000		($791,668)	Prepayment of Loan
Transfer Out - Other	31000000.915000		($1,998,236)	City of Pleasanton 7th Supplemental
Total Operating Transfers			**$0**	
Capital Outlay				
Fleet vehicle - Ford Escape (1)	21000000.741100 31000000.741100 61000000.741100	($35,000)	$35,000	Carryforward
Ford F-250 Truck (2)	21000000.741100 61000000.741100	($110,000)	$130,000	Carryforward +$20K
Ford Transit Connect (1)	21000000.741100 31000000.741100 61000000.741102	($27,650)	$27,650	Carryforward
Valve Truck	61000000.741103	($200,000)	$200,000	Carryforward
Closed Circuit (CCTV) Truck	21000000.741100	($500,000)	$500,000	Carryforward

Influent Gate Control	31000000.741100	($120,000)	$120,000	Carryforward
Pump Station 20A #1 & #3 replacement	61000000.741106	($60,000)	$60,000	Carryforward
Replace CoGen heat exchanger	31000000.741100		$30,000	New Request (FYE23)
District Office Boiler	21000000.741100 31000000.741100 61000000.741108	$55,000		New Request (FYE22)
Ion Chromatographer Unit (1)	31000000.741100 61000000.741109	($65,460)	$65,460	Carryforward
Total Capital Outlay		**($1,063,110)**	**$1,168,110**	
JPA Contributions				
Contribution to JPA	30000000.762000		$36,090	Adj to adopted FYE23 LAVWMA Budget
Contribution to JPA	30000000.762000		($248,011)	Savings on debt refinance
Contribution to JPA	32000000.762000		($730,553)	Savings on debt refinance
Total LAVWMA Contribution			($942,474)	
Contribution to JPA	60000000.762000		$71,469	Adj to adopted FYE23 DERWA Budget
Total DERWA Contribution			$71,469	
Total JPA Contributions			**($871,005)**	
Operating Expenses				
Professional Services	90012000.731200	($40,000)	$40,000	Carryforward - workforce study
Temporary Help	90031000.712300		$40,000	Munis Conversion/vacancy coverage
Temporary Help	20031000.712300 30031000.712300 60031000.712300	($20,000)	$20,000	Carryforward - vacancy coverage
Temporary Help	20031000.712300 30031000.712300 60031000.712300		$50,000	Munis Conversion/vacancy coverage
Professional Services	90034000.731200	($40,000)	$40,000	Carryforward - Boardroom A/V
Equipment <$10k	90000000.721100	($105,000)	$105,000	Carryforward - Boardroom A/V
Professional Services	30050000.731200	($20,000)	$20,000	Carryforward - Emergency Prep
Other Services	60051000.731700	$700,000	$400,000	Subsurface Repairs
Gas & Electric	60051000.721400		$50,000	Increased PG&E trend
Gas & Electric	30052000.721400		$200,000	Increased PG&E trend
Overtime	30052000.711200		$225,000	Increased OT trend
Chemicals	30052000.721000		$184,000	Sodium hypochlorite +100%

Standby Pay	30053000.711400		$36,000	New weekend program
Fuel	30053530.721300		$25,000	Increase Fuel costs
General Supplies	30053534.721500		$45,000	Inflation/pre-stock critical parts
General Supplies	30053530.721500		$100,000	Inflation/pre-stock critical parts
General Supplies	60053530.721500		$50,000	Inflation/pre-stock critical parts
General Supplies	90053534.721500		$10,000	Inflation/pre-stock critical parts
Standby Pay	30054000.711400		$50,000	New weekend program
Temporary Help	90055552.712300		$45,000	Increased regulations
Professional Services	30050000.731200 60050000.731200	($80,000)	$80,000	Carryforward-ELAP consultant
Other Services	30055550.731700	$80,000		EBDA Brine charges
Insurance	90000000.731000		$55,000	Increases Insurance premiums
Total Operating Expenses		**$475,000**	**$1,870,000**	

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Approve Water Supply Assessment and Water Supply Verification for SCS Dublin Development Project

RECOMMENDATION:

Staff recommends the Board of Directors approve, by Resolution, the Water Supply Assessment and Water Supply Verification for the SCS Dublin Development Project.

DISCUSSION:

The SCS Dublin Development Project (Project) is located on 73.8 acres east of Tassajara Road between Interstate 580 and Gleason Drive. In accordance with the 2002 Senate Bills 610 and 221, a project-specific water supply assessment and written verification of sufficient water supply is required for the Project. As the water supplier for the Project, DSRSD is required to prepare the assessment and verification that demonstrate the sufficiency of DSRSD's water supplies to satisfy the water demands of the Project, while still meeting DSRSD's existing and planned future uses. The Water Supply Assessment (WSA) also includes all specific requirements defined in the Water Code sections 10910 through 10915.

In February 2018, an initial WSA for the Project was completed with the assistance of West Yost Associates (West Yost). The Project was proposed to consist of up to 670 residential units and up to 415,000 square feet of commercial development, including up to 240 hotel rooms. The projected indoor and outdoor water demand for the Project was 257 acre-feet annually (AFY). The WSA indicated DSRSD had a sufficient water supply. The DSRSD Board of Directors adopted the WSA on February 20, 2018 (Resolution No. 12-18).

In late 2019, a revised land use plan was proposed for the Project. West Yost completed a supplemental assessment in February 2020 to verify that DSRSD had sufficient water supply for the revised land use plan, which had fewer housing units consisting of 566 dwelling units and up to 245,000 square feet of commercial development while meeting the existing and other future development demands. The assessment indicated DSRSD would be able to meet both indoor and outdoor water demands with potable water if recycled water supplies are unavailable, verifying that the water supply is sufficient for the Project. The projected demand for the revised land use plan was 233 acre-feet per year. The DSRSD Board of Directors adopted the supplemental document on February 4, 2020 (Resolution No. 4-20). Additionally, DSRSD included the projected demand for this revised land use plan (233 AFY) in DSRSD's 2020 Urban Water Management Plan (UWMP).

Since then, SCS Development Company, the developer for the Project, has updated the proposed land use plan. The new land use plan added housing units and increased commercial development consisting of 650 dwelling units and up to 265,000 square feet of commercial development. West Yost completed the WSA for this new land use plan (see Exhibit A to resolution). The assessment indicated projected water demand (224.9 acre-feet per year) which is less than the projected water demand in DSRSD's 2020 UWMP (233 acre-feet per year). The current land use plan proposes a higher density for residential dwelling units. When land use density increases, projected water demand is reduced due to less outdoor irrigation. The projected water demands are in line with the District's adopted 2020 Urban Water Management Plan. Staff has concluded that DSRSD has sufficient water supply to meet the potable water demands for the proposed Project.

Upon Board approval, the WSA will be delivered to the City of Dublin and SCS Development Company to be incorporated with the California Environmental Quality Act review associated with the Project.

Originating Department: Engineering Services	**Contact: I. Suroso/S. Delight**	**Legal Review: Not Required**
Financial Review: Not Required	**Cost and Funding Source: N/A**	
Attachments: ☐ None ☒ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☐ Other (see list on right)		

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING THE WATER SUPPLY ASSESSMENT AND WATER SUPPLY VERIFICATION FOR SCS DUBLIN DEVELOPMENT PROJECT

WHEREAS, SCS Development Company is the owner of the development of the SCS Dublin Development Project (Project) in Dublin; and

WHEREAS, SCS Development Company has submitted an updated land use plan with the City of Dublin (City); and

WHEREAS, under the 2001 Senate Bill 610 (SB 610), development projects consisting of residential projects with greater than 500 units and commercial projects employing more than 1,000 persons or having greater than 250,000 square feet require a project-specific Water Supply Assessment prior to project approval; and

WHEREAS, under the 2001 Senate Bill 221 (SB 221), development projects consisting of subdivisions of more than 500 dwelling units require written verification of sufficient water supply prior to project approval; and

WHEREAS, on February 20, 2018, the DSRSD Board of Directors adopted the initial Water Supply Assessment for the Project; and

WHEREAS, on February 4, 2020, the DSRSD Board of Directors adopted a supplemental assessment to the WSA that was adopted on February 20, 2018, for the Project; and

WHEREAS, on April 12, 2022, the City, as the lead agency, requested a project-specific water supply assessment for the revised Project and verification of water supply in accordance with SB 610 and SB 221; and

WHEREAS, as the water supplier for the Project, the District is required to verify the water supply is sufficient for the updated land use plan in accordance with SB 610 and SB 221, and the DSRSD Board of Directors approves the Water Supply Assessment; and

WHEREAS, the land use plan for the proposed Project is revised and consists of up to 650 dwelling units and 265,000 square feet of commercial space, and meets the project description that requires an SB 610 water supply assessment and an SB 221 verification of sufficient water supply; and

WHEREAS, the District has completed the water supply assessment and water supply verification in accordance with SB 610 and SB 221; and

WHEREAS, the assessment finds that the District has an available water supply and verifies that

the water supply is sufficient for the SCS Dublin Development Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, as follows:

The SCS Dublin Development Project Water Supply Assessment and Water Supply Verification, attached hereto and incorporated herein as Exhibit "A", is hereby approved, and the General Manager is authorized to submit the SCS Dublin Development Project Water Supply Assessment and Water Supply Verification to the City of Dublin and SCS Development Company.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 16th day of August, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

_____
Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary

FINAL REPORT | AUGUST 2022

SCS Dublin Development Project
Water Supply Assessment
and Water Supply Verification

PREPARED FOR

Dublin San Ramon Services District

Dublin San Ramon Services District
Water, wastewater, recycled water

PREPARED BY

WEST YOST
Water. Engineered.

SCS Dublin Development Project
Water Supply Assessment and Water Supply Verification

Prepared for

Dublin San Ramon Services District

Project No. 406-60-22-83

Project Manager: Rhodora Biagtan, PE	August 10, 2022 Date
QA/QC Review: Elizabeth Drayer, PE	August 10, 2022 Date

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LIST OF APPENDICIES

LIST OF ACRONYMS AND ABBREVIATIONS

AB	Assembly Bill
ACWD	Alameda County Water District
AF	Acre-Feet
AFY	Acre-Feet Per Year
Cawelo	Cawelo Water District
CCCSD	Central Contra Costa Sanitary District
cfs	Cubic Feet Per Secxond
CEQA	California Environmental Quality Act
DCP	Delta Conveyance Project
Delta	Sacramento-San Joaquin Delta
DERWA	DSRSD-East Bay Municipal Utilities District Recycled Water Authority
DLD	Dedicated Land Disposal
du	Dwelling Unit
DSRSD	Dublin San Ramon Services District
DWR	Department of Water Resources
EBMUD	East Bay Municipal Utility District
EIR	Environmental Impact Report
GMP	Groundwater Management Plan
gpd	Gallons Per Day
GPQ	Groundwater Pumping Quota
JPA	Joint Powers Authority
M&I	Municipal and industrial
MAWA	Maximum Applied Water Allowance
MFUV	Microfiltration Ultraviolet treatment facilities
MGDP	Mocho Groundwater Demineralization Plant
MGD	Million Gallons Per Day
MWELO	Model Water Efficient Landscape Ordinance
NMP	Nutrient Management Plan
RWQCB	Regional Water Quality Control Board
RWFT	Recycled Water Treatment Facilities
SB	Senate Bill
SB 221	California State Senate Bill 221
SB 610	California State Senate Bill 610 of 2001
SBA	South Bay Aqueduct
SCS	SCS Development Company

sf	Square Feet
SFUV	Sand Filtration Ultraviolet Treatment Facilities
SNMP	Salt and Nutrient Management Plan
SRVRWP	San Ramon Valley Recycled Water Program
SWP	State Water Project
TDS	Total Dissolved Solids
UWMP	Urban Water Management Plan
WSA	Water Supply Assessment
WSCP	Water Shortage Contingency Plan
WSMP	Water System Master Plan
WTP	Water Treatment Plant
WWTP	Wastewater Treatment Plant
Zone 7	Zone 7 of the Alameda County Flood Control and Water Conservation District, also referred to as the Zone 7 Water Agency

Water Supply Assessment

EXECUTIVE SUMMARY

Overview

This Water Supply Assessment (WSA) has been prepared for the Dublin San Ramon Services District (DSRSD) by West Yost in accordance with Water Code Sections 10910 through 10915 in connection with the proposed SCS Dublin Development Project (Proposed Project). The Proposed Project is located in the City of Dublin, California, and consists of approximately 73.8 acres of new development. The Proposed Project is bounded by Tassajara Road to the west, Brannigan Street to the east, Interstate 580 (I-580) to the south, and Gleason Drive to the north (with a small portion of the Proposed Project extending just north of Gleason Drive). The Proposed Project area currently consists entirely of vacant, developable parcels. In July 2017, the property changed ownership to the SCS Development Company (SCS).

The Proposed Project is envisioned as a mixed-use destination in the center of Dublin with commercial, retail, and residential land uses. The Proposed Project consists of up to 650 residential units and up to 265,000 square feet of commercial land use. The Proposed Project will include a pedestrian-focused commercial/entertainment district, central town square, visible and functional grand paseo/green space, and a diversity of housing types and densities, including a dedicated affordable housing site.

Potable Water Demands

The projected potable water demands for buildout of the Proposed Project have been estimated for the Proposed Project's land uses. The projected demands for buildout of the Proposed Project are as follows:

- Potable Water Demand = 201.0 acre-feet per year (AFY)
- Irrigation Water Demand = 23.9 AFY
- Total Water Demand = 224.9 AFY

DSRSD provides potable water and recycled water service within its service area. As described in this WSA, recycled water supplies are unavailable for use at the Proposed Project due to the DSRSD-East Bay Municipal Utilities District Recycled Water Authority (DERWA) moratorium on new recycled water connections (Appendix A); therefore, irrigation water demands for the Proposed Project are assumed to be met with potable water. If sufficient recycled water supplies become available, then recycled water can be used to meet the Proposed Project's irrigation demands.

Summaries of the availability and reliability of potable water supplies to serve the projected water demands for the Proposed Project are discussed below.

Potable Water Supply Availability and Reliability

The Zone 7 Water Agency (Zone 7) is DSRSD's sole potable water supplier and Zone 7 is aggressively planning for water supply programs and projects to meet the water demands of its customers through the buildout of their adopted General Plans. According to Zone 7's 2020 Urban Water Management Plan (UWMP), Zone 7's supplies are adequate to meet projected demands during normal, single dry, and multiple dry water years through 2045. Zone 7 plans to implement a series of near-term and long-term water supply projects as discussed in Section 5.2.

In the near-term, before major water supply projects are implemented, there is a potential for operational constraints that could result in shortages in single dry or multiple dry years, especially during a Delta outage when there may be no or minimal water moving through the South Bay Aqueduct from the Delta. Untreated water customers would be most vulnerable because of their reliance on Delta water. As described in its Water Shortage Contingency Plan (WSCP), in these cases, Zone 7 could call for voluntary or mandatory conservation and also make operational adjustments to minimize such shortages.

DSRSD plans to continue to manage potable water demands within its water service area through conservation efforts and its recycled water program. However, if supply shortages should occur, DSRSD may need to invoke its WSCP, described in its 2020 UWMP.

The process of determining and verifying sufficient water supply for the Proposed Project is discussed below.

Determination and Verification of Sufficient Water Supply

The projected water demand for the Proposed Project, included in DSRSD's 2020 UWMP and consistent with the 2020 WSA update for the project site, was compared to the projected water demands calculated in this WSA. The projected water demand calculated in this WSA (224.9 AFY) is less than the projected water demand in DSRSD's 2020 UWMP (233 AFY). Due to the decrease in projected water demand, DSRSD may reasonably be expected to have sufficient water supply to meet the potable water demands for the Proposed Project.

Since Zone 7's 2020 UWMP indicates that it will have a supply surplus in all hydrologic conditions through 2045, Zone 7 may reasonably be expected to meet the DSRSD's projected potable and raw water demands (including the lower potable water demands for the Proposed Project) in all hydrologic conditions through 2045.

During extended dry periods, the State may require water conservation due to statewide drought emergency. Zone 7 and DSRSD may also seek to conserve water supply to minimize water shortage conditions in future years. As described in their respective WSCPs, in these cases, Zone 7 and DSRSD could call for voluntary or mandatory conservation for all customers, including those within the Proposed Project, and also make operational adjustments to minimize such shortages.

Therefore, pursuant to Water Code Section 10910(c)(4), and based on the technical analyses described in this WSA, the Zone 7 2020 UWMP and the DSRSD 2020 UWMP, DSRSD finds that the projected potable water demands for the Proposed Project can be met by DSRSD during normal, single dry, and multiple dry water years for a 20-year projection.

In accordance with the requirements of SB 221, Section 8.0 of this WSA provides a verification of sufficient water supply to meet the projected demands associated with the Proposed Project, in addition to DSRSD's existing and planned future uses. There are no existing nor planned agricultural uses in the DSRSD service area. This WSA verifies that DSRSD has sufficient water supply for the Proposed Project.

1.0 INTRODUCTION

1.1 Legal Requirement for Water Supply Assessment

California Senate Bill 610 (SB 610) and Senate Bill 221 (SB 221) amended state law, effective January 1, 2002, to improve the link between information on water supply availability and certain land use decisions made by cities and counties. SB 610 and SB 221 were companion measures which sought to promote more collaborative planning between local water suppliers and cities and counties. Both statutes require detailed information regarding water availability to be provided to the city and county decision-makers prior to the approval of specified large development projects. The purpose of this coordination is to ensure that prudent water supply planning has been conducted, and that planned water supplies are adequate to meet existing demands, anticipated demands from approved projects and tentative maps, and the demands of proposed projects.

SB 610 amended California Water Code Sections 10910 through 10915 (inclusive) to require land use lead agencies to:

- Identify any public water purveyor that may supply water for a proposed development project; and
- Request a Water Supply Assessment (WSA) from the identified water purveyor.

The purpose of the WSA is to demonstrate the sufficiency of the purveyor's water supplies to satisfy the water demands of the proposed project, while still meeting the water purveyor's existing and planned future uses. Water Code Sections 10910 through 10915 delineate the specific information that must be included in the WSA.

SB 221 amended State law (California Government Code Section 66473.7) to require that approval by a city or county of certain residential subdivisions[1] requires an affirmative written verification of sufficient water supply. SB 221 was intended as a fail-safe mechanism to ensure that collaboration on finding the needed water supplies to serve a new large residential subdivision occurs before construction begins.

1.2 Need for and Purpose of Water Supply Assessment

The City of Dublin has requested that the Dublin San Ramon Services District (DSRSD) prepare a WSA as required by Water Code Sections 10910 through 10915 in connection with the proposed SCS Dublin Development Project (Proposed Project). It is not to reserve water, or to function as a "will serve" letter or any other form of commitment to supply water (see Water Code Section 10914). The provision of water service will continue to be undertaken in a manner consistent with applicable policies and procedures, consistent with existing law.

This WSA for the Proposed Project has been prepared by West Yost, as requested by DSRSD, the responsible water purveyor for the Proposed Project.

[1] Per Government Code Section 66473.7(a)(1) subdivision means a proposed residential development of more than 500 dwelling units.

1.3 Water Supply Assessment Preparation, Format and Organization

The format of this WSA is intended to follow Water Code Sections 10910 through 10915 to clearly delineate compliance with the specific requirements for a WSA. This WSA includes the following sections:

- Section 1: Introduction
- Section 2: Description of Proposed Project
- Section 3: Required SB 610 Determinations
- Section 4: DSRSD Water Demands
- Section 5: DSRSD Water Supplies
- Section 6: Water Supply Reliability
- Section 7: Determination of Water Supply Sufficiency Based on the Requirements of SB 610
- Section 8: Verification of Sufficient Water Supply Based on the Requirements of SB 221
- Section 9: Water Supply Assessment and Verification Approval Process
- Section 10: References

Relevant citations of Water Code Sections 10910 through 10915 are included throughout this WSA in *italics* to demonstrate compliance with the specific requirements of SB 610.

2.0 DESCRIPTION OF PROPOSED PROJECT

2.1 Proposed Project Location

The Proposed Project is located in the City of Dublin in Alameda County, California, and consists of approximately 73.8 acres of new development located within the DSRSD water service area. As shown on Figure 2-1, the Proposed Project is bounded by Tassajara Road to the west, Brannigan Street to the east, I-580 to the south, and Gleason Drive to the north (with a small portion of the Proposed Project extending just north of Gleason Drive). The Proposed Project area currently consists entirely of vacant, developable parcels. In July 2017, the property changed ownership to the SCS Development Company (SCS).

2.2 Proposed Project Land Uses

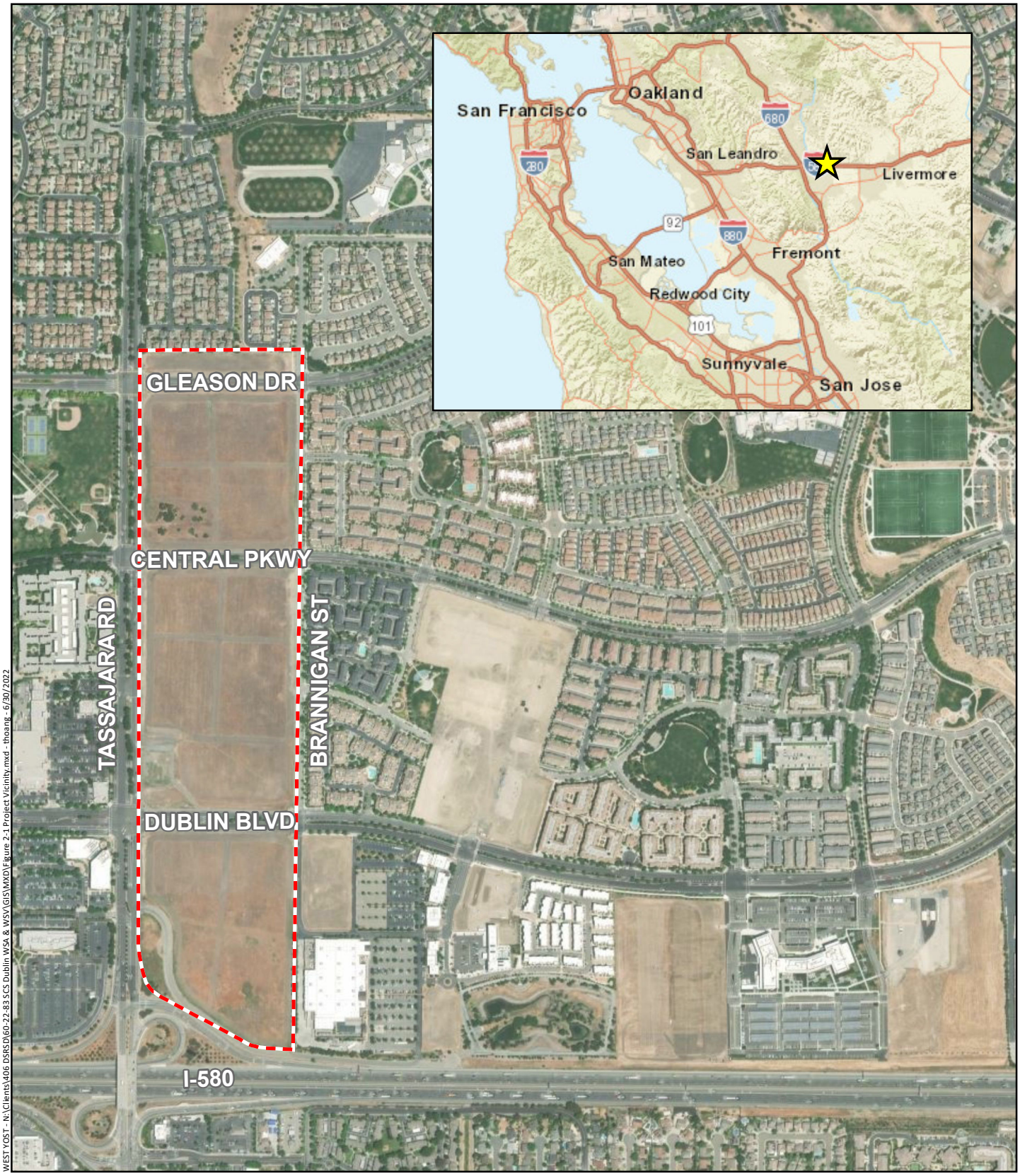
The Proposed Project is envisioned as a mixed-use destination in the center of Dublin with commercial, retail, and residential land uses. The Proposed Project consists of up to 650 residential units and up to 265,000 square feet of commercial land use. The Proposed Project will include a pedestrian-focused commercial/entertainment district, central town square, visible and functional grand paseo/green space and a diversity of housing types and densities, including a dedicated affordable housing site.

Table 2-1 and Figure 2-2 present a summary of the land uses for the Proposed Project.

Table 2-1. Land Use Summary for Proposed Project[(a)]

Land Use Designation	Gross Acres	Dwelling Units	DU/acre	Area (sq ft)
General Commercial	29.4	40	--	265,000
Medium-Density Residential	17.0	150	8.8	--
Medium-High Density Residential	21.1	360	17.1	--
Public/Semi-Public	3.8	100	23.6	--
Parks/Public Recreation	2.5	--	--	--
Total	**73.8**	**650**	**--**	**265,000**

Source: SCS Dublin Notice of Preparation, March 2022.



Proposed Project Site

N

0 500 1,000

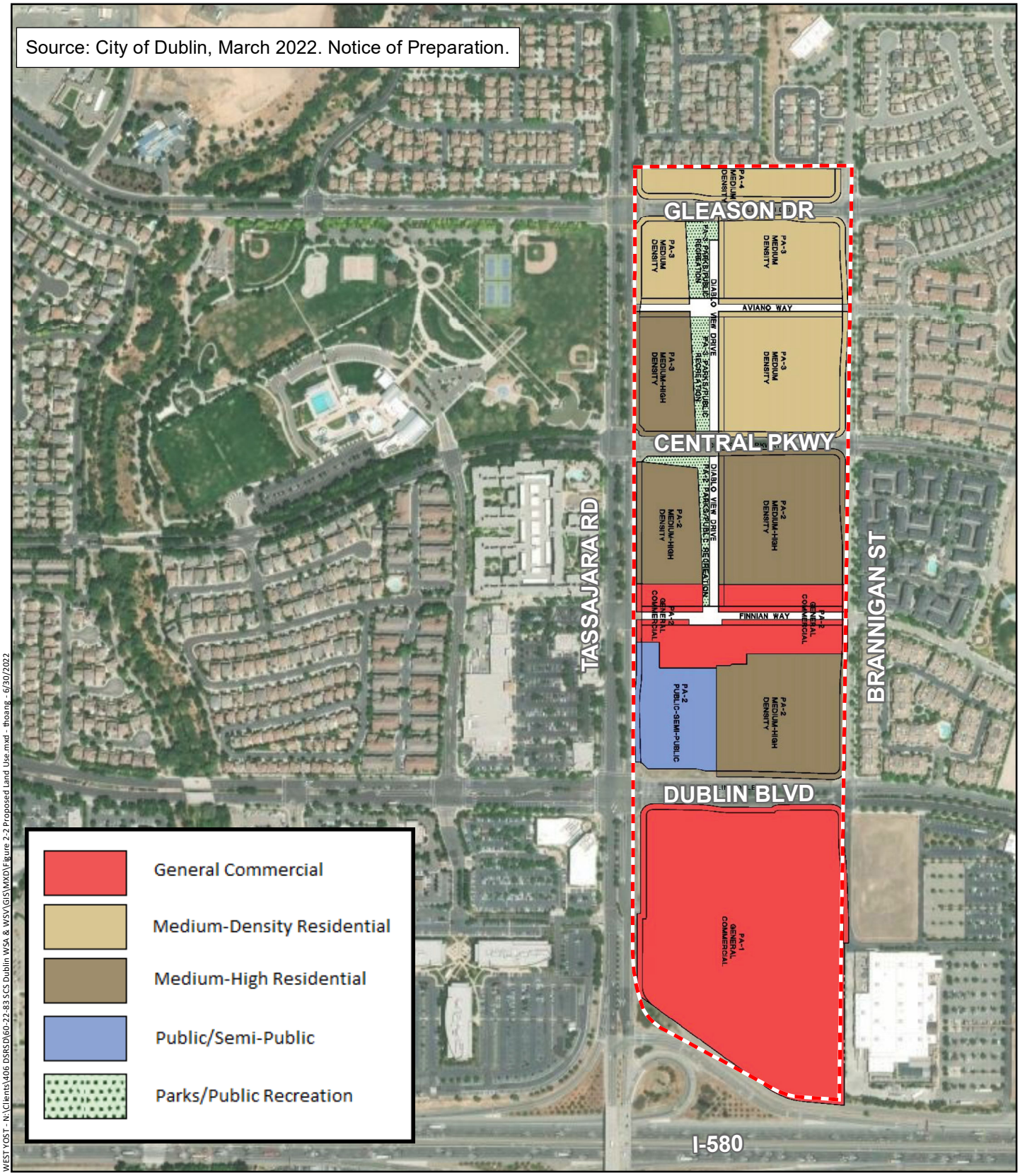
Scale in Feet

Figure 2-1

Proposed Project Vicinity

Dublin San Ramon Services District
SCS Dublin Development Project
Water Supply Assessment

WEST YOST



WEST YOST - N:\Clients\406 DSRSD\60-22-83 SCS Dublin WSA & WSV\GIS\MXD\Figure 2-2 Proposed Land Use.mxd - thoang - 6/30/2022

Figure 2-2

Proposed Land Use

Dublin San Ramon Services District
SCS Dublin Development Project
Water Supply Assessment

2.3 Projected Water Demand

A WSA was prepared for the project area in 2018 and updated in 2020. The 2020 proposed project was projected to have a total water demand of 233 AFY, which could be met by DSRSD's potable water supply. The 2020 projected water use for the project site was incorporated in DSRSD's 2020 UWMP and Zone 7's 2020 UWMP.

The Proposed Project subject to this WSA presents updated landuse. The updated landuse was used to develop the projected water demand below.

2.3.1 Overall Water Use Assumptions

DSRSD provides both potable water and recycled water within its service area. However, on March 25, 2019, DERWA found that it could not meet the combined peak demands and projected demands of its member agencies (DSRSD and East Bay Municipal Utility District (EBMUD)) and its retailer, Pleasanton. DERWA approved Resolution No. 19-3 (Appendix A) requesting that its member agencies take action to reduce recycled water demands and implement a connection moratorium due to limited recycled water supply during the peak months. On March 29, 2022, DSRSD and EBMUD entered into an interim agreement (Appendix B) to defer comprehensive updates to their recycled water program agreements to focus on demand management and plan for additional water supplies. Under the DERWA resolution and the interim agreement, DSRSD has implemented a connection moratorium for new recycled water connections.

Therefore, projected water demands for the Proposed Project have been estimated assuming all interior and exterior water demands will be met using potable water supplies from DSRSD.

2.3.2 Water Use Factors

The projected interior potable water demands for the Proposed Project have been estimated based on the currently proposed land uses for the Proposed Project. DSRSD has adopted standard unit water use factors to project potable water demands based on the proposed land use, the number of dwelling units or square footage. The projected exterior potable water demands for the Proposed Project have been estimated based on the current Model Water Efficient Landscape Ordinance (MWELO) guidelines.

2.3.2.1 Potable Water Use Factors

The unit potable water demand factors currently used by DSRSD are shown in Table 2-2. These standard water use factors were developed for use in the DSRSD 2016 Water System Master Plan (WSMP) and have been refined based on actual water use trends observed in DSRSD's water service area and were used for water supply planning purposes in the DSRSD 2020 UWMP to project future potable water demands within DSRSD's water service area.

The exterior water use factors presented in the WSMP assume extensive irrigation with recycled water and minimal potable water use. Therefore, for the purposes of this WSA, the exterior water use factor will be calculated based on the MWELO methodology described in Section 2.3.2.2. However, if sufficient recycled water supplies become available in the future, then recycled water can be used to meet the Proposed Project's irrigation demands and potable water demand would be reduced to the WSMP exterior water use factors.

Table 2-2. Potable Water Demand Factors by Land Use Type

Land Use Designation	Unit for Interior Use	Unit Water Use Factor(a)	
		Interior Use	Exterior Use, gpd/acre(b)
Residential			
Rural	gpd/du	730	--
Low Density	gpd/du	350	--
Low-Medium Density	gpd/du	300	--
Medium Density	gpd/du	255	--
Medium-High Density	gpd/du	160	--
High Density	gpd/du	135	--
Commercial			
Commercial Retail	gpd/ft^2	0.14	267.8
Commercial Office	gpd/ft^2	0.10	267.8
Industrial			
Business Park	gpd/ft^2	0.06	267.8
Mixed Use			
Mixed Use	gpd/ft^2	0.27	267.8
Public			
Public/Semi-Public	gpd/ft^2	0.05	267.8
Elementary School	gpd/student	10	267.8
Middle School	gpd/student	15	267.8
High School	gpd/student	20	267.8
Open Space			
Neighborhood Park	gpd/acre	125	--
Community Center	gpd/visitor	8	--
Golf Course	gpd/golfer	12	--

(a) Source: Table 3-16, DSRSD WSMP, March 2016.

(b) The exterior water use factor calculated in the 2016 WSMP assumes extensive use of recycled water for exterior landscaping and minimal potable water use on non-residential land uses equal to 10 percent of the exterior landscaping water demand of 3.0 af/acre/yr (0.3 af/acre/yr = 267.8 gpd/acre). For the purposes of this WSA, exterior water use factor will be calculated based on the MWELO methodology described in Section 2.3.2.2.

2.3.2.2 Irrigation Water Use Factors

Due to the moratorium on new recycled water connections discussed in Section 2.3.1, potable water is assumed to be used for future irrigation areas in lieu of recycled water.

In the DSRSD 2016 WSMP, the percent irrigable area by land use category provided in Table 2-3 was used to project irrigation demand to be served with recycled water. These areas are assumed to be irrigated with potable water in the future.

Table 2-3. Irrigable Area by Land Use Type[a]

Land Use Designation	Percent of Area Irrigable
Commercial – Neighborhood Commercial	15
Commercial – Office	15
Commercial – Office/Hotel	15
Commercial – Retail	15
Open Space – City Park/Community Center (SP)	80
Open Space – City Park/Community Park	80
Open Space – Golf Course	80
Open Space – Neighborhood Park	80
Public – Public/Semi-Public	25
Residential – High	8
Residential – High (Hotel Expansion)	8
Residential – Low	30
Residential – Low Medium	15
Residential – Medium	15
Residential – Medium High	10

[a] Recycled water demands spreadsheet, "RW Demand Tool_Revisedv2.xlsx", provided by Carollo. Used to calculate recycled water demand in the 2016 DSRSD WSMP.

Irrigation water demands were calculated using the MWELO Maximum Applied Water Allowance (MAWA) for landscaping. In residential areas, MAWA is calculated using the following equation:

$$MAWA = (ETo)\ (0.62)\ [(ETAF \times LA) + ((1-ETAF) \times SLA)]$$

Where:

MAWA = Maximum Applied Water Allowance, gallons per year
ETo = reference evapotranspiration, inches per year (46.2 for the City of Pleasanton)
0.62 = factor that converts acre-inches per acre to gallons per square foot
ETAF = evapotranspiration adjustment factor (0.55 for residential and 0.45 for non-residential areas)
LA = landscape area, square feet

SLA = special landscape area, square feet[2]

Therefore, the MAWA calculation results in a factor of 15.8 and 12.9 gallons per year per square foot for residential and non-residential uses, respectively.

2.3.3 Potable Water Demand Projections

The projected buildout potable water demands for the Proposed Project were estimated using the unit water demand factors provided in Section 2.3.2. As shown in Table 2-4, the estimated buildout demands for the Proposed Project are 224.9 AFY for potable water.

[2] "Special Landscape Area" means an area of the landscape dedicated solely to edible plants, recreational areas, areas irrigated with recycled water, or water features using recycled water. For the purposes of this evaluation, because of the moratorium on new recycled water connections, all landscaped areas are assumed to be standard areas.

Table 2-4. Proposed Project Water Demands

Land Use Designation	Area acres[(a)]	Dwelling Units	Commercial ft^2	Interior Water Use Factor[(b)]	Units	Irrigable Area, percent[(c)]	MWELO Exterior Water Use Factor, gpy/ft^2	Interior Potable Water Demand, gpd[(d)]	Exterior Potable Water Demand, gpd[(d)]	Total Potable Water Demand, gpd[(d)]	Total Potable Water Demand, AFY[(d)]
General Commercial[(e)]	29.4	--	265,000	0.14	gpd/ft^2	15	12.9	39,469	7,217	46,685	52.29
	--	40	--	255	gpd/du	--	15.8	10,851	--	10,851	12.15
Medium-Density Residential	17	150	--	255	gpd/du	15	15.8	40,691	5,100	45,792	51.29
Medium-High Density Residential	21.1	360	--	160	gpd/du	10	15.8	61,277	4,220	65,497	73.37
Public/Semi-Public	3.8	--	--	0.05	gpd/ft^2	25	12.9		1,555	1,555	1.74
	--	100	--	255	gpd/du	--	12.9	27,128		27,128	30.39
Parks/Public Recreation	2.5	0	--	125	gpd/acre	80	12.9		3,273	3,273	3.67
Total	**73.8**	**650**	**--**	**--**			**--**	**179,415**	**21,365**	**200,780**	**224.9**

(a) Based on the SCS Dublin Notice of Preparation dated March 30, 2022.
(b) Potable water use based on the DSRSD unit water demand factors (2016 DSRSD Water System Master Plan) and Table 2-2 of this WSA.
(c) Percent of irrigable areas are based on the DSRSD factors (2016 DSRSD Water System Master Plan) and Table 2-3 of this WSA.
(d) Potable water demand includes unaccounted for water, assuming 6 percent potable water loss (per the 2016 DSRSD Water System Master Plan).
(e) Conservatively assumes that the dwelling units associated with the general commercial and public/semi-public land use are medium density.

3.0 REQUIRED SB 610 DETERMINATIONS

3.1 Does SB 610 Apply to the Proposed Project?

10910 (a) Any city or county that determines that a project, as defined in Section 10912, is subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) under Section 21080 of the Public Resources Code shall comply with this part.

10912 (a) "Project" means any of the following:

(1) A proposed residential development of more than 500 dwelling units.

(2) A proposed shopping center or business establishment employing more than 1,000 persons or having more than 500,000 square feet of floor space.

(3) A proposed commercial office building employing more than 1,000 persons or having more than 250,000 square feet of floor space.

(4) A proposed hotel or motel, or both, having more than 500 rooms.

(5) A proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 persons, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area.

(6) A mixed-use project that includes one or more of the projects specified in this subdivision.

(7) A project that would demand an amount of water equivalent to, or greater than, the amount of water required by a 500-dwelling unit project.

As shown in Table 3-1, the Proposed Project does meet the definition of a "Project" as specified in Water Code Section 10912(a)(1) and (3). The proposed project includes 650 dwelling units, more than the minimum 500 units required for a WSA under Section 10912(a)(1). Further, the Proposed Project includes 265,000 square feet of commercial space, more than the minimum 250,000 square feet of floor space required for a WSA under Section 10912(a)(3). The Proposed Project has not been the subject of a previously adopted WSA[3] and has not been included in an adopted WSA for a larger project. Therefore, according to Water Code Section 10910(a), a WSA is required for the Proposed Project.

The City of Dublin has also determined that the Proposed Project is subject to the California Environmental Quality Act (CEQA) and that an Environmental Impact Report (EIR) is required.

[3] The Project site was previously the subject of a February 2018 WSA and update in January 2020 as the AT Dublin Development Project but these WSAs were never adopted.

Table 3-1. Does the Proposed Project Meet the SB 610 Definition of a "Project"?

SB 610 Project Definition Components	Proposed Project Quantity	Meets the SB 610 Definition of a "Project"?
Residential > 500 dus	Up to 650 dus	YES
Retail > 1,000 employees or > 500,000 sf	N/A	NO
Commercial Office Building > 1,000 employees or > 250,000 sf	Up to 265,000 sf	YES
Hotel/Motel > 500 rooms	N/A	NO
Industrial Plant/Park > 1,000 employees or > 40 acres or > 650,000 sf	N/A	NO
Mixed Use Project that includes one or more of the above	--	YES
A Project that would demand the amount of water required by a 500-dwelling unit project	--	YES
SB 610 Required?	--	YES

3.2 Does SB 221 Apply to the Proposed Project?

In 2001, SB 221 amended State law to require that approval by a city or county of certain residential subdivisions requires an affirmative written verification of sufficient water supply. Per California Government Code Section 66473.7(a)(1), a subdivision means a proposed residential development of more than 500 dwelling units. The Proposed Project, with up to 650 new residential dwelling units in DSRSD's water service area, is subject to the requirements of SB 221. Section 8.0 of this WSA provides the required written verification of sufficient water supply.

3.3 Who is the Identified Public Water System?

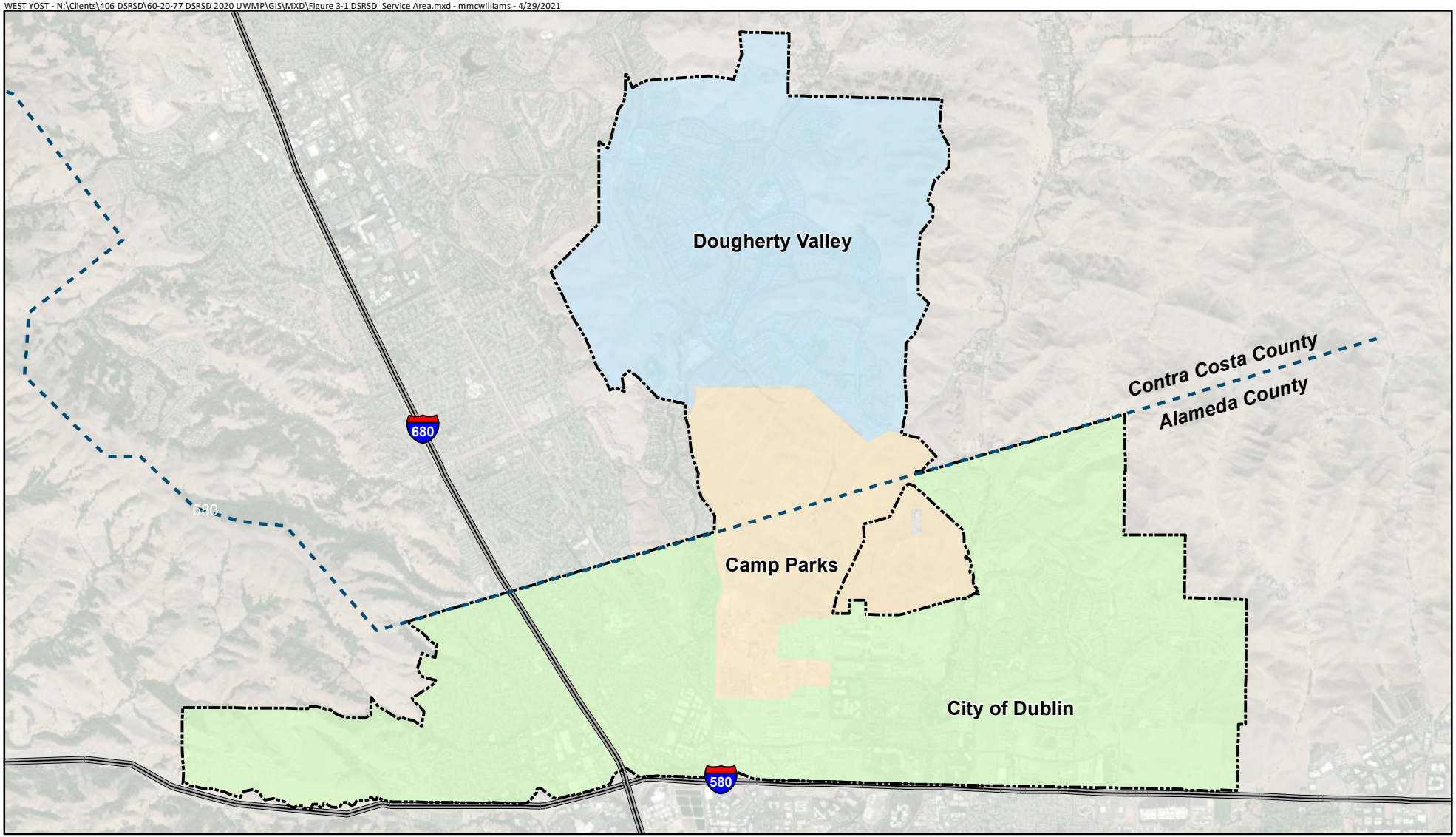
> *10910(b) The city or county, at the time that it determines whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required for any project subject to the California Environmental Quality Act pursuant to Section 21080.1 of the Public Resources Code, shall identify any water system that is, or may become as a result of supplying water to the project identified pursuant to this subdivision, a public water system, as defined by Section 10912, that may supply water for the project*
>
> *10912 (c) "Public water system" means a system for the provision of piped water to the public for human consumption that has 3,000 or more service connections…*

The Proposed Project is located within DSRSD's water service area. DSRSD provides water service to all areas within the City of Dublin (including Central Dublin, Eastern Dublin, and Western Dublin), Camp Parks, and the Dougherty Valley area in Contra Costa County (see Figure 3-1) and maintains the potable water facilities in the streets adjacent to the Proposed Project site, including Tassajara Road, Dublin Boulevard, Central Parkway, Gleason Drive, and Brannigan Street. DSRSD also currently treats and distributes recycled water to water customers in its service area. Therefore, DSRSD is the identified public water system for the Proposed Project.

3.4 Does DSRSD have an adopted Urban Water Management Plan (UWMP) and does the UWMP Include the projected water demand for the Proposed Project?

10910(c)(1) The city or county, at the time it makes the determination required under Section 21080.1 of the Public Resources Code, shall request each public water system identified pursuant to subdivision (b) to determine whether the projected water demand associated with a proposed project was included as part of the most recently adopted urban water management plan adopted pursuant to Part 2.6 (commencing with Section 10610).

DSRSD's 2020 UWMP was adopted by the DSRSD Board of Directors in June 2021. The 2020 UWMP includes existing and projected water demands for existing and projected future land uses within DSRSD's service area. As part of its 2020 UWMP preparation, projected demands for the property associated with the Proposed Project were included.



- Water Service Area
- Camp Parks
- Dougherty Valley
- City of Dublin

N

0 3,000 6,000

Scale in Feet

Figure 3-1

DSRSD Current Water Service Area

Dublin San Ramon Services District
2020 Urban Water Management Plan

4.0 DSRSD WATER DEMANDS

10910(c)(2) If the projected water demand associated with the proposed project was accounted for in the most recently adopted urban water management plan, the public water system may incorporate the requested information from the urban water management plan in preparing the elements of the assessment required to comply with subdivisions (d), (e), (f) and (g).

The descriptions provided below for the DSRSD water demands have been taken, for the most part, from DSRSD's 2016 WSMP and DSRSD's 2020 UWMP.

4.1 Historical and Existing Water Demands

As discussed in DSRSD's 2016 WSMP, the DSRSD water service area has experienced significant population growth. From 2010 through 2015, DSRSD's water service area population increased by 20.2 percent; however, the total volume of potable water sold decreased by 19.4 percent. This decrease in total potable water consumption, despite growth in population served, was due to water use limitations imposed under DSRSD's 2014 Community Drought Declaration in response to the State Drought Emergency Proclamation. From 2015 through 2020, DSRSD's water service area population increased by 12.8 percent, and the total volume of potable water sold rebounded by 38.6 percent. Table 4-1 summarizes DSRSD's historical potable water demand (based on water production) and recycled water demand for 2010 through 2020.

Table 4-1. Historical Potable and Recycled Water Demands

	2010	2015	2020
Total Potable Water Demand[(a,c)], AFY	9,264	7,439	10,330
Total Recycled Water Demand[(b,d)], AFY	1,729	2,579	3,044

(a) Source: DSRSD 2020 UWMP, Table 4-1 and Table 4-2.

(b) Includes the historical annual water purchased from Zone 7.

(c) Includes only recycled water deliveries within DSRSD's service area. Does not include recycled water use in City of Pleasanton or in EBMUD's service area. DSRSD data only includes demand in the recycled water distribution system and does not include water from recycled water fill stations at the treatment plant.

4.2 Future Water Demands

Table 4-2 presents DSRSD's projected normal year potable and recycled water demands through 2045. These projections are based on projected land uses within DSRSD's potable and recycled water service areas. As presented in the table below, the projected potable water demand includes an estimate for unaccounted-for water of 6 percent of the total deliveries from Zone 7 to DSRSD.

A demand study was prepared by Zone 7 for their 2020 UWMP. For Zone 7's demand study, DSRSD provided water demand projections based on the latest General Plans for the City of Dublin and the City of San Ramon. DSRSD's projected water demands were included in its 2020 UWMP. A projected water demand of 233 AFY was included for the Proposed Project site, consistent with the 2020 WSA update previously prepared.

Table 4-2. Projected Potable and Recycled Water Demands -- Normal Years					
	2025	2030	2035	2040	2045
Potable Water Demand[(a)], AFY	11,993	13,363	13,807	13,820	14,034
Recycled Water Demand[(a)], AFY	3,044	3,044	3,044	3,044	3,044
Total Water Use, AFY	**15,037**	**16,407**	**16,851**	**16,864**	**17,078**
(a) Source: DSRSD 2020 UWMP (June 2021), Table 4-4.					

As described in the DSRSD 2020 UWMP, the potable water and recycled water demand projections have been established based on DSRSD's continued strong commitment to the implementation of water use efficiency measures and the use of recycled water to offset potable water demands. DSRSD plans to maintain the current level of water use efficiency as the foundation of a comprehensive water conservation program and investigate and implement, as appropriate, permanent demand reduction programs that are shown to be effective and affordable.

4.3 Dry Year Water Demands

DSRSD's WSCP defines six water shortage levels (also known as stages) with associated demand reduction and supply augmentation actions and operational changes. Table 4-3 summarizes the water supply conditions for each water shortage level (stage).

Table 4-3. DSRSD Water Shortage Stages	
Stage	Percent Supply Reduction
1	Up to 10 percent
2	Up to 20 percent
3	Up to 30 percent
4	Up to 40 percent
5	Up to 50 percent
6	More than 50 percent
Source: DSRSD 2020 UWMP, Appendix M, Table 3	

In both the DSRSD 2020 UWMP and this WSA, dry year water demands are assumed to be unconstrained when compared to projected supplies. In other words, when evaluating future water supplies, neither the DSRSD 2020 UWMP nor this WSA assume that DSRSD's WSCP would be implemented (which would reduce demands) during dry years. This conservative assumption means that demands in single dry years and the first years of multiple dry year periods are equal to the normal year demands presented in Table 4-2. Consistent with Table 7-6 of the DSRSD 2020 UWMP, demands in multiple dry years 2 through 5 are linearly interpolated.

Tables 4-4 and 4-5 present the projected dry year potable water demand and recycled water demand through 2045 as presented in the DSRSD 2020 UWMP.

Table 4-4. Projected Potable and Recycled Water Demands – Single Dry Year					
	2025	2030	2035	2040	2045
Potable Water Demand[(a)], AFY	11,993	13,363	13,807	13,820	14,034
Recycled Water Demand[(a)], AFY	3,044	3,044	3,044	3,044	3,044
Total Water Use, AFY	**15,037**	**16,407**	**16,851**	**16,864**	**17,078**
(a) Source: DSRSD 2020 UWMP (June 2021), Table 7-5.					

Table 4-5. Projected Potable and Recycled Water Demands -- Multiple Dry Years					
	2025	2030	2035	2040	2045
First Year, AFY	15,037	16,407	16,851	16,864	17,078
Second Year, AFY	15,331	16,496	16,854	16,907	17,078
Third Year, AFY	15,585	16,585	16,856	16,950	17,078
Fourth Year, AFY	15,859	16,673	16,859	16,992	17,078
Fifth Year, AFY	16,133	16,762	16,862	17,035	17,078
Source: DSRSD 2020 UWMP (June 2021), Table 7-6.					

5.0 DSRSD WATER SUPPLIES

10910(c)(2) If the projected water demand associated with the proposed project was accounted for in the most recently adopted urban water management plan, the public water system may incorporate the requested information from the urban water management plan in preparing the elements of the assessment required to comply with subdivisions (d), (e), (f) and (g).

10910(d)(1) The assessment required by this section shall include an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project, and a description of the quantities of water received in prior years by the public water system…under the existing water supply entitlements, water rights, or water service contracts.

10910(e) If no water has been received in prior years by the public water system…under the existing water supply entitlements, water rights, or water service contracts, the public water system…shall also include in its water supply assessment…an identification of the other public water systems or water service contract holders that receive a water supply or have existing water supply entitlements, water rights, or water service contracts, to the same source of water as the public water system.

10910(f) If a water supply for a proposed project includes groundwater, the following additional information shall be included in the water supply assessment.

(1) A review of any information contained in the urban water management plan relevant to the identified water supply for the proposed project.

(2) A description of any groundwater basin or basins from which the proposed project will be supplied. For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most recent bulletin of the department that characterizes the condition of the groundwater basin, and a detailed description by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the amount and location of groundwater pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), for the past five years from any groundwater basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historical use records.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), from any basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historical use records.

(5) An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project. A water assessment shall not be required to include the information required by this paragraph if the public water system determines, as part of the review required by paragraph (1), that the sufficiency of groundwater necessary to meet the initial and projected water demand associated with the project was addressed in the description and analysis required by paragraph (4) of subdivision (b) of Section 10631.

The descriptions provided below for DSRSD's water supplies have been taken, for the most part, from DSRSD's 2020 UWMP (adopted in June 2021) and Zone 7's 2020 UWMP (adopted in May 2021).

5.1 Water Supply Overview

DSRSD currently receives its potable water supply from Zone 7 Water Agency. Zone 7 is a multi-purpose agency that oversees water-related issues in the Livermore-Amador Valley. Zone 7 is a State Water Project (SWP) contractor that wholesales treated water to four retail water agencies including DSRSD, City of Pleasanton, City of Livermore, and Cal Water Livermore District. In addition, Zone 7 retails non-potable water supplies for irrigated agricultural use, retails treated water to several direct customers, provides and maintains flood control facilities, and manages groundwater and surface water supplies in its service area. Zone 7's water supplies are discussed in detail in Section 5.2 (DSRSD Potable Water Supplies from Zone 7). DSRSD also has a groundwater pumping quota (GPQ) of 645 AFY in the Livermore Valley Main Groundwater Basin (Main Basin), which Zone 7 pumps on DSRSD's behalf as part of its water contract.

DSRSD's water supply is augmented with recycled water from its Recycled Water Treatment Facilities (RWTF). DSRSD owns and operates a wastewater treatment plant that treats wastewater from Dublin, the southern portion of San Ramon, and Pleasanton. The wastewater treatment plant includes conventional secondary treatment facilities, as well as tertiary and advanced recycled water treatment facilities. DERWA operates the San Ramon Valley Recycled Water Program (SRVRWP), a multi-phased project which distributes recycled water from the RWTF to portions of DSRSD's and EBMUD's service areas. DSRSD's recycled water production and distribution is discussed in Section 5.4.

5.2 Potable Water Supplies from Zone 7

Zone 7's water supply has two major components: (1) incoming water through contracts and water rights each year, and (2) accumulated water stored from previous years. Incoming water supplies typically consist of annually allocated imported surface water supply and local surface water runoff. Accumulated or "banked" water supplies are available in local and non-local storage locations. Zone 7's water supplies include:

- Imported surface water from the SWP
- Local surface water runoff captured in Del Valle Reservoir
- Local groundwater extracted from the Main Basin
- Local storage in the Chain of Lakes
- Non-local groundwater storage in Kern County (Semitropic Water Storage District and Cawelo Water District)

The following sections describe each supply.

5.2.1 State Water Project

Imported water from the SWP, which is owned and operated by the Department of Water Resources (DWR), is by far Zone 7's largest water source, providing over 80 percent of the treated water supplied to its customers on an annual average basis.

SWP water originates within the Feather River watershed and flows through the Sacramento-San Joaquin Delta (Delta) before it is conveyed by the South Bay Aqueduct (SBA) to Zone 7 and others. Much of the

SWP water continues to southern California via the California Aqueduct. Lake Del Valle is part of the SWP's SBA system and is used for storage of SWP water, as well as local runoff.

For Zone 7, SWP water serves treated water demands from municipal and industrial (M&I) customers—primarily wholesale to water retailers and some direct retail customers—and untreated water demands from agricultural customers. It is also used to recharge the Main Basin and fill non-local groundwater storage in Kern County.

This section describes Zone 7's contract with DWR for SWP water and the types of water Zone 7 receives under this contract. Also, this section discusses a separate agreement between DWR and Zone 7 for additional SWP water under the Lower Yuba River Accord (Yuba Accord).

5.2.1.1 Contract with DWR

DWR provides water supply from the SWP to 29 SWP contractors, including Zone 7, in exchange for contractor payment of all costs associated with providing that supply. Zone 7's original contract was executed in 1961 and was set to expire in 2036. Over the last few years, there have been a number of key amendments to the SWP contracts, as described below:

- **Contract Extension** – capital costs associated with the development and maintenance of the SWP are typically financed using revenue bonds. These bonds have historically been sold with 30-year terms. Recently, it has become more challenging to finance capital expenditures for the SWP because bonds used to finance these expenditures are limited to terms that only extend to the year 2035 (the last year of the original contract and only 13 years from 2022). To ensure continued affordability of debt service to SWP contractors and allow DWR to continue to sell bonds with 30-year terms, it was necessary to extend the termination date of the contracts. On January 18, 2019, DWR and Zone 7 agreed to extend the SWP water supply contract to at least December 31, 2085 (Extension Amendment). As of March 2021, DWR and 22 SWP contractors have executed the Extension Amendment.
- **Improved Water Management Tools** – seeking greater flexibility to manage the system to address changes in hydrology and constraints placed on DWR's SWP operations, DWR and SWP contractors conducted public negotiations in 2017 to improve water management tools under a new amendment to the SWP contracts (WMT Amendment). The goal of the negotiations was to improve water management amongst the SWP contractors by developing concepts to supplement and clarify the existing SWP contracts' water transfer and exchange provisions. The WMT Amendment became effective on February 28, 2021 for the SWP contractors that approved the amendment, including Zone 7. The EIR for the WMT Amendment is being challenged in court, but the enhanced ability to transfer and exchange SWP water will be available during litigation.
- **Delta Conveyance Project** – The Delta Conveyance Project (DCP) is the current DWR project designed to address the need for alternative conveyance in the Delta to reliably deliver SWP supplies. This SWP contract amendment would allocate DCP costs and benefits among the SWP contractors. DWR and the SWP contractors have reached an agreement in principle regarding a contract amendment regarding the DCP, but participating SWP contractors will wait for environmental review of the DCP to be completed before making a final decision.

5.2.1.2 Table A Allocation

Each SWP contractor is limited to a maximum annual contract amount as specified in Article 6(c) and Table A of the SWP Contract; this amount is therefore commonly referred to as "Table A." Zone 7's Table A amount has increased along with its demands and following a series of permanent transfers. Currently, Zone 7's Table A allocation is 80,619 AFY.

The Table A allocation is typically less than 100 percent of the Table A amount. In practice, the actual amount of SWP water available to Zone 7 under the Table A allocation process varies from year to year due to hydrologic conditions, water demands of other contractors, existing SWP stored water, SWP facility capacity, and environmental/regulatory requirements.

SWP reliability is defined based on the long-term average Table A allocation. DWR prepares a biennial report to assist SWP contractors and local planners in assessing the availability of supplies from the SWP. DWR issued its most recent update, the Final 2019 State Water Project Delivery Capability Report (2019 DCR),[4] in August 2020. In this update, DWR provides SWP supply estimates for SWP contractors to use in planning efforts, including the 2020 UWMP. The 2019 DCR includes DWR's estimates of SWP water supply availability under both existing (2020) and future (2040) conditions.

For Zone 7's Table A supply, the 2019 DCR's existing condition was assumed to represent 2020 (59 percent Table A reliability, or 47,600 AFY), and the future condition (54 percent Table A reliability, or 43,500 AFY) was applied to 2040; the years in between were interpolated between these two bookends. Note that the effect of the proposed DCP on SWP water supply yield is still being analyzed and has not been included.

As a SWP contractor, Zone 7 has the option to store unused Table A water in the SWP's San Luis Reservoir when there is storage capacity available. This "carryover" water is also called Article 12e or 56c water, in reference to the relevant contract terms. Article 12e water must be taken by March 31 of the following year, but Article 56c water may remain as carryover as long as San Luis Reservoir storage is available. In its 2020 UWMP, Zone 7 assumes it will carry over 10,000 AF of water each year on average.

5.2.1.3 Article 21 Water (Interruptible or Surplus Water)

Under Article 21 of Zone 7's SWP contract, Zone 7 has access to excess water supply from the SWP that is available only if: (1) it does not interfere with SWP operations or Table A allocations, (2) excess water is available in the Delta, and (3) it will not be stored in the SWP system.

As described in the 2019 DCR, Article 21 water deliveries are highly variable. This water becomes available during short time windows in the wet season when there is excess water in the system (due to storms) that DWR cannot store in San Luis Reservoir. When Article 21 water becomes available, SWP contractors can request delivery, and the available water is distributed generally in proportion to the Table A contract amounts of those contractors requesting delivery.

Delivery of Article 21 water requires accessible storage during very wet conditions and/or the ability to use the water directly without impacting Table A deliveries to Zone 7. Historically, these conditions have been difficult to meet for Zone 7 and have resulted in infrequent and low yields. Therefore, Zone 7 has assumed no water supply yield from Article 21. As Zone 7 develops the Chain of Lakes project, which will

[4] Department of Water Resources, August 2020. State Water Project Delivery Capability Report 2019.

increase Zone 7's local storage and ability to capture Article 21 water, Zone 7 will re-evaluate the potential increase in Article 21 yield.

5.2.1.4 Article 56d Water (Turnback Pool Water)

Article 56d is a contract provision that allows SWP contractors with unused Table A water to sell that water to other SWP contractors via a "turnback pool" administered by DWR on an annual basis. Historically, only a few SWP contractors have been able to make turnback pool water available for purchase, particularly in normal or dry years.

With the enhanced ability to directly transfer or exchange SWP water from one SWP contractor to another under the Water Management Tools contract amendment described in Section 5.2.1.1 of this WSA, it is expected that there will not be much water available under Article 56d in the future. Zone 7 has therefore assumed no supplies are available from this source under normal conditions.

5.2.1.5 Yuba Accord

In 2008, Zone 7 entered into a contract with DWR to purchase additional water under the Yuba Accord. The original contract expires in 2025, and several amendments have been made to the original agreement over the years, including a new pricing agreement executed in 2020.

There are four different types ("Components") of Yuba Accord water made available as a water purchase or transfer; Zone 7 has the option to purchase Components 1, 2, and 3 water during drought conditions, and Component 4 water when the Yuba County Water Agency has determined that it has water supply available to sell.

Water is primarily available during dry years under the Yuba Accord, and the amount is highly variable: 400 acre-feet (AF) in 2014, approximately 300 AF in 2015, and 3,000 AF in 2020. For planning purposes, Zone 7 currently does not assume any water supply yield from the Yuba Accord.

5.2.2 Local Surface Water Runoff

Zone 7, along with the Alameda County Water District (ACWD), has a water right (Permit 11319 [Application 17002]) to divert flows from Arroyo Valle. Runoff from the Arroyo Valle watershed is stored in Lake Del Valle, which is managed by DWR as part of the SWP. Lake Del Valle also stores imported surface water deliveries from the SWP and serves both recreational and flood control functions. In late fall, DWR typically lowers lake levels in anticipation of runoff from winter storms. Water supply in Lake Del Valle is made available to Zone 7 via the SBA through operating agreements with DWR. Inflows to Lake Del Valle, after accounting for permit conditions, are equally divided between ACWD and Zone 7 under their respective permits.

Using historical hydrology adjusted for climate change impacts, Zone 7's latest modeling forecasts future average yields from Arroyo Valle to Zone 7 at approximately 5,500 AFY. Previous planning documents, including Zone 7's 2015 UWMP, assumed an average yield of 7,300 AFY, and the 2011-2020 average was 3,500 AFY. Construction of the Chain of Lakes Arroyo Valle diversion structure and pipeline will allow Zone 7 to capture more of the storm releases from Lake Del Valle and will likely increase the local surface water yield in the future. The conservative average yield estimate of 5,500 AFY will be re-evaluated as climate change impacts become clearer and as the Chain of Lakes projects progress.

5.2.3 Local Storage

Zone 7 has two existing local storage options: Lake Del Valle and the Main Basin. Lake Del Valle stores both runoff from the Arroyo Valle watershed and imported surface water deliveries from the SWP. Zone 7 can store up to about 7,500 AF of its share of Arroyo Valle runoff in the lake, with runoff collected in any given year required to be delivered to Zone 7 by the end of the following year. The Main Basin is used conjunctively and is artificially recharged with SWP water. Zone 7 relies on the operational storage capacity of 126,000 AF in the Main Basin. Section 5.3 of this WSA further describes the Main Basin and Zone 7's groundwater supply.

5.2.4 Non-Local Storage

In addition to local storage, Zone 7 also participates in the two non-local (also called "out-of-basin") groundwater banking programs located in Kern County. While these banking programs provide a water source during drought years, they represent water previously stored from Zone 7's surface water supplies during wet years. Therefore, they do not have a net contribution to Zone 7's water supply over the long-term and in fact result in some operational losses as described below. While the out-of-basin groundwater banks significantly enhance system reliability, this banked water supply requires Banks Pumping Plant in the Delta and the SBA to be operational; low SWP Table A allocations (and generally low levels of water movement in the SWP system) can limit the delivery of these banked supplies via exchange.

Point of Delivery Agreements with DWR and Kern County Water Agency, a SWP contractor, allow Zone 7 to store SWP water in and recover water from Semitropic Water Storage District (Semitropic) and Cawelo Water District (Cawelo). Semitropic and Cawelo are member units of Kern County Water Agency, which manages water deliveries to these agencies. Zone 7 has been storing water in the water banks operated by Semitropic since 1998 and by Cawelo since 2006. In November 2020, the Zone 7 Board of Directors (Zone 7 Board) authorized the execution of amendments to existing Point of Delivery Agreements that would extend water delivery terms for storage in Semitropic and Cawelo through 2030 and recovery of banked water through 2035.

5.2.4.1 Semitropic Water Storage District

In 1998, Zone 7 acquired a storage capacity of 65,000 AF in the Semitropic groundwater banking program. Subsequently, Zone 7 agreed to participate in Semitropic's Stored Water Recovery Unit, which increased pumpback capacity and allowed Zone 7 to contractually store an additional 13,000 AF. As a result, Zone 7 currently has a total groundwater banking storage capacity of 78,000 AF available to augment water supplies during drought and emergency conditions and as needed. Zone 7 can store up to 5,883 AFY in the Semitropic groundwater bank. Note that a 10 percent loss is associated with water stored in Semitropic.

Under the contract terms, Zone 7 can request up to 9,100 AF of pumpback and up to 8,645 AF of exchange water. Pumpback is water that is pumped out of the Semitropic aquifer and into the SWP system. Exchange water is water that is transferred between Zone 7 and Semitropic by adjusting the amounts of Table A water delivered to Zone 7 and Semitropic; the availability of this type of water depends on the SWP allocation.

5.2.4.2 Cawelo Water District

Per a 2006 agreement, Zone 7 has 120,000 AF of groundwater banking storage capacity available with Cawelo. Zone 7 can store up to 5,000 AFY in the bank and can request up to 10,000 AFY of pumpback (or

SWP exchange water) from Cawelo. Zone 7 only accumulates 50 percent of the water sent to storage in Cawelo; the other 50 percent goes towards water loss and compensation to Cawelo.

5.2.5 Future Zone 7 Water Supply Projects

Zone 7 anticipates future supply deficits as SWP reliability continues to decline and Zone 7's service area population grows. As a result, Zone 7 is pursuing several water supply reliability projects to obtain additional water storage and water supplies, address the need for alternative conveyance in the Delta, and improve access to groundwater and local emergency supplies. Zone 7 plans to implement a series of near-term and long-term water supply projects as summarized in Table 5-1.[5]

[5] Zone 7 2020 UWMP, Table 6-9.

Table 5-1. Zone 7 Expected Future Water Supply Projects or Program

Name of Future Projects or Programs	Joint Project with other suppliers?		Description *(if needed)*	Planned Implementation Year	Planned for Use in Year Type *Drop Down list*	Expected Increase in Water Supply to Supplier (AF)
	Drop Down Menu	*If Yes, Supplier Name*				
Bay Area Regional Desalination Project	*Yes*	Contra Costa Water District, SFPUC, Santa Clara Valley Water District	Brackish water desalination in eastern Contra Costa County	2030	All Year Types	5,600
Delta Conveyance Project	*Yes*	Department of Water Resources and other SWP contractors	Construction of new intakes and tunnel as part of the State Water Project	2040	All Year Types	TBD
Los Vaqueros Reservoir Expansion	*Yes*	Contra Costa Water District, and a number of Bay Area M&I water agencies plus Grassland Water District and San Luis & Delta-Mendota Water Authority.	Expansion of Los Vaqueros Reservoir and construction of the Transfer-Bethany Pipeline, which would connect the reservoir to the South Bay Aqueduct and California Aqueduct	2025 (Pipeline) and 2030 (Reservoir Expansion)	Dry Years	TBD
Potable Reuse	*Yes*	Livermore, DSRSD, Pleasanton, Cal Water	Use of purified water derived from wastewater effluent to supplement potable water supplies	2030	All Year Types	4,000-7,000
Sites Reservoir	*Yes*	Sites Project Authority and Sites Reservoir Project Committee members	Construction of a new 1.5 million AF off-stream reservoir in Colusa County	2030	All Year Types	10,000
SWP Transfers	*Yes*	Other SWP contractor/s	Temporary water transfer agreement/s until major projects are implemented	2021	All Year Types	varies

Source: Zone 7 2020 UWMP, Table 6-9.

NOTES: Volumes are in AF. These projects are in the conceptual or planning stages. Zone 7 is participating in the planning efforts of these potential future water supply and/or storage projects to evaluate their benefits, including water supply yield. Implementation of these projects has not been approved by the Zone 7 Board but it is expected that a subset of these projects will be needed to meet future water demands and increase the reliability of Zone 7's system. The partners listed above are potential partners; final participation will be determined when the project has been approved by the respective agencies' governing boards. The 'expected increase in water supply...' are estimates at this time and may need to be adjusted when a final project has been approved. The 'planned implementation year' may also vary depending on project progress.

5.3 DSRSD Groundwater Supply

Water Code Section 10910 states:

> *10910(f) If a water supply for a proposed project includes groundwater, the following additional information shall be included in the water supply assessment.*
>
> *10910(f)(1) A review of any information contained in the urban water management plan relevant to the identified water supply for the proposed project.*
>
> *10910(f)(2) A description of any groundwater basin or basins from which the proposed project will be supplied. For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has the legal right to pump under the order or decree. For basins that have not been adjudicated, information as to whether the department has identified the basin or basins as over drafted or has projected that the basin will become over drafted if present management conditions continue, in the most current bulletin of the department that characterizes the condition of the groundwater basin, and a detailed description by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), of the efforts being undertaken in the basin or basins to eliminate the long term overdraft condition.*
>
> *10910(f)(3) A detailed description and analysis of the amount and location of groundwater pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), for the past five years from any groundwater basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historical use records.*
>
> *A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), from any basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historical use records.*
>
> *10910(f)(4) An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project.*
>
> *A water assessment shall not be required to include the information required by this paragraph if the public water system determines, as part of the review required by paragraph (1), that the sufficiency of groundwater necessary to meet the initial and projected water demand associated with the project was addressed in the description and analysis required by paragraph (4) of subdivision (b) of Section 10631.*

This section describes the Livermore Valley Groundwater Basin and Zone 7's Groundwater Management Plan[65] that is used to manage the basin. Each year, Zone 7 prepares an Annual Report for the Groundwater Management Program.

DSRSD does not itself extract groundwater as a water supply. By contract, Zone 7 conducts this groundwater pumping operation as part of providing water supply services to DSRSD. This groundwater supply is then blended with water from Zone 7's other water supply sources and delivered to DSRSD. In

[6] Zone7 Water Agency, September 2005. Groundwater Management Plan

accordance with their water supply agreement, Zone 7 pumps DSRSD's groundwater supply from the Livermore Valley Main Groundwater Basin, as described in Section 5.2.3.

DSRSD's groundwater resource is described below.

5.3.1 DSRSD Groundwater Pumping Quota

DSRSD, the City of Pleasanton, the City of Livermore, and Cal Water Livermore District, through agreements with Zone 7, have mutually agreed to limit their extraction from the Main Basin to a combined quantity of approximately 7,200 AFY, about 54 percent of the long-term sustainable yield of the Main Basin. This agreement, along with Zone 7's other groundwater management activities, keeps the groundwater budget essentially in balance under average hydrologic conditions. Each of these retailers has a groundwater pumping quota (known as their GPQ). DSRSD's GPQ is 645 AFY. In accordance with its agreement with Zone 7, DSRSD may obtain groundwater in excess of its GPQ if it pays a recharge fee to Zone 7.

Currently, the DSRSD groundwater supply (GPQ) is pumped by Zone 7 for DSRSD from a Zone 7 installed well in the Mocho well field, Mocho No. 4. This well was constructed on DSRSD property (previously Parks Reserve Forces Training Area property) under a 2002 agreement between DSRSD and Zone 7 whereby DSRSD provided Zone 7 with access, Zone 7 paid all of the costs for the well, pump and building, and DSRSD has the annual option of requesting that Zone 7 pump and provide DSRSD's GPQ at a cost of only power, chemical and some other incidental charges. Groundwater from Mocho No. 4 is blended with water from other Zone 7 water supplies and is delivered to DSRSD to meet its total water demand.

In addition to groundwater from the Main Basin, DSRSD may extract water in addition to the 645 AFY Main Basin groundwater pumping quota (GPQ) from areas outside the Main Basin (the fringe subbasin). Water can be pumped from the Fringe Basin as long as this groundwater extraction does not have adverse effects on the Main Basin. In the past, DSRSD pumped water from the fringe subbasin when it owned wells along Dublin Boulevard. However, pumping from the fringe subbasin was abandoned in 1980 due to water quality issues and pumping costs.

5.3.2 Historical and Projected Future Pumpage of DSRSD GPQ

As described above, DSRSD has a GPQ of 645 AFY in the Livermore Valley Main Groundwater Basin (Main Basin), which Zone 7 pumps on DSRSD's behalf as part of its water contract. Therefore, DSRSD itself does not pump any groundwater. DSRSD's GPQ is included in the purchased Zone 7 supply.

5.3.3 Groundwater Basin Description

Zone 7 overlies the Livermore Valley Groundwater Basin (Basin); the Main Basin is the portion of the Basin that contains high-yielding aquifers and generally the best-quality groundwater. As defined in DWR Bulletin 118 Update 2003 (California's Groundwater), the Basin (DWR Basin 2-10) extends from the Pleasanton Ridge east to the Altamont Hills and from the Livermore Uplands north to the Tassajara Uplands. The Basin is not adjudicated, in overdraft, or expected to be in overdraft, and DWR has identified it as medium priority.

Surface drainage features include Arroyo Valle, Arroyo Mocho, and Arroyo Las Positas as principal streams, with Alamo Creek, South San Ramon Creek and Tassajara Creek as minor streams. All streams converge on the west side of the basin to form Arroyo de la Laguna, which flows south and joins Alameda Creek in Sunol Valley and ultimately drains to the San Francisco Bay. Some geologic structures restrict the

lateral movement of groundwater, but the general groundwater gradient is from east to west, towards Arroyo de la Laguna, and from north to south along South San Ramon Creek and Arroyo de la Laguna.

The entire floor of the Livermore Valley and portions of the upland areas on all sides of the valley overlie groundwater-bearing materials. The materials are mostly continental deposits from alluvial fans, outwash plains, and lakes. They include valley-fill materials, the Livermore Formation, and the Tassajara Formation. Under most conditions, the valley-fill and Livermore Formation yield adequate to large quantities of groundwater to all types of wells, with the larger supply wells being in the Main Basin. The Main Basin is composed of the Castle, Bernal, Amador, and Mocho II sub-basins, with an estimated total storage capacity of 254,000 AF.

5.3.4 Groundwater Quantity

For Zone 7's operations, the Main Basin is considered a storage facility and not a long-term water supply, because Zone 7 does not have access to naturally recharged water. Zone 7 only pumps groundwater that has been artificially recharged with surface water supplies. As part of this conjunctive use program, Zone 7's policy is to maintain groundwater levels above historic lows in the Main Basin to minimize the risk of inducing land subsidence. Currently, this is accomplished by releasing SWP water to the arroyos for percolation and replenishment of the aquifers and by managing pumping activities.

Zone 7 established historic lows based on the lowest measured groundwater elevations in various wells in the Main Basin. The difference between water surface elevations when the Main Basin is full and water surface elevations when the Main Basin is at historic lows defines Zone 7's operational storage. Of the estimated total storage capacity of 254,000 AF, operational storage is about 126,000 AF based on Zone 7's experience operating the Main Basin, with the remaining 128,000 AF considered emergency reserve storage.

5.3.4.1 Historical and Projected Future Pumpage

Tables 5-2 and 5-3 present Zone 7's historical and projected future groundwater pumpage, respectively. Zone 7's artificial recharge program uses surface water supplies to recharge the Main Basin. Since Zone 7 only pumps what it artificially recharges, future groundwater pumpage is expected to have zero net impact on groundwater storage. Zone 7 plans to recharge about 9,200 AFY in the future, meaning Zone 7 can pump an equivalent 9,200 AFY from the Main Basin on average.

Table 5-2. Historical Groundwater Pumped by Zone 7

Basin Name	Volume, AF				
	2016	2017	2018	2019	2020
Livermore Valley Groundwater Basin	1,871	4,859	5,691	10,433	12,400

Source: Zone 7 2020 UWMP, Table 6-2

Table 5-3. Actual and Projected Artificial Recharge and Groundwater Extraction during Normal Water Years[a]

Volume, AF	Actual	Projected (Normal Years)				
	2020	2025	2030	2035	2040	2045
Artificial Recharge	1,400	9,200	9,200	9,200	9,200	9,200
Groundwater Extraction	12,400[b]	9,200	9,200	9,200	9,200	9,200
Net Change	**-11,000**	**0**	**0**	**0**	**0**	**0**

Source: Zone 7 2020 UWMP, Table 6-3

(a) Zone 7 does not use the Main Basin's natural sustainable yield, so it only pumps what it artificially recharges.

(b) Includes 600 AF of demineralization losses.

5.3.4.2 Artificial Recharge

Before the construction of the SWP in the early 1960s, groundwater was the sole water source for the Livermore-Amador Valley. Groundwater has gone through several periods of extended withdrawal and subsequent recovery. The Main Basin was overdrafted in the 1960s, when approximately 110,000 AF of groundwater was extracted, but was allowed to recover from 1962 to 1983. It was during this recovery era that Zone 7 first conducted a program of groundwater replenishment by recharging imported surface water via its streams or arroyos ("in-stream recharge" or "artificial recharge") for storage in the Main Basin, supplying treated surface water to customers to augment groundwater supplies, and regulating municipal pumping by other users.

Zone 7's operational policy is to balance natural and artificial recharge with withdrawal or pumping to maintain groundwater levels above the emergency reserve storage. Zone 7 is continuing to study the groundwater basin and developing new tools (such as an improved groundwater model) to better understand the levels of groundwater extraction possible under various conditions and contributing factors such as groundwater connectivity and spatial distribution in the Main Basin.

Between 1974 and 2020, Zone 7 artificially recharged over 67,000 AF more water than it pumped, helping to offset demands and keep the Main Basin's groundwater levels above the historical lows. More recently, Zone 7 has artificially recharged less than it has pumped, primarily due to construction work on the SBA, recent drought conditions, and lower-than-average SWP allocations. Overall groundwater storage remains significantly above historic lows, and Zone 7 plans to augment its current groundwater in-stream recharge capacity with off-stream recharge using the future Chain of Lakes project.

5.3.4.3 Current Sustainable Yield

Long-term natural sustainable yield is contractually defined as the average amount of groundwater annually replenished by natural recharge in the Main Basin—through percolation of rainfall, natural stream flow, irrigation waters, and inflow of subsurface waters—that can therefore be pumped without lowering the long-term average groundwater volume in storage. In contrast, artificial recharge is the aquifer replenishment that occurs from artificially induced or enhanced stream flow. With artificial recharge, more groundwater can be sustainably extracted from the Main Basin each year. Zone 7 only uses groundwater that it has artificially recharged.

The natural sustainable yield of the Main Basin has been determined to be about 13,400 AFY, which is about 11 percent of the operational storage. This long-term natural sustainable yield is based on over a

century of hydrologic records and projections of future recharge conditions and is allocated to Zone 7's retailers as a GPQ. If a retailer uses less than their GPQ in one year, they are allowed to carry over up to 20 percent of their GPQ to the next year. Retailers exceeding their GPQ must pay a recharge fee.

5.3.5 Groundwater Quality

In general, the Main Basin contains good-quality groundwater that meets all state and federal drinking water standards; groundwater is chloraminated to match the disinfectant residual in the transmission system. Zone 7 has several groundwater wells with naturally-occurring hexavalent chromium (Cr(VI)) concentrations near the Maximum Contaminant Level (MCL) and polyfluoroalkyl substances (PFAS) above the notification limit. In response, Zone 7 is actively managing flows from the affected wells. For example, Cr(VI) levels at the Stoneridge well are being managed through system blending and/or blending with other wells. Also, the PFAS levels in the Mocho 2 well currently require blending with the other wells in that wellfield and/or being sent through the Mocho Groundwater Demineralization Plant (MGDP). These conditions are being monitored and may change in the future.

Over the last few decades, there has been a slow degradation of groundwater quality, as evidenced by rising total dissolved solids (TDS) and hardness levels. To address this problem, Zone 7 developed a Salt Management Plan,[7] which was approved by the Regional Water Quality Control Board (RWQCB) in 2004, satisfying a condition of the Master Water Recycling Permit. The Salt Management Plan was incorporated into Zone 7's Groundwater Management Plan (GMP) in 2005. Salinity levels are being addressed primarily through groundwater pumping and demineralization. Zone 7 completed construction of the MGDP, which has a capacity of 6.1 million gallons per day (MGD) in 2009. The facility simultaneously allows for the removal and export of concentrated minerals or salts from the Main Basin and the delivery of treated water with reduced TDS and hardness levels to Zone 7's customers. Table 5-4 lists the average TDS and hardness for each year from 2016 through 2020.

Table 5-4. Groundwater Quality: TDS and Hardness (2016-2020)

Year	Total Dissolved Solids (TDS), mg/L	Hardness, mg/L
2016	685	416
2017	673	395
2018	673	409
2019	687	417
2020	683	433

Source: Zone 7 2020 UWMP, Table 6-4

Zone 7 implements a wastewater and recycled water monitoring program as part of the GMP. In the 2020 water year, about 14 percent (1,036 AF) of the recycled water produced in the Tri-Valley area was applied to landscapes over the Main Basin; the remainder was applied on areas outside of the Main Basin, primarily on areas overlying the Dublin and Camp fringe basins and the Tassajara uplands. There is also a small amount of untreated wastewater (681 AF in the 2020 water year) that is discharged to the Main Basin as leachate from wastewater treatment ponds located in southern Livermore, onsite domestic

[7] Zone 7 Water Agency, May 2004. Salt Management Plan.

wastewater systems (septic systems), and leaking wastewater and recycled water pipelines that run throughout the Basin.

Nitrates and salinity have historically been the primary water quality constituents of concern in wastewater and recycled water, but nitrates have become less of a concern since 1995, when the Livermore Water Reclamation Plant—which, along with DSRSD's Regional Wastewater Treatment Facility, is one of the two wastewater treatment facilities in the area feeding into recycled water facilities—reduced nitrates in its effluent. Salinity is addressed by the Salt Management Plan, as discussed above. In 2015, Zone 7 completed a Nutrient Management Plan (NMP),[8] which assesses the existing and future groundwater nutrient concentrations relative to the current and planned expansion of recycled water projects and future development in the Livermore Valley. The NMP also presents planned actions for addressing positive nutrient loads and high groundwater nitrate concentrations in localized Areas of Concern where the use of septic systems is the predominant method for sewage disposal. The NMP was prepared as a supplement to the Salt Management Plan; together, they are a Salt and Nutrient Management Plan (SNMP), which has been incorporated into the GMP and Alternative Groundwater Sustainability Plan.

Under the Toxic Sites Surveillance Program, Zone 7 documents and tracks polluted sites across the Main Basin that pose a potential threat to drinking water and interfaces with lead agencies to ensure that the Main Basin is protected. Information is gathered from state, county, and local agencies, as well as from Zone 7's well permitting program and the State Water Resources Control Board's GeoTracker website and compiled in a geographic information systems database. In general, there are two types of spills potentially threatening the Livermore Valley Groundwater Basin: petroleum-based fuel products and industrial chemical contaminants. In the 2020 water year, Zone 7 tracked the progress of 56 active sites where contamination has been detected in groundwater or is threatening groundwater. More details on the affected sites and their remediation can be found in the annual report.[9]

5.4 Recycled Water

DSRSD is responsible for treating and discharging treated wastewater for Dublin, South San Ramon, and Pleasanton. In addition, DSRSD owns and operates a RWTF at its regional Wastewater Treatment Plant (WWTP) and participates with EBMUD in a Joint Powers Authority (DERWA) which operates the SRVRWP. The SRVRWP provides recycled water that meets Title 22 disinfected tertiary recycled water requirements to landscape irrigation customers of DSRSD and EBMUD, including the San Ramon, Dublin, and Dougherty Valley areas of Alameda and Contra Costa Counties. In 2014, Pleasanton also began using recycled water from DERWA facilities under contract with DERWA.

Wastewater produced from the Dougherty Valley area of San Ramon is conveyed north to Central Contra Costa Sanitary District's (CCCSD) wastewater treatment plant. Wastewater flows are transported via the San Ramon Interceptor located within the Iron Horse Trail corridor.

5.4.1 Recycled Water Program Partnerships

In 1995, DSRSD and EBMUD executed an agreement to form DERWA, a Joint Powers Authority (JPA), for the purpose of implementing the SRVRWP. The SRVRWP further treats secondary effluent from the DSRSD

[8] Zone 7 Water Agency, July 2015. Nutrient Management Plan – Livermore Valley Groundwater Basin.

[9] Zone 7 Water Agency, March 2021. Annual Report for the Sustainable Groundwater Management Program 2020 Water Year.

Regional Wastewater Treatment Plant to produce disinfected tertiary recycled water suitable for irrigation and other approved uses. Deliveries of recycled water began in 2006.

The DERWA main transmission pipeline connects to DSRSD and EBMUD pipelines that serve recycled water to golf courses, parks, greenbelts, streetscapes, schools, office complexes, and homeowner associations. DSRSD currently supplies recycled water to parts of Dublin and Dougherty Valley, while EBMUD serves recycled water to portions of San Ramon. In future phases, EBMUD also plans to supply recycled water to areas within Blackhawk and Danville.

In 2014, the City of Pleasanton signed agreements for DERWA to produce recycled water for the City. These agreements paved the way for a recycled water program in Pleasanton and expansion of the DERWA water recycling plant. Recycled water deliveries to the City of Pleasanton began in 2015. The City of Pleasanton is not a DERWA member agency and receives recycled water on a wholesale basis from DERWA.

DSRSD is responsible for the operation and maintenance of the DERWA recycled water facilities under a 2005 Operations Agreement with DERWA. DSRSD monitors recycled water uses and files reports with the State Water Resources Control Board Division of Drinking Water and the San Francisco Bay RWQCB, in conformance with DSRSD's General Water Reuse Order No. WQ 2016-0068-DDW (General Order 2016).

In DSRSD's RWTF (also known as the Jeffrey G. Hansen Water Recycling Plant), a portion of the secondary effluent from the WWTP is treated further to produce Title 22 disinfected tertiary recycled water. Recycled water is produced using sand filtration and ultraviolet disinfection facilities (SFUV) during the dry season when demands are high. The sand filtration tertiary treatment facility capacity is approved by RWQCB for 16.2 MGD, and the ultraviolet disinfection system has been approved to be operated at up to 17.6 MGD.

DSRSD's RWTF also includes microfiltration and ultraviolet disinfection facilities (MFUV) with a treatment capacity of 3.0 MGD. These facilities currently act as backup facilities for the SFUV facilities and are used during times of low and high demands. The SFUV facilities have less flexible startup and shutdown requirements, whereas the MFUV facilities have a wide turndown range; therefore, they are used during low flow periods. During high-demand periods, the MFUV and SFUV facilities may be operated in parallel to meet demand. The MFUV facilities also provide redundancy, increasing reliability when units in the SFUV facilities are undergoing maintenance, repair, or replacement.

5.4.2 Recycled Water System Description

DSRSD owns and operates the RWTF at its WWTP, which produces recycled water that DERWA delivers to DSRSD, EBMUD, and Pleasanton. EBMUD, through its partnership with DERWA, has capacity rights in the DSRSD RWTF. DSRSD's recycled water distribution system extends from the DERWA distribution system and includes 55.3 miles of pipeline; three pump stations, R300A, R300B, and R20; and two reservoirs, R20 and R300.

The DERWA facilities include 16.6 miles of transmission main, Pump Stations R1 (at the WWTP), R200B, and R200A, as well as Reservoirs R100 and R200. EBMUD owns and operates the recycled water distribution pipeline system contained within its service area and will have two pump stations and a reservoir (future facilities). Pleasanton began using recycled water from the recycled water treatment facilities in 2014 and will continue to expand its use in the future. Pleasanton ties into the DERWA system near the corner of DSRSD's Dedicated Land Disposal (DLD) site adjacent to Stoneridge Drive near the WWTP. Under a 2014 agreement, the City of Pleasanton has capacity rights in the DSRSD RWTF.

5.4.3 Potential, Current, and Projected Recycled Water Uses

Prior to 1999, recycled water was used in DSRSD's water service area only for compaction, dust control, and sewer cleaning. In 1999, DSRSD began delivering recycled water to the Dublin Sports Grounds for landscape irrigation. Through subsequent connection to the SRVRWP backbone, DSRSD's recycled water distribution system expanded to serve newly developed areas in Dougherty Valley and the eastern portion of Dublin. Recycled water service was extended to large landscape irrigation water users in the established areas of central Dublin between 2013 and 2015 to reduce potable water demand. Where recycled water distribution mains are adjacent to construction sites, DSRSD allows temporary connection to the distribution main so that construction contractors may obtain recycled water for construction use. Further, DSRSD maintains a commercial recycled water fill station at its RWTF and purple hydrants within its water service area to provide recycled water to contractors for grading and compaction, dust control, landscape irrigation, and sewer flushing.

DSRSD has been extremely successful in the implementation of its recycled water program within its service area, serving 348 sites within its service area. In 2020, over 40 percent of the annual flow to the Regional Wastewater Treatment Plant was recycled for irrigation uses. The demand for recycled water now occasionally exceeds the available supply on peak summer days, resulting in zero discharge of treated secondary effluent from the DSRSD WWTP to San Francisco Bay during these peak periods.

On March 25, 2019, DERWA found that it cannot meet the combined peak demands and projected demands of its member agencies and Pleasanton. DERWA approved Resolution 19-3 (Appendix A) requesting that its member agencies take action to reduce recycled water demands and implement a connection moratorium to the DERWA recycled water system. On July 7, 2020, the DSRSD Board adopted a revised Recycled Water Policy that reflects the reduced availability of wastewater and decreasing reliability of potable water supplies. Under the Recycled Water Policy, DSRSD may not connect new irrigation customers to the recycled water system until such time as there is sufficient wastewater supply to meet DSRSD recycled water demands for a minimum 10-year time horizon.

On March 29, 2022, DSRSD and EBMUD entered into an interim agreement (Appendix B) to defer comprehensive updates to their recycled water program agreements to focus on demand management and plan for additional water supplies. DSRSD, in partnership with DERWA and EBMUD, continues to explore options to secure a permanent supplemental supply source for the DERWA program, including pursuing wastewater effluent from neighboring agencies, supplementing with groundwater, and looking at seasonal storage options. Although some progress has been made, to date, DERWA has not been able to secure a permanent recycled water supply source that would support lifting the moratorium on new recycled water customers. Therefore, DSRSD recycled water demands are expected to remain constant to 2045.

5.5 Summary of Current and Projected Future Water Supplies

DSRSD's water supply sources consist of water purchased water from Zone 7 and recycled water produced from its RWTF. Table 5-5 provides a summary of DSRSD's current and projected future water supplies.

Table 5-5. DSRSD Current and Projected Future Water Supplies

Water Source	2020, Actual[(a)]	2025[(b)]	2030[(b)]	2035[(b)]	2040[(b)]	2045[(b)]
Water Purchased from Zone 7, AFY	10,966	11,993	13,363	13,807	13,820	14,034
Recycled Water, AFY	2,888	3,044	3,044	3,044	3,044	3,044
Total, AFY	**13,854**	**15,037**	**16,407**	**16,851**	**16,864**	**17,078**

(a) Actual 2020 supplies are from Table 6-11 of the DSRSD 2020 UWMP (June 2021). Includes the DSRSD GPQ of 645 AFY.
(b) Projected supplies are from Table 6-12 of the DSRSD 2020 UWMP (June 2021). Includes the DSRSD GPQ of 645 AFY.

6.0 WATER SUPPLY RELIABILITY

> *10910 (c)(4) address "total projected water supplies available…during normal, single dry, and multiple dry water years during a 20-year projection…"*

This section describes the reliability of Zone 7's potable water supply and the DSRSD's recycled water supply under various hydrologic conditions, as presented in their respective 2020 UWMPs.

6.1 Potable Water Supply Reliability

The reliability of the DSRSD's potable water supply depends on Zone 7's water supply reliability policy and the reliability of Zone 7's supplies.

The future reliability of Zone 7's imported water is a concern. Drought, sea level rise, and natural disasters threaten the Delta, a critical component of the delivery system bringing water to Zone 7. As a result, Zone 7 is participating in and evaluating various projects that would provide alternate water supplies and/or storage, or protect, the existing delivery system against threats. These projects, summarized in Section 5.2.5, include installing a new diversion or conveyance system for Delta supplies, desalinating brackish water (water with high salt content), reusing highly treated wastewater for potable reuse, participating in the construction of a new reservoir to capture surplus water from the Sacramento River, expanding an existing reservoir near Zone 7 for additional storage, and adding a new connection to the South Bay Aqueduct. Based on Zone 7's efforts and DSRSD's continued use of recycled water, DSRSD's future water supplies are expected to keep pace with its water demands.

This section details each of these factors.

6.1.1 Zone 7 Reliability Policy for Municipal & Industrial Water Supplies

On October 17, 2012, the Zone 7 Board approved a revised Water Supply Reliability Policy (Resolution No. 13-4230), which adopts the following level-of-service goals to guide the management of Zone 7's treated water supplies and its capital improvement program:

- Goal 1: Zone 7 will meet its treated water customers' water supply needs, in accordance with Zone 7's most current Contracts for M&I Water Supply, including existing and projected demands as specified in Zone 7's most recent UWMP, during normal, average, and drought conditions, as follows:
  - At least 85 percent of M&I water demands 99 percent of the time
  - 100 percent of M&I water demands 90 percent of the time
- Goal 2: Provide sufficient treated water production capacity and infrastructure to meet at least 80 percent of the maximum month M&I contractual demands should any one of Zone 7's major supply, production, or transmission facilities experience an extended unplanned outage of at least one week.

Zone 7's water supply reliability analysis is based on future water supply options developed to meet this policy over the long term.

6.1.2 Zone 7 Water Supply Reliability

The quantity of water available from Zone 7's supply sources varies annually depending on hydrologic conditions. Consequently, Zone 7 reviewed historical data and developed a projected yield for each water supply source under three conditions: (1) normal water year, (2) single-dry year, and (3) five-consecutive year drought. Each condition is defined as follows:

- **Normal Water Year**: The year in the historical sequence most closely representing average runoff or allocation levels and patterns.
- **Single-Dry Year**: The year in the historical sequence with the lowest annual runoff or allocation.
- **Five-Consecutive-Year Drought**: Zone 7 considers a six-year "design drought" as part of its water supply analyses. Selection of the design drought corresponds with the driest six-year sequence on record, 1987-1992. This same sequence was utilized in the UWMP to maintain consistency with Zone 7's water supply planning efforts and is more conservative than the minimum required five-year drought scenario.

For each supply source, Table 6-1 lists the years representing the normal, single driest, and five consecutive dry years. Table 6-2 presents the estimated available water supply from each source based on these reference years.

Table 6-3 shows DSRSD's projected supplies from Zone 7 during dry years based on the assumptions in DSRSD's 2020 UWMP.

Table 6-1. Basis of Water Year Data for Zone 7's Water Supply Sources

Water Source	Normal Year	Single-Dry Year	Multiple Dry Years				
			Year 1	Year 2	Year 3	Year 4	Year 5
SWP – Table A	1965	2014	1987	1988	1989	1990	1991
SWP – Carryover	1965	2014	1987	1988	1989	1990	1991
Water Transfers	1965	2014	1987	1988	1989	1990	1991
Arroyo Valle	1919	1977	1987	1988	1989	1990	1991
Sites Reservoir	1965	2014	1987	1988	1989	1990	1991
BARDP[(a)] and/or Potable Reuse	1965	2014	1987	1988	1989	1990	1991
From Storage							
Main Basin	1965	2014	1987	1988	1989	1990	1991
Semitropic	1965	2014	1987	1988	1989	1990	1991
Cawelo	1965	2014	1987	1988	1989	1990	1991
Chain of Lakes	1965	2014	1987	1988	1989	1990	1991

Source: Zone 7 2020 UWMP, Tables 7-1 through 7-10

(a) BARDP = Bay Area Regional Desalination Project

Table 6-2. Summary of Estimated Available Water Supply from Zone 7's Sources

Water Source	Yield, AFY		
	Normal Year	Single-Dry Year	Five Consecutive Dry Years
SWP – Table A[(a)]	43,500	4,000	8,100-54,000
SWP – Carryover[(b)]	10,000	15,500	1,800-15,500
Water Transfers[(c)]	5,000	5,000	5,000
Arroyo Valle	5,500	0	1,500-1,700
Sites Reservoir[(d)]	10,000	15,300	15,800-17,700
BARDP and/or Potable Reuse[(e)]	5,000	5,000	5,000
From Storage			
Main Basin[(f)]	29,200	27,600	9,700-27,600
Semitropic[(g)]	13,000	6,500	10,000-10,100
Cawelo[(g)]	9,700	7,100	9,700
Chain of Lakes[(h)]	10,100	8,300	5,200-8,800

Source: Zone 7 2020 UWMP, Table 7-11

(a) Based on 2040 future SWP reliability Table A allocations.
(b) Zone 7's operational target is typically 10,000 AF for normal years.
(c) Zone 7 is pursuing water transfer agreements for the period through 2030. Annual amounts may vary, but variability has not been quantified.
(d) Supplies from Sites Reservoir are assumed to be available by 2030.
(e) Supplies from these sources are assumed to be available by 2030.
(f) These are estimated available supplies, not necessarily what would be pumped. Zone 7's typical operational target is around 9,200 AF for normal years.
(g) Semitropic and Cawelo supplies are typically not used during normal years.
(h) The Chain of Lakes Pipeline, which provides access to water stored in the Chain of Lakes, is assumed to be completed around 2025. Water stored in the Chain of Lakes is assumed to be available by 2030 and would not be used during normal years.

Table 6-3. Projected DSRSD Supplies from Zone 7 During Dry Years

Hydrologic Condition	2025	2030	2035	2040	2045
Single-Dry Year, AFY[(a)]	15,037	16,407	16,851	16,864	17,078
Multiple-Dry Year 1[(b)]	15,037	16,407	16,851	16,864	17,078
Multiple-Dry Year 2[(b)]	15,311	16,496	16,854	16,907	17,078
Multiple-Dry Year 3[(b)]	15,585	16,585	16,856	16,950	17,078
Multiple-Dry Year 4[(b)]	15,859	16,673	16,859	16,992	17,078
Multiple-Dry Year 5[(b)]	16,133	16,762	16,862	17,035	17,078

(a) Based on DSRSD's 2020 UWMP (June 2021), Table 7-5.
(b) Based on DSRSD's 2020 UWMP (June 2016), Tables 7-6

The following sections discuss the reliability of Zone 7's water supply sources and its strategies for managing the risks associated with each supply, as presented in Zone 7's 2020 UWMP. This analysis is based on historical conditions, adjustments to account for climate change impacts and other projected

trends, DWR's 2019 DCR (using modeling estimates that separated Table A allocations from carryover deliveries), and Zone 7's Water Supply Risk Model results.

6.1.2.1 Imported Water: State Water Project

Major constraints on SWP supplies include Delta conveyance, water quality, and SBA conveyance. This section describes each constraint.

6.1.2.1.1 Delta Conveyance

Zone 7's long-term contract with DWR for SWP water provides Zone 7 access to Table A water (and Article 56c water or carryover), Article 21 water, Article 56d water, and Yuba Accord water. As a SWP contractor, Zone 7 is also able to use SWP facilities for conveying water transfers or exchanges of SWP water (from another contractor) or from another water agency outside of the SWP system. SWP water moves through the Delta before it is conveyed by the California Aqueduct and the SBA to Zone 7's water facilities.

The instability of the aging levees in the Delta (including their vulnerability to seismic events and climate change), regulatory uncertainty, water quality issues including saltwater intrusion, and the declining health of the Delta ecosystem all challenge the long-term reliability of the SWP and, more generally, the water conveyance capability of the Delta. These issues directly challenge the Tri-Valley's long-term water supply reliability since a majority of Zone 7's water supply is and will continue to be tied to the Delta and SWP system.

DWR has prioritized, funded, and implemented Delta levee improvements and developed a plan for responding to levee failures. These efforts, along with pre-positioned emergency flood fighting materials, help ensure reasonable seismic performance of levees and timely pathway restoration after a severe earthquake.

Zone 7 is also participating in alternative conveyance projects, specifically the DCP and the Los Vaqueros Expansion Project. The Transfer-Bethany Pipeline is part of the Los Vaqueros Expansion Project and would provide an alternate means of conveying water to Zone 7 when the Delta is inaccessible.

6.1.2.1.2 Water Quality

Until the DCP is constructed and operational, there continue to be water quality concerns associated with transport through the Delta. In 1982, DWR formed the Interagency Delta Health Aspects Monitoring Program to monitor water quality in the Delta and protect human health. The program was renamed the Municipal Water Quality Investigations Program in 1990. From a municipal water supply perspective, water quality issues in the Delta are associated with salinity from seawater intrusion, wastewater effluent discharges, agricultural drainages from the islands, and recreational activities. Water quality issues of specific concern to Zone 7 are:

- **Algal byproducts:** Parameters of concern include compounds that cause taste-and-odor (T&O) and algal toxins. T&O is primarily a problem in the warmer months when algal blooms may be present. It can affect supplies from the Delta and from Lake Del Valle (which stores SWP water). Algae produce geosmin and 2-methylisoborneol, which are key T&O-causing compounds in surface water supply. Algal toxins derived from blue-green algae can also be a concern. Zone 7's new ozonation facilities (recently installed at the Del Valle Water Treatment Plant and scheduled for completion at the Patterson Pass Water Treatment Plant in 2022) effectively treat algal byproducts. Without ozonation, high levels of algal byproducts in both Delta and Lake Del Valle supplies may necessitate temporarily switching

to groundwater supplies; blending of sources is also an option depending on the source of algal byproducts and severity.

- **Total and dissolved organic carbon (TOC/DOC):** Zone 7 treats organic carbon with coagulant and disinfectant chemicals, and therefore higher levels of organic carbon increase costs. In addition, TOC/DOC help form disinfectant byproducts (DBPs), which are regulated compounds in drinking water. Historically, Zone 7's water treatment plants (WTPs) have managed high TOC/DOC by increasing coagulant dosages. However, this operational change results in greater sludge production and limits WTP production. The use of ozone reduces coagulant and chlorine demands, thus reducing typical chlorination DBPs; however, formation of ozonation DBPs such as bromate will need to be controlled.
- **Turbidity:** like TOC/DOC, turbidity affects the amount of chemicals used in treatment and Zone 7's ability to meet drinking water standards. It also can reduce the production capacities of Zone 7's WTPs, requiring increased groundwater production under high demands. Coagulant dosages can be adjusted to address high turbidity (which can happen after big storms), but if filters require more frequent backwashing, then production may be decreased.
- **Salinity or TDS:** salinity has significant impacts on SWP operations and the availability of water. To meet the salinity objectives in the Delta, water exports from the Delta may be restricted, reducing the amount of water supply available during certain times of the year. Salinity intrusion can be a problem during dry years, when there is insufficient freshwater to repel salinity. Climate change-induced sea level rise is also expected to increase salinity in Delta. Finally, levee breaks—due to earthquakes and other factors—would result in significant saltwater intrusion as water floods affected islands in the Delta that are below sea level.
- **Algal blooms:** in addition to T&O and the threat of algal toxins, algal blooms can significantly degrade filter performance through clogging. Filter clogging reduces WTP production capacities and could require supplemental groundwater use.

As noted above, Zone 7 has state-of-the-art ozonation facilities at the Del Valle WTP, and ozonation facilities will be operational at the Patterson Pass WTP in 2022. Ozonation improves treatment of T&O, TOC/DOC, turbidity, and algal blooms and significantly increasing the surface water system's reliability.

In 2008, the SBA contractors (ACWD, Valley Water, and Zone 7) developed the SBA Watershed Protection Program to protect water quality once the water from the Delta reaches the SBA. The primary objectives of the SBA Watershed Protection Program include developing a Watershed Management Program for the SBA system, including Lake Del Valle and Bethany Reservoir, and protecting local drinking water and water resources from identified contaminant sources (e.g., septic tanks) for urban, agricultural, recreational, and environmental uses.

6.1.2.1.3 SBA Conveyance

One of the main limitations of Zone 7's water system is the lack of interties. All of Zone 7's imported water supplies are conveyed through the Delta and the SBA; Arroyo Valle water is also conveyed through the SBA. Zone 7 has been working closely with DWR, Valley Water, and ACWD to improve the reliability of the SBA. Between 2003 and 2012, DWR made improvements to the SBA within Zone 7's service area to increase capacity and improve reliability. The work included a new pump station (180 cubic feet per second (cfs)) and inline reservoir (500 AF) and increased the canal carrying capacity to 380 cfs. As part of this project, Zone 7 installed an emergency slide gate to maintain service in the event of a pipeline rupture

downstream. Zone 7 will continue coordinating with DWR and other stakeholders to improve the reliability of the entire SBA system.

In addition, Zone 7 is pursuing the following projects to diversify its conveyance options:

- **Reliability Intertie**: Zone 7 is planning for the construction of a reliability intertie with another major water agency that would provide an alternative means of conveying water to Zone 7's service area when the Delta and/or the SBA undergo an outage. For example, an intertie with the East Bay Municipal Utility District could convey treated water supply to the western portion of Zone 7's service area.
- **Chain of Lakes Pipeline**: This pipeline would allow for access to water stored in the Chain of Lakes as an alternative local water supply; water would be accessible to the Del Valle WTP via one of the SBA turnouts.

6.1.2.2 Local Storage

ACWD and Zone 7 both have water rights to divert water from the Arroyo Valle. This water is captured and stored in Lake Del Valle, which is owned and operated by DWR. Because Lake Del Valle is used for water supply storage, flood control, and recreation, withdrawing water from the lake needs to be coordinated with the lake's other uses. Typically, DWR lowers the lake elevation after Labor Day for flood control purposes, allowing Zone 7 and ACWD to put runoff from the Arroyo Valle to beneficial use. In the summer months, lake elevations are raised for recreational purposes. Historically, access to Zone 7's stored water in Lake Del Valle has not been problematic, unless there is an outage on the Del Valle Branch pipeline. Zone 7 closely coordinates use of Arroyo Valle water with both ACWD and DWR.

Water collected from the local watershed is protected under the SBA Watershed Protection Program Plan. In general, the water quality of Arroyo Valle runoff is good and does not affect the reliability of this water supply; however, as noted above, T&O can also affect supplies from Lake Del Valle. Zone 7 treats T&O using ozonation, although a switch to groundwater supplies is sometimes necessary under excessive levels of T&O compounds. Algal blooms in the lake can also reduce production capacities, though new ozonation facilities at the Del Valle WTP have significantly reduced the impact.

The future Chain of Lakes will provide significant local storage, but uncertainty surrounds its complete transfer to Zone 7. Favorable economic conditions could extend gravel mining operations, and even after mining ceases, reclamation must occur. These steps could delay a full Chain of Lakes transition to about 2060. Zone 7 continues to work closely with the mining companies and quarry operators so planning efforts can be coordinated. With the Chain of Lakes Pipeline, Zone 7 can enhance its use of the available lakes in the interim period.

6.1.2.3 Non-Local Storage

Access to banked water in Semitropic and Cawelo—both located downstream of Zone 7—requires exchange(s) with other SWP contractors located south of Kern County (e.g., Metropolitan Water District). To facilitate these exchanges, there must be sufficient water flowing through the Delta and California Aqueduct system, which could be challenging during a drought. Furthermore, the banked water must be conveyed through the Delta, rendering this supply susceptible to the Delta disruptions described in Section 6.1.2.1 of this WSA.

During the 2012-2016 drought, access to banked water became uncertain because of the historically low Table A allocation (leading to minimal amounts of water moving through the SWP) and the potential cessation of pumping in the Delta to control salinity intrusion. DWR was able to manage salinity so that Delta pumping could continue, and, with coordination among stakeholders including Zone 7, DWR prioritized the delivery of banked water to Zone 7 and other SBA contractors. Ultimately, even during the serious drought conditions in 2014 and the minimal 5 percent SWP allocation, Zone 7 was able to successfully recover almost 15,000 AF, or approximately 78 percent of the maximum recovery requested by Zone 7. In 2015, Zone 7 recovered approximately 18,000 AF from non-local storage.

Some of Semitropic's wells are affected by arsenic. This is currently being managed through treatment before the affected groundwater water is pumped into the California Aqueduct. Arsenic criteria have been established for this "pump-in" by the DWR Facilitation Group to mitigate any impacts to the downstream SWP contractors. Semitropic and the banking partners have developed a coordination process for discussing arsenic treatment. While the presence of arsenic in the Semitropic groundwater bank is likely to increase the cost of this water storage option, it is not likely to affect its overall reliability.

Zone 7 will continue to coordinate closely with DWR, other SWP contractors, Semitropic, and Cawelo to ensure the future reliability of the banked water supplies.

6.1.3 Groundwater Supply Reliability

Zone 7 is actively implementing its SNMP. Salinity levels are being addressed primarily through groundwater pumping and demineralization using the MGDP, which simultaneously allows for the export of concentrated minerals or salts from the Main Basin while improving the water quality of treated water.

Zone 7 has several groundwater wells with naturally-occurring Cr(VI) concentrations near the MCL and PFAS above the notification limit. In response, Zone 7 is actively managing flows from the affected wells. Conditions are regularly monitored, and management actions may change in the future. A PFAS treatment facility is under consideration for construction based on pending regulations.

Zone 7 continues to study the groundwater basin and develop new tools (e.g., an improved groundwater model) to better understand the groundwater extraction possible under various conditions while maintaining levels above historical lows. Zone 7 also plans to augment its ability to recharge the Main Basin (e.g., through the Chain of Lakes) to increase local storage and allow for more pumping when necessary. Recharging the Main Basin will improve both water supply reliability and salt management. Zone 7 plans to build an additional demineralization facility to continue to decrease the salt content of the Main Basin.

Finally, Zone 7 plans to build additional wells to improve management of groundwater levels and to increase groundwater production capacity during droughts and surface water-related outages. A new booster pump station will improve Zone 7's ability to convey groundwater throughout Zone 7's service area and increase production capacity.

6.2 Recycled Water Supply Reliability

The reliability and vulnerability of DSRSD's recycled water supply are related to seasonal fluctuations in the production of wastewater in DSRSD's service area, and are not generally subject to climatic

fluctuations[10]. Wastewater collection volume is subject to seasonal variations; for example, during the dry season, wastewater discharge is low but recycled water demands are high. The availability of source water supply currently limits DSRSD's production of recycled water, but these challenges are not insurmountable. As discussed in Section 5.4 of this WSA, DSRSD is pursuing various alternatives to resolve these limitations.

[10] During a drought, wastewater flows may drop slightly due to reduced potable water use. DSRSD estimates that a 10 to 15 percent reduction in potable water use results in about a 1 to 1.5 percent reduction in wastewater flows. In the future, DSRSD may manage recycled water supplies by implementing recycled water demand management measures during single-dry and multiple dry years.

7.0 DETERMINATION OF WATER SUPPLY SUFFICIENCY BASED ON THE REQUIREMENTS OF SB 610

10910(c)(4) If the city or county is required to comply with this part pursuant to subdivision (b), the water supply assessment for the project shall include a discussion with regard to whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses, including agricultural and manufacturing uses.

10911 (a) If, as a result of its assessment, the public water system concludes that its water supplies are, or will be, insufficient, the public water system shall provide to the city or county its plans for acquiring additional water supplies, setting forth the measures that are being undertaken to acquire and develop those water supplies.

7.1 Potable Water Supply Sufficiency

Pursuant to Water Code Section 10910(c)(4), and based on the technical analyses described in this WSA, DSRSD finds that the total projected water supplies determined to be available for the Proposed Project during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the Proposed Project, in addition to existing and planned future uses. As described above, the projected potable water demands for the Proposed Project are accounted for in DSRSD's 2020 UWMP.

As discussed in Section 4.2, DSRSD's 2020 UWMP included a projected potable water demand of 233 AFY for the Proposed Project site, consistent with the 2020 WSA update for the project site. In Section 2.3.3, the projected water demand for the Proposed Project calculated in this WSA is 224.9 AFY. This WSA's projected water demand is less than the DSRSD 2020 UWMP's projected water demand. Therefore, DSRSD may reasonable be expected to have sufficient water supply to meet the potable water demands for the Proposed Project.

Table 7-1 compares the Proposed Project's land use information and potable water demands from the 2020 WSA for the project site and the 2020 DSRSD UWMP and this WSA. As shown in Table 7-1, the total potable water demand projected in this WSA is 8.3 AFY less than the projected water demand from the DSRSD 2020 UWMP.

Table 7-1. Comparison of Past and Current Projected Water Demands for the Proposed Project

Land Use Designation	2020 DSRSD UWMP and 2020 WSA for Proposed Project Site[a]				2022 WSA[b]				Difference between 2020 UWMP and 2022 WSA			
	Area, acres	Dwelling Units	Commercial, ft^2	Total Potable Water Demand, AFY	Area, acres	Dwelling Units	Commercial, ft^2	Total Potable Water Demand, AFY	Area, acres	Dwelling Units	Commercial, ft^2	Total Potable Water Demand, AFY
Low-Density Residential	23.3	130	--	54.2	0	0	--	0	(23.3)	(130)	--	(54.2)
High-Density Residential	23.7	240	--	43.8	0	0	--	0	(23.7)	(240)	--	(43.8)
General Commercial		--	245,000	64.8	29.4	--	265,000	52.3	29.4	--	20,000	(12.5)
		0	--	0.0	--	40	--	12.2	--	40	--	12.2
Medium-Density Residential	27.4	196	--	64.0	17.0	150	--	51.3	(10.4)	(46)	--	(12.7)
Medium-High Density Residential	0.0	0	--	0.0	21.1	360	--	73.4	21.1	360	--	73.4
Public/Semi-Public	0.0	--	--	0.0	3.8	--	--	1.7	3.8	--	--	1.7
	--	0	--		--	100	--	30.4	--	100	--	30.4
Parks/Public Recreation	2.5	0	--	6.4	2.5	0	--	3.7	0.0	0	--	(2.7)
Total	**76.9**	**566**	**--**	**233.2**	**73.8**	**650**	**--**	**224.9**	**(3.1)**	**84**	**20,000**	**(8.3)**

(a) From Table 3 of Supplemental Water Supply Assessment and Water and Sewer System Capacity Analysis for the Updated Proposed AT Dublin Development Project TM.
(b) From Table 2-4 of this WSA.

Zone 7's 2020 UWMP indicates that it will have a supply surplus in all hydrologic conditions through 2045. According to Zone 7's 2020 UWMP, Zone 7 does not anticipate any water supply shortage during normal, single-dry, and multiple dry water years through 2045. Zone 7 plans to implement a series of near-term and long-term water supply projects as discussed in Section 5.2.5. In the near-term, before major water supply projects are implemented, there is a potential for operational constraints that could result in shortages in single dry or multiple dry years, especially during a Delta outage when there may be no or minimal water moving through the South Bay Aqueduct from the Delta. Untreated water customers would be most vulnerable because of their reliance on Delta water. Zone 7 may reasonably be expected to meet the DSRSD's projected potable and raw water demands (including potable water demands for the Proposed Project) in all hydrologic conditions through 2045.

Table 7-2 summarizes the projected availability of DSRSD's existing and planned future potable water supplies and DSRSD's projected water demands in normal, single-dry and multiple dry years through 2045. As shown in Table 7-2, water demand within DSRSD's water service area is not expected to exceed the DSRSD's water supplies during normal, single-dry, and multiple dry water years between 2025 and 2045. DSRSD plans to continue managing potable water demands within its water service area through water use efficiency and its recycled water program. If water shortages should occur, DSRSD may need to implement its WSCP, described in its 2020 UWMP.

During extended dry periods, the State may require conservation due to statewide drought emergency. Zone 7 and DSRSD may also seek to conserve water supply to minimize water shortage conditions in future years. As described in their respective WSCPs, in these cases, Zone 7 and DSRSD could call for voluntary or mandatory conservation for all customers, including those within the Proposed Project, and also make operational adjustments to minimize such shortages.

Table 7-2. DSRSD Summary of Potable Water Demand Versus Supply during Hydrologic Normal, Single Dry, and Multiple Dry Years

Hydrologic Condition		Supply and Demand Comparison, AFY				
		2025	2030	2035	2040	2045
Normal Year						
Available Potable Water Supply[(a)]		15,037	16,407	16,851	16,864	17,078
Total Potable Water Demand[(b)]		15,037	16,407	16,851	16,864	17,078
Potential Surplus (Deficit)		0	0	0	0	0
Percent Shortfall of Demand		-	-	-	-	-
Single-Dry Year						
Available Potable Water Supply[(c)]		15,037	16,407	16,851	16,864	17,078
Total Potable Water Demand[(d)]		15,037	16,407	16,851	16,864	17,078
Potential Surplus (Deficit)		0	0	0	0	0
Percent Shortfall of Demand		-	-	-	-	-
Multiple Dry Years						
Multiple-Dry Year 1	Available Potable Water Supply[(c)]	15,037	16,407	16,851	16,864	17,078
	Total Potable Water Demand[(e)]	15,037	16,407	16,851	16,864	17,078
	Potential Surplus (Deficit)	0	0	0	0	0
	Percent Shortfall of Demand	-	-	-	-	-
Multiple-Dry Year 2	Available Potable Water Supply[(c)]	15,311	16,496	16,854	16,907	17,078
	Total Potable Water Demand[(e)]	15,331	16,496	16,854	16,907	17,078
	Potential Surplus (Deficit)	-20	0	0	0	0
	Percent Shortfall of Demand	-	-	-	-	-
Multiple-Dry Year 3	Available Potable Water Supply[(c)]	15,585	16,585	16,856	16,950	17,078
	Total Potable Water Demand[(e)]	15,585	16,585	16,856	16,950	17,078
	Potential Surplus (Deficit)	0	0	0	0	0
	Percent Shortfall of Demand	-	-	-	-	-
Multiple-Dry Year 4	Available Potable Water Supply[(c)]	15,859	16,673	16,859	16,992	17,078
	Total Potable Water Demand[(e)]	15,859	16,673	16,859	16,992	17,078
	Potential Surplus (Deficit)	0	0	0	0	0
	Percent Shortfall of Demand	-	-	-	-	-
Multiple-Dry Year 5	Available Potable Water Supply[(c)]	16,133	16,762	16,862	17,035	17,078
	Total Potable Water Demand[(e)]	16,133	16,762	16,862	17,035	17,078
	Potential Surplus (Deficit)	0	0	0	0	0
	Percent Shortfall of Demand	-	-	-	-	-

(a) From Table 5-5 of this WSA.
(b) From Table 4-2 of this WSA.
(c) From Table 6-3 of this WSA.
(d) From Table 4-4 of this WSA.
(e) From Table 4-5 of this WSA.

8.0 Verification of Sufficient Water Supply Based on the Requirements of SB 221

The Proposed Project, with up to 650 residential dwelling units, is also subject to the requirements of SB 221 (Government Code Section 66473.7). SB 221 applies to residential development projects of more than 500 dwelling units (such as the Proposed Project) and requires that the water supplier (DSRSD) provide a written verification that the water supply for the Proposed Project is sufficient.

Verification must demonstrate supply sufficiency by showing that water supplies available during normal, single-dry and multiple dry years within a 20-year projection will meet the projected demand associated with the Proposed Project, in addition to existing and planned future uses, including, but not limited to, agriculture and industrial uses. Per the requirements of SB 221, the following must be considered:

- Historical water deliveries for the previous 20 years;
- Urban water shortage contingency analysis prepared for the UWMP;
- Supply reduction for specific water use sectors; and
- Amount of water expected from specified supply projects.

The DSRSD 2020 UWMP and this WSA for the Proposed Project provide the documentation required to comply with SB 221 and demonstrate that DSRSD's supplies are sufficient to meet the projected demand associated with the Proposed Project, in addition to existing and planned future uses, including, but not limited to, agriculture and industrial uses. The specific considerations to be evaluated for the SB 221 verification are described below and reference applicable sections of the DSRSD 2020 UWMP and this WSA.

8.1 Historical Water Deliveries

DSRSD's water supplies are described in Section 5.0 of this WSA and Chapter 6 of the DSRSD 2020 UWMP. Table 8-1 presents DSRSD's historical use of these supplies over the past 20 years. The use of these supplies will continue into the future, as described in Section 5.0 of this WSA, and as shown in Table 5-5 of this WSA.

Table 8-1. DSRSD Historical Water Supplies

Water Source	2000	2005	2010	2015	2020
Water Purchased from Zone 7 Water Agency, AFY[(a)]	6,724	9,489	8,619	6,800	10,321
Groundwater Pumped by Zone 7 on DSRSD's Behalf, AFY[(a)]	645	645	645	645	645
DSRSD Recycled Water, AFY[(a,b)]	34	888	1,729	2,579	2,888
Total, AFY	**7,403**	**11,022**	**10,993**	**10,024**	**13,854**

(a) Table 6-1, DSRSD 2005 UWMP and Table 4-1, Table 6-11, DSRSD 2015 UWMP.
(b) DSRSD recycled water does not include recycled water sales to other water agencies.

The availability and historical and projected use of groundwater supplies is described in Section 5.3 of this WSA. As described, DSRSD does not itself extract groundwater as a water supply. In accordance with the DSRSD water supply agreement with Zone 7, Zone 7 pumps DSRSD's groundwater supply (based on

DSRSD's GPQ) from local storage, and this groundwater supply is then blended with water from Zone 7's other water supply sources and delivered to DSRSD.

Water supply availability and reliability during normal, single-dry and multiple dry years is described in Section 6.0 of this WSA.

8.2 Projected Water Demand by Customer Sector

Projected potable and recycled water demands in the DSRSD service area are described in Section 4.2 of this WSA based on information provided in Chapter 4 of DSRSD's 2020 UWMP. Projected water demand by customer sector within DSRSD's service area is documented in the DSRSD's 2020 UWMP (Chapter 4, Table 4-3) and is summarized in Table 8-2.

Table 8-2. Projected Water Demands

Water Source	2025[a]	2030[a]	2035[a]	2040[a])	2045[a]
Potable Water, AFY					
Single Family	6,236	6,983	7,226	7,342	7,458
Multi-Family	2,043	2,287	2,367	2,405	2,443
Commercial	649	727	752	764	776
Institutional/Governmental	522	584	604	614	624
Landscape	1,329	1,489	1,540	1,565	1,590
Other – Construction	376	376	376	188	188
Other – Fireline Meters	1	1	1	2	2
Other – Ranch Owner	2	3	3	3	4
Other – Unmetered Sales	136	136	136	136	136
Other – Supplemental water for recycled water demand	21	21	21	21	21
Losses	678	755	780	781	793
Potable Water Subtotal, AFY[a]	11,993	13,362	13,806	13,821	14,035
Recycled Water, AFY[b]	3,044	3,044	3,044	3,044	3,044
Total, AFY	**15,037**	**16,407**	**16,851**	**16,864**	**17,078**

(a) From Table 4-3, DSRSD 2020 UWMP, June 2021.
(b) From Table 4-4, DSRSD 2020 UWMP, June 2021.

As described in Section 3.4, the potable water demands for the Proposed Project are included in DSRSD's 2020 UWMP.

8.3 Water Shortage Contingency Analysis

Appendix M of the DSRSD 2020 UWMP provides its WSCP to address foreseeable and unforeseeable water shortage conditions. DSRSD's WSCP was adopted by the DSRSD Board of Directors in June 2021.

Water shortages occur whenever the available water supply cannot meet the normally expected customer water use. Water shortages can be due to several reasons, such as climate change, drought, and catastrophic events. Drought, regulatory action constraints, and natural and manmade disasters may occur at any time. In 2018, the California State Legislature (Legislature) enacted two policy bills, (Senate Bill (SB) 606 (Hertzberg) and Assembly Bill (AB) 1668 (Friedman)) (2018 Water Conservation Legislation), to establish a new foundation drought planning to adapt to climate change and the resulting longer and more intense droughts in California. The 2018 Water Conservation Legislation set new requirements for water shortage contingency planning.

The WSCP describes the DSRSD's strategic plan to prepare and respond to water shortage conditions resulting from a drought, regulatory action, emergency, or other types of events. It also includes defined actions to reduce demand over six shortage condition levels, from 10 percent to more than 50 percent demand reductions. The WSCP provides a guide for DSRSD to prevent catastrophic service disruptions and has been updated to be consistent with the 2018 Water Conservation Legislation requirements.

As part of its WSCP, DSRSD's legal authorities, communication protocols, compliance and enforcement, and monitoring and reporting are described. DSRSD District Code Chapter 4.10 supports its WSCP. District Code Section 4.10.030(C)(2) authorizes the General Manager to declare a water emergency under imminent water shortage. As soon as practical, the General Manager will notify the Board. In a duly noticed meeting, DSRSD Board will determine whether a water shortage emergency condition exists and, if so, the degree of the emergency and what regulations and restrictions should be enforced in response to the shortage.

If an emergency were to occur, or if drought conditions occurred, requiring DSRSD to implement its WSCP, all of DSRSD customers, including those within the Proposed Project, would be subject to the same shortage response actions.

8.4 Verification of Sufficient Water Supply

As described in Section 7.0 of this WSA, DSRSD's water supplies are sufficient to meet the projected demands associated with the Proposed Project, in addition to DSRSD's existing and planned future uses, including, but not limited to, industrial uses. There are no existing nor planned agricultural uses in the DSRSD service area.

9.0 WATER SUPPLY ASSESSMENT AND VERIFICATION APPROVAL PROCESS

> *10910 (g)(1) Subject to paragraph (2), the governing body of each public water system shall submit the assessment to the city or county not later than 90 days from the date on which the request was received. The governing body of each public water system, or the city or county if either is required to comply with this act pursuant to subdivision (b), shall approve the assessment prepared pursuant to this section at a regular or special meeting.*

The DSRSD Board of Directors must approve this WSA at a regular or special meeting and provide it to the City of Dublin. Furthermore, this WSA must be included in the Draft EIR being prepared for the Proposed Project.

10.0 REFERENCES

City of Dublin, March 2022. Notice of Preparation.

Dublin San Ramon Services District, March 2016. Water System Master Plan.

Dublin San Ramon Services District, June 2021. 2020 Urban Water Management Plan.

Zone 7 Water Agency, May 2021. 2020 Urban Water Management Plan.

Appendix A

DSRSD-EBMUD Recycled Water Authority Resolution 19-3

DERWA
RESOLUTION NO. 19-3

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DSRSD•EBMUD RECYCLED WATER AUTHORITY (DERWA) REQUESTING THAT ITS MEMBER AGENCIES TAKE ACTION TO REDUCE RECYCLED WATER DEMANDS AND DIRECTING THAT THE AUTHORITY MANAGER IMPLEMENT DEMAND MANAGEMENT AND ALLOCATION ADJUSTMENTS PURSUANT TO ARTICLE IV OF THE AGREEMENT FOR THE SALE OF RECYCLED WATER BY THE DSRSD-EBMUD RECYCLED WATER AUTHORITY TO THE DUBLIN SAN RAMON SERVICES DISTRICT AND THE EAST BAY MUNICIPAL UTILITY DISTRICT

WHEREAS, the DSRSD•EBMUD Recycled Water Authority (DERWA), is a joint Powers Authority in Alameda and Contra Costa Counties, formed in 1995 by agreement of the Dublin San Ramon Services District and the East Bay Municipal Utility District for the implementation and construction of the San Ramon Valley Recycled Water Program for the purpose of maximizing the use of recycled water in ways that offset potable irrigation water demand for DERWA's Member Agencies, while recovering costs; and

WHEREAS, the DERWA members and the City of Pleasanton have caused to be constructed Phase 2 modifications to the Recycled Water Treatment Facilities (RWTF) to ultimately provide 16.2 mgd of treatment capacity; and

WHEREAS, the DERWA Board of Directors has received presentations from the Authority Manager on July 23, 2018, November 26, 2018, and February 4, 2019 providing details on peak summer demand recycled water production shortages projected for the 2019 recycled water irrigation season and subsequent years in the absence of the development of supplemental supplies; and

WHEREAS, reduced wastewater flows due to improved water use efficiency and conservation by customers have decreased recycled water supply available for the DERWA program; and

WHEREAS, the City of Pleasanton's increased use of wastewater for its Recycled Water Program has reduced the amount of wastewater available for DERWA's use; and

WHEREAS, the DERWA Board of Directors approved a supplemental supply agreement with the Central Contra Costa Sanitary District (Central San) at its February 4, 2019 Board Meeting to provide additional short-term recycled water supplies; and

WHEREAS, even with the supplemental supply agreement with Central San, based on current projected recycled water demands for the 2019 irrigation season, recycled water demands are expected to exceed the available recycled water supply on peak irrigation days in the summer; and

WHEREAS, based on projected recycled water demands for years beyond the 2019 irrigation season, recycled water demands are expected to exceed the planned available recycled water supply on peak irrigation days in the summer months during subsequent years; and

WHEREAS, EBMUD has made significant investment and has expended grant funding for the Phase 2 Expansion of its recycled water distribution system which will convert existing potable water use to recycled water use; and

WHEREAS, Article IV of the Agreement for the Sale of Recycled Water by the DSRSD-EBMUD Recycled Water Authority to the Dublin San Ramon Services District and the East Bay Municipal Utility District (Sales Agreement) provides that the Member Agencies shall implement demand management for their respective connected customers and the Authority Manager shall take actions to curtail delivery of recycled water to the Member Agencies; and

WHEREAS, Article IV of the Sales Agreement further provides for the allocation of available future recycled water supplies among the Member Agencies when recycled water demands are projected to exceed the recycled water supplies during periods beyond the current contract year; and

WHEREAS, the DERWA Board of Directors desires that the Authority Manager take appropriate steps as outlined in Article IV of the Sales Agreement to assist Member Agencies in the curtailment of their use of recycled water supply for the 2019 irrigation season and to take further actions to allocate amongst the Member Agencies, and the City of Pleasanton as applicable, the recycled water supply projected to be available in subsequent contract years; and

WHEREAS, given the projected current and future shortfall in recycled water supply and the complexity of implementing demand management on a real-time peak day basis, the most prudent and practical method of demand management is for the Member Agencies to implement a connection moratorium on new connections and implement other additional demand management practices to curtail the use of recycled water; and

WHEREAS, the DERWA Board of Directors desires that DERWA continue to research and appropriately develop the supplemental supplies necessary to increase the availability of recycled water for the current and future irrigation seasons.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the DSRSD•EBMUD Recycled Water Authority, a Joint Powers Authority, does hereby find, request, and direct as follows:

1. The DERWA Board of Directors finds that currently available DERWA recycled water supplies are insufficient to meet the projected recycled water demand of the Member Agencies and the City of Pleasanton on peak irrigations days in the summer during the current year; and
2. The DERWA Board of Directors further finds that recycled water supplies are anticipated to be insufficient to meet the projected demands for recycled water on peak irrigation days in future years; and

3. The DERWA Board of Directors requests that the Member Agencies implement a connection moratorium on new connections except for those EBMUD Phase 2 connections that are already in progress as listed in Exhibit A, and further requests that Member Agencies also implement other demand management practices to curtail use of recycled water; and

4. The DERWA Board of Directors directs the DERWA Authority Manager, consistent with the authority found in Article IV of the Sales Agreement, to take all appropriate steps to assist Member Agencies to curtail their use of recycled water supply for the 2019 irrigation season; and

5. The DERWA Board of Directors directs the DERWA Authority Manager, consistent with the authority found in Article IV of the Sales Agreement, to take further actions to apportion amongst the Member Agencies, and the City of Pleasanton as applicable, the recycled water supply projected to be available in subsequent years should recycled water supplies remain insufficient to meet projected demands.

ADOPTED by the Board of Directors of the DSRSD•EBMUD Recycled Water Authority, a Public Agency located in the Counties of Alameda and Contra Costa, California, at its Regular Meeting held on the 25th day of March 2019 and passed by the following vote:

AYES: 4 - Directors Frank Mellon, Ed Duarte, Georgean Vonheeder-Leopold John A. Coleman
NOES: 0
ABSENT 0

John A. Coleman, DERWA Chair

ATTEST:

Nicole M. Genzale, Authority Secretary

EXHIBIT A

EBMUD SAN RAMON VALLEY RECYCLED WATER PROJECT
PHASE 2 CUSTOMER SITE RETROFITS/CONNECTIONS IN PROGRESS

CUSTOMER SITES	SERVICE ADDRESS
San Ramon Valley Conference Center	3301 Crow Canyon Road
Bishop Ranch BR 6	2420 Camino Ramon
Sunset Development Co. Service Center	2453 Camino Ramon
Town of Danville Streetscape	2151 El Capitan Drive
City of San Ramon Streetscapes	3500/3585 Crow Canyon Road
Bishop Ranch Veterinary Center	2000 Bishop Drive
Caltrans Hwy 680 Landscapes	2100/2110 Bishop Drive
Canyon Lakes Golf Course	7300 Bollinger Canyon Road
Crow Canyon Country Club Golf Course	881 Silver Lake Drive

Appendix B

DSRSD-EBMUD Interim Agreement Related to the Supply and Sale of Recycled Water March 29, 2022

INTERIM AGREEMENT RELATED TO THE SUPPLY AND SALE OF RECYCLED WATER BETWEEN THE DUBLIN SAN RAMON SERVICES DISTRICT/EAST BAY MUNICIPAL UTILITY DISTRICT RECYCLED WATER AUTHORITY ("DERWA"), DUBLIN SAN RAMON SERVICES DISTRICT, AND EAST BAY MUNICIPAL UTILITY DISTRICT

This Interim Agreement Related to the Supply and Sale of Recycled Water between the Dublin San Ramon Services District - East Bay Municipal Utility District Recycled Water Authority ("DERWA"), Dublin San Ramon Services District ("DSRSD"), and East Bay Municipal Utility District ("EBMUD") ("Agreement") is made and entered into this 29th day of March 2022. DERWA, DSRSD, and EBMUD are individually referred to as "Party," and collectively as "Parties."

RECITALS

WHEREAS, on June 28, 1995, as amended on December 21, 1995, DSRSD and EBMUD entered into an agreement to form DERWA, a Joint Powers Authority in Alameda and Contra Costa County, for the purpose of implementing a program ("DERWA Program") to provide recycled water to DSRSD and EBMUD, as Member Agencies of DERWA, for their distribution within portions of their respective existing and future service areas, while recovering DERWA's costs ("1995 JPA Agreement"); and

WHEREAS, on June 28, 2003, the Parties entered into the Agreement for the Sale of Recycled Water ("Sales Agreement") and Water Supply Agreement, setting forth the terms and conditions for the supply and sale of recycled water between DERWA and the Member Agencies; and

WHEREAS, on May 23, 2005, the Parties entered into the Operations Agreement setting forth the conditions under which DSRSD agreed to operate and maintain the DERWA Program Facilities; and

WHEREAS, the 1995 JPA Agreement, Water Supply Agreement, Sales Agreement, and Operations Agreement shall be collectively referred to in this Agreement as the "DERWA Agreements"; and

WHEREAS, other agreements related to the implementation of the DERWA Program have been executed over the last 25 years including, but not limited, to the Agreement to Provide Recycled Water Treatment and Delivery Services between DERWA and the City of Pleasanton dated January 7, 2014, which expanded the DERWA Program to include deliveries to the City of Pleasanton; and

WHEREAS, the Sales Agreement provides that the recycled water supply rights of DSRSD and EBMUD shall be an annual average of 3,730 acre feet per contract year (which is equivalent to 3.3 million gallons per day) for DSRSD and 2,960 acre-feet per year (which is equivalent to 2.4 million gallons per day) for EBMUD and that those agencies' respective recycled water supply rights shall be the basis for the sharing of the risks and costs of implementation and operation of the DERWA Program; and

WHEREAS, the Parties acknowledged and agreed when they entered into the Sales Agreement that the amount of recycled water emanating from DSRSD's service area was insufficient to meet the Recycled Water Supply Rights of the Member Agencies as specified in the Sales Agreement, and that securing a permanent supplemental supply would be critical to achieving the long-term goals for the DERWA Program; and

WHEREAS, improved water use efficiency and conservation by customers have decreased wastewater flows to the DSRSD Regional Wastewater Treatment Plant, resulting in significantly less recycled water being available for the DERWA Program; and

WHEREAS, the City of Pleasanton's increased use of wastewater for the City's recycled water program has further reduced the amount of wastewater available for DERWA's use; and

WHEREAS, on February 4, 2019, DERWA and Central Contra Costa Sanitary District ("Central San") entered into an agreement under which Central San agreed to allow DERWA to temporarily divert a portion of Central San's wastewater supply as a supplemental supply source for the DERWA Program ("Central San Agreement"); and

WHEREAS, the Central San Agreement provides DERWA with a temporary supplemental supply for a three-year period from January 22, 2021 through January 21, 2024, with the potential to extend the agreement for an additional two years until January 21, 2026; and

WHEREAS, even with the supplemental supply available from Central San, current DERWA recycled water demands are projected to exceed the available recycled water supply on peak irrigation days in the summer; and

WHEREAS, on March 25, 2019, due to the projected current and future shortfall in recycled water supply, the DERWA Board adopted Resolution 19-3, requesting that Member Agencies implement demand practices to curtail use of recycled water and directing the DERWA Authority Manager to implement demand management and allocation adjustments pursuant to Article IV of the Sales Agreement; and

WHEREAS, DERWA Board Resolution 19-3 further requests that the DERWA Member Agencies implement a connection moratorium on new connections, except for those EBMUD Phase 2 connections that were already in progress and where significant investments had already been made; and

WHEREAS, the Parties acknowledge that considerable changes have occurred since the formation of DERWA and the initial delivery of recycled water and many provisions in the DERWA Agreements need to be reviewed and updated to reflect current circumstances; and

WHEREAS, in early 2020, the Parties initiated negotiations on a comprehensive update of the DERWA Agreements, and other related agreements, to reflect the actual working conditions of DERWA, address the issue of declining supplies, and streamline and consolidate the agreements into documents that could more easily be administered; and

WHEREAS, the Parties desire to defer negotiations on revising the DERWA Agreements until 2024 to allow time to focus on demand management, plan for additional recycled water supplies, and monitor developing wastewater discharge and potable reuse regulations.

NOW, THEREFORE, in consideration of the Recitals and the terms, conditions, and covenants contained herein, DERWA, DSRSD, and EBMUD agree as follows:

I. PURPOSE

A. The purpose of this Agreement is to set forth concepts to be included in future negotiations to revise the DERWA Agreements and to address issues that may arise during the term of this Agreement. The Parties acknowledge that this Agreement addresses a limited number of issues and does not and cannot account for every issue that may arise during the term of this Agreement. Except as specifically provided for in this Agreement, all other provisions of the DERWA Agreements shall remain in full force and effect. In the event that there is an irreconcilable conflict between the terms of any of the DERWA Agreements and the terms of this Agreement, the terms of this Agreement shall control.

B. This Agreement is intended as a short-term, interim agreement, that provides additional time for the Parties to evaluate the effectiveness of demand management strategies, the feasibility of securing permanent supplemental supplies for the DERWA Program, and changes in regulations that could affect wastewater flows, prior to the Parties resuming negotiations to update and revise the DERWA Agreements.

C. The Parties intend for this Agreement to establish a process for the Parties to implement demand management measures and allocate recycled water shortages as directed by the DERWA Board in Resolution 19-3 and as provided for in Article IV, *Recycled Water Supply Shortage Provisions*, of the Sales Agreement.

II. TERM AND FUTURE NEGOTIATIONS TO REVISE DERWA AGREEMENTS

A. The term of this Agreement shall be from the date of execution until December 31, 2024.

B. No later than January 1, 2024, the Parties agree to resume good faith negotiations to update and revise the DERWA Agreements, and other related agreements as necessary, to reflect the actual working conditions of the DERWA Program and the issue of declining recycled water supplies. The Parties agree to address the concepts listed in Exhibit A during future negotiations to amend the DERWA Agreements.

III. CONNECTION MORATORIUM

A. Except as provided for in Section III.B, DSRSD and EBMUD shall adhere to the connection moratorium on new recycled water connections as requested by DERWA Board Resolution 19-3 while this Agreement remains in effect. Neither Member Agency shall approve or deliver recycled water to new customer sites during the term of the Agreement.

B. EBMUD may connect the Crow Canyon Country Club to recycled water, which is already in the process of being connected and was included in the Phase 2 connections that were exempted from the connection moratorium request adopted by the DERWA Board . All other new connections listed in Resolution 19-3 as exempt from the moratorium have been completed. DSRSD may provide a recycled water connection for the Tri-Valley Residential Fill Station, subject to the terms and conditions specified in Section VIII of this Agreement.

IV. DEMAND MANAGEMENT AND ALLOCATION OF RECYCLED WATER SHORTAGES

The Parties acknowledge and agree that the total demand for the Member Agencies' connected customers may exceed available recycled water supplies on peak summer days during the term of this Agreement. The Parties further acknowledge and agree that Article IV, *Recycled Water Supply Shortage Provisions*, of the Sales Agreement provides for the Member Agencies to implement demand management for their respective connected customers and for the Authority Manager to take actions to curtail delivery of recycled water to the Member Agencies when total recycled water demands are anticipated to exceed total recycled water supplies.

A. To address and mitigate the potential risk of recycled water supply shortages described in the preceding paragraph, the Parties agree to implement the demand management measures described in Part I of Exhibit B. If demand management measures are not able to adequately address a projected shortage in recycled water

supplies, EBMUD and DSRSD agree to follow the process outlined in Part II of Exhibit B and implement recycled water shortage actions to reduce recycled water deliveries. The process outlined in Part II of Exhibit B was developed in accordance with Article IV.B.1, *Reduction in Usage: Current Contract Year*, of the Sales Agreement, which requires EBMUD and DSRSD to reduce deliveries by the same percentage, to the extent that such reductions are required, so that the total deliveries to the Member Agencies' connected customers equals the available recycled water supply.

B. Notwithstanding the Agreement to Provide Water Supply between DERWA and the City of Pleasanton dated August 6, 2019, which allows for DERWA to receive potable water via a water supply turnout from the City of Pleasanton, or any provisions of the DERWA Agreements that may be contrary to the commitments described herein, unless otherwise mutually agreed by the Parties, the Parties agree that DERWA shall not add potable water to the DERWA system for the express purpose of meeting recycled water demands due to insufficient wastewater flows into the DSRSD Regional Wastewater Treatment Plant. The limitation in using potable water to meet recycled water demands described in this Section IV.B does not apply to DERWA's need to add potable water on a short-term basis in response to emergencies, treatment plant upsets, or planned or unplanned maintenance. Nothing in this Section shall prevent DERWA or DSRSD from complying with any supply request from the City of Pleasanton to operate the water supply turnout for the purpose of improving water quality in Pleasanton's potable water distribution system.

Notwithstanding any contrary prior contractual agreements among the Parties (or any of them), neither DSRSD nor EBMUD shall be required to provide or obtain a potable water supply for the DERWA system for the purpose of meeting recycled water demands due to insufficient wastewater flows into the DSRSD Regional Wastewater Treatment Plant.

V. ALLOCATION OF DERWA PROGRAM COSTS

Costs for the DERWA Program including, but not limited to, administration, design, construction, and operation and maintenance of DERWA facilities, are shared between DSRSD and EBMUD in accordance with Article V, *DERWA Costs, and Member Agency Payments and Credits*, of the Sales Agreement. The Parties agree to continue allocating DERWA Program costs in accordance with the existing provisions of the Sales Agreement and not to amend the Sales Agreement for the purpose of changing the allocation of costs between EBMUD and DSRSD during the term of this Agreement.

VI. CHARGE FOR SECONDARY EFFLUENT

Article 6.C, *Price of Secondary Effluent*, of the Water Supply Agreement establishes a process for DSRSD to begin charging DERWA for secondary effluent beginning in Year 21 of the Water Supply Agreement, or as of July 29, 2023. Consistent with Section II.B and Exhibit A of this Agreement, EBMUD and DSRSD have agreed to defer discussion on the charge for secondary effluent until negotiations resume on a more comprehensive update and revision of the DERWA Agreements. Therefore, the Parties hereby agree to toll the provisions in Article 6.C of the Water Supply Agreement for establishing the charge for secondary effluent, including waiving any and all notification requirements provided therein, until the expiration of the term of this Agreement.

Notwithstanding anything in the Water Supply Agreement to the contrary, if the Parties fail to execute an amended Sales Agreement or other agreement that addresses the price of secondary effluent prior to the expiration of the term of this Agreement, DSRSD may proceed with establishing the charge for secondary effluent pursuant to Article 6.C of the Water Supply Agreement by providing written notice to the DERWA Authority Manager, with a copy to EBMUD, that DSRSD intends to charge DERWA for secondary effluent beginning 15 months following termination of this Agreement. Said Notice shall be delivered no later than 90 days following termination of this Agreement.

Except as expressly modified by this Section VI, the provisions of Article 6.C of the Water Supply Agreement, including, without limitation, its arbitration provisions, shall continue in full force and effect and apply to any notice issued by DSRSD pursuant to this paragraph.

As provided herein, the provisions of this Section VI shall survive the termination or expiration of this Agreement.

VII. ROLES/RESPONSIBILITIES FOR PURSUING SUPPLEMENTAL SUPPLIES

A. The Parties agree to continue working cooperatively to obtain a permanent supplemental supply to meet the long-term needs of the DERWA Program in accordance with Article IV.C.3, *Permanent Supplemental Water*, of the Sales Agreement. However, neither EBMUD nor DSRSD, acting individually or jointly, shall be obligated to pursue supplemental supplies on behalf of DERWA outside of their respective service area.

B. In accordance with Article 3.A, *Availability, Delivery, and Acceptance*, of the Water Supply Agreement, DSRSD is committed to making and delivering recycled water for the DERWA Program generated from wastewater emanating from the DSRSD wastewater service area.

C. DSRSD, in cooperation with DERWA and EBMUD, shall evaluate options to maximize existing supply through onsite storage and operational strategies. If approved for implementation by the Parties, these improvements shall be budgeted and funded out of DERWA's Permanent Supplemental Supply Capital Improvement Project.

VIII. TRI-VALLEY RESIDENTIAL FILL STATION

A. During the term of the Agreement, the City of Pleasanton ("Pleasanton"), City of Livermore ("Livermore"), and DSRSD may jointly develop and implement a residential recycled water fill station at DSRSD's Gleason Property; 5287 Gleason Drive in Dublin, California ("Tri-Valley Residential Fill Station"). The Tri-Valley Residential Fill Station would provide recycled water for residents of the Amador Valley, San Ramon Valley, and Livermore Valley region ("Tri-Valley") during periods when mandatory outdoor watering restrictions for potable water are in effect due to drought conditions.

B. It is the mutual intent of the Parties that the Tri-Valley Residential Fill Station not result in any net reduction in the quantity of recycled water available for DERWA's existing customers, including EBMUD's planned connection to the Crow Canyon Country Club. Accordingly, DSRSD, in cooperation with Livermore and Pleasanton, agrees to secure a recycled water supply for the Tri-Valley Residential Fill Station from Livermore through an exchange with Pleasanton as described herein. Livermore has the ability to supply recycled water produced at Livermore's Water Reclamation Plant to the eastern portion of Pleasanton's recycled water system. DSRSD will work with Livermore and Pleasanton to ensure that Livermore provides a quantity of supply to Pleasanton sufficient to meet the demands of the Tri-Valley Residential Fill Station. Pleasanton will use the supply from Livermore in-lieu of recycled water supplies from DERWA so as to offset substantially all recycled water used for the Tri-Valley Residential Fill Station which will be supplied by DERWA via the DSRSD recycled water distribution system.

C. The Parties agree that DSRSD may provide a recycled water connection for the Tri-Valley Residential Fill Station provided that a recycled water supply is secured from Livermore in accordance with Section VIII.B and that there are no adverse impacts to DERWA customers. During the operation of the Tri-Valley Residential Fill Station, DSRSD shall provide DERWA and EBMUD with a monthly report showing daily supply and demand for the Tri-Valley Residential Fill Station. If the monthly report shows that insufficient supplies are being provided by Livermore and that there is an impact to DERWA customers, DSRSD agrees to take immediate corrective action to remedy the supply deficiency.

D. During periods when the Tri-Valley Residential Fill Station is operating, EBMUD customers within the City of San Ramon and Town of Danville would be allowed access to the fill station, subject to the same terms and conditions established for DSRSD, Pleasanton, and Livermore customers that receive recycled water from the Tri-Valley Residential Fill Station.

IX. JPA MEMBERSHIP

Notwithstanding Article 20, *Addition of Parties*, of the 1995 JPA Agreement, the Parties agree not to add new members to the DERWA Joint Powers Authority during the term of this Agreement.

X. GENERAL PROVISIONS

A. Termination. This Agreement can be terminated only by written mutual agreement of the Parties.

B. Assignment. No Party will assign any right or interest in this Agreement, or any part thereof, without the express written consent of the other Parties, which consent shall be at the sole discretion of the consenting Party or Parties. This Agreement shall bind the successors of the Parties in the same manner as if they were expressly named.

C. Compliance With Laws. Each Party will comply with all federal and state laws, local ordinances, regulations, and orders applicable to the work it will perform under this Agreement.

D. Indemnification. The provisions of Article VIII.H, *Indemnity*, of the Sales Agreement are not modified by this Agreement and continue in full force and effect.

E. Notice. Notices regarding this agreement shall be sent to:

DERWA:
DERWA Authority Manager
Dublin San Ramon Services District
7051 Dublin Boulevard
Dublin, CA 94568

DSRSD:
Daniel McIntyre, General Manager
Dublin San Ramon Services District
7051 Dublin Boulevard
Dublin, CA 94568
(925) 875-2200
mcintyre@dsrsd.com

EBMUD: Clifford Chan, General Manager
East Bay Municipal Utility District
375 11th Street
Oakland CA 94607
(510) 287-0101
clifford.chan@ebmud.com

The Parties may unilaterally modify the name, position, or address for notices pursuant to this Agreement; notification of which will be in writing and provided to each Party.

F. Dispute Resolution. Disputes shall be addressed in the manner provided for in Article VI, *Dispute Resolution*, of the Sales Agreement.

G. Headings. The Section headings contained in this Agreement are for reference purposes only and are not intended to govern, limit, or aid the interpretation of this Agreement and shall not in any way affect the meaning of this Agreement.

H. Signatures. The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities. This Agreement may be executed in counterpart which when taken together shall be considered one and the same agreement. The Parties agree to the use of digital signatures to execute this Agreement. Facsimile, email, digital, and electronic signatures shall be binding.

I. Severability. If any term or provision of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it will not affect the validity of any other provision, which will remain in full force and effect.

J. Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Venue shall lie exclusively in the Superior Court located in Alameda County, California.

K. No Third-Party Beneficiaries. No third-party beneficiaries are intended or created by this Agreement.

L. Waiver. No waiver by any Party of any provision of this Agreement shall be deemed a waiver of any other provision of this Agreement or of any subsequent breach by the other Party of the same provision.

M. Complete Agreement and Amendments. This Agreement constitutes the entire agreement between the Parties with respect to the specific purposes expressly listed in Section I and supersedes all prior or contemporaneous drafts, agreements and understandings, whether written or oral. This Agreement may be amended by written agreement executed by the Parties.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year of the last signature affixed below and first above written.

Dated: 4/1/2022 DSRSD/EBMUD RECYCLED WATER AUTHORITY

By: _____
John Rossi, Authority Manager

Approved as to Form:

Austin Chu
DERWA Counsel

Dated: 3/31/2022 DUBLIN SAN RAMON SERVICES DISTRICT

By: Daniel McIntyre
Daniel McIntyre, General Manager

Approved as to Form:

Douglas E. Coty
DSRSD Counsel

Dated: 3/30/2022 EAST BAY MUNICIPAL UTILITY DISTRICT

By: Clifford Chan
Clifford Chan, General Manager

Approved as to Form:

Jon Salmon
EBMUD Counsel

Exhibit A – Principles for Future Negotiations
Exhibit B – Demand Management Measures

EXHIBIT A

CONCEPTS FOR FUTURE NEGOTIATIONS TO REVISE DERWA AGREEMENTS

The Parties agree that the following concepts should be addressed during future negotiations to revise the DERWA Agreements. This Exhibit may be changed from time to time by mutual written agreement of the Parties, without regard to the provisions of Section X.M of this Agreement.

- As set forth in the Sales Agreement, facility capacity rights and costs are presently allocated between DSRSD and EBMUD based on an estimate of each Member Agency's maximum projected usage of each facility made at the time the DERWA Agreements were negotiated.

- The Sales Agreement sets forth the recycled water supply and facility capacity rights of the member agencies. Actual available supply is less than anticipated. Modification of recycled water supply and facility rights will be evaluated based on actual supply available.

- Reconciliation of capital cost contributions and potential changes to facility capacity rights and allocation of costs will be considered based on historic and projected usage of the DERWA Program facilities by each Member Agency.

- The Water Supply Agreement sets forth that DSRSD has the right to charge DERWA for Secondary Effluent beginning in Year 21 of the Water Supply Agreement, which has been suspended by the Agreement. The value of secondary effluent will be considered when the Parties discuss reconciling capital cost contributions and potential changes to facility capacity rights and allocation of costs.

EXHIBIT B

DEMAND MANAGEMENT AND RECYCLED WATER SHORTAGE ACTIONS

The Parties have developed the following demand management measures and process for implementing recycled water shortage actions to achieve reductions in recycled water deliveries that may be needed to address potential shortfalls in wastewater supply during the peak summer irrigation season. Exhibit B is intended to be a working document and may be changed from time to time by mutual written agreement of the Parties.

Part I – Demand Management

1. Demand Management Working Group. The Parties will establish a Demand Management Working Group to oversee implementation of demand management measures. The Demand Management Working Group will be comprised of representatives from EBMUD, DSRSD, and the City of Pleasanton[1]. At least one member of the DSRSD Operations staff responsible for operating the DERWA system will be present at every meeting. The Demand Management Working Group will meet monthly from April through September, or at a frequency otherwise agreed to by the members, for the purposes of sharing and reviewing DERWA recycled water production, supply, and customer demand data, and evaluating the effectiveness of demand management measures and recycled water shortage actions.

2. Frequent Meter Data Output to Support Demand Management due to Limited Recycled Water Supply. EBMUD will provide DSRSD with more frequent meter data including, at a minimum, hourly data on its largest fourteen connected recycled water customers beginning during the 2022 irrigation season. EBMUD and DSRSD agree to share available hourly meter data for the purpose of improving and optimizing DERWA supply and demand operations.

3. Customer Communications, Monitoring, and Enforcement. The Parties agree to participate in joint messaging to customers about water-wise practices, monitor and inspect customer recycled water usage, and provide warnings to customers regarding potential leaks and/or excessive water use. EBMUD and DSRSD agree to assign a key contact for coordinating with customers. This key contact, or their back-up, must be available to communicate with customers 7 days a week.

4. Rebate Programs. The Parties agree to have the Demand Management Working Group evaluate the potential benefits and costs of a rebate program for recycled water customers. Such a program could include rebates for turf replacement and/or irrigation controllers and could be administered and funded by DERWA or separately by EBMUD and DSRSD.

[1] The City of Pleasanton is not a DERWA Member Agency and not subject to the demand management and recycled water supply shortage provisions in Article IV of the Sales Agreement. However, the City of Pleasanton will be encouraged to participate in the Demand Management Working Group.

Part II – Recycled Water Shortage Actions

Recycled water demands and supply can vary widely throughout the irrigation season due to a multitude of factors including weather, irrigation schedules, and drought conditions. The Parties acknowledge the complexity and challenges of implementing actions to curtail recycled water demands in real-time. On a short-term, daily basis, DSRSD can generally balance supplies and demands using operational storage. However, if peak irrigation demands stay above available wastewater supplies for extended periods of time, cutbacks in recycled water deliveries will be needed.

The Parties agree to undertake the following actions, if needed, to adjust or reduce recycled water demands to meet available supply:

1. Changes to Irrigation Watering Schedules. Upon request from DERWA and/or DSRSD Operations, EBMUD and DSRSD will work with customers to request feasible adjustments of irrigation schedules to better manage demand and supply. Requests could include asking customers to switch watering days and/or or adjust watering hours to maintain system pressures.

2. Recycled Water Shortage Actions. Upon execution of this Agreement, EBMUD and DSRSD will each develop recycled water shortage actions that can be implemented in their respective service areas to achieve five (5) percent and ten (10) percent reductions in total customer recycled water demands over a 7-day period, so that such actions can be promptly implemented when needed. Such actions could include limiting the number of days in a week that outdoor watering is allowed by a customer to the extent such measures may be imposed in accordance with any contract or permit applicable to that customer's receipt and use of recycled water.

   In the event DSRSD anticipates that recycled water supplies will be insufficient to meet demands for the upcoming 7-day period, DSRSD will notify DERWA and EBMUD of the need to implement recycled water shortage actions to achieve a specified reduction in demand (either 5% or 10%). EBMUD and DSRSD agree to immediately implement their respective recycled water shortage actions upon receiving such notice and until such time as DSRSD provides notification that a reduction in recycled water demand is no longer required.

   The results and effectiveness of implementing recycled water shortage actions will be reviewed by the Demand Management Working Group at the next meeting, along with any recommendations for improving the process and adjustments, if needed, to an agency's recycled water shortage actions to achieve the desired level of reduction. This information will be summarized in a brief report to the DERWA Authority Manager who may take appropriate action, in accordance with Article IV, *Recycled Water Supply Shortage Provisions*, of the Sales Agreement, to ensure that both Member Agencies are reducing deliveries by the same percentage reduction so that total demand of the Member Agencies' connected customers equals the available supply.

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Receive Presentation on District's Water Conservation Status

RECOMMENDATION:

Staff recommends the Board of Directors receive a presentation on the District's water conservation status.

SUMMARY:

Per the Board of Directors' declaration of Stage 2 Water Shortage Emergency, the District has a target of 15% water conservation on an annualized basis. This report highlights recent activities and actions in response to the emergency declaration. The District's potable water use in July 2022 was 12% lower than in July 2020. The cumulative District's potable water reduction since the Board of Directors adopted the emergency declaration (from September 2021 to July 2022) is 7%.

DISCUSSION:

DSRSD continues implementing water demand reduction measures to meet the District's Stage 2 Water Shortage Emergency regulations adopted by the Board on September 21, 2021, calling for a mandatory 15% demand reduction Districtwide. These water demand reduction measures are consistent with the District's Water Shortage Contingency Plan (WSCP) and regulations on water use per District Code Chapter 4.20 as amended by Ordinance No. 350.

Staff most recently presented District's conservation status to the Board of Directors on July 19, 2022. Staff continues working on delivering conservation messages Districtwide. Below is a summary of the conservation program efforts since the last update.

District Water Conservation Messaging and Program in July (including August 1)

- Distributed a joint Zone 7/Tri-Valley retailers news release on 15% water conservation
- Provided information to *Pleasanton Weekly* on the Central Contra Costa Sanitary District diversion project that provides additional wastewater supply to DSRSD's Wastewater Treatment Plant to meet the peak recycled water demand in the summer months
- Shared a Zone 7 post on outdoor watering being 60-70% of average home's water use, including the message to irrigate between 9 p.m. and 6 a.m. and reduce length and frequency
- Posted on social media to promote watching DSRSD's Assistant General Manager, Jan Lee, on San Ramon's City Virtual Update about Drought Conditions and Water Conservation
- Posted on social media the "We Love Water" Scavenger Hunt by Zone 7 for a photo contest of water-wise locations in Tri-Valley during this time of drought
- Issued July's customer eNewsletter, *Pipeline*, encouraged customers to sign up for the free software, AquaHawk, so they can monitor their water use in real-time and receive alerts when they have a leak
- Finalized the shared digital kiosk ad for City Center in San Ramon, a collaboration effort with East Bay Municipal Utility District (EBMUD) (Attachment 1)
- Finalized the conservation campaign collaboration with cities of Pleasanton and Livermore on a shared Wheels bus ad campaign

Originating Department: Engineering Services	**Contact: I. Suroso/S. Delight**	**Legal Review: Not Required**
Financial Review: Not Required	**Cost and Funding Source: N/A**	
Attachments: ☐ None ☐ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☒ Other (see list on right)	**Attachment 1 – Bishop Ranch Collaboration Drought Message**	

Customer Portal – AquaHawk

The AquaHawk company mailed June's water use report to 23,500 residential customers on July 12th. Staff received and responded to customer inquiries after the water use reports were sent. July water use report will be available online for AquaHawk registered users in mid-July. For non-registered users, the report would be mailed out a week after the water report is posted online.

Rebates Program

Staff continued to receive rebate applications for the Weather-Based Irrigation Control (Smart Controller) and High-Efficiency Washer (HEW). 10 applications are for the Smart Controller rebate and 7 applications are for the HEW rebate.

District Potable Water Use and Conservation Target

Figure 1 presents the monthly water usage in 2020 (baseline) compared to 2022. DSRSD's average potable water use in July 2022 decreased by 12% compared to the baseline year, which is doubled compared to water saving in June. The temperature in July 2022 is about 2.5 degrees cooler than in July 2020, which helped water conservation in the District service area.

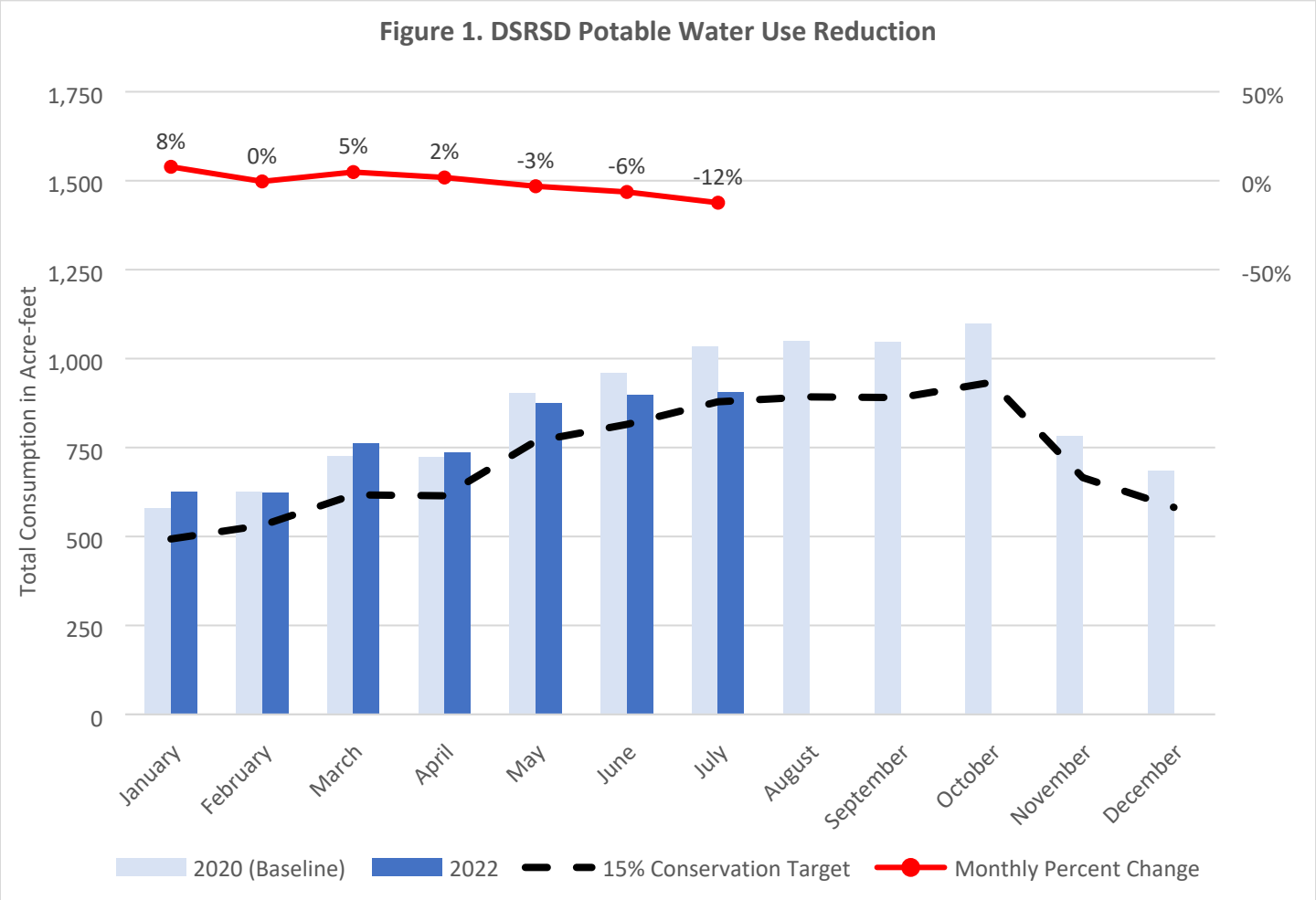


Figure 2 presents the July water usage by customer type in 2022 compared to 2020. Residential and Dedicated Irrigation customers used less water in July 2022 compared to the baseline year. Single Family Residential (SFR) used 19.5% less water, Multi-Family used 10.8% less water, and Dedicated Irrigation used 7.5% less water. The water reduction by Dedicated Irrigation customers was a response to District's non-compliance letters sent out to 138 Dedicated Irrigation customers who irrigated more than three non-consecutive days per week on June 30th.

Water usages for Commercial and Institutional customers (including Santa Rita Jail and FCI) were higher in July 2022 compared to the baseline year. The water usage for these customer types is mainly for domestic use. Almost all outdoor water use for these customer types is separated and categorized as dedicated irrigation. During the start of the pandemic, the shelter-in-place restriction reduced the number of commercial or institutional facilities to be opened in 2020. Therefore, the water usage in 2020 for these categories was much lower than in 2022 when the shelter-in-place restriction was lifted.

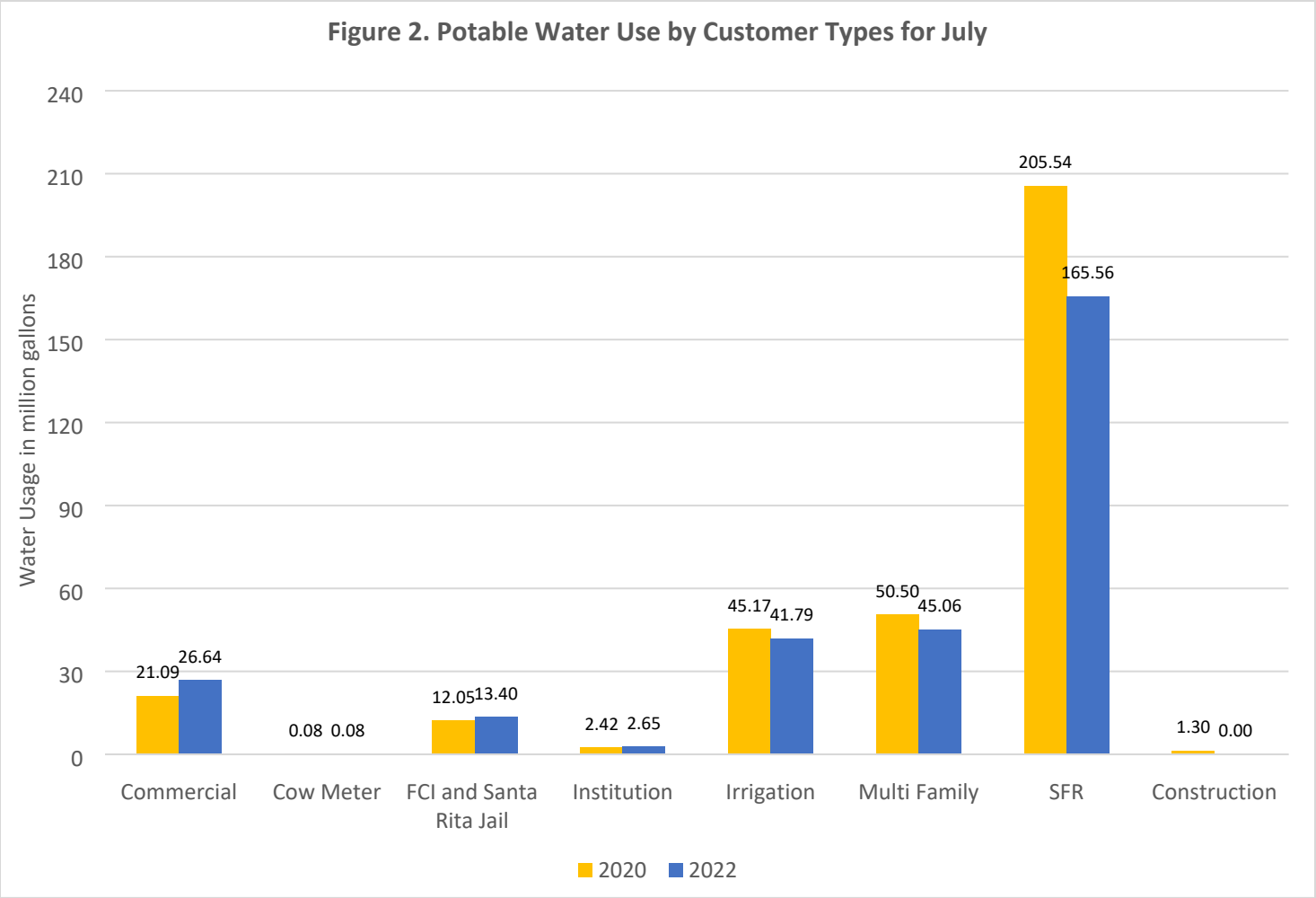
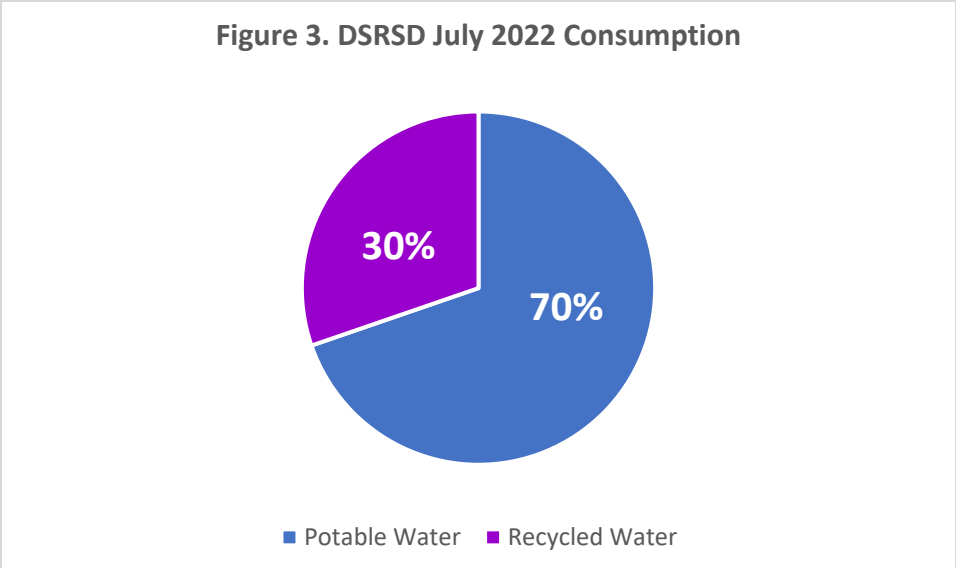


Figure 3 compares potable and recycled water consumption in the District service area for July 2022. Thirty percent of the overall water use in the District service area was supplied by recycled water. Almost all outdoor water uses for the parks, schools, streetscapes/medians, and commercial (including common areas maintained by homeowners associations) are irrigated using recycled water produced at the Jeffrey G. Hansen Water Recycling Plant.



Next Steps

Staff will continue to monitor the water usage of irrigation customers and collaborate with partner agencies in the Tri-Valley, including EBMUD in the drought messaging. Staff will also present drought and conservation information at public meetings when it is possible.

Goodbye, grass.
Hello, garden!

Reinvent your landscape with water-efficient plants and irrigation. For tips and rebates for homes and businesses, visit **ebmud.com/rebates** and **dsrsd.com/drought**.

make every drop count

Dublin San Ramon Services District

EBMUD

Water your plants, not the sidewalk.

Our community is in a serious drought, and we can't afford to waste water. Check your irrigation system and fix any overspray or runoff.
For conservation tips and rebates, visit **ebmud.com/drought** and **dsrsd.com/drought**.

make every drop count

Dublin San Ramon Services District

EBMUD

You're taking shorter showers. Make sure your plants do too.

Every drop of water in California counts, especially during drought. This summer, water your garden 3 days a week max—and only between dusk and dawn. Extra points for shortening watering times! For irrigation schedules, rebates, and other tips, visit **ebmud.com/drought** and **dsrsd.com/drought**.

make every drop count

Dublin San Ramon Services District

EBMUD

Dublin San Ramon Services District
Water, wastewater, recycled water

STAFF REPORT

Meeting Date: August 16, 2022

TITLE: Approve Health Insurance Maximum Contribution for Calendar Year 2023 for Board of Directors

RECOMMENDATION:

Staff recommends the Board of Directors approve, by Resolution, a health insurance premium maximum contribution for the period of January 1, 2023 to December 31, 2023 for active Boardmembers and annuitants.

DISCUSSION:

On May 17, 2022, the Board approved, by resolution, to set the employer contribution rates for health insurance premiums for Boardmembers to be the same as the three employee groups, effective July 1, 2022, and with District premium contribution amounts administratively processed, retroactive to January 1, 2022.

In July of 2022, the California Public Employees' Retirement System (CalPERS) notified contracting agencies of medical premium increases effective January 1 of the following calendar year. The Board will set, by resolution, the employer (District) health insurance premium maximum contribution amount for all District employees in accordance with the terms of existing labor agreements (MOUs), the applicable salary and benefits resolution for Unrepresented Employees, and the Personal Services Agreement for the General Manager. In accordance with the provisions of these existing labor agreements and Board resolutions for salary and benefits, the employer share of the health premium maximum contribution for all employees for calendar year 2023 will increase. As such, a resolution by the Board to set the calendar year 2023 employer health insurance maximum contribution for all employees is considered separately at this evening's Board meeting.

In accordance with Board Resolution No. 35-19, the Board shall set, by resolution, the employer health insurance premium maximum contribution amount to be equal to the monthly health benefit contribution amount for active employees, provided the contribution amounts for all active employees in all bargaining groups are equal.

Since CalPERS does require a resolution of the Board to make a change to the employer contribution for health insurance premiums, staff is recommending the Board adopt a resolution to set the maximum employer contribution rates for Boardmember health insurance premiums as follows:

Employee Only:	$885.39
Employee + One:	$1,770.80
Employee + Family:	$2,302.04

CalPERS requires that the District submit a separate resolution for each District health contract account. Thus, this item addresses the Boardmember health contract account (Public Employees' Medical & Hospital Care Act [PEMHCA] Non-CalPERS Health Contract).

Originating Department: Administrative Services	**Contact: M. Gallardo/C. Atwood**	**Legal Review: Not Required**
Financial Review: Not Required	**Cost and Funding Source: Within Budget / FYE 2023 Operating Budget**	
Attachments: ☐ None ☒ Resolution ☐ Ordinance ☐ Task Order ☐ Proclamation ☐ Other (see list on right)		

RESOLUTION NO.

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT FIXING THE EMPLOYER CONTRIBUTION AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT FOR BOARD OF DIRECTORS

WHEREAS, the Dublin San Ramon Services District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and

WHEREAS, Government Code Section 22892(a) provides that a contracting agency subject to the Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and

WHEREAS, in accordance with Board Resolution No. 35-19, the Board of Directors' monthly health benefit contribution amounts are set equal to the monthly health benefit contribution amounts for active employees, provided the contribution amounts for all active employees in all bargaining groups are equal; and

WHEREAS, the Board of Directors' monthly health benefit contribution amounts are set annually by resolution if the contribution amounts for all active employees in all bargaining groups are not equal.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, as follows:

1. The employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of their enrollment, including the enrollment of family members, in a health benefits plan or plans, effective January 1, 2023, up to a maximum of:

Medical Group	**Monthly Employer Contribution**		
	Single	**Two-Party**	**Family**
700 Board of Directors (NPERS)	$885.39	$1,770.80	$2,302.04

   Plus, administrative fees and Contingency Reserve Fund assessments and be it further resolved;

2. Dublin San Ramon Services District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further resolved;

3. The participation of the employees and annuitants of Dublin San Ramon Services District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Dublin San Ramon Services District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further resolved;
4. The executive body appoint and direct, and it does hereby appoint and direct, Nicole Genzale, District Secretary, to file with the Board a verified copy of this resolution, and to perform on behalf of Dublin San Ramon Services District all functions required of it under the Act.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 16th day of August, 2022, and passed by the following vote:

AYES:

NOES:

ABSENT:

_____
Richard M. Halket, President

ATTEST: _____
Nicole Genzale, District Secretary