



**Executive Board Meeting  
AGENDA  
Friday, April 18, 2025 9:00 AM - 12:00 PM (PDT)**

EBMUD  
375 11th Street, Oakland CA  
To attend the meeting via Zoom or submit a comment please [request access](#).

Agenda Item	Time	
<b>ROLL CALL, INTRODUCTIONS, AND TELECONFERENCE ETIQUETTE</b>	9:00 AM	
<b>PUBLIC COMMENT</b> <a href="#">Guidelines</a>	9:05 AM	
<b>CONSIDERATION TO TAKE AGENDA ITEMS OUT OF ORDER</b>	9:06 AM	
<b>CONSENT CALENDAR</b>	9:07 AM	
1 March 21, 2025 BACWA Executive Board meeting minutes		3-7
2 February 2025 Treasurer's Report		8-16
<b>APPROVALS AND AUTHORIZATIONS</b>	9:15 AM	
3 <u>Resolution</u> : Classes of membership Policy Amendment		17-20
4 <u>Approval</u> : Fiscal year 2025/26 BACWA Budget, including work plan and nutrient surcharge allocation		21-39
5 <u>Approval</u> : Carollo Amendment for AIR Support in FY25 - \$18,747 increase		40-48
<b>POLICY/STRATEGIC</b>	9:30 AM	
6 <u>Informational</u> : GAR and Compliance Milestones submitted <a href="#">Link to GAR</a>		
7 <u>Discussion</u> : Regional Plan Scoping Plan		
8 <u>Discussion</u> : Nutrient Trading feasibility study <a href="#">2017 Freshwater Trust White Paper</a>		49-65
9 <u>Informational</u> : NMS Update <a href="#">Link to Planning Subcommittee Notes</a>		
i. Science Goals		66
ii. Project priorities for FY25 and 5-yr plan		67-68
10 <u>Informational</u> : EPA Region IX SF Bay Program Office funding update		
<b>BREAK</b>	10:30 AM	
11 <u>Discussion</u> : Request to update individual annual SMR deadline to Feb 28		
12 <u>Informational</u> : Recycled Water Committee/WateReuse joint workshop on Nutrients-Recycled Water nexus April 29 <a href="#">Link to Registration</a>		
13 <u>Informational</u> : Onsite non-potable reuse regulation comments due May 9		69-83
14 <u>Discussion</u> : CASA PFAS update <a href="#">SB682 Bill Text</a>		84-87
<b>OPERATIONAL</b>	11:20 AM	
15 <u>Discussion</u> : Annual meeting draft agenda <a href="#">Link to Registration</a>		88
16 Discussion: BACWA Reserve Policy - Purpose of legal reserve		89-90
17 <u>Discussion</u> : Review potential FY26 meeting date conflicts		91
18 <u>Discussion</u> : BACC Bid Results <a href="#">BACC Price Comparison Spreadsheet</a>		
<b>REPORTS</b>	11:45 AM	
19 Committee Reports		92-96
20 Member highlights		
21 Executive Director Report		97-98
22 Board Calendar and Action Items		99-100
23 Regulatory Program Manager Report		101
24 Other BACWA Representative Reports		
a. RMP Technical Review Committee	Samantha Engelage, Alicia Chakrabarti,	
b. RMP Steering Committee	Blake Brown	
c. Summit Partners	Karin North; Amanda Roa; Eric Dunlavy	
d. ASC/SFEI	Lorien Fono; Jackie Zipkin	
	Lorien Fono; Amit Mutsuddy; Lori Schectel	
	Amit Mutsuddy, Eric Dunlavy; alternates:	
e. Nutrient Governance Steering Committee	Lori Schectel, Jackie Zipkin	
e.i Nutrient Planning Subcommittee	Eric Dunlavy	
e.ii MERHAB MaTAG	Amit Mutsuddy	
f. SWRCB Nutrient SAG	Lorien Fono	
	Cheryl Munoz; Florence Wedington;	
g. BAIRWMP	Jackie Zipkin	
h. CASA State Legislative Committee	Lori Schectel	
i. CASA Regulatory Workgroup	Lorien Fono; Mary Cousins	

j. RMP Microplastics Liaison	Jesse McDermott		
k. Bay Area Regional Reliability Project	Jackie Zipkin		
l. San Francisco Estuary Partnership	Lorien Fono; Jackie Zipkin		
m. CPSC Policy Education Advisory Committee	Colleen Henry		
n. California Ocean Protection Council	Lorien Fono		
o. California Water Quality Monitoring Council	Lorien Fono		
p. CASA Air Toxics Steering Committee	Lorien Fono, Jason Nettleton		
25 SUGGESTIONS FOR FUTURE AGENDA ITEMS		11:25pm	
26 CLOSED SESSION to discuss personnel matters pursuant to California Government Code Section 54957		12:00 PM	
NEXT MEETING			
The next regular meeting of the Board is scheduled for June 20, 2025 at SFPUC downtown			
ADJOURNMENT		1:00 PM	



**B A C W A**  
**BAY AREA**  
**CLEAN WATER**  
**AGENCIES**

**Executive Board Meeting Minutes**  
**Friday, March 21, 2025, 9:00 AM - 12:30 PM (PDT)**  
**Central San**

**Executive Board Representatives:** Jennie Pang (San Francisco Public Utilities Commission); Amit Mutsuddy (East Bay Municipal Utility District); Eric Dunlavey (City of San Jose); Jackie Zipkin (East Bay Dischargers Authority); Lori Schectel (Central Contra Costa Sanitary District).

**Attendees**

<b>Name</b>	<b>Agency/Company</b>
Alicia Chakrabarti	EBMUD
Amanda Roa	Fairfield-Suisun Sewer District
Brian Thomas	Delta Diablo
Irene Chu	Hazen and Sawyer
Jennifer Dymont	BACWA
Jerry Flanagan	City of Brisbane
Joel Prather	SFPUC
Lorien Fono	BACWA
Mary Cousins	BACWA
Mike Falk	HDR
Sara Sadreddini	Black & Veatch
Tim Lewis	Dublin San Ramon Services District
Tom Hall	EOA
Vince De Lange	Delta Diablo

Jackie called the meeting to order at 9:03

**Agenda Item**

**ROLL CALL, INTRODUCTIONS, AND TELECONFERENCE ETIQUETTE**

**PUBLIC COMMENT**                      **None**

**CONSIDERATION TO TAKE AGENDA ITEMS OUT OF ORDER**                      **None**

**CONSENT CALENDAR**

- 1        February 21, 2025, BACWA Executive Board meeting minutes**
- 2        March 10, 2025, Special Executive Board Joint Meeting with R2**
- 3        January 2025 Treasurer's Report**

**Consent Calendar items 1 thru 3:** A motion to approve was made by Lori Schectel (Central Contra Costa Sanitary District) and seconded by Eric Dunlavey (City of San Jose). All were in favor. None opposed. None abstained.

## **APPROVALS AND AUTHORIZATIONS**

### **4 Approval: BABC Integration into BACWA**

**Approval and Authorizations item 4:** Members of the Bay Area Biosolids Coalition, a project of special benefit of BACWA, have voted to join BACWA as a regular committee. A BAR was included in the packet that outlined how this transition will occur and how BABC will be funded beginning in FY26. A motion to approve was made by Amit Mutsuddy (EBMUD) and seconded by Eric Dunlavey (City of San Jose). All were in favor. None opposed. None abstained.

## **OPERATIONAL**

**5 Discussion: ED Performance Plan template and schedule** - Jackie Zipkin, BACWA Chair, explained the new format and process of BACWA ED evaluation by the BACWA Board. BACWA ED performance evaluation will take place in a closed session at the end of the April 18, 2025, BACWA Board meeting. BACWA Board members to provide feedback on template by March 28, 2025, and then the BACWA ED performance rating is due to Jackie on April 11, 2025.

**Action item:** BACWA to hold closed session at the end of April Board meeting to discuss ED performance evaluation.

**6 Discussion: Recommended edits to classes of membership policy** - BACWA ED discussed proposed updates to the BACWA Classes of Membership Policy that would allow POTWs from outside of the SF Bay Region 2 area to join as affiliate members. Instead of having committee-by-committee membership for these agencies, the new policy allows new affiliate membership to participate in all BACWA committees.

**Action item:** BACWA ED to bring final policy to April 2025 BACWA Board Meeting for approval.

**7 Discussion: Nutrient surcharge calculations** - BACWA ED shared a draft Nutrient Surcharge calculations for FY26 and explained how it was calculated. The final version will be included to be approved as part of the FY26 budget.

**8 Discussion: Draft FY26 BACWA Budget, Workplan, and 5-year plan** - BACWA ED and AED walked through the items. The Board requested that the Legal Regulatory Support line item be increased to \$20,000.

**Action item:** BACWA ED and AED to make updates and bring a Final FY26 Budget and Workplan to the April 2025 BACWA board meeting for approval.

**9 Discussion: Annual meeting draft agenda** - BACWA ED reviewed the proposed Annual Meeting agenda with the group. The group discussed moderator assignments, speakers, panel topics and the general outline of the day.

**Action item:** BACWA ED to finalize agenda and promote Annual Meeting sign up.

**10 Discussion: Board meeting schedule FY26** - BACWA ED shared the proposed FY26 BACWA Board Meeting schedule. The group agreed to cancel the July meeting and combine the November and December meetings into one meeting on December 12, 2025.

**Action item:** BACWA AED to update calendar and arrange locations.

**11 Discussion: Netfile form 700 reminder** - BACWA AED shared that the form is due April 1 and that she and Netfile will continue to remind them.

## **BREAK**

## **POLICY/STRATEGIC**

**12 Discussion: March 10 Joint meeting with R2 debrief** - The meeting minutes are in the packet.

**13 Discussion: Compliance Schedule Basin Plan Amendment** - BACWA ED shared that the water board proposed a non-TMDL Basin Plan Amendment to provide an extended compliance schedule in region 2. They are currently developing the draft language and have requested assistance with completion of CEQA documentation.

**14 Discussion: OPC and SWB updates on OAH** - BACWA ED shared a slide that summarized the OPC resolution along with the SWB modified strategic workplan, which calls for an Ocean Plan amendment to address ocean acidification and hypoxia.

**15 Informational: GAR and Compliance Milestones update** - Mike Falk from HDR shared that agencies have signed off on the GAR and they have updated the GAR based on feedback, including the new appendix summarizing agency progress towards meeting final effluent limits for total inorganic nitrogen. The draft report will be finalized and submitted by the April 1<sup>st</sup> deadline.

**16 Informational: NMS Update** - BACWA ED shared SFEI's recently completed brochure summarizing the nutrient management strategy science work, which is in the packet. BACWA ED proposed that copies be brought to the Annual Meeting.

**Action item:** BACWA ED to create an order form for printed copies of the SFEI NMS brochure.

**Action item:** BACWA ED to schedule a meeting for the BACWA Nutrient Strategy Team.

**17 Informational: EPA Region IX SF Bay Program Office funding update** - BACWA ED gave a quick summary of the funding options. The group discussed options if EPA funding is delayed and how to prevent staff layoffs while issues work their way through the courts. BACWA ED shared the updated 5 pillars guiding the EPA.

**18 Informational: NBS Webinar on April 10** - BACWA ED shared that the agenda is in the packet.

**19 Informational: Recycled Water Committee/WaterReuse joint workshop on Nutrients-Recycled Water nexus April 29** - BACWA ED shared this event is at Central San.

**20 Discussion: Proposed PFAS Communications Summit** - BACWA ED shared discussion topics for a future PFAS communication summit and discussed who would be

participating. Also, the BACWA RPM shared that CASA has created a support letter for legislation banning non-essential uses of PFAS (SB 682) and has requested that other agencies sign on. The letter was shared with the Executive Board.

**Action item:** BACWA ED to propose dates and agenda.

**Action item:** BACWA ED to invite CASA to provide an update on SB 682 at the April meeting.

**21 Informational: Chlorine Residual BPA cost savings** - BACWA ED shared a slide that demonstrates SBS reduction success stories.

**22 Informational: Regulatory Issues Matrix Update** - BACWA ED shared that the Regulatory Issues Matrix is available. Attendees suggested sharing a QR code link at the Annual Members meeting.

## REPORTS

23 Committee Reports - in the packet.

24 Member highlights - members shared agency highlights.

25 Executive Director Report - in the packet.

26 Board Calendar and Action Items - in the packet.

27 Regulatory Program Manager Report - in the packet.

28 Other BACWA Representative Reports

a. RMP Technical Review Committee Samantha Engelage, Alicia Chakrabarti, Blake Brown

b. RMP Steering Committee Karin North; Amanda Roa; Eric Dunlavey

c. Summit Partners Lorien Fono; Jackie Zipkin

d. ASC/SFEI Lorien Fono; Amit Mutsuddy; Lori Schectel

e. Nutrient Governance Steering Committee Amit Mutsuddy, Eric Dunlavey; alternates: Lori Schectel, Jackie Zipkin

e.i Nutrient Planning Subcommittee Eric Dunlavey

e.ii MERHAB MaTAG Amit Mutsuddy

f. SWRCB Nutrient SAG Lorien Fono

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h. CASA State Legislative Committee Lori Schectel

i. CASA Regulatory Workgroup Lorien Fono; Mary Cousins

j. RMP Microplastics Liaison Jesse McDermott

- k. Bay Area Regional Reliability Project Jackie Zipkin
- l. San Francisco Estuary Partnership Lorien Fono; Jackie Zipkin
- m. CPSC Policy Education Advisory Committee Colleen Henry
- n. California Ocean Protection Council Lorien Fono
- o. California Water Quality Monitoring Council Lorien Fono
- p. CASA Air Toxics Steering Committee Lorien Fono, Jason Nettleton

## **26 SUGGESTIONS FOR FUTURE AGENDA ITEMS**

### **NEXT MEETING**

The next meeting of the Board is scheduled for April 18, 2025 at EBMUD downtown

**ADJOURNMENT 12:38**



# B A C W A B A Y A R E A C L E A N W A T E R A G E N C I E S

March 21, 2025

MEMO TO: Bay Area Clean Water Agencies Executive Board  
MEMO FROM: Phoebe Grow, Treasurer, East Bay Municipal Utility District  
SUBJECT: Eighth Month FY 2025 Treasurer's Report

As required by section eight of the Joint Powers Agreement establishing the Bay Area Clean Water Agencies (BACWA) and California Government Code Sections 6500 et seq., attached is the BACWA Treasurer's Report for the period covering **July 1, 2024 through February 28, 2025** (Eight months of Fiscal Year 2025). This report covers expenditures, cash receipts, and cash transfers for the following BACWA funds:

- Bay Area Clean Water Agencies (BACWA),
- BACWA Legal Reserve Fund (Legal Rsrv),
- Water Quality Attainment Strategy (WQA CBC),
- Bay Area Biosolids Coalition (BABC),
- Bay Area Chemical Consortium (BACC),
- BACC Legal Reserve Fund (BACC Legal Rsrv),
- Water/Wastewater Operator Training (WOT),



## Houck, Matt

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**From:** Grow, Phoebe  
**Sent:** Friday, April 4, 2025 3:40 PM  
**To:** Houck, Matt  
**Subject:** RE: February 2025 Treasurer's Report

Approved. Thanks Matt!

Phoebe Grow, P.E. (she/her) | Principal Management Analyst | 510.287.0205 | [phoebe.grow@ebmud.com](mailto:phoebe.grow@ebmud.com)

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**From:** Houck, Matt <matt.houck@ebmud.com>  
**Sent:** Tuesday, March 25, 2025 2:11 PM  
**To:** Grow, Phoebe <phoebe.grow@ebmud.com>  
**Subject:** FW: February 2025 Treasurer's Report

Hi Phoebe,

I just wanted to see if you had a chance to approve Februarys TR for BACWA?

Thanks,

### Matt Houck

Accountant III  
East Bay Municipal Utility District  
375 11TH St, MS 402, Oakland, CA 94607  
P 510-287-0238

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**From:** Houck, Matt  
**Sent:** Monday, March 17, 2025 1:29 PM  
**To:** Grow, Phoebe <[phoebe.grow@ebmud.com](mailto:phoebe.grow@ebmud.com)>  
**Subject:** February 2025 Treasurer's Report

Hi Phoebe,

Please approve BACWA - February 2025 Treasurer's Report for distribution.

Let me know if you have any questions.

Thanks,

### Matt Houck

Accountant III  
East Bay Municipal Utility District  
375 11TH St, MS 402, Oakland, CA 94607



## MONTHLY FINANCIAL SUMMARY REPORT

February 2025

### **Fund Balances**

In FY25 BACWA has three operating funds (BACWA, Legal, and CBC) and three pass-through funds for which BACWA provides only contract administration services (WOT, BABC & BACC). As of October 2021, revenues are recognized when billed, not when payments are received.

BACWA Fund: This fund provides resources for BACWA staff, its committees, and other administrative needs. The ending fund balance on February 28, 2025, was \$604,847, which is significantly higher than the target reserve of \$384,651 which is intended to cover 3 months of normal operating expenses based on the BACWA FY25 budget. \$362,188 is encumbered to meet ongoing operating line-item expenses for BAPPG Committee Support, Legal services, IT services, Board meeting expenses, accounting services and BACWA staff support, which leaves \$242,659 unobligated.

CBC Fund: This fund provides the resources for completing special investigations as well as meeting regulatory requirements. The ending fund balance on February 28, 2024, was \$2,118,525 which is higher than the target reserve of \$1,000,000. \$78,050 of the ending fund balance is encumbered to meet line-item expenses for completion of the Group Annual Report and Nutrient Watershed Permit contracts. This leaves an actual unencumbered reserve balance of \$ 1,040,476 (i.e., actual fund balance of \$2,040,476 less target reserves) as of February 28, 2025. As directed by the BACWA Executive Board, the CBC fund has diminished over time due to BACWA's ongoing funding of the NMS program to comply with the Nutrient Watershed Permit.

Legal Fund: This fund provides for needed legal services. The ending balance was \$300,000 which is at the target reserve of \$300,000.


### **Budget to Actual**

The BACWA Annual Budget includes all expected revenues as well as budgeted expenses. Transfers are made from the BACWA Fund and/or the CBC Fund to balance the Annual Budget if expenses exceed revenues and vice versa. It is therefore important to achieve the anticipated revenues and not exceed the budgeted expenses on an annual basis to maintain the BACWA and CBC Fund balances at the levels projected in the 5 Year Plan.

Revenues as of February 28, 2025 (58% of the FY) are at 99%

Expenses as of February 28, 2025 (58% of the FY) are at 70%

**FY 2025  
BACWA BUDGET to ACTUAL**

							
<u>BACWA FY25 BUDGET</u>	<u>Line Item Description</u>	<u>FY 2025 Budget</u>	<u>Projected Revenue as of Feb 2025 Changes from budget in blue</u>	<u>Actual February 2025</u>	<u>Actual % of Budget February 2025</u>	<u>Variance</u>	<u>NOTES</u>
<b>REVENUES &amp; FUNDING</b>							
<b>Dues</b>	Principals' Contributions	\$553,929	\$553,929	\$553,930	100%	\$1	FY25: 3% increase 5 @ \$110,786
	Associate & Affiliate Contributions	\$195,780	\$195,780	\$195,780	100%	\$0	FY25: 3% increase. 12 Assoc: \$9142 47 Affiliate: \$1831; UC Berkeley \$500
<b>Fees</b>	Clean Bay Collaborative	\$675,000	\$675,000	\$675,000	100%	\$0	Same as FY23. Prin: \$450,000; Assoc/Affil: \$225,000
	Nutrient Surcharge	\$1,600,000	\$1,600,000	\$1,600,000	100%	\$0	See Nutrient Surcharge Spreadsheet
	Voluntary Nutrient Contributions			\$0	0%	\$0	
<b>Other Receipts</b>	AIR Non-Member	\$7,582	\$7,582	\$7,582	100%	\$0	3% increase (Santa Rosa)
	BAPPG Non-Members	\$4,264	\$4,264	\$4,264	100%	\$0	3% increase (Sta Rosa, Sac Reg'l, Vacaville) \$1,421/each
	Other			\$0		\$0	
<b>Fund Transfer</b>	Special Program Admin Fees (WOT)	\$1,000	\$0	\$0	0%	-\$1,000	
	Special Program Admin Fees (BACC)	\$39,522	\$39,522	\$0	0%	-\$39,522	400 hours of AED support \$98.80/hr
	Special Program Admin Fees (BABC)	\$6,000	\$6,000	\$0	0%	-\$6,000	ED, AED and RPM support
<b>Air Toxics</b>	CASA Passthrough	\$600,000	\$600,000	\$538,140	90%	-\$61,860	New in FY25
<b>Interest Income</b>	LAIF	\$80,000	\$167,456	\$167,456	209%	\$87,456	BACWA, Legal, & CBC Funds invested in LAIF
	<b>Total Revenue</b>	<b>\$3,763,077</b>	<b>\$3,849,533</b>	<b>\$3,742,152</b>	<b>99.44%</b>	<b>-\$20,926</b>	
<b>EXPENSES</b>							
<b>Labor</b>							
	Executive Director	\$224,230	\$224,230	\$112,115	50%	-\$112,115	(incl 2.6% CPI SF Bay Metro Area Dec 2023)
	Assistant Executive Director	\$94,417	\$94,417	\$56,561	60%	-\$37,856	(incl 2.6% CPI SF Bay Metro Area Dec 2023); \$78.68/hour; Reflects 1200 hours
	BACC Administrator	\$39,522	\$39,522	\$34,350	87%	-\$5,171	400 hrs AED support at \$98.80 per hr
	Regulatory Program Manager	\$156,136	\$156,136	\$89,629	57%	-\$66,507	(2.6% CPI SF Bay Metro Area Dec 2023); \$115.65/hour, Reflects 1350 hours
	<b>Total</b>	<b>\$514,304</b>	<b>\$514,304</b>	<b>\$292,655</b>	<b>57%</b>	<b>-\$221,649</b>	
<b>Administration</b>							
	EBMUD Financial Services	\$43,297	\$43,297	\$22,380	52%	-\$20,917	FY25 no change
	Auditing Services	\$5,672	\$5,672	\$0	0%	-\$5,672	Financial Auditors through EBMUD; per auditor rate schedule
	Administrative Expenses	\$4,059	\$4,059	\$99	2%	-\$3,960	50% less than FY24
	Insurance	\$10,753	\$8,457	\$8,457	79%	-\$2,296	15% increase from FY24 (10-15% est. increase per Alliant)
	<b>Total</b>	<b>\$63,781</b>	<b>\$61,485</b>	<b>\$30,936</b>	<b>49%</b>	<b>-\$32,845</b>	
<b>Meetings</b>							
	EB Meetings	\$3,500	\$3,500	\$2,850	81%	-\$650	27% increase from FY24
	Annual Meeting	\$14,369	\$14,369	\$1,900	13%	-\$12,469	No change from FY24
	Pardee	\$6,801	\$2,159	\$2,159	32%	-\$4,643	No change from FY24
	Misc. Meetings	\$10,000	\$10,000	\$5,912	59%	-\$4,088	33% increase from FY24 to accommodate conferences
	<b>Total</b>	<b>\$34,670</b>	<b>\$30,028</b>	<b>\$12,820</b>	<b>37%</b>	<b>-\$21,850</b>	
<b>Communication</b>							
	Website Hosting	\$743	\$743	\$231	31%	-\$512	2% increase from FY24, Go Daddy website hosting and domain registration
	File Storage	\$812	\$812	\$720	89%	-\$92	2% increase from FY24, box.net
	Website Development/Maintenance	\$1,624	\$1,624	\$762	47%	-\$862	2% increase from FY24
	IT Support	\$2,814	\$2,814	\$1,058	38%	-\$1,756	2% increase from FY24
	BACWA Value of Wastewater Communication	\$40,000	\$40,000	\$18,346	46%	-\$21,654	New line item in FY24, no change from FY24
	Other Commun	\$1,894	\$1,894	\$0	0%	-\$1,894	2% increase from FY23; MS Exchange, Survey Monkey, PollEv, Zoom, Netfile

FY 2025  
BACWA BUDGET to ACTUAL

EXPENSES							
	Total	\$47,887	\$47,887	\$21,117	44%	-\$26,770	
Legal							
	Regulatory Support	\$50,000	\$86,091	\$86,091	172%	\$36,091	Increase from FY24, new contract with Meyers Nave - <a href="#">received invoices from FY24 late</a>
	Executive Board Support	\$2,403	\$2,403	\$128	5%	-\$2,275	2% increase from FY24
	Total	\$52,403	\$88,493	\$86,218	165%	\$33,816	
Committees							
	AIR	\$76,000	\$76,000	\$34,893	46%	-\$41,107	\$75k consulting support, \$1k misc expenses. Carollo Engineers
	BAPPG	\$170,560	\$170,560	\$92,891	54%	-\$77,669	Includes CPSC @ \$5,000, OWOW @ \$10,000, NSAC @ \$10,000 and Pest. Reg Spt. @ \$71,500
	Assest Management Committee	\$500	\$500	\$0	0%		No change from FY24
	Biosolids Committee	\$500	\$500	\$0	0%	-\$500	\$500 in FY25
	Collections System	\$15,500	\$50,000	\$50,000	323%	\$34,500	SSS WDR Support - <a href="#">Budgeted in FY24 but invoice came late</a>
	O&M Committee	\$1,500	\$1,500	\$413	28%	-\$1,087	Requested \$1000 increase from FY24 for Annual Meeting lunch
	Laboratory Committee	\$500	\$1,609	\$1,609	322%	\$1,109	<a href="#">FY24 TNI invoice paid in FY25.</a>
	Permits Committee	\$500	\$500	\$390	78%	-\$110	No change from FY24
	Pretreatment	\$500	\$500	\$0	0%	-\$500	No change from FY24
	Recycled Water Committee	\$500	\$500	\$0	0%	-\$500	Requested default budget amount for FY25
	Misc Committee Support	\$45,000	\$45,000	\$0	0%	-\$45,000	No change from FY24
	Manager's Roundtable	\$1,000	\$1,000	\$0	0%	-\$1,000	No change from FY24
	Total	\$312,560	\$348,169	\$180,196	58%	-\$132,364	
Collaboratives							
	Collaboratives						
	State of the Estuary (SFEP-biennial)	\$0	\$0	\$0	0%	\$0	Biennial in Even Fiscal Years
	Arleen Navarret Award	\$2,500	\$2,500	\$0	0%	-\$2,500	Next Award will be disbursed in FY27
	BayCAN	\$5,000	\$1,500	\$1,500	30%	-\$3,500	
	Bay Area One Water Network	\$0	\$0	\$0	0%	\$0	No change from FY24
	Bruce Wolf Scholarship	\$4,000	\$4,000	\$0	0%	-\$4,000	FY22, FY23, FY24, FY25 FY26
	Passthrough for CASA for air toxics	\$500,000	\$500,000	\$0	100%	-\$500,000	New line item in FY24
	Misc	\$1,500	\$4,000	\$4,000	267%	\$2,500	NBWA, <a href="#">SFEI Coastal Climate Resilience Scholarship donation</a>
	Total	\$513,000	\$512,000	\$5,500	1%	-\$507,500	
Other							
	Unbudgeted Items						
	Other	\$0	\$0	\$0	0%	\$0	
		\$0	\$0	\$0	0%	\$0	
Tech Support							
	Technical Support						
	Nutrients						
	Watershed Permit NMS Contribution	\$2,200,000	\$2,200,000	\$2,200,000	100%	\$0	Advance funding for 2nd Watershed Permit Sciece Studies; Final \$ TBD
	NMS Voluntary Contributions						
	Additional work under permit	\$100,000	\$100,000	\$10,000	10%	-\$90,000	Includes HDR PO for \$225k spread out over FY20-24.
	Regional Study on Nature Based Solutions		\$75,436	\$75,436			<a href="#">SFEI FY24 invoice paid in FY25.</a>
	Nutrient Workshop(s)	\$0	\$0	\$0	0%	\$0	Pilot Studies/Plant Review/Innovative Technologies; Might change
	NMS Reviewer	\$50,000	\$1,400	\$1,400	0%	-\$48,600	No change from FY24, M. Connor Contract
	Regional Nutrient Special Study	\$100,000	\$100,000	\$0	0%	-\$100,000	New item in FY25
	General Tech Support	\$100,000	\$100,000	\$0	0%	-\$100,000	AB617 emissions factors, PFAS, other nutrient support
	CEC Investigations	\$10,000	\$0	\$0	0%	-\$10,000	PFAS Study Phase 3
	Risk Reduction	\$12,500	\$12,500	\$0	0%	-\$12,500	Will plan new risk reduction tasks for current Hg/PCB Watershed Permit
	Total	\$2,572,500	\$2,589,336	\$2,286,836	89%	-\$285,664	
	TOTAL EXPENSES	\$4,111,105	\$4,191,701	\$2,916,278	70.94%	-\$1,194,827	
	PROJECTED EXPENSE DEVIATION FROM BUDGET						
	NET INCOME BEFORE TRANSFERS	-\$348,028	-\$342,169	\$825,874			
	TRANSFERS FROM RESERVES	\$348,028	\$348,028	\$0			aligns with strategy of drawing down reserves to lessen impact of Nutrient Surcharge

FY 2025  
BACWA BUDGET to ACTUAL

EXPENSES							
	NET INCOME AFTER TRANSFERS	\$0	\$0	\$0			
	TOTAL OPERATING BUDGET	\$1,538,605	\$1,602,365				
	OPERATING RESERVE	\$384,651	\$400,591	\$0			

# BACWA Fund Report as of February 28, 2025

BACWA FUND BALANCES - DATA PROVIDED BY ACCOUNTING DEPT.							
DEPTID	DESCRIPTION	FISCAL YEAR BEGINNING FUND BALANCE	TOTAL BILLED REVENUE TO-DATE	TOTAL DISBURSEMENTS TO-DATE	MONTH-ENDING FUND BALANCE	OUTSTANDING ENCUMBRANCES	MONTH-END UNOBLIGATED FUND BALANCE
600	BACWA	332,398	867,801	595,352	604,847	362,188	242,659
604	LEGAL RSRV	300,000	-	-	300,000	-	300,000
605	CBC	2,038,831	2,338,133	2,258,438	2,118,526	78,050	2,040,476
	<b>SUBTOTAL 1</b>	<b>2,671,229</b>	<b>3,205,934</b>	<b>2,853,790</b>	<b>3,023,373</b>	<b>440,238</b>	<b>2,583,135</b>
602	BABC	240,179	177,000	73,534	343,645	46,490	297,155
606	BACC	35,351	5,166	65,266	(24,749)	5,664	(30,413)
607	BACC LEGAL RSRV	90,000	30,000	-	120,000	-	120,000
610	WOT	259,201	-	25	259,176	-	259,176
612	CASA Air Toxics	(41,840)	538,140	496,300	-	-	-
	<b>SUBTOTAL 2</b>	<b>582,891</b>	<b>750,306</b>	<b>635,125</b>	<b>698,072</b>	<b>52,154</b>	<b>645,918</b>
	<b>GRAND TOTAL</b>	<b>3,254,120</b>	<b>3,956,240</b>	<b>3,488,915</b>	<b>3,721,445</b>	<b>492,392</b>	<b>3,229,053</b>

Top Chart: Reflects CASH on the Books Includes Encumbrances  
Bottom Chart: Reflects CASH in the Bank Includes Payables (bills received but not paid)  
Allocations: Priority for non-liquid investments

BACWA INVESTMENTS BALANCES - DATA PROVIDED BY TREASURY DEPT.														
DEPTID	DESCRIPTION	FISCAL YEAR BEGINNING FUND BALANCE	TOTAL BILLED REVENUE TO-DATE	TOTAL DISBURSEMENTS TO-DATE	MONTH-ENDING FUND BALANCE	RECONCILIATION TO FINANCIAL STATEMENTS A/R	RECONCILIATION TO FINANCIAL STATEMENTS A/P	MONTH-END RECONCILED FUND BALANCE	UNINVESTED CASH BALANCES	LAIF INVESTMENTS AMOUNTS	LAIF INVESTMENTS PERCENTAGE	ALTERNATIVE INVESTMENTS AMOUNTS	ALTERNATIVE INVESTMENTS IDENTIFIERS	ALTERNATIVE INVESTMENT INSTRUCTIONS AND NOTES
600	BACWA	332,398	867,801	595,352	604,847	(7,325)	35,161	632,683	632,683	-	0%	-	-	priority # 4 for allocation
604	LEGAL RSRV	300,000	-	-	300,000	-	-	300,000	-	300,000	12%	-	-	priority # 1 for allocation
605	CBC	2,038,831	2,338,133	2,258,438	2,118,526	(13,681)	-	2,104,845	50,225	2,054,620	83%	-	-	priority # 3 for allocation
	<b>SUBTOTAL 1</b>	<b>2,671,229</b>	<b>3,205,934</b>	<b>2,853,790</b>	<b>3,023,373</b>	<b>(21,006)</b>	<b>35,161</b>	<b>3,037,528</b>	<b>682,908</b>	<b>2,354,620</b>	<b>95%</b>	<b>-</b>	<b>-</b>	
602	BABC	240,179	177,000	73,534	343,645	(2,900)	-	340,745	340,745	-	0%	-	-	pass-through funds, no allocation
606	BACC	35,351	5,166	65,266	(24,749)	-	-	(24,749)	(24,749)	-	0%	-	-	
607	BACC LEGAL RSRV	90,000	30,000	-	120,000	-	-	120,000	-	120,000	5%	-	-	priority # 2 for allocation
610	WOT	259,201	-	25	259,176	-	-	259,176	259,176	-	0%	-	-	pass-through funds, no allocation
612	CASA Air Toxics	(41,840)	538,140	496,300	-	-	-	-	-	-	0%	-	-	pass-through funds, no allocation
	<b>SUBTOTAL 2</b>	<b>582,891</b>	<b>750,306</b>	<b>635,125</b>	<b>698,072</b>	<b>(2,900)</b>	<b>-</b>	<b>695,172</b>	<b>575,172</b>	<b>120,000</b>	<b>5%</b>	<b>-</b>	<b>-</b>	
	<b>GRAND TOTAL</b>	<b>3,254,120</b>	<b>3,956,240</b>	<b>3,488,915</b>	<b>3,721,445</b>	<b>(23,906)</b>	<b>35,161</b>	<b>3,732,700</b>	<b>1,258,080</b>	<b>2,474,620</b>	<b>100%</b>	<b>-</b>	<b>-</b>	

To be used to cover Reconciliation to Financial Statements (\$0)

## Reconciliation to Trial Balance

Per Report above:

General	3,205,934	STB	14930	2,474,620
WOT, BABC, & BACC	750,306	STB	15050	1,258,080
PROP	-			<b>3,732,700</b>
		STB	16300	23,906
<b>subtotal</b>	<b>3,956,240</b>	STB	21350	(35,161)
				<b>3,721,445</b>

## Trial Balance Revenue Accounts

40100	Interest	(170,772)
40101	Mem Contrib	(1,953,022)
40102	Transfer	(30,000)
40103	Assoc Contrib	(187,119)
40104	Other	(1,615,327)
47310	State Grant	-
47320	Grant Retention	-
	<b>subtotal</b>	<b>(3,956,240)</b>
	<b>Difference</b>	<b>-</b>

## BACWA Revenue Report as of February 28, 2025

Cost Center Code	Cost Center Description	Program Segment Description	Program Segment Value	Amended Budget	Current Period	FY24 - Year to Date	Unobligated
600	Bay Area Clean Water Agencies	BABC - AED and RPM Support	6200	(6,000.00)	-	-	6,000.00
		BACC - AED Support	6199	(39,522.00)	-	-	39,522.00
		BDO Affil/CS/Assoc Dues	6104	-	-	(40,782.00)	(40,782.00)
		BDO Affiliate/Associate Dues	6103	-	-	(45,775.00)	(45,775.00)
		BDO Assoc.&Affiliate Contr	6102	(195,780.00)	-	(100,562.00)	95,218.00
		BDO Fund Transfers	6141	(1,000.00)	-	-	1,000.00
		BDO Member Contributions	6101	(553,929.00)	-	(553,930.00)	(1.00)
		BDO Non-Member Contr AIR	6136	(7,582.00)	-	(1,421.00)	6,161.00
		BDO Non-Member Contr BAPPG	6135	(4,264.00)	-	(10,424.00)	(6,160.00)
		BDO Other Receipts	6105	-	-	-	-
		BDO Other Receipts (Misc)	6140	-	-	(2,732.00)	(2,732.00)
		BDO- Interest Income from LAIF	6142	(80,000.00)	(16,189.05)	(112,175.09)	(32,175.09)
		BDO-Alternative Investment Inc	6143	-	-	-	-
<b>600 Total</b>				<b>(888,077.00)</b>	<b>(16,189.05)</b>	<b>(867,801.09)</b>	<b>20,275.91</b>
602	Bay Area Biosolids Coalition	BDO Fund Transfers	6141	-	-	-	-
		BDO Member Contributions	6101	-	-	(177,000.00)	(177,000.00)
<b>602 Total</b>				-	-	<b>(177,000.00)</b>	<b>(177,000.00)</b>
605	Clean Bay Collaborative	BDO Fund Transfers	6141	-	-	-	-
		BDO Member Contributions	6101	(675,000.00)	-	(682,642.00)	(7,642.00)
		BDO Other Receipts	6105	(1,600,000.00)	-	(1,600,750.00)	(750.00)
		BDO- Interest Income from LAIF	6142	-	-	(54,740.41)	(54,740.41)
<b>605 Total</b>				<b>(2,275,000.00)</b>	-	<b>(2,338,132.41)</b>	<b>(63,132.41)</b>
606	Bay Area Chemical Consortium	BDO Member Contributions	6101	-	(1,309.95)	(1,309.95)	(1,309.95)
		BDO- Interest Income from LAIF	6142	-	-	(3,856.31)	(3,856.31)
<b>606 Total</b>				-	<b>(1,309.95)</b>	<b>(5,166.26)</b>	<b>(5,166.26)</b>
607	BACC Legal RSRV	BDO Fund Transfers	6141	-	-	(30,000.00)	(30,000.00)
<b>607 Total</b>				-	-	<b>(30,000.00)</b>	<b>(30,000.00)</b>
612	CASA Air Toxics	BDO Member Contributions	6101	(600,000.00)	-	(538,140.00)	61,860.00
<b>612 Total</b>				<b>(600,000.00)</b>	-	<b>(538,140.00)</b>	<b>61,860.00</b>
<b>Grand Total</b>				<b>(3,763,077.00)</b>	<b>(17,499.00)</b>	<b>(3,956,239.76)</b>	<b>(193,162.76)</b>

## BACWA Treasurer's Report Expenses and Encumbrances

Period Covering July 1, 2024 through February 28, 2025

Cost Center Code	Program Segment Description	Program Segment Value	Amended Budget	Obligated Fiscal Year to Date	Unobligated
600	AIR-Air Issues&Regulation Grp	6153	76,000.00	75,562.45	437.55
	AS-Assistant Executive Directo	6175	94,417.00	94,417.00	-
	AS-Audit Services	6180	5,672.00	-	5,672.00
	AS-BACWA Admin Expense	6173	4,059.00	99.21	3,959.79
	AS-EBMUD Financial Services	6176	43,297.00	43,297.00	-
	AS-Executive Director	6174	224,230.00	224,230.00	-
	AS-Insurance	6177	10,753.00	8,465.67	2,287.33
	AS-Regulatory Program Manager	6179	156,136.00	156,136.00	-
	Administrative Support	6178	-	-	-
	BACWA Value of Wastewater Communication	6211	40,000.00	28,037.98	11,962.02
	BC-BAPPG	6152	170,560.00	156,628.68	13,931.32
	BC-Collections System	6144	15,500.00	50,000.00	(34,500.00)
	BC-Laboratory Committee	6149	500.00	1,608.65	(1,108.65)
	BC-Manager's Roundtable	6154	1,000.00	-	1,000.00
	BC-Miscellaneous Committee Sup	6150	45,000.00	10,695.00	34,305.00
	BC-Permit Committee	6145	500.00	389.90	110.10
	BC-Pretreatment Committee	6151	500.00	-	500.00
	BC-Water Recycling Committee	6146	500.00	-	500.00
	CAR-BACWA File Storage	6165	1,623.00	720.00	903.00
	CAR-BACWA IT Software	6167	1,894.00	1,057.93	836.07
	CAR-BACWA IT Support	6166	2,814.00	-	2,814.00
	CAR-BACWA Website Dev/Maint	6163	743.00	761.63	(18.63)
	CAR-BACWA Website Hosting	6164	812.00	281.46	530.54
	CAS-Arleen Navaret Award	6160	2,500.00	-	2,500.00
	CAS-BayCAN	6204	5,000.00	1,500.00	3,500.00
	CAS-Misc Collaborative Sup	6162	1,500.00	4,000.00	(2,500.00)
	CAS-PSSEP	6157	-	-	-
	CAS-Stanford ERC	6159	-	-	-
	GBS-Meeting Support-Annual	6170	14,369.00	1,900.00	12,469.00
	GBS-Meeting Support-Exec Bd	6169	3,500.00	2,849.88	650.12
	GBS-Meeting Support-Misc	6172	10,000.00	5,911.82	4,088.18
	GBS-Meeting Support-Pardee	6171	6,801.00	2,158.51	4,642.49
	LS-Executive Board Support	6156	2,403.00	127.50	2,275.50
	LS-Regulatory Support	6155	50,000.00	86,090.79	(36,090.79)
	O&M Committee	6148	1,500.00	412.80	1,087.20
	WQA-CE-Nature Based Solutions	6196	-	-	-
	Write-Off Doubtful Accounts	6208	-	200.00	(200.00)
<b>600 Total</b>			<b>994,083.00</b>	<b>957,539.86</b>	<b>36,543.14</b>
602	AS-Assistant Executive Directo	6175	39,522.00	-	39,522.00
	AS-Regulatory Program Manager	6179	-	-	-
	Academia Research & Development	6203	-	-	-
	Administrative Support	6178	-	-	-
	BDO Contract Expenses	6186	-	-	-
	Collateral Development	6197	-	-	-
	Program Manager Expense	6202	-	120,024.89	(120,024.89)
	Technology Research & Development	6206	-	-	-
<b>602 Total</b>			<b>39,522.00</b>	<b>120,024.89</b>	<b>(80,502.89)</b>
605	Recycled Water Evaluation	6198	100,000.00	-	100,000.00
	WQA - CEC Investigations	6201	10,000.00	-	10,000.00
	WQA-CE Addl Work Under Permit	6191	100,000.00	39,450.00	60,550.00
	WQA-CE Risk Reduction	6190	12,500.00	-	12,500.00
	WQA-CE Voluntary Nutr Contrib	6193	-	-	-
	WQA-CE-Nature Based Solutions	6196	-	47,037.63	(47,037.63)
	WQA-CE-Nutrient WS Permit Comm	6188	2,200,000.00	2,200,000.00	-
	WQA-CE-Technical Support	6181	100,000.00	-	100,000.00
	WQA-NMSReviewer	6205	50,000.00	50,000.00	-
<b>605 Total</b>			<b>2,572,500.00</b>	<b>2,336,487.63</b>	<b>236,012.37</b>
606	AS-BACWA Admin Expense	6173	-	-	-
	AS-Regulatory Program Manager	6179	-	915.42	(915.42)
	Administrative Support	6178	-	40,013.70	(40,013.70)
	BDO Fund Transfers	6141	-	30,000.00	(30,000.00)
	GBS-Meeting Support-Misc	6172	-	-	-
<b>606 Total</b>			<b>-</b>	<b>70,929.12</b>	<b>(70,929.12)</b>
610	Administrative Support	6178	-	-	-
	BC-BAPPG	6152	-	-	-
	BDO Contract Expenses	6186	-	25.00	-
	Bruce Wolf Scholarship	6210	4,000.00	-	4,000.00
<b>610 Total</b>			<b>4,000.00</b>	<b>25.00</b>	<b>4,000.00</b>
612	Passthrough to CASA for air toxics	6212	500,000.00	496,300.00	3,700.00
<b>612 Total</b>			<b>500,000.00</b>	<b>496,300.00</b>	<b>3,700.00</b>
<b>Grand Total</b>			<b>4,110,105.00</b>	<b>3,981,306.50</b>	<b>128,823.50</b>





## **BAY AREA CLEAN WATER AGENCIES**

### **EXECUTIVE BOARD RESOLUTION NO. R-25-01**

**WHEREAS**, the Bay Area Clean Water Agencies (BACWA) was formed in 1984 as a public Joint Powers Authority with the mission of developing a regional understanding of the San Francisco Bay Estuary's watershed protection and enhancement needs through reliance on sound science, environmental, and economic information; *and*

**WHEREAS**, the public Joint Powers Authority (JPA) defines BACWA Associate membership in the following manner:

- a. Any public agency other than the original signatory agencies, with wastewater treatment or disposal responsibilities accepted for membership in this Association by the Executive Board; *and*

**WHEREAS**, the Executive Board pursuant to Section 5 B of the JPA has the authority to set forth the conditions and privileges of membership for Associate Members; *and*

**WHEREAS**, for the sake of clarity and to be consistent with the different types of Associate members which have emerged over time, the Executive Board desires by this Resolution to formally establish categories of BACWA Associate membership beyond the original overarching definition set forth in the JPA in the following manner:

- a. Category 1: Associate Member (greater than or equal to 10 mgd treatment plant permitted design capacity)
- b. Category 2: Affiliate Associate Member (less than 10 mgd treatment plant permitted design capacity)
- c. Category 3: Affiliate Collection-Only Associate Member (separate public agency having only a collection system which discharges to a regional treatment plant);
- d. Category 4: Affiliate Member from outside the San Francisco Bay Region ; *and*

**WHEREAS**, in accordance with the JPA, only the original Signatories to the JPA would have voting rights.

**NOW, THEREFORE, BE IT RESOLVED** that commencing with adoption of the 2026 fiscal year and with each fiscal year thereafter, the above membership definitions and rules

for participation are hereby adopted by the Executive Board pursuant to Section 5 of the Joint Powers Agreement unless and until such definitions are changed by resolution of the Executive Board.

### **CERTIFICATION**

The undersigned, as Chair of Bay Area Clean Water Agency, hereby certifies that the foregoing Resolution was duly adopted by the Executive Board at its regular meeting held on April 18, 2025.

---

Jackie Zipkin, BACWA Chair



## BACWA BOARD POLICIES

**POLICY NUMBER:** BP-001

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**NAME OF POLICY:** Dues and Fees Associated with Classes of Membership

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**DATE APPROVED:** 12-18-2016

**LAST REVISED:** 04-18-25

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**PURPOSE:** In accordance with the BACWA JPA define the various classes of members.

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**POLICY:** BACWA supports the establishment of differing classes of members each having their own dues and/or fee structure.

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**DEFINITIONS:**

**Dues:** Dues cover an agency's membership in BACWA and support the operation of BACWA. Dues are not a function of the number of wastewater plants and agency owns and operates. EDCA is a special situation where its dues cover multiple POTWs that are members of the EBDA JPA in accordance with the BACWA JPA.

**CBC Fee:** All members are charged a Clean Bay Collaborative (CBC) Fee which provides BACWA the resources to conduct special investigations and advocacy efforts on behalf of its members on a variety of issues including biosolids, water quality, permitting, pretreatment, O&M, collection systems.

**Nutrient Surcharge:** The Nutrient Surcharge is a special assessment use to supplement the CBC Fee financial resources and was specifically developed to meet the significant financial obligations of the Nutrient Watershed Permit. This fee is assessed to only those members who are listed in the Nutrient Watershed Permit. It will be continued until all obligations under the Permit are met.

**Principals:** The five BACWA Principals are comprised on the five original signers of the BACWA JPA. The Principals have the largest flows and loadings and thus bear the burden of the majority of BACWA's operating costs. All Principals pay the same dues and CBC fees. The allocation of the Nutrient Surcharge will be determined during each year's budgeting cycle and approved by the Executive Board along with each fiscal year budget.

**Associates:** Associates Members of BACWA are those members whose POTW design flows are greater than or equal to 10 million gallons per day (mgd). Being larger POTWs their dues and fees



## BACWA BOARD POLICIES

are higher than Affiliate Members. All Associate dues are the same, however since the CBC and Nutrient Surcharge are based on loadings, these charges can vary among different Associate members.

**Affiliates:** Affiliate Members are the smaller to medium size POTWs with design flows less than 10 mgd. Affiliates have the lowest dues structure. Like Associates, since the CBC and Nutrient Surcharge are based on loadings, these charges can vary among different Affiliates. Members who operate collection systems and not a POTW are placed in the Affiliate class of membership and pay fixed dues and a fixed CBC Fee, but since they do not operate a POTW they are not assessed the Nutrient Surcharge.

**Affiliate from outside the San Francisco Bay Region:** Regular membership is open to all POTWs and public collection systems entities within the jurisdiction of the San Francisco Bay Regional Water Quality Control Board (Water Board). This area generally covers the nine Bay Area counties, but is defined by the watershed tributary to San Francisco Bay within those nine counties. Public entities outside of the Water Board's jurisdiction may have an interest in joining one or more of the BACWA committees or initiatives. Recognizing that these entities may not have the same regulatory issues as the regular BACWA membership, these entities may join BACWA as a special class of member that allows them access to all BACWA committees. These affiliate members from outside the San Francisco Bay Region will pay BACWA dues equivalent to other affiliate members, but will not pay CBC Fees or the Nutrient Surcharge.

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**APPLICABILITY:** This Policy applies to all BACWA Members

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## BACWA EXECUTIVE BOARD ACTION REQUEST

**AGENDA NO.: 4**

**MEETING DATE:** April 18, 2025

**TITLE:** Fiscal Year 2026 Budget & Workplan

☐ RECEIPT      ☐ DISCUSSION      ☐ RESOLUTION      ☒ APPROVAL

### RECOMMENDED ACTION

Approve the Budget and Workplan for the fiscal year covering July 1, 2025 through June 30, 2026.

### SUMMARY

The Joint Powers Agreement establishing BACWA requires approval of a Budget and Workplan for the coming fiscal year's activities no later than June of the preceding fiscal year.

Draft versions of the budget were reviewed first with the Finance Committee on January 27, 2025 and at the February 21, 2025 and March 21, 2025 Executive Board meetings. There were a few comments from the Board, and this final budget and workplan is ready to be approved.

### FISCAL IMPACT

The final budget has revenues of \$4,093,051 and expenses of \$4,568,281 resulting in a negative variance of expenses over revenues of \$475,230 for FY 26 which will be transferred from reserves.

### ALTERNATIVES

Do not approve the Budget and Workplan: This is not recommended as the budget has been reviewed by the Finance committee and Executive Board.

Attachments:

FY 2026 Budget and Workplan


Approved: \_\_\_\_\_

Jackie Zipkin

Chair, BACWA Executive Board

Date: \_\_\_\_\_

FY 2026 Budget

			Draft	
<b>BACWA FY26 BUDGET</b>	<b>Line Item Description</b>	<b>FY25 Budget</b>	<b>FY26 Budget</b>	<b>FY26 NOTES</b>
<b>REVENUES &amp; FUNDING</b>				
<b>Dues</b>	Principals' Contributions	\$553,929	\$581,626	FY26: 5% increase 5 @ \$116,325
	Associate & Affiliate Contributions	\$195,780	\$260,064	FY26: 5% increase. 12 Assoc: \$9599.10 Affiliate: \$1922.55; UC Berkeley \$515 (3% increase from FY25)
<b>Fees</b>	Clean Bay Collaborative	\$675,000	\$675,000	Same as FY25. Prin: \$450,000; Assoc/Affil: \$225,000
	Nutrient Surcharge	\$1,600,000	\$1,750,000	See Nutrient Surcharge Spreadsheet
	Member Voluntary Nutrient Contributions			
<b>Other Receipts</b>	Non R2 Affiliate Members		\$5,768	Santa Rosa, Sac Reg'l, Vacaville, Ironhouse \$1922.55 / each
	WOT/BABC admin fees	\$7,000	NA	
	BACC Admin Fees	\$39,522	\$40,468	400 hours of AED support \$101.17/hr
<b>Air Toxics</b>	CASA Passthrough	\$600,000	\$620,125	New in FY25
<b>Interest Income</b>	LAIF	\$80,000	\$160,000	BACWA, Legal, & CBC Funds invested in LAIF
	<b>Total Revenue</b>	<b>\$3,751,231</b>	<b>\$4,093,051</b>	
<b>BACWA FY26 BUDGET</b>	<b>Line Item Description</b>		<b>FY26 Budget</b>	<b>FY26 NOTES</b>
<b>EXPENSES</b>				
<b>Labor</b>				
	Executive Director	\$224,230	\$229,612	(incl 2.4% CPI SF Bay Metro Area Dec 2024)
	Assistant Executive Director	\$94,417	\$96,682	(incl 2.4% CPI SF Bay Metro Area Dec 2024); \$81/hour; Reflects 1200 hours
	BACC Administrator	\$39,522	\$40,468	400 hrs AED support at \$101.17 per hr
	Regulatory Program Manager	\$156,136	\$159,875	(2.4% CPI SF Bay Metro Area Dec 2024); \$118.43/hour, Reflects 1350 hours
	<b>Total</b>	<b>514,304</b>	<b>\$526,636</b>	
<b>Administration</b>				
	EBMUD Financial Services	\$43,297	\$44,596	3% increase in FY26
	Auditing Services	\$5,672	\$5,672	Financial Auditors through EBMUD; per auditor rate schedule
	Administrative Expenses	\$4,059	\$4,059	No change from FY25
	Insurance	\$10,753	\$12,366	15% increase from FY25 (10-15% est. increase per Alliant)
	<b>Total</b>	<b>63,781</b>	<b>\$66,693</b>	
<b>Meetings</b>				
	EB Meetings	\$3,500	\$4,200	20% increase from FY25
	Annual Meeting	\$14,369	\$14,369	No change from FY25
	Pardee	\$6,801	\$4,000	reduced from FY25 to align with actual expenses
	Misc. Meetings and conferences	\$10,000	\$10,000	No change from FY25
	<b>Total</b>	<b>34,670</b>	<b>\$32,569</b>	
<b>Communication</b>				

**FY 2026 Budget**

<b>EXPENSES</b>				
	Website Hosting / Domain registration	\$743	\$758	2% increase from FY25, Go Daddy website hosting and domain registration
	File Storage	\$812	\$828	2% increase from FY25, box.net
	Website Development/Maintenance	\$1,624	\$1,656	2% increase from FY25
	IT Support (As Needed)	\$2,814	\$2,870	2% increase from FY25
	BACWA Value of Wastewater Communication	\$40,000	\$50,000	New line item in FY24, no change from FY24 - TBD
	Other Communication	\$1,894	\$1,932	2% increase from FY25; MS Exchange, Survey Monkey, PollEv, Zoom, Netfile
	<b>Total</b>	<b>\$47,887</b>	<b>\$58,044</b>	
<b>Legal</b>				
	Regulatory Support	\$50,000	\$20,000	Decrease from FY25, Contract with Duane Morris
	Executive Board Support	\$2,403	\$2,403	No increase from FY25
	<b>Total</b>	<b>\$2,403</b>	<b>\$22,403</b>	
<b>Committees</b>				
	AIR	\$76,000	\$94,750	\$93,750 consulting support, \$1k misc expenses - TBD
	BAPPG	\$170,560	\$148,060	Includes Pest. Reg Spt. @ \$70; Pest. Prof Outreach @\$19K; Media Consultant @ \$50K; website/unplanned is
	Asset Management Committee	\$500	\$500	No change from FY25
	BABC	\$500	\$120,000	Formerly BACWA Biosolids, now BABC program management contract
	Collections System	\$15,500	\$1,000	SSS WDR Support
	O&M Committee	\$1,500	\$1,500	No change from FY25
	Laboratory Committee	\$500	\$500	No change from FY25
	Permits Committee	\$500	\$500	No change from FY25
	Pretreatment	\$500	\$500	No change from FY25
	Recycled Water Committee	\$500	\$500	No change from FY25
	Misc Committee Support	\$45,000	\$45,000	No change from FY25
	Manager's Roundtable	\$1,000	\$1,000	No change from FY25
	<b>Total</b>	<b>\$312,560</b>	<b>\$413,810</b>	
<b>Collaboratives</b>				
	<b>Collaboratives</b>			
	State of the Estuary (SFEP-biennial)	\$0	\$20,000	Biennial in Even Fiscal Years
	Arleen Navarret Award	\$2,500	\$0	Next Award will be disbursed in FY27
	BayCAN	\$5,000	\$5,000	
	Bay Area One Water Network	\$0	\$5,000	Donation due in FY26
	Bruce Wolfe Scholarship	\$4,000	\$4,000	FY22, FY23, FY24, FY25 FY26
	Our Water Our World Program		\$10,000	Previously included in BAPPG Budget
	National Stewardship Action Council		\$10,000	Previously included in BAPPG Budget
	California Product Stewardship Council		\$10,000	Previously included in BAPPG Budget
	Passthrough to CASA for air toxics	\$500,000	\$620,125	New line item in FY24
	Misc	\$1,500	\$1,500	NBWA
	<b>Total</b>	<b>\$513,000</b>	<b>\$685,625</b>	

FY 2026 Budget

<b>EXPENSES</b>				
<b>Other</b>				
	<b>Unbudgeted Items</b>			
	Other			
<b>Tech Support</b>				
	<b>Technical Support</b>			
	<b>Nutrients</b>			
	Watershed Permit NMS Contribution	\$2,200,000	\$2,200,000	Permit required funding for 3rd Watershed Permit Science Studies
	NMS Voluntary Contributions			
	Additional work under permit	\$100,000	\$100,000	Discretionary work including trading
	Nutrient Workshop(s)	\$0	\$0	Pilot Studies/Plant Review/Innovative Technologies; Might change
	NMS Reviewer	\$50,000	\$50,000	No change from FY25 - will need new contractor
	Regional Nutrient Compliance Support	\$100,000	\$250,000	New item in FY25
	General Tech Support	\$100,000	\$100,000	Eg. Nutrients, biosolids
	CEC Investigations	\$10,000	\$50,000	PFAS Study Phase 3
	Risk Reduction	\$12,500	\$12,500	Will plan new risk reduction tasks for current Hg/PCB Watershed Permit
	<b>Total</b>	<b>\$2,572,500</b>	<b>\$2,762,500</b>	
	<b>TOTAL EXPENSES</b>	<b>\$4,111,105</b>	<b>\$4,568,281</b>	
	<b>NET INCOME BEFORE TRANSFERS</b>	<b>-\$359,874</b>	<b>-\$475,230</b>	
	<b>TRANSFERS FROM RESERVES</b>			aligns with strategy of drawing down reserves to lessen impact of Nutrient Surcharge
	<b>NET INCOME AFTER TRANSFERS</b>		<b>\$0</b>	
	<b>TOTAL OPERATING BUDGET</b>		<b>\$1,538,605</b>	
	<b>OPERATING RESERVE</b>		<b>\$384,651</b>	



## **Budget & Workplan**

FISCAL YEAR 2026



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## INTRODUCTION

The Bay Area Clean Water Agencies (BACWA) is a joint public powers agency created by a 1984 Joint Powers Agreement (JPA) between the Central Contra Costa Sanitary District (CCCSD), the East Bay Dischargers Association (EBDA), the East Bay Municipal Utility District (EBMUD), the City of San Francisco, and the City of San Jose (collectively, “the Principal Agencies”). The JPA requires approval of an annual budget and workplan divided into three parts: overhead (Part A), general benefit programs (Part B), and special benefit programs (Part C).

The JPA requires that revenues for each fiscal year be equivalent to anticipated expenditures. Expenditures for Management & Administration (Part A), and General Benefit Programs (Part B) are funded by all BACWA members because these programs are carried out on behalf of all member agencies.

Since adoption of the Annual Budget for fiscal year 1984, and each fiscal year thereafter, the Executive Board has allocated Part A and Part B costs pursuant to authority provided in Section 10 of the Joint Powers Agreement among Member Agencies in the following manner (the “Allocation Method”):

- a. a stated portion to the Original Signatory Members in equal shares; and
- b. the balance to Associate and Affiliate Members based on one or more of several factors consisting of the type of agency, size of plant, metals loadings, and total inorganic nitrogen loadings in the ratio that their share is to that of the total Associate and Affiliate Membership.

On September 26, 2014 BACWA formally adopted this allocation through Executive Board Resolution R-2015-01. BACWA currently has two General Benefit Programs: the core BACWA program to support member agencies and the Clean Bay Collaborative. Expenditures for Special Benefit Programs (Part C) are funded by those agencies that elect to fund those programs because those benefits accrue primarily to those participating agencies.

In FY25 BACWA had three Special Benefit Programs, all of which conform to the JPA requirements under Part C.: Water Operator Training, the Bay Area Biosolids Coalition (BABC), and the Bay Area Chemical Consortium (BACC). The Water Operator Training program, also known as the Bay Area Consortium for Water/Wastewater Education (BACWWE) is a group of BACWA agencies who provide funding for operator educational opportunities. The Bay Area Biosolids Coalition is comprised of a subset of BACWA members who are pursuing alternatives for biosolids beneficial reuse and/or disposal in order to meet regulatory requirements for diversion of organics from landfills. In FY26 the BABC will sunset as a Special Benefit Program and be integrated into BACWA as a regular committee. The Bay Area Chemical Consortium is comprised of BACWA agencies as well as additional public water and wastewater agencies who work together to develop group chemical bids.

The purpose of this document is to fulfill the requirements of the JPA for Fiscal Year 2026 (FY26). This workplan and budget specify the purpose of each of BACWA’s programs during FY26, the methods by which they will be carried out, the products that will be developed, and the persons responsible for implementation. The schedule for implementation of these programs is July 1, 2025 through June 30, 2026.

## STRATEGIC PLAN

BACWA adopted its first strategic plan and accompanying workplan in 2009. BACWA reformulated its strategic plan in 2020 and adopted updates in 2022. The strategic plan states the mission, vision values and goals of the organization as demonstrated in the work undertaken annually by the agency.

### **BACWA's Mission**

To provide an effective regional voice for clean water agencies' stewardship of the San Francisco Bay's ecological, community, and economic resources.

### **BACWA's Vision**

To demonstrate leadership in the protection and enhancement of the San Francisco Bay ecosystem.

### **BACWA's Values**

- Environmental stewardship
- Leadership
- Science-based decision making
- Collaboration
- Fiscal responsibility
- Watershed-based solutions

### **BACWA's Goals**

- Advocate for regulation based on science
- Foster collaboration and relationship building with regulators and other stakeholders
- Pursue regional, multi-benefit solutions to environmental challenges
- Exemplify service and responsiveness to members and the public
- Practice good governance

## MANAGEMENT AND ADMINISTRATION (PART A)

BACWA has administrative and management expenses that are necessary for the agency to carry out its non-program related core functions (JPA, Section 9). They include expenses related to financial management, insurance, and organizational support. Administration of BACWA is carried out under contract by an Executive Director (ED), Assistant Executive Director (AED), and Regulatory Program Manager (RPM) selected by the Executive Board. Treasurer services are provided through an agreement with EBMUD who manages BACWA's finances and oversees the annual audit which is conducted by an independent auditor. The objective of these expenditures is to ensure effective, efficient, and transparent management of BACWA, which serves BACWA's goal to practice good governance. BACWA management and administration are funded through BACWA dues.

<b>Management &amp; Administration (A)</b>				
<b>Goal</b>	<b>Deliverables/Outcomes</b>	<b>Lead</b>	<b>FY26 Budget</b>	<b>Budget Line</b>
<b>A. Practice Good Governance</b>  <b>(Labor, Meetings, Legal, Administration)</b>	<b>A.1.</b> Monthly Treasurer Reports,	ED, AED, EBMUD	\$44,596	Administration/ EBMUD Financial Services
	<b>A.2.</b> Annual audit	ED, AED, Auditor	\$5,672	Administration/ Auditing Services
	<b>A.3.</b> Miscellaneous Operational Expenses	ED, AED, RPM	\$4,059	Administration/ Administrative Expenses
	<b>A.4.</b> Insurance to manage organizational risk	ED, AED	\$12,366	Administration/ Insurance
	<b>A.5.</b> Compliance with organizational legal requirements	ED, AED	\$2,403	Legal/Executive Board Support
	<b>A.6.</b> Program Administration and Operations Support	ED, AED, RPM	\$147,111	Labor/ ED (15%), RPM (10%) AED (100%),
	<b>A.7.</b> BACWA Executive Board Meetings & Administrative Expenses	ED, AED	\$4,200	Meetings/Exec. Board Meetings
	<b>A.8.</b> Pardee Technical Seminar & Administrative Expenses	ED, AED	\$4,000	Meetings/ Pardee Seminar
	<b>A.9.</b> Miscellaneous Meeting & Administrative Expenses	ED, AED, RPM	\$10,000	Meetings/ Misc. Meetings
	<b>A.10.</b> File Storage	ED, AED	\$828	Communications/File Storage
	<b>A.11.</b> IT Support (As Needed)	ED, AED	\$2,870	Communications/IT Support
	<b>A.112.</b> Software (As Needed)	ED, AED	\$1,932	Communications/Software
	<b>A.113.</b> BACWA Value of Wastewater Communication		50,000	Communications
		<b>TOTAL</b>	<b>\$290,037</b>	

## GENERAL BENEFIT PROGRAMS (PART B)

There are two aspects of BACWA's general benefit program: the core BACWA Member Agency program and the technically-focused Clean Bay Collaborative (CBC) program. Activities in these Programs are supported by the ED, AED, RPM, volunteers who Chair the BACWA Committees, and consultant support as needed.

### BACWA MEMBER AGENCY PROGRAM (PART B1)

The **BACWA Member Agency Program (B1)** serves BACWA's goals to (1) exemplify service and responsiveness to members and the public; and to (2) foster collaboration and relationship building with regulators and other stakeholders

These goals are accomplished by providing member agencies with information on regulations, scientific and technical developments; forums for participating in policy discussions and collaborating on mutually beneficial projects; and opportunities to engage with the larger Bay Area environmental community. Program expenses include support for committee facilitation and special projects; member workshops and trainings; membership in state and national organizations that disseminate information to members; and communication expenses such as the website, newsletters, the annual report, and the annual meeting. The BACWA Member Agency program is funded by BACWA dues.

## CLEAN BAY COLLABORATIVE (CBC) (PART B2)

The purpose of the **CBC program (B2)** is to respond to current regulatory requirements and to develop scientific, technical, and industry information to inform future regulations and policies affecting Bay Area POTWs and the environment. These effort support BACWA's goals to: (1) Advocate for regulation based on science; (2) Foster collaboration and relationship building with regulators and other stakeholders; and (3) Pursue regional, multi-benefit solutions to environmental challenges. Program expenses include the costs of targeted special studies and reports requested by or used to inform policy discussions with regulatory agencies, policy strategy development and implementation, and collaborations with statewide organizations to do the same. The CBC program is funded through CBC fees and the Nutrient Surcharge.

Bay Area Clean Water Agency Program (B1)				
Goal(s)	Deliverables/Outcomes	Lead	FY26 Budget	Budget Line
<b>B1.</b> Exemplify service and responsiveness to members and the public; and foster collaboration and relationship building with regulators and other stakeholders ( <b>Committees, Labor, Meetings, Administration, Communications, Collaborations</b> )	<b>B1.1.</b> AIR Committee Support - Admin Support - Technical Support	Chair, AED, RPM, Consultant	\$94,750	Committees/AIR Comm.
	<b>B1.2.</b> BAPPG Committee Support - Multiple Programs for public education and outreach, and regulatory advocacy	Chair, AED, RPM, Consultants	\$148,060	Committees/BAPPG Comm.
	<b>B1.3.</b> Asset Management Comm		\$500	Committees/Asset Mgt
	<b>B1.4.</b> BABC - Misc. Expenses	Chair	\$120,000	Committees/BABC Comm.
	<b>B1.5.</b> Collection Systems Comm. Support - Misc. Expenses	Chair, RPM	\$1,000	Committees/Collection Systems Comm.
	<b>B1.6.</b> O&M Committee - Misc. Expenses	Chair, RPM	\$1,500	Committees/ O&M Committee
	<b>B1.7.</b> Laboratory Comm. Support - Misc. Expenses	Chair, RPM	\$500	Committees/Laboratory Comm.
	<b>B1.8.</b> Permits Comm. Support - Misc. Expenses	Chair, RPM	\$500	Committees/Permits Comm.

<b>B1.9.</b> Pretreatment Committee, - Misc. Expenses	Chair	\$500	Committees/Pretreatment Comm.
<b>B1.10.</b> Recycled Water Comm., Misc. Expenses	Chair, RPM	\$500	Committees/Recycled Water Comm.
<b>B1.11.</b> Misc. Committee Support	ED, AED, RPM	\$45,000	Committees/ Misc. Comm. Support
<b>B1.12.</b> Manager's Roundtable, Misc. Expenses	ED, AED	\$1,000	Committees/ Manager's Roundtable
<b>B1.13.</b> Executive Director	Board Chair	\$195,169	Labor/ ED (85%)
<b>B1.14.</b> Legal Support, provide review of regulatory products	ED	\$20,000	Legal/ Regulatory Legal Support
<b>B1.15.</b> Regulatory Program Manager	RPM	\$111,912	Labor/ RPM (70%)
<b>B1.16.</b> Annual Meeting	ED, AED, RPM	\$14,369	Meetings/ Annual Meeting
<b>B.17.</b> Website Hosting	ED, AED, Consultant	\$758	Communications/ Website Hosting
<b>B.18.</b> Website Development/Maintenance	ED, AED, RPM, Consultant	\$1,656	Communications/ Website Dev/Maint
<b>B1.19.</b> State of the Estuary	ED, AED	\$20,000	Collaboratives, State of the Estuary
<b>B1.20.</b> Arleen Navarret Award	ED, AED	\$0	Collaboratives, Arleen Navarret Award
<b>B1.21.</b> BayCAN	ED, AED	\$5,000	Collaboratives, New FY22
<b>B1.22.</b> Bay Area One Water Network	ED, AED	\$5,000	Collaboratives, Bay Area One Water Network
<b>B1.23.</b> Bruce Wolf Scholarship	ED, AED	\$4,000	Collaboratives, Bruce Wolf Scholarship
<b>B1.24.</b> Our Water Our World Program	ED, AED	\$10,000	Collaboratives, previously included in BAPPG budget
<b>B1.25.</b> National Stewardship Action Council	ED, AED	\$10,000	Collaboratives, previously included in BAPPG budget
<b>B1.26.</b> California Product Stewardship Council	ED, AED	\$10,000	Collaboratives, previously included in BAPPG budget
<b>B1.27.</b> Miscellaneous	ED, AED	\$1,500	Collaboratives, Misc.

### Clean Bay Collaborative (B2)

<b>B2. Clean Bay Collaborative</b> (1) Advocate for regulation based on science; (2) Foster	<b>B2.1.</b> Watershed Permit NMS Contribution	ED, RPM, Consultant	\$2,200,000	Tech. Support/ Nutrients/Watershed Permit Obligation
	<b>B2.2.</b> NMS Voluntary Contributions	ED, RPM		Tech. Support/ Nutrients/Watershed/Vol Contributions

collaboration and relationship building with regulators and other stakeholders; and (3) Pursue regional, multi-benefit solutions to environmental challenges.	<b>B2.3.</b> Additional Work Needed Under Permit	ED, RPM, Consultant	\$100,000	Tech. Support/ Nutrients/Add'l Work Under Permit/ GAR etc.
	<b>B2.6.</b> Nutrient Workshop(s)	ED, RPM, Consultant		Tech. Support/ Nutrient Workshop(s)
	<b>B2.6.</b> NMS Reviewer	Consultant	\$50,000	Tech. Support/NMS Reviewer
	<b>B2.7.</b> Regional Nutrient Special Study		\$250,000	
	<b>B2.8.</b> General Tech Support	ED, RPM, Consultants	\$100,000	Tech. Support, General Tech Support: PEEP, PFAS, Nutrient Review
	<b>B2.9.</b> CEC Investigations	ED, RPM, Consultants	\$50,000	Tech Support/PFAS Study Phase 3
	<b>B2.10.</b> Risk Reduction	ED, RPM, Consultants	\$12,500	Tech, Support/ Risk Reduction
	<b>B2.11.</b> General Technical and Regulatory Support	ED, RPM	\$31,975	Labor/ RPM (20%)
		<b>TOTAL</b>	<b>\$3,617,649</b>	

## SPECIAL BENEFITS PROGRAMS (PART C)

BACWA has two active special benefit programs: Water Operator Training also known as BACWWE, and Bay Area Chemical Consortium (BACC). These programs are administered under Part C of the JPA Annual Budget and Workplan. In FY26 the Bay Area Biosolids Coalition, previously a special benefit program, will be integrated into the general benefit program as a regular committee.

Member dues for Wastewater Operator Training (BACWWE) are optional and are established on an annual basis by its Program members with training offered at community colleges throughout the BACWA service area. In FY26, BACWWE is considering revamping their program, which will affect how the program is funded, and whether it will continue to be a program of special benefit.

BACC became a Special Benefits Program in FY 20. BACC is an administrative program governed by BACWA and supported by the BACWA ED and AED. BACC solicits chemical bid information from more than 60 member agencies, then arranges a group bid. BACC participant agencies are invoiced for BACWA labor and other expenses related to bid administration at the end of each fiscal year.

<b>WATER OPERATOR TRAINING (PART C1)</b>		
<b>Deliverables/Outcomes</b>	<b>Manager</b>	<b>FY 25 Budget</b>



Encourage development of a skilled workforce by offering classes in conjunction with a local community college.	Program Participant Reps; ED, AED	To be determined by member interest.
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<b>BAY AREA BIOSOLIDS COALITION (PART C2)</b>		
<u>Deliverables/Outcomes</u>	<u>Manager</u>	<u>FY 25 Budget</u>
Pursue alternatives for biosolids beneficial reuse and/or disposal in order to meet future regulatory requirements for diversion of organics from landfills	Program Participant Reps; ED, RPM, AED	To be determined by member interest.

<b>BAY AREA CHEMICAL CONSORTIUM (PART C3)</b>		
<u>Deliverables/Outcomes</u>	<u>Manager</u>	<u>FY 25 Budget</u>
Administer a series of chemical bids for participating agencies.	ED, AED	To be determined by level of effort and expenses associated with program administration and legal reserve development.

## FISCAL YEAR 2026 BUDGET

<b>BACWA/CBC</b>	<b>2026 Budget</b>	<b>Notes</b>
<b><u>REVENUES</u></b>		
BACWA Principals' Contributions	581,626	5% increase, 5@ \$116,325
BACWA Assoc. & Affil. Contributions	260,064	5% increase. 12 Assoc: \$9599 Affiliate: \$1922; UC Berkeley \$515
Clean Bay Collaborative (CBC)	675,000	Prin: \$450,000; Assoc / Affil: \$225,00
Nutrient Surcharge	1,750,000	2 <sup>nd</sup> Watershed Permit Requirement
Voluntary Nutrient Contributions	0	
Non R2 Affiliate Members	5,768	Santa Rosa, Sac Reg'l, Vacaville, \$1922 / each
BACC Admin Fees	40,468	400 hours AED support
CASA Passthrough	620,125	Air Toxics, New in FY25
Interest Income (LAIF)	160,000	Includes BACWA & Nutrient Funds
<b>TOTAL</b>	<b>4,093,051</b>	

<b><u>EXPENSES</u></b>		
<b>Labor</b>	<b>526,636</b>	
Executive Director	229,612	2.4% increase

Assistant Executive Director	96,682	2.4% increase; \$81/hour; Reflects 1200 hours
BACC Administrator	40,468	400 hrs AED support at \$101.71 per hr
Regulatory Program Manager	159,875	2.4% increase; \$118.43/hour, Reflects 1350 hours
<b>Administration</b>	<b>66,693</b>	
EBMUD Financial Services	44,596	3% increase in FY26
Auditing Services	5,672	Financial audit through EBMUD
Administrative Expenses	4,059	No change from FY25
Insurance	12,366	15% increase from FY25
<b>Meetings</b>	<b>32,569</b>	
EB Meetings	4,200	20% increase from FY25
Annual Meeting	14,369	No change from FY25
Pardee	4,000	Reduced in FY26
Misc. meetings and conferences	10,000	No change from FY25
<b>Communications</b>	<b>58,044</b>	
Web Hosting / Domain Registration	758	2% increase
File Storage	828	2% increase, box.net
Website Development/Maint.	1,656	2% increase
IT Support (As Needed)	2,870	2% increase
BACWA Value of Wastewater Communication	50,000	
Other Communications/Software	1,932	2% increase. MS Exchange/Survey Monkey/Poll Everywhere/Zoom/ NetFile
<b>Legal Support</b>	<b>22,403</b>	
Regulatory Support	20,000	Decrease from FY25
Executive Board Support	2,403	No increase from FY25
<b>BACWA Committees</b>	<b>413,810</b>	
AIR	94,750	Consultant support
BAPPG	148,060	Consultant support
Asset Management Committee	500	No change from FY25
BABC Committee	120,000	New in FY26
Collections System	1,000	SSS WDR Support
O&M Committee	1,500	No change from FY25
Laboratory Committee	500	No change from FY25
Permit Committee	500	No change from FY25
Pretreatment Committee	500	No change from FY25
Recycled Water Committee	500	No change from FY25
Misc. Committee Support	45,000	No change from FY25
Manager's Roundtable	1,000	No change from FY25
<b>Collaboratives</b>	<b>685,625</b>	
State of the Estuary	20,000	Biennial in odd fiscal years
Arleen Navarret Award	0	Biennial in even fiscal years
BayCAN	5,000	
Bay Area One Water Network	5,000	Donation due in FY26
Bruce Wolf Scholarship	4,000	FY22, FY23, FY26, FY26 FY26
Our Water Our World Program	10,000	Previously included in BAPPG Budget
National Stewardship Action Council	10,000	Previously included in BAPPG Budget
California Product Stewardship Council	10,000	Previously included in BAPPG Budget
Passthrough to CASA for air toxics	620,125	New line in FY24

Misc.	1,500	NBWA
<b>Technical Support</b>	<b>\$2,762,500</b>	
<b>Nutrients</b>		
Watershed	2,200,000	Advanced funding for 2 <sup>nd</sup> Watershed Permit Science Studies – not to exceed value.
NMS Voluntary Contributions	0	
Additional Work Under Permit	100,000	Discretionary work including trading
Nutrient Workshop(s)	0	
NMS Reviewer	50,000	No change from FY24
Regional Nutrient Special Study	250,000	New item in FY25
General Technical Support	100,000	E.g. Nutrients, biosolids
CEC Investigations	50,000	PFAS Study Phase 3
Risk Reduction	12,500	Will plan new risk reduction tasks for current Hg/PCB Watershed Permit.
<b>TOTAL</b>	<b>\$4,568,281*</b>	

\*FY26 Budget Expense Total includes BACC Administration expense and WorkPlan tables A&B do not.

\* CASA Air Toxics pass through program is on FY26 Budget and presented in table below.

<b>WOT</b>	<b>2026 Budget (Est)</b>	<b>Notes</b>
<b>REVENUES</b>	<b>0</b>	
Participant's Contributions	0	Est. depends on member interest.
<b>EXPENSES</b>	<b>85,200</b>	
Contract expenses	80,000	Est. depends on member interest.
BACWA Indirect Expenses	1,000	Per BACWA level of effort in admin support
<b>TOTAL</b>	<b>85,200</b>	Funding transferred from WOT reserve

<b>BACC</b>	<b>2026 Budget (Est)</b>	<b>Notes</b>
<b>REVENUES</b>	<b>\$77,724.21</b>	
Participant's Contributions	\$77,724.21	Est. equivalent to expenses.
<b>EXPENSES</b>	<b>\$77,724.21</b>	
Bid software	\$4,710.09	
BACC Legal reserve	\$30,000	Target total reserve \$150,000 to be built over 5 years.
Miscellaneous expenses	\$2,492.12	
BACWA Indirect Expenses	\$40,522	Per BACWA Policy, reflects level of effort.
<b>TOTAL</b>	<b>0</b>	

The California Association of Sanitation Agencies (CASA) has requested that the Regional Associations, including BACWA, collect funds from their members in support of a statewide air toxics testing initiative. BACWA would pay CASA the estimated fees on behalf of BACWA's participating members, and collect

the funds from its participating members the subsequent fiscal year. The final fees are still under development and will be finalized and approved by a steering committee made up of project participants. This effort would not be a program of special benefit. This project would not impact BACWA's finances over the four-year course of the project, as revenues and expenses are expected to be equivalent.

<b>CASA Air Toxics</b>	<b>2026 Budget</b>	<b>Notes</b>
<b><u>REVENUES</u></b>		
Participant Invoices	\$620,125	Fees reflect FY24 and FY26 CASA costs collected by BACWA in FY26.
<b><u>EXPENSES</u></b>		
CASA Air Toxics program	\$620,125	FY26 fees collected from BACWA members passed on to CASA. FY24 fees advanced by BACWA in FY24 per Board approval.
<b>TOTAL</b>	<b>0</b>	

- \$100,000 was paid in FY24

## **Nutrient Surcharge Allocation Methodology**

### **FY26**

#### **Background**

BACWA's nutrient surcharge is levied to its members each year who are Nutrient Watershed Permittees. These funds partially support nutrient science in compliance with the third Nutrient Watershed Permit (R2-2024-0013). This funding is passed through directly to SFEI and supplemented with additional funding from BACWA's Clean Bay Collaborative (CBC) Fees. For the third Nutrient Watershed Permit, which is the current permit, the annual science support obligation is \$2.2M per year. Additional CBC funds are spent to support other permit compliance activities such as the Group Annual Report and special studies.

Each year the nutrient surcharge is set at a level to gradually draw down BACWA's excess CBC Reserves to the target level of \$1.0M. In FY26, the total nutrient surcharge was set to \$1.75M.

In the past, the nutrient surcharge was allocated via different methods. During the term of the first watershed permit (R2-2014-0014), two thirds of the surcharge was split equally between the BACWA principals and the remaining one third was divided among the associate and affiliate member permittees in proportion to their previous year's annual Total Inorganic Nitrogen (TIN) load. Since FY20, during the term of the second watershed permit (R2-2019-0017) and the first year of the third watershed permit, all agencies, including the BACWA principals, paid in proportion to their annual TIN load, calculated as a 3-year rolling average.

The third watershed permit requires TIN load reductions based on dry season (May 1 – Sept 30) loads, so the Executive Board gave direction that the nutrient surcharge should be allocated based on dry season loads, rather than annual average loads. However, several agencies have dry season discharge prohibitions, which means their dry season loads are close to zero. A surcharge floor was proposed so that agencies without TIN limits, but with continued requirements for reporting and support for the science, would continue to pay a nominal fee to support these activities. Based on the total contractor cost for producing the Group Annual Report, divided by the number of dischargers, this floor was set at \$1,400 for major dischargers. For minor discharges, the floor was set at 1/10<sup>th</sup> the value of major dischargers, or \$140.

#### **Calculation methodology for FY26**

Based on the reasoning above, each agency's nutrient surcharge is calculated as follows:

Sum of agency "floors" = \$43,820

Total surcharge allocated based on dry season TIN = \$1,750,000 - \$43,820 = \$1,706,180

*Agency surcharge = floor + (agency's fraction of 3-year rolling average dry season TIN load x Total surcharge allocated based on TIN)*

Major discharger

$$\text{Nutrient Surcharge (major)} = \$1,400 + \left( \frac{\text{3-year average agency dry season TIN load}}{\text{3-year average aggregate dry season TIN load}} \times \$1,706,180 \right)$$

Minor discharger:

$$\text{Nutrient Surcharge (minor)} = \$140 + \left( \frac{\text{3-year average agency dry season TIN load}}{\text{3-year average aggregate dry season TIN load}} \times \$1,706,180 \right)$$

Draft Nutrient Surcharge Calculations for FY26 Based on Dry Season Loads and Fixed Base Fee

		2nd wsp		3rd wsp					
BACWA Agency	Subembayment	2021/2022	2022/2023	2023/2024	Average of Oct 2021 - Sep 2024 (3 Years)	% (based on TIN) FY26			FY 26 Nutrient Surcharge*
Basis for Allocation							GAR Fee (\$1400 for majo, \$140 for minor)		TIN (Oct 2021- Sept 2024)
Amount Needed Science Funding								\$1,706,180	1,750,000
CCCSD	Suisun Bay	3,690	3,430	3,410	3,510	8.01%	\$1,400	\$136,750	\$138,150
EBDA	South Bay	6,890	7,320	7,030	7,080	16.17%	\$1,400	\$275,837	\$277,237
EBMUD	Central Bay	9,960	7,330	7,610	8,300	18.95%	\$1,400	\$323,368	\$324,768
San Jose	Lower South Bay	2,530	3,460	4,310	3,433	7.84%	\$1,400	\$133,763	\$135,163
SFPUC Southeast	South Bay	7,400	7,040	7,380	7,273	16.61%	\$1,400	\$283,369	\$284,769
American Canyon	San Pablo Bay	11.3	15	23.7	17	0.04%	\$1,400	\$649	\$2,049
Benicia	San Pablo Bay	204	230	240	225	0.51%	\$1,400	\$8,753	\$10,153
Burlingame	South Bay	253	278	245	259	0.59%	\$1,400	\$10,078	\$11,478
CMSA	Central Bay	1,090	997	1,100	1,062	2.43%	\$1,400	\$41,389	\$42,789
Crockett (Port Costa)	San Pablo Bay				-	0.00%	\$140	\$0	\$140
Delta Diablo	Suisun Bay	944	1,200	1,320	1,155	2.64%	\$1,400	\$44,986	\$46,386
FSSD	Suisun Bay	1,040	884	949	958	2.19%	\$1,400	\$37,311	\$38,711
Las Gallinas <sup>(b)</sup>	San Pablo Bay	0	0	0	-	0.00%	\$1,400	\$0	\$1,400
MSD 5 (Tiburon & Paradise Cove)	Central Bay	47.577	45.72	44.25	46	0.10%	\$280	\$1,786	\$2,066
Millbrae	South Bay	245	254	268	256	0.58%	\$1,400	\$9,961	\$11,361
Mt. View	Suisun Bay	41.6	56.5	49.3	49	0.11%	\$1,400	\$1,914	\$3,314
Napa SD	San Pablo Bay	0	0	0	-	0.00%	\$1,400	\$0	\$1,400
Novato SD	San Pablo Bay	0	118	38.9	52	0.12%	\$1,400	\$2,038	\$3,438
Palo Alto	Lower South Bay	2,230	2,300	2,050	2,193	5.01%	\$1,400	\$85,452	\$86,852
Petaluma	San Pablo Bay	0	0	0	-	0.00%	\$1,400	\$0	\$1,400
Pinole	San Pablo Bay	369	350	351	357	0.81%	\$1,400	\$13,896	\$15,296
Rodeo SD	San Pablo Bay	39.2	48.8	40.2	43	0.10%	\$1,400	\$1,665	\$3,065
SFO Airport	South Bay	90.5	212	55	119	0.27%	\$1,400	\$4,643	\$6,043
San Mateo	South Bay	1,340	1,450	1,410	1,400	3.20%	\$1,400	\$54,544	\$55,944
Sausalito-Marin City SD	Central Bay	110	114	118	114	0.26%	\$1,400	\$4,441	\$5,841
Sewerage Agency of SM	Central Bay	246	235	233	238	0.54%	\$1,400	\$9,272	\$10,672
Sonoma Co Water Ag	San Pablo Bay	0	2.33	0	1	0.00%	\$1,400	\$30	\$1,430
SVCW	South Bay	2,460	2,560	2,280	2,433	5.56%	\$1,400	\$94,803	\$96,203
South SF	South Bay	1,220	1,230	1,150	1,200	2.74%	\$1,400	\$46,752	\$48,152
Sunnyvale	Lower South Bay	460	720	621	600	1.37%	\$1,400	\$23,389	\$24,789
Treasure Island	Central Bay	19.9	25.6	23	23	0.05%	\$1,400	\$890	\$2,290
Vallejo Sanitation & FCD	San Pablo Bay	769	755	887	804	1.84%	\$1,400	\$31,311	\$32,711
West County Agency	Central Bay	692	628	462	594	1.36%	\$1,400	\$23,142	\$24,542
					-				
Total		44,392	43,289	43,698	43,793	100%			\$1,750,000
Principals Only		30,470	28,580	29,740	29,597	67.58%			\$1,160,086
Total w/o principals		13,922	14,709	13,958	14,196	32.42%			\$589,914



## EXECUTIVE BOARD AUTHORIZATION REQUEST

AGENDA NO.: 5

MEETING DATE: April 18, 2025

**TITLE: Request for BACWA Executive Board Approval for Amendment #1 to the Agreement with Carollo Engineers for FY25 AIR Committee Support**

☐ RECEIPT      ☐ DISCUSSION      ☐ RESOLUTION      ☒ APPROVAL

### RECOMMENDED ACTION

Authorize the execution of an amendment to the agreement with Carollo Engineers for enhanced support of the BACWA Air Issues & Regulations (AIR) Committee, increasing the not to exceed amount by \$18,747, to a total of \$93,747 for FY25.

### SUMMARY

The BACWA Air Issues & Regulations (AIR) committee is supported by a consultant team that plans and manages meetings, provides regulatory and technical updates, and facilitates coordination between the wastewater sector and regulators. BACWA conducted a competitive solicitation for AIR committee support in FY25, and a team including representatives from Carollo and Mizutani Environmental was chosen as the consultant best able to provide the required services. The contract was approved by the BACWA Board at the July 5, 2024 meeting.

The original contract included a task for “As-Need Support” on a variety of issues. However, the AIR Committee wished to engage the Air District on a number of issues, including rule development and strategic planning, requiring a level of effort that was not foreseen at the time the original permit was approved. Carollo has developed a proposal for an enhanced level of support, corresponding to a level of effort of \$18,747. This level of effort is 25 percent above the original contract of \$75,000, and would bring the total FY25 support to \$93,747. This request has been reviewed and approved by the AIR committee chairs.

### FISCAL IMPACT

Funds are available for this agreement under “Miscellaneous Committee Support” and have been allocated within the BAPPG FY25 budget and workplan approved on April 19, 2024.

### ALTERNATIVES

1. Do not approve amendment for enhanced consultant support for BACWA’s AIR Committee. This alternative is not recommended, since AIR committee leadership has expressed the need for assistance on air issues that affect wastewater agencies in the region, at a level that is above what was foreseen at the beginning of the fiscal year.

*Attachments:* Amendment # 1

Proposal to Provide Scope of Services and Budget for Providing an Enhanced Level of Support for BACWA's Air Issues and Regulations (AIR) Committee during Fiscal Year 2025  
FY25 Agreement with Carollo Engineers



Approved:

\_\_\_\_\_

Jacqueline Zipkin  
Chair, BACWA Executive Board

Date:

\_\_\_\_\_

AMENDMENT NO. 1  
TO AGREEMENT BETWEEN  
BAY AREA CLEAN WATER AGENCIES and  
Carollo Engineers  
FOR  
AIR Committee Support FY25

This Amendment No. 1 is made this 18<sup>th</sup> day of April 2025, in the City of Oakland and County of Alameda, State of California, to that certain agreement of July 5, 2024 by and between Carollo Engineers and Bay Area Clean Water Agencies, (BACWA) (the "Agreement") in consideration of the covenants hereinafter set forth.

1. BACWA and Carollo Engineers agree to a new contract amount of \$93,747 for AIR Committee Support for Fiscal Year 2025.
2. The period of the agreement is unchanged.
3. Except as herein expressly modified, the Agreement will remain in full force and effect.

BAY AREA CLEAN WATER AGENCIES

By _____ Jackie Zipkin, Chair BACWA Executive Board	Date <u>April 18, 2025</u>
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By _____ Ray David Carollo Engineers	Date _____
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**BAY AREA CLEAN WATER AGENCIES**  
**PROFESSIONAL SERVICES CONTRACT**

This PROFESSIONAL SERVICES CONTRACT, effective 7/5/2024, is between Bay Area Clean Water Agencies (“BACWA”), a joint powers agency which exists as a public entity separate and apart from its Member Agencies, created January 4, 1984 by a Joint Powers Agreement between Central Contra Costa Sanitary District, East Bay Dischargers Association, East Bay Municipal Utility District, the City and County of San Francisco and the City of San Jose, with a mailing address of P.O. Box 24055, MS 702, Oakland, CA 94623, and Carollo Engineers, Inc. (“Consultant”), a private corporation doing business at 2795 Mitchell Drive, Walnut Creek, CA 94598 for professional services as described in any Exhibit A attached hereto.

In consideration of the mutual covenants, stipulations and agreements, the parties agree as follows:

**Description and Standard of Services to be Performed**

1. Consultant will perform the Services as described by and in accordance with Exhibit A in a manner acceptable to BACWA.
2. Consultant shall not contract with or otherwise use any subconsultants, subcontractors or other non-employee persons or entities (“Subconsultants”) other than those listed in Exhibit B to perform the Services without the prior written approval of BACWA. For the Subconsultants listed in Exhibit B, Consultant shall ensure Subconsultants’ compliance with all the terms and conditions of this agreement.
3. Consultant will exercise that degree of care in performing the Services in accordance with that prevailing among firms of comparable standing in the State of California (“Professional Standard”). Consultant will promptly correct or re-perform those Services not meeting the Professional Standard without additional compensation.
4. Consultant warrants that it is fully licensed, registered and otherwise fully authorized to perform the Services in the State of California to the extent applicable law requires such licensure, registration or authorization.
5. BACWA’s review, approval, acceptance, use, or payment for all or any part of the Services hereunder will not alter the Consultant’s obligations or BACWA’s rights hereunder, and will not excuse or diminish Consultant’s responsibility for performing all Services consistent with this Contract.

**Payment for Services**

6. BACWA will pay Consultant based on the rates in Exhibit B, up to a maximum amount payable of \$75,000. Consultant will not exceed the maximum amount payable without obtaining prior written approval from BACWA. This term of this agreement shall not extend beyond June 30, 2025 but may be extended for additional one-year terms at BACWA’s discretion for an additional four years, ending June 30, 2029. If, upon reaching the end of the term of the contract, the Board elects to extend the contract, the amount of the extended contract will be negotiated at the time the contract is extended.
7. Consultant shall submit invoices monthly. Invoices shall include the hours charged by each employee, a brief description of the work performed, and a description of costs for which Consultant seeks reimbursement and which are specified in Exhibit B.
8. Payments under this Contract will be due thirty (30) days after BACWA’s receipt of invoices. BACWA may withhold from any progress or final payment any damages, backcharges or claims incurred or anticipated by BACWA to the extent caused by Consultant.

## **Document Ownership and Retention**

9. Consultant will maintain all financial records relating to this Contract in accordance with generally accepted accounting principles and for at least three years following termination of this Contract. Consultant will grant BACWA and its representatives access upon request to all such records and all other books, documents, papers, drawings, and writings of Consultant that refer or relate to this Contract.
10. All drawings, specifications, reports, programs, manuals, and other work product of Consultant that result from this Contract (“Work Product”) will be considered the exclusive property of BACWA. Consultant agrees that it will not use, disclose, communicate, publish or otherwise make available to third parties any products, analyses, data, compilations, studies, proposals, technical or business information, and any other information related to the Services provided to BACWA without BACWA’s prior written approval.

## **Indemnification**

11. To the fullest extent allowed by law, Consultant will indemnify, hold harmless, reimburse and defend BACWA, its Member Agencies, and each of their officers, directors, employees and agents from, for and against any and all claims, demands, damages, losses, expenses, liabilities and penalties, including but not limited to reasonable attorneys’ and expert witnesses’ fees, arising out of or relating to the Services but only to the extent caused by the negligent or other wrongful acts or omissions of Consultant or any person or entity for whose acts or omissions any of them are responsible, or by the failure of any such party to perform as required by this Contract.

## **Insurance**

12. Consultant will purchase and maintain, at Consultant’s expense, the following types of insurance, covering Consultant, its employees and agents:
  - a. Workers’ Compensation Insurance as required by law, subject to a waiver of subrogation in favor of BACWA.
  - b. Employers Liability Insurance with a per accident value at \$1,000,000, Policy Limit of \$1,000,000 and Each Employee of \$1,000,000, subject to a waiver of subrogation in favor of BACWA.
  - c. Comprehensive General Liability Insurance covering personal injury and property damage with a combined single limit, or the equivalent, of not less than \$1,000,000.00 each occurrence, \$2,000,000.00 general aggregate, and naming BACWA as an additional insured.
  - d. Business Automobile Liability Insurance with combined single limit coverage of not less than \$1,000,000.00 aggregate for each claim, incident, or occurrence; and naming BACWA as an additional insured.

## **Assignment**

13. Consultant will not assign or transfer any of its interest in this Contract, in whole or in part, without the prior written consent of BACWA. BACWA may assign this Contract and any rights relating to this Contract (including but not limited to its right to assert claims and defenses against Consultant) at BACWA’s discretion.

## **Independent Contractor**

14. Consultant will perform the Services as an independent contractor. Although Consultant will perform its Services for the benefit of BACWA, and although BACWA reserves the right to determine the schedule for the Services and to evaluate the quality of the completed performance, BACWA does not

control the means or methods of Consultant's performance. Consultant is solely responsible for determining the appropriate means and methods of performing the Services, and Consultant's liability will not be diminished by any review, approval, acceptance, use or payment for the same by BACWA or any other party.

### **Termination of Contract; Suspension of Services**

15. This contract shall automatically terminate on June 30, 2025. Either party may also terminate this Contract in whole or in part at any time for its convenience. For a termination for convenience, the termination will be effective thirty (30) days following receipt of a written notice of termination by one party from the other. BACWA may terminate this Contract in whole or in part for cause, in which event the termination will be effective ten (10) days after Consultant's receipt of BACWA's written notice and Consultant's failure during that period to cure the default.

### **Dispute Resolution**

16. Consultant will give prompt written notice to BACWA of any claim, dispute or other matter in question, but in no event will Consultant give such notice later than ten (10) days after Consultant's becoming aware of the event or circumstance giving rise to the claim, dispute or matter in question.
17. All claims, disputes and other matters in question between BACWA and Consultant arising out of or relating to this Contract will be subject to alternative dispute resolution. If both parties agree to arbitration it will be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. Notice of the demand for arbitration will be filed in writing with the other party to this Contract and with the American Arbitration Association. Any arbitration arising out of or relating to this Contract will include, by consolidation, joinder or joint filing, any other person or entity not a party to this Contract that is substantially involved in a common issue of law or fact and whose involvement in the consolidated arbitration is necessary to achieve a final resolution of a matter in controversy therein. This agreement to arbitrate will be specifically enforceable by any court with jurisdiction thereof.
18. A demand for dispute resolution by either party will be made within a reasonable time after the claim, dispute, or other matter in question has arisen, and in no event will it be made after the date when institution of court litigation based on such claim, dispute or other matter in question would be barred by the applicable period of limitations. For all claims by BACWA against Consultant, the applicable period of limitations will not commence to run, and any alleged cause of action will not be deemed to have accrued (whether such action is based on negligence, strict liability, indemnity, intentional tort or other tort, breach of contract, breach of implied or express warranty, or any other legal or equitable theory), unless and until BACWA is fully aware of all three of the following: (1) the identity of the party(ies) responsible, (2) the magnitude of the damage or injury and (3) the cause(s) of the damage or injury. The contractual limitations period and discovery rule provided herein applies in lieu of any otherwise applicable statute or related case law.
19. The failure of either party to enforce any provision of this Contract will not constitute a waiver by that party of that or any other provision of this Contract.

### **Severability**

20. BACWA and Consultant agree that if any term or provision of this Contract is determined to be illegal, in conflict with any law, void or otherwise unenforceable, and if the essential terms and provisions of this Contract remain unaffected, then the validity of the remaining terms and provisions will not be affected and the offending provision will be given the fullest meaning and effect allowed by law.

## Survival

21. All rights and obligations set out in this Contract and arising hereunder will survive the termination of this Contract (i) as to the parties' rights and obligations that arose prior to such termination and (ii) as is necessary to give effect to rights and obligations that arise after such termination but derive from a breach or performance failure that occurred prior to the termination.

This Contract constitutes the entire, legally binding contract between the parties regarding its subject matter. No waiver, consent, modification or change of terms of this Contract is binding unless in writing and signed by both parties.

The following documents are incorporated into and made a part of this Contract. Any conflicts between these documents and this Contract will be resolved in favor of this Contract.

Exhibit A – Scope of Work

Exhibit B – Hourly Rates

CONSULTANT: Carollo Engineers, Inc.  
2795 Mitchell Drive  
Walnut Creek, CA 94598  
Employer Identification No.: 86-0899222

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Consultant Signature  
Carollo Engineers, Inc.

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Date

---

BACWA Signature  
Jacqueline Zipkin, BACWA Executive Board Chair

---

Date

**EXHIBIT A**  
**SCOPE OF WORK**

BACWA Air Issues & Regulations (AIR) Committee Support for Fiscal Year 2024-2025

Professional Services by Carollo Engineers

**Task 1 - Meetings with the AIR Committee**

Under this task, it is assumed we will organize quarterly meetings with the AIR Committee in each fiscal year. This includes coordination of four virtual or in-person meetings, preparation of agendas and meeting materials (e.g., handouts and presentation slides), and sharing meeting minutes following each meeting. We will support the AIR Committee members by presenting information on current air issues, facilitating discussions between members, and identifying follow-on action items. One of these meetings will be the annual BAAQMD-BACWA meeting to address issues of concern to AIR Committee members. We will meet with the AIR Committee Chairs to provide updates and develop the agenda for the aforementioned AIR Committee meetings.

**Task 2 - Track and Communicate Regulatory Issues, Technical Resources, and Grant Opportunities**

This task is to allow for continued monitoring of regulatory agencies involved in developing air quality and climate change regulations that may affect Bay Area POTWs, including but not limited to the BAAQMD, the San Francisco Bay Conservation and Development Commission, the California Air Resources Board, and the U.S. Environmental Protection Agency. We will also track related and relevant technical resources and grant opportunities of interest to BACWA AIR Committee member agencies.

This task also includes preparation and distribution of informational material via e-mail to members to keep them informed of the AIR Committee activities and future regulatory activities.

**Task 3 - Coordination and Communication with other POTW Organizations and Regulators**

When directed by the AIR Committee Chairs, we will participate in meetings with regulators, participate in member or regulator workshops and hearings, draft correspondence for AIR Committee member review and approval prior to submission, coordinate support for the Implementation Workgroup formed with BAAQMD in 2022 following amendments to Regulation 2, and perform other related activities. We will also coordinate with other POTW organizations on issues of common interest. The purpose of this coordination is to share/exchange useful information, identify areas of joint interest, and prepare consistent or complementary responses on key issues, where appropriate. POTW organizations whose objectives/interests coincide with the AIR Committee include Clean Water SoCal, CASA, WRF, and NACWA. Activities may include conference calls, meetings, and exchange of published information.

**Task 4 - Response on Special Assignments (Optional)**

This optional task includes performing special technical assignments under the direction of the AIR Committee Chairs (i.e., as needed). Special technical assignments may include leading a specialty workshop for the AIR Committee or general BACWA members, participating in AIR Committee strategy meetings, or performing other activities not included in Tasks 1-3.

**EXHIBIT B**  
**HOURLY RATES**

Consultant / Subconsultant	Hourly Rate
Ray David, Carollo Engineers	\$278
Courtney Mizutani, Mizutani Environmental	\$255



# BACWA Discussion 6/19/20

## Nutrient Trading in the SF Bay



Alex Johnson, Freshwater Fund Director  
Erik Ringelberg, California Director

Chris Thomas, Staff Attorney  
Jason Myers, Freshwater Fund Manager

# Brief Agenda

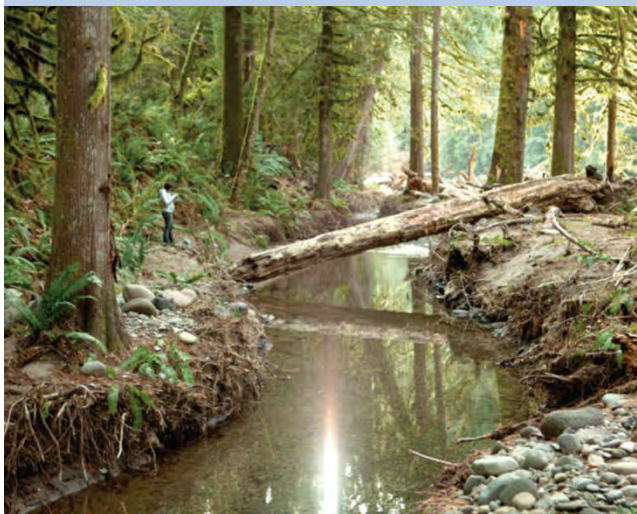
- Intro to The Freshwater Trust
- Recap of TFT's 2016 SF Bay Work
- Point to Point trading – basics & thoughts
- Aligned work in Central Valley
- Open discussion





# The Freshwater Trust

A 501(c)(3) non-profit organization with a 37-year history of actively working to preserve and restore freshwater ecosystems.



## Habitat Restoration

Actively restoring stream, off-channel and riparian habitat to improve functional conditions for fish.



## Flow Restoration

Keeping water in streams to support water quality and habitat while supporting working lands.



## Water Quality Trading

Applying compliance-driven funding to prioritized restoration/conservation actions to increase overall watershed health.

# TFT's Past Work in SF Bay



The  
Freshwater Trust®

January 30, 2017

## Point-to-Point Source Water Quality Trading for Nutrients in the San Francisco Bay

*Executive Summary: Assessing the Viability & Mechanics of a Nutrient Credit Trading Program*

### INTRODUCTION

Water quality trading (WQT) is a market-based Clean Water Act (CWA) compliance alternative that allows for exchanges between dischargers. Under a trading program, sources of nutrient loading may reduce their effluent below a pre-defined baseline and sell the excess reductions to other dischargers to offset effluent loads, thereby achieving compliance with the applicable discharge limits.<sup>1</sup> WQT often represents a more economical and environmentally beneficial alternative than traditional individual facility compliance methods. Large, complex watersheds across the country, notably the Long Island Sound and the Chesapeake Bay, have successfully implemented trading programs and seen meaningful water quality improvements and economic benefits through these flexible compliance solutions.

In light of the potential benefits of nutrient credit trading for wastewater utilities in the San Francisco Bay (the Bay), East Bay Municipal Utility District (EBMUD) enlisted The Freshwater Trust (TFT) to complete a five part evaluation of the viability of point-to-point source nutrient trading in the Bay. The specific tasks provide a foundational understanding of point-to-point source trading, highlight the key trading considerations in the watershed, and recommend advantageous components of a conceptual trading program based on TFT's findings and expertise.

As a result of these analyses, TFT believes that a watershed-based point-to-point source nutrient trading program represents a feasible tool to help dischargers comply with future permit limits while improving the water quality of the Bay in an efficient and cost effective manner. TFT provides several recommendations to

## REDUCING NUTRIENTS IN THE SAN FRANCISCO BAY THROUGH ADDITIONAL WASTEWATER TREATMENT PLANT SIDESTREAM TREATMENT

Prepared By: East Bay Municipal Utility District (EBMUD) and Project Partners

Prepared For:

U.S. Environmental Protection Agency Region 9



Funding Opportunity No. EPA-R9-WTR3-13-001  
Grant No. 99T07401

April 28, 2017

# Water Quality Trading 101

- Point Source to Point Source water quality trading = regulated point sources reduce pollution below permit requirements and sell excess reductions to other regulated point sources
- Trading programs often make more **economical** sense than stand-alone end-of-pipe technology controls and generate more **ecological** benefits
- To be successful, WQT programs must have:
  - **Standards** for eligibility
  - Clear **permit terms** that define tradable discharges
  - **Transparent systems** for reporting and tracking performance and custody of credits



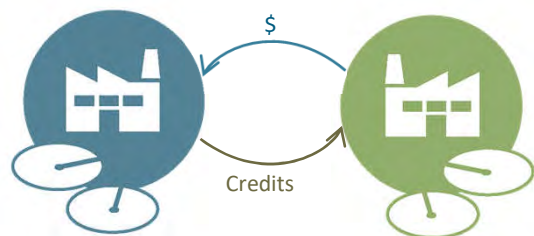
# Policy Foundation - Examples

- Regional Recommendations for the Pacific Northwest on Water Quality Trading
- Oregon Water Quality Trading Rules & IMD
- National Network on Water Quality Trading Guidance Documents
- Water Quality Trading Framework for the Laguna de Santa Rosa Watershed

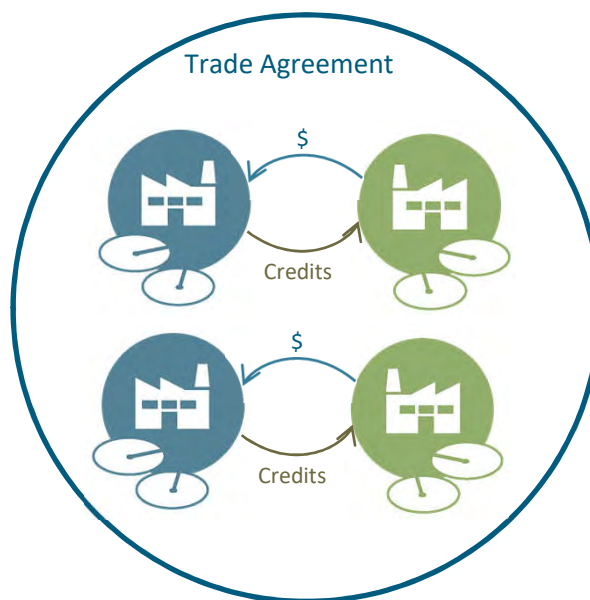


# Trading Scenarios

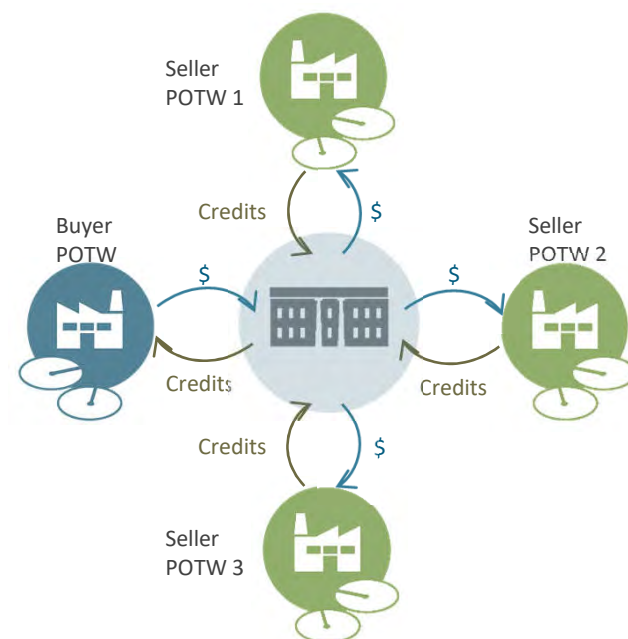
Option 1: Trading between Two Point Sources



Option 2: Multiple Facility Trading without an Exchange



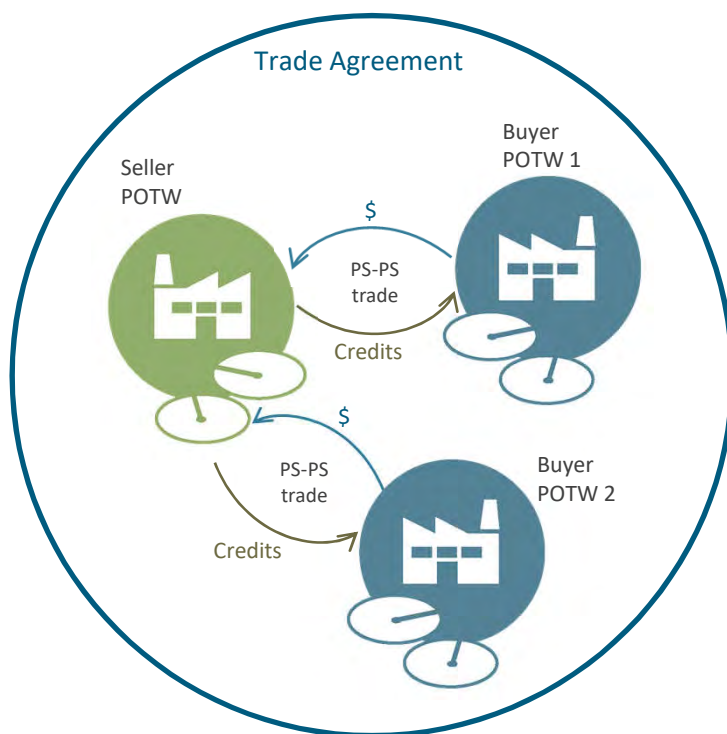
Option 3: Point Source Credit Exchange



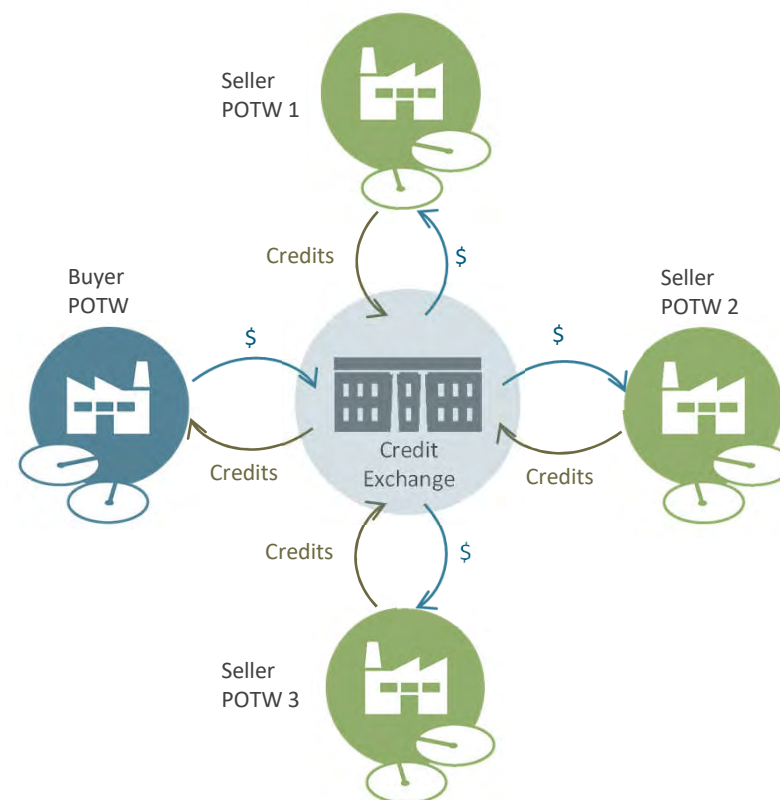
Adapted from US EPA

# Trading Scenarios

## Multiple Point Source Trading



## Point Source Credit Exchange



Adapted from US EPA



# Subembayments



Background Map: NASA Landsat



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Freshwater Trust® [www.thefreshwatertrust.org](http://www.thefreshwatertrust.org)

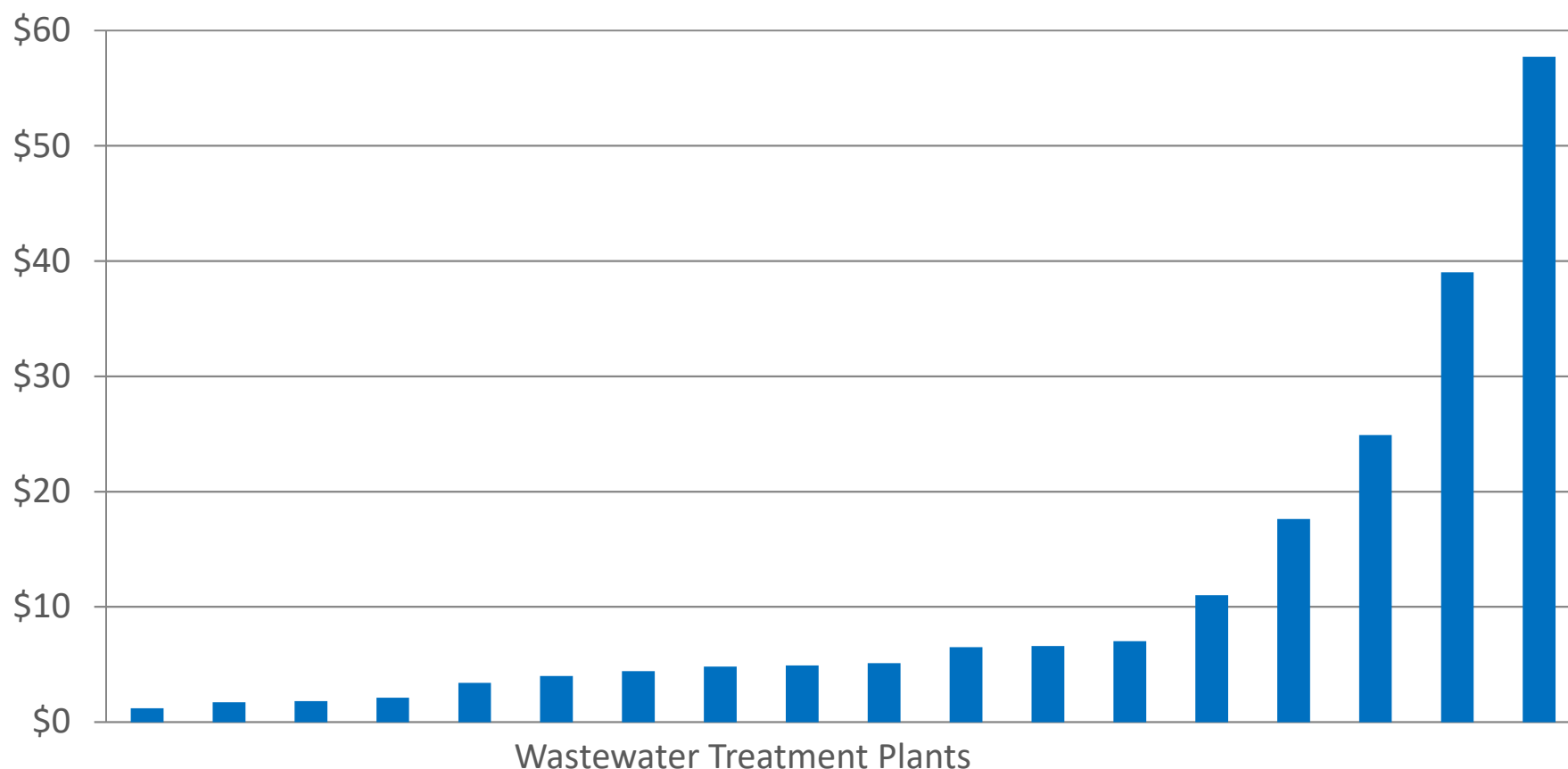
# Potential Outcomes in San Francisco Bay

16 Plants Total	Optimization		Level 2		Level 3	
	TN Cost	TN Cost	TN Cost	TN Cost	TN Cost	TN Cost
	\$/gpd	\$/lb N	\$/gpd	\$/lb N	\$/gpd	\$/lb N
Maximum	\$3.30	\$6.60	\$26.10	\$63.30	\$27.60	\$57.70
Minimum	\$0.06	\$0.44	\$0.20	\$1.30	\$1.30	\$1.70
Average	\$0.60	\$1.99	\$6.49	\$14.25	\$7.48	\$11.91

- 16 facilities in the San Francisco Bay surveyed
- Anticipated cost per pound of nitrogen removed varies widely
- Often more economically feasible to take advantage of another facility's lower cost upgrades through trading

# Potential Outcomes in San Francisco Bay

Cost per Pound of TN Removal for Different POTWs in the Bay



# Recommendations

## Major Programmatic Recommendations:

- Utilize a watershed overlay permit
- Develop a trade agreement to frame a “Multiple Facility Trading Program”
- Engage a third party to assist with credit forecasting, transaction documentation, reporting, and credit accounting

# Recommendations Cont'd

## Recommended Program Components:

- The Trading Area encompass the entire San Francisco Bay
- Develop Trading Ratios to account for the attenuation of benefits between subembayments
- Use an annual compliance period with a reconciliation period for permit compliance
- Form a Restoration Fund to minimize risk of credit shortages



# Case Study: Cosumnes River, CA

**Project:** South County Ag Program

**Utility:** Sacramento Regional County Sanitation District

**Partners:** Private irrigators, NGOs

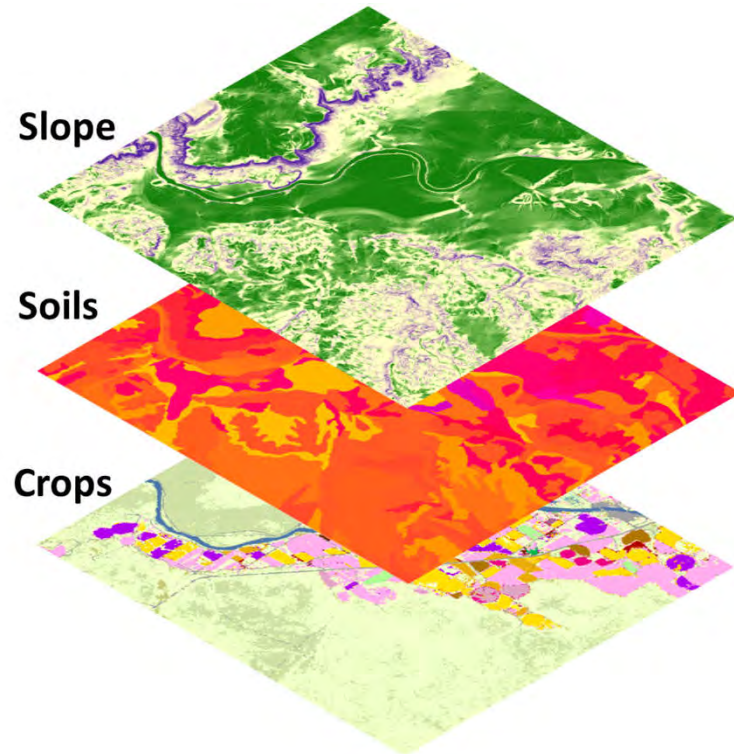
**Drivers:** California state funding for augmenting water supplies in region, depleted local aquifers and groundwater dependent ecosystems

**Goals of Project:**

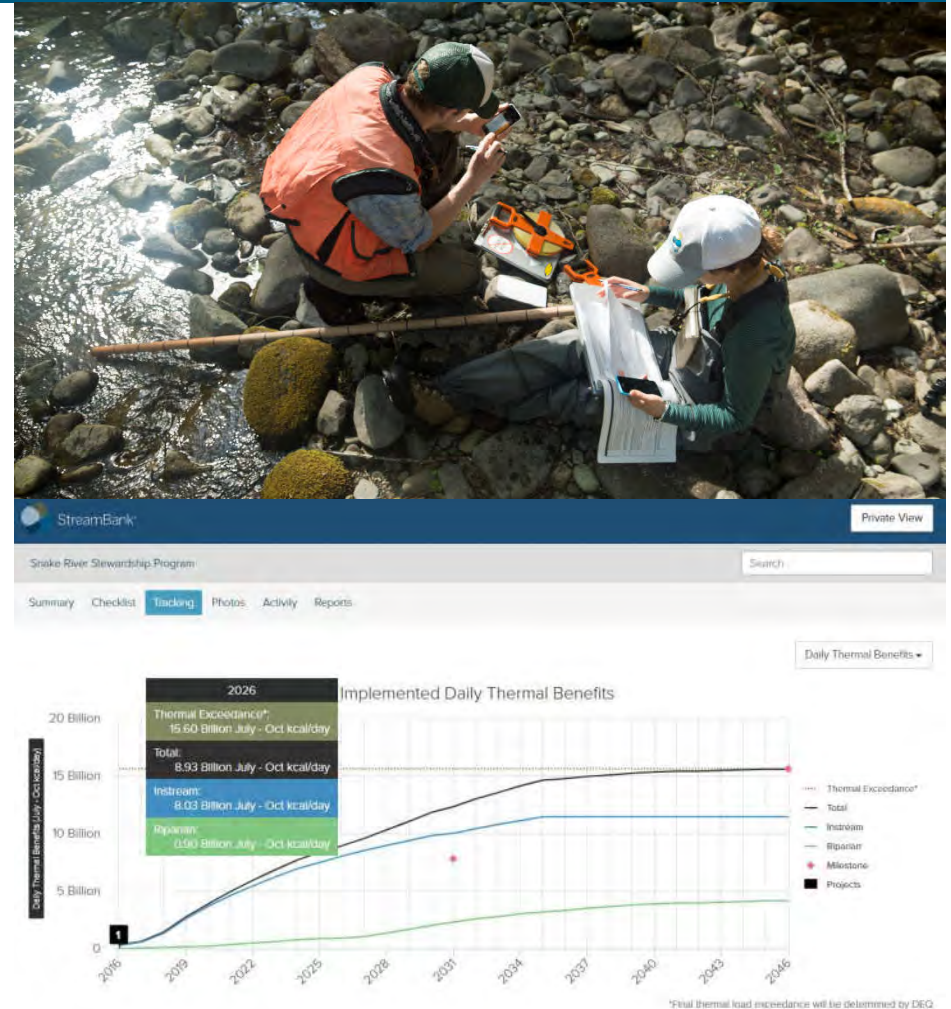
- Piping infrastructure to deliver 50,000 AFY of recycled water 12 miles south of facility
- Irrigation of ~16,000 acres of agricultural and habitat conservation lands that are currently using groundwater
- Recharges depleted groundwater basin
- Quantified ecosystem improvements for sandhill crane habitat, vernal pools, Chinook salmon, wetlands and riparian forests at the confluence of the Cosumnes River and the Sacramento River



# New Tools for Watershed Management



New capabilities + New insight  
= New opportunities





# Example: BasinScout Platform - Solano Co

**BasinScout**  
PLATFORM

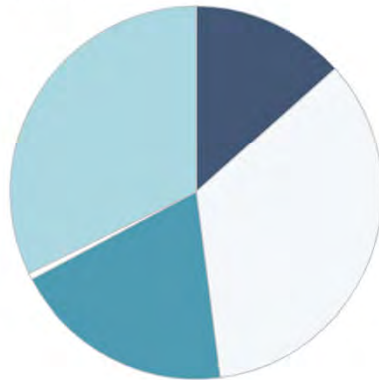
Program  
Current conditions ▼

Mode  
Map ▼

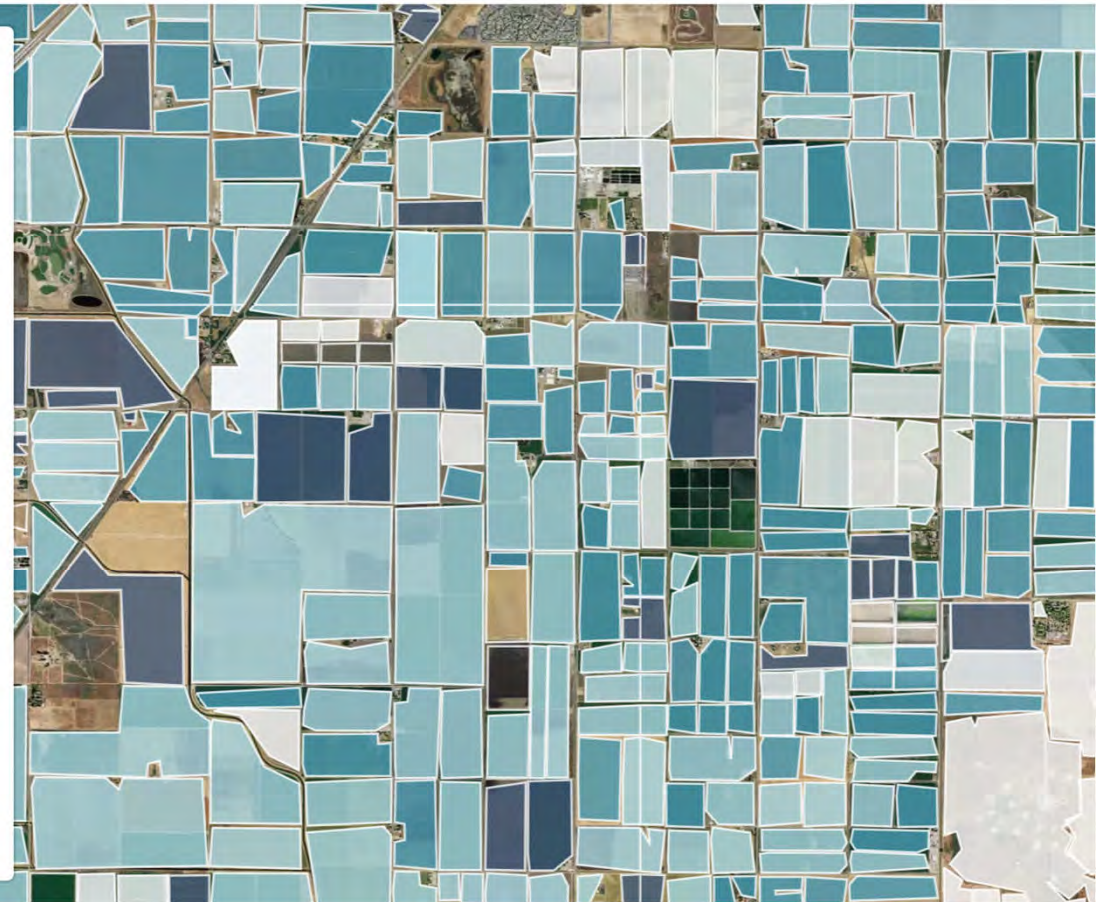
Layer  
Irrigation Type ▼

Basemap  
Satellite ▼

Legend (5 classes)



- High efficiency 13.42%
- Pressurized 19.30%
- Unpressurized 32.23%
- Not irrigated 34.52%
- Undetermined 0.54%



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# Discussion



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## **Goals for the Nutrient Management Strategy science program (2025-2029)**

**Rationale:** In response to the 2022 Bay-wide harmful algae bloom (HAB), associated fish kills, and the Water Board's subsequent regulatory decision in June 2024 to require 40% nutrient load reductions, the goals for the NMS have shifted from the original broad scientific collection goals. Updated goals focus on more specific needs to inform required load reductions and other near term management actions.

1. Ensure the steering committee and interested parties understand the work performed and its relevance to current science goals through production of synthesis materials and outreach documents
2. Maintain core nutrient, water quality, and phytoplankton monitoring and assessment projects, and consider adjustments to or expansion of monitoring spatially, temporally, or via collection of new parameters to address evolving priorities
3. Build the scientific foundation to inform long-term nutrient management decisions and future Water Board regulatory measures to manage nutrients in SF Bay by improving our conceptual model of nutrient dynamics and impacts. This includes efforts to explore risk and return frequency of large-scale bloom events, and improve understanding of HAB biology.
4. Evaluate the protectiveness of the water quality based effluent limits in the 2024 permit, and determine if revisions are necessary.
  - a. Improve our understanding of the 2022 Heterosigma HAB event, including the mechanism of impact on fisheries and the reason for the bloom's sudden decline, plus understanding why the 2023 Heterosigma bloom did not spread Bay-wide
  - b. Improve the model's capability to account for nutrient sources, transport, and transformation under current and future loading scenarios
  - c. Explore future spatial/temporal dissolved oxygen impacts and HAB toxicity effects of large-scale bloom and HAB events
5. Explore management actions to protect the Bay other than nutrient load reductions, such as post-bloom control(s), wetland restoration, and salt pond management.

		Est. Cost	Maximum Funding					Lower Funding					Sci Focus	Management ?s	Region
			FY26	FY27	FY28	FY29	FY30	FY26	FY27	FY28	FY29	FY30			
<b>MOD</b>	<b>MODELING</b>		<b>\$1,600</b>	<b>\$1,475</b>	<b>\$1,250</b>	<b>\$1,075</b>	<b>\$925</b>	<b>\$1,350</b>	<b>\$1,250</b>	<b>\$950</b>	<b>\$750</b>	<b>\$750</b>			
<b>CMOD</b>	<b>Core Modeling</b>		<b>\$1,075</b>	<b>\$925</b>	<b>\$750</b>	<b>\$675</b>	<b>\$675</b>	<b>\$925</b>	<b>\$850</b>	<b>\$625</b>	<b>\$575</b>	<b>\$725</b>			
CMOD.1	Biogeochemical Model Development		\$300	\$200	\$100	\$50	\$0	\$300	\$200	\$25	\$50	\$50			
CMOD.2	Predicting the 2022 HAB Event's Progression and Effects		\$300	\$200	\$50	\$0	\$0	\$300	\$150	\$100	\$0	\$0			
CMOD.3	Investigate Environmental-Change Scenarios, Probability		\$150	\$250	\$250	\$200	\$200	\$100	\$250	\$250	\$250	\$250			
CMOD.4	Simulate Load Reduction Scenarios & Influence on Water Quality		\$0	\$0	\$100	\$100	\$100	\$0	\$50	\$100	\$100	\$150			
CMOD.5	Source Apportionment: Develop and Test Approaches		\$150	\$100	\$50	\$50	\$50	\$100	\$100	\$50	\$25	\$25			
CMOD.6	Nutrient Trading: Develop and Apply Approaches		\$0	\$0	\$100	\$150	\$200	\$0	\$0	\$25	\$100	\$125			
CMOD.7	Model Infrastructure		\$100	\$100	\$25	\$50	\$50	\$50	\$50	\$0	\$0	\$50			
CMOD.8	Convene NMS Model Advisory Group		\$75	\$75	\$75	\$75	\$75	\$75	\$50	\$75	\$50	\$75			
<b>EMOD</b>	<b>Expanded Modeling</b>		<b>\$525</b>	<b>\$550</b>	<b>\$500</b>	<b>\$400</b>	<b>\$250</b>	<b>\$425</b>	<b>\$400</b>	<b>\$325</b>	<b>\$175</b>	<b>\$25</b>			
EMOD.1	LSB Model: Refinements, Tracer Tools for BGC studies		\$50	\$75	\$50	\$50	\$0	\$50	\$0	\$50	\$25	\$25			
EMOD.2	LSB Simulations: Fluxes; Transformations; System Responses		\$75	\$75	\$100	\$100	\$50	\$50	\$75	\$75	\$0	\$0			
EMOD.3	Integrating Delta and Open Bay Models		\$100	\$100	\$50	\$50	\$0	\$75	\$75	\$50	\$50	\$0			
EMOD.4	Coastal Modeling		\$150	\$150	\$150	\$100	\$100	\$100	\$100	\$50	\$0	\$0			
EMOD.5	Sediment Transport: Estimate Light attenuation		\$150	\$150	\$150	\$100	\$100	\$150	\$150	\$100	\$100	\$0			
<b>MON</b>	<b>MONITORING</b>		<b>\$2,150</b>	<b>\$2,150</b>	<b>\$2,150</b>	<b>\$2,150</b>	<b>\$2,150</b>	<b>\$1,550</b>	<b>\$1,500</b>	<b>\$1,550</b>	<b>\$1,500</b>	<b>\$1,700</b>			
<b>CMON</b>	<b>Core Monitoring</b>		<b>\$1,400</b>	<b>\$1,400</b>	<b>\$1,400</b>	<b>\$1,400</b>	<b>\$1,400</b>	<b>\$1,350</b>	<b>\$1,350</b>	<b>\$1,350</b>	<b>\$1,350</b>	<b>\$1,350</b>			
CMON.1	Ship-based Monitoring		\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600			
CMON.2	Moored Sensor Monitoring		\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550			
CMON.3	Biogeochemical Mapping of South Bay and Central Bay		\$250	\$250	\$250	\$250	\$250	\$200	\$200	\$200	\$200	\$200			
<b>EMON</b>	<b>Expanded Monitoring</b>		<b>\$750</b>	<b>\$750</b>	<b>\$750</b>	<b>\$750</b>	<b>\$750</b>	<b>\$200</b>	<b>\$150</b>	<b>\$200</b>	<b>\$150</b>	<b>\$350</b>			
EMON.1	Expand Ship-based Monitoring		\$100	\$100	\$100	\$100	\$100	\$0	\$0	\$0	\$0	\$0			
EMON.2	Expand Moored Sensor Program		\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150			
EMON.3	Expand Biogeochemical Mapping: San Pablo and Suisun Bays		\$150	\$150	\$150	\$150	\$150	\$0	\$0	\$0	\$0	\$150			
EMON.4	Toxin measurements in SFB Mussels		\$150	\$150	\$150	\$150	\$150	\$0	\$0	\$0	\$0	\$0			
EMON.6	Additional Priority Monitoring		\$100	\$100	\$100	\$100	\$100	\$0	\$0	\$0	\$0	\$0			
EMON.5	Augment Data Management		\$100	\$100	\$100	\$100	\$100	\$50	\$0	\$50	\$0	\$50			
	<b>PROJECTS or SPECIAL STUDIES</b>		<b>\$1,425</b>	<b>\$1,620</b>	<b>\$1,720</b>	<b>\$1,375</b>	<b>\$1,025</b>	<b>\$975</b>	<b>\$1,020</b>	<b>\$945</b>	<b>\$800</b>	<b>\$550</b>			
<b>FL</b>	<b>Field and Lab Studies</b>		<b>\$575</b>	<b>\$750</b>	<b>\$825</b>	<b>\$700</b>	<b>\$350</b>	<b>\$450</b>	<b>\$450</b>	<b>\$250</b>	<b>\$200</b>	<b>\$100</b>			
<b>FL.OB</b>	<b>Open-Bay Nutrients, Phyto-Blooms, Low-DO</b>		<b>\$200</b>	<b>\$300</b>	<b>\$300</b>	<b>\$200</b>	<b>\$0</b>	<b>\$200</b>	<b>\$200</b>	<b>\$200</b>	<b>\$100</b>	<b>\$0</b>			
FL.OB.1	Monitor Changes from POTW Load reductions		\$200	\$200	\$100	\$0	\$0	\$200	\$200	\$100	\$0	\$0			
FL.OB.2	System-Scale Estimates of N, C, DO fluxes and transformations		\$0	\$100	\$200	\$200	\$0	\$0	\$0	\$100	\$100	\$0			
<b>FL.HAB</b>	<b>HABs</b>		<b>\$375</b>	<b>\$350</b>	<b>\$375</b>	<b>\$400</b>	<b>\$350</b>	<b>\$250</b>	<b>\$250</b>	<b>\$50</b>	<b>\$0</b>	<b>\$0</b>			
FL.HAB.1	Factors Contributing to August 2022 Bloom Intensity		\$100	\$100	\$50	\$0	\$0	\$100	\$100	\$25	\$0	\$0			
FL.HAB.2	Investigate Weak Top-down Pressure, Summer 2022		\$100	\$100	\$50	\$0	\$0	\$100	\$100	\$25	\$0	\$0			
FL.HAB.3	Build Improved Understanding of HAB Biology		\$75	\$50	\$100	\$100	\$150	\$0	\$0	\$0	\$0	\$0			
FL.HAB.4	Investigate Resistance/Resilience to future HABs		\$0	\$0	\$50	\$100	\$100	\$0	\$0	\$0	\$0	\$0			
FL.HAB.5	Investigate Post-bloom Anthropogenic Control		\$0	\$0	\$50	\$100	\$100	\$0	\$0	\$0	\$0	\$0			
FL.HAB.6	HAB Organisms and Toxins in LSB Managed Ponds		\$100	\$100	\$0	\$0	\$0	\$50	\$50	\$0	\$0	\$0			
FL.HAB.7	Investigate Additional HAB-Toxins in Mussels		\$0	\$0	\$75	\$100	\$0	\$0	\$0	\$0	\$0	\$0			
<b>FL.LSB</b>	<b>LSB Nutrients, Phyto-Production, Low-DO</b>		<b>\$0</b>	<b>\$100</b>	<b>\$150</b>	<b>\$100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100</b>	<b>\$100</b>			

		Est. Cost	Maximum Funding					Lower Funding					Sci Focus	Mgmt 2s	Region
			FY26	FY27	FY28	FY29	FY30	FY26	FY27	FY28	FY29	FY30			
FL.LSB.1	Lower South Bay nutrients, phyto-production, low-DO		\$0	\$100	\$150	\$100	\$0	\$0	\$0	\$0	\$100	\$100			
<b>AF</b>	<b>Assessment Framework Development and Refinement</b>		\$100	\$170	\$145	\$125	\$75	\$0	\$120	\$120	\$100	\$50			
AF.HAB.1	Numeric Thresholds for Heterosigma Direct Lethality		\$50	\$75	\$0	\$0	\$0	\$0	\$50	\$50	\$0	\$0			
AF.HAB.2	Numeric Thresholds for Other HABs or Toxins		\$0	\$25	\$75	\$75	\$75	\$0	\$0	\$0	\$50	\$50			
AF.HAB.3A	Incorporate Space-Time Considerations Cond. Assessment		\$0	\$20	\$20	\$0	\$0	\$0	\$20	\$20	\$0	\$0			
AF.HAB.3B	Condition Assessment: Incorporate Space-Time Considerations		\$0	\$50	\$50	\$50	\$0	\$0	\$50	\$50	\$50	\$0			
AF.LSB.1	LSB DO Assessment Framework		\$50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
<b>SYN</b>	<b>Synthesis</b>		\$750	\$700	\$750	\$550	\$600	\$525	\$450	\$575	\$500	\$400			
SYN.OB.1	High-Priority Datasets: Zooplankton and Turbidity		\$150	\$0	\$100	\$0	\$50	\$150	\$0	\$0	\$50	\$0			
SYN.OB.2	Semi-Empirical Estimates of N losses, Denitrification		\$150	\$200	\$50	\$0	\$0	\$125	\$100	\$125	\$0	\$0			
SYN.HAB.1	HABs: HABs and Toxins		\$200	\$200	\$200	\$200	\$200	\$150	\$150	\$150	\$150	\$150			
SYN.HAB.2	Analysis of Long-term Forcing and Condition Data		\$50	\$50	\$150	\$150	\$150	\$0	\$50	\$100	\$100	\$100			
SYN.LSB1	Synthesis   PhyO2LSB: Lower South Bay		\$50	\$100	\$100	\$50	\$50	\$0	\$50	\$100	\$100	\$50			
SYN.HLS.1	High-Level Science Communications Products		\$150	\$150	\$150	\$150	\$150	\$100	\$100	\$100	\$100	\$100			
<b>PM</b>	<b>PROGRAM MANAGEMENT</b>		\$1,030	\$1,030	\$1,030	\$1,030	\$1,030	\$850	\$850	\$850	\$850	\$850			
PM.1	Program Management		\$1,030	\$1,030	\$1,030	\$1,030	\$1,030	\$850	\$850	\$850	\$850	\$850			
<b>Annual Total</b>			<b>\$6,205</b>	<b>\$6,275</b>	<b>\$6,150</b>	<b>\$5,630</b>	<b>\$5,130</b>	<b>\$4,725</b>	<b>\$4,620</b>	<b>\$4,295</b>	<b>\$3,900</b>	<b>\$3,850</b>			
			<b>5-year Total \$29,390</b>					<b>5-year Total \$21,390</b>							

## State Water Resources Control Board

### NOTICE OF PROPOSED RULEMAKING

**TITLE 22. Social Security**  
**DIVISION 4. Environmental Health**  
**CHAPTER 3.5. Onsite Treatment and Reuse of Nonpotable Water**

**SUBJECT: ONSITE TREATMENT AND REUSE OF NONPOTABLE WATER**  
**(SBDDW-22-001)**

**NOTICE IS HEREBY GIVEN** that the State Water Resources Control Board (State Board) proposes to amend or adopt the regulations described below after considering all comments, objections, and recommendations regarding the proposed regulatory action.

#### SUMMARY OF PROPOSED REGULATORY ACTION

The State Board proposes to amend California Code of Regulations, Title 22, Division 4 for the purpose of adding Chapter 3.5 to provide uniform statewide criteria for onsite treated nonpotable water systems (OTNWS). The adoption of the proposed regulations will establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings.

Untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations, which are regulated by Chapter 15 and Chapter 16 of the California Plumbing Code (Part 5 of Title 24 California Code of Regulations), will not be addressed by these proposed regulations.

#### PUBLIC HEARING

(Gov. Code, §11346.5, subd. (a)(1))

The State Board will conduct an Administrative Procedure Act (APA) public hearing regarding the subject proposed regulations at the time and place noted below. At the hearing, any person may present comments orally or in writing relevant to the proposed action described in this notice.

**DATE:** Thursday, May 8, 2025

**TIME:** 1 p.m.

**PLACE:** California Environmental Protection Agency

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR



State Water Resources Control Board  
Coastal Hearing Room  
1001 I Street, Second Floor  
Sacramento, CA 95814

The public hearing will begin with a staff presentation summarizing the proposed regulations, followed by an opportunity for public comment. During the comment period, the public will be allowed three (3) minutes to provide oral comments, unless additional time is approved.

**If you wish to view or listen to the workshop only**, a webcast will be available at <https://video.calepa.ca.gov/>.

While a quorum of the State Board may be present, this hearing is for the public to provide comments in accordance with the APA. The Board will not take formal action on this matter. Final regulations are expected to be considered for adoption by the Board in late 2025/early 2026, after consideration of all written and oral comments.

Language Services: For oral interpretation, written translation, or sign language services, please call (916) 341-5254 or e-mail: [opp-languageservices@waterboards.ca.gov](mailto:opp-languageservices@waterboards.ca.gov) (at least ten (10) business days prior to the meeting).

Accessibility and Reasonable Accommodations: The State Water Board is committed to making its meetings accessible consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.) and swiftly resolving requests for reasonable modifications or accommodations. Telecommunications device for the deaf (TDD) users may contact the California Relay Service at: (800) 735-2929 or voice line at (800) 735-2922.

The CalEPA Building is accessible to persons with disabilities. Any person who requires reasonable accommodation to participate in the meeting should email [contact@waterboards.ca.gov](mailto:contact@waterboards.ca.gov) or call (916) 341-5254, at least ten (10) business days prior to the meeting.

Parking and Building Access: For directions to the Joe Serna, Jr. (CalEPA) Building and public parking information, please refer to the map on the State Water Board website: <http://www.calepa.ca.gov/headquarters-sacramento/location/>.

All visitors to the CalEPA Building are required to sign in and obtain a badge at the Visitor Services Center located just inside the main entrance (10th Street entrance). A valid picture identification may be required. Please allow up to 15 minutes for receiving security clearance.

## **WRITTEN COMMENT PERIOD AND SUBMITTAL OF COMMENTS**

(Gov. Code, §11346.4, subd. (a); §11346.5, subd. (a)(15))

Any interested person, or their representative, may submit written comments relevant to the proposed regulatory action to the Clerk to the State Board. Any written comments pertaining to these regulations, regardless of the method of transmittal, must be received by the Clerk to the Board by **12:00 p.m. on Friday, May 9<sup>th</sup>, 2025** which is hereby designated as the close of the written comment period. Comments received after this date will not be considered timely.

Written comments may be submitted as follows:

1. By email to: [commentletters@waterboards.ca.gov](mailto:commentletters@waterboards.ca.gov).
2. By fax transmission to: (916) 341-5620.
3. By mail to: Clerk to the Board, Courtney Tyler, State Water Resources Control Board, P.O. Box 100, Sacramento, CA 95812-2000; or
4. Hand-delivered to: Clerk to the Board, Courtney Tyler, State Water Resources Control Board, 1001 I Street, 24th Floor, Sacramento, CA 95814.

Couriers delivering written comments must check in with lobby security personnel, who can contact Courtney Tyler at (916) 341-5611.

The State Board requests but does not require that fax or email transmission of comments, particularly those with attachments, contain the regulation package identifier **“Comments - SBDDW-22-001: Onsite Treatment and Reuse of Nonpotable Water Regulations”** in the subject line to facilitate timely identification and review of the comment;

The State Board requests but does not require that written comments sent by mail or hand-delivered be submitted in triplicate.

All comments, including email or fax transmissions, should include the author’s name and U.S. Postal Service mailing address in order for the State Board to provide any notices that may be required in future.

Please note that under the California Public Records Act (Gov. Code, § 6250, et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Due to the limitations of the email system, emails larger than 15 megabytes (MB) may be rejected and will not be delivered and received by the State Board. Therefore, emails larger than 15 MB should be submitted under separate emails or another form of delivery should be used.

The State Board requests but does not require that if reports or articles in excess of 25 pages are submitted in conjunction with the comments, the commenter provide a

summary of the report or article and describe the reason for which the report or article is being submitted or is relevant to the proposed regulation.

#### **AUTHORITY AND REFERENCE**

(Gov. Code, §11346.5, subd. (a)(2); Cal. Code Regs., tit 1, §14)

Pursuant to Water Code sections 13558 and 13558.1, and Health and Safety Code sections 116271 and 116350, the State Board is authorized to adopt the subject regulations. This action is proposed to implement, interpret, and make specific one or more of the following: Section 13558 and 13558.1 Water Code; and Section 17922.12, Health and Safety Code.

#### **INFORMATIVE DIGEST/ POLICY STATEMENT OVERVIEW**

(Gov. Code, §11346.5, subd. (a)(3))

Existing Laws and Regulations (Gov. Code §11346.5, subd. (a)(3)(A)): In September 2018, Senate Bill 966 (SB 966) was enacted, adding sections 13558 and 13558.1 of the Water Code. SB 966 requires that the State Board adopt the onsite treatment and reuse of nonpotable water regulations on or before December 1, 2022. Water Code section 13558(a) requires the State Board to consult with California Building Standards Commission (CBSC) and the Department of Housing and Community Development (HCD) in the regulation adoption process. Water Code section 13558(e)(2) requires that HCD, in consultation with the State Board, develop and propose for adoption any necessary corresponding building standards within 12 months of the State Board adopting its regulations.

The adoption of the proposed regulations by the State Board will establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water (onsite wastewater, graywater, stormwater, and roof runoff) for indoor and outdoor nonpotable end uses (toilet flushing, urinal flushing, drain trap priming, clothes washing, decorative fountains, landscape irrigation, ornamental plant irrigation, dust suppression, and car washing) in multifamily residential, commercial, and mixed-use buildings.

Regulations addressing alternate water sources (graywater, rainwater, stormwater, cooling tower blow-down water, and foundation drainage, reclaimed [recycled] water) and rainwater for indoor and outdoor nonpotable applications exist in the California Code of Regulations, Title 24, Part 2 (California Plumbing Code), Chapter 15 and Chapter 16, respectively.

If adopted as building standards by CBSC and HCD in their future rulemaking, the proposed regulations will replace the existing California Plumbing Code requirements for graywater, stormwater, and rainwater, except for untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations.



Comparable Federal Statute and Regulations (Gov. Code §11346.5, subd. (a)(3)(B)):

There are no federal regulations or statutes that address the specific subject addressed by the proposed regulations.

Policy Statement Overview Gov. (Code, §11346.5, subd. (a)(3)(C)): The State Board proposes to amend the existing regulations to establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings. Untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations, are regulated by Chapter 15 of the California Plumbing Code (Part 5 of Title 24 California Code of Regulations) and will not be addressed by these proposed regulations. Existing law requires the State Board to adopt the regulations by December 1, 2022.

- *Broad objectives of the regulation (Goal):*

The broad objective of this proposed regulatory action is to fulfill the State Board statutory mandate to establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings.

- *Specific benefits anticipated from the proposed action:*

The anticipated benefits, including any nonmonetary benefit to the protection of public health and safety of California residents, worker safety, and the state's environment from this proposed regulatory action, are the following:

- The health and welfare of California residents and worker safety will continue to be protected by preventing cross connection of onsite treated nonpotable water systems and public water supply as well as providing a health-protective risk-based water quality standards for the use of onsite treated nonpotable water;
- The state's overall water budget will benefit from maximizing the amount of onsite treated nonpotable water that California can safely use for beneficial purposes and offsetting uses of potable water from nonpotable water uses.

The net effect of the proposed regulations would be to establish risk-based water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable end uses in multifamily residential, commercial, and mixed-use buildings.

Evaluation as to Whether the Proposed Regulations are Inconsistent or Incompatible with Existing State Regulations (Gov. Code, §11346.5, subd. (a)(3)(D)):

The State Board evaluated whether the proposed regulations are inconsistent or incompatible with

existing California state regulations. This evaluation included a review of California's existing regulations, including the State Board's existing regulations related to water recycling.

Regulations addressing alternate water sources (graywater, rainwater, stormwater, cooling tower blow-down water, and foundation drainage, reclaimed [recycled] water) and rainwater for indoor and outdoor nonpotable applications exist in California Code of Regulations, Title 24, Part 2 (California Plumbing Code), Chapter 15 and Chapter 16, respectively.

If adopted as building standards by CBSC and HCD in their future rulemaking, pursuant to Water Code 13558(e)(2), the proposed regulations will replace the existing California Plumbing Code requirements for onsite treatment and reuse of graywater, stormwater, and rainwater, except for untreated graywater systems that are used exclusively for subsurface irrigation and untreated rainwater systems that are used exclusively for surface, sub-surface, or drip irrigations.

State Board, CBSC, and HCD are required to consult with each other in developing the proposed regulations and future building standards to ensure that no inconsistencies or incompatibility occur across the regulations. Therefore, the State Board has determined that this proposal, if adopted, would not be inconsistent or incompatible with existing state regulations.

## **FORMS OR DOCUMENTS INCORPORATED BY REFERENCE**

(Cal. Code Regs., tit. 1, §20, subd. (c)(3))

The following documents are incorporated by reference in the proposed regulations as it would be too cumbersome, unduly expensive, or impractical to publish these documents into regulation.

- NSF/ANSI 55-2019 - Ultraviolet Microbiological Water Treatment Systems (2019), available at: <https://webstore.ansi.org/standards/nsf/nsfans1552019>

## **MANDATED BY FEDERAL LAW OR REGULATIONS**

(Gov. Code, §§11346.2, subd. (c))

Adoption of the proposed regulations are not mandated by federal laws or regulations.

## **OTHER STATUTORY REQUIREMENTS**

(Gov. Code, §11346.5, subd. (a)(4))

### California Environmental Quality Act

The California Environmental Quality Act (CEQA) mandates that guidelines be adopted that include a list of classes of projects that have been determined not to have a significant effect on the environment and that shall be exempt from CEQA. (Pub. Res.

Code, § 21084.) Two of those classes of projects exempt from CEQA are "Actions by Regulatory Agencies for Protection of the Environment" and "Actions by Regulatory Agencies for Protection of Natural Resources." (Cal. Code Regs., tit. 14, §§15307, 15308.)

The State Board intends to make a finding that adoption of the proposed regulations represents action taken by a regulatory agency pursuant to its general and specific statutory authority for the maintenance and protection of the environment and natural resources, and that adoption of the proposed regulations satisfies the requirements of California Code of Regulations, title 14, sections 15307 and 15308, and is a Class 7 and 8 categorically exempt project. The State Board intends to further find that there are no facts on the record to indicate or suggest that the proposed regulations fall within any of the enumerated exceptions for the appropriate use of a categorical exemption. (Cal. Code Regs., tit. 14, § 15300.2.) The State Board intends to find, therefore, that adoption of the proposed regulations is categorically exempt from CEQA requirements for the preparation of environmental documents. (Cal. Code Regs., tit. 14, § 15300.)

Scientific Peer Review (Health and Safety Code, §57004, subd. (b))

Health and Safety Code section 57004, subdivision (b) requires that the scientific portions of any regulation proposed by the California Environmental Protection Agency (CalEPA), or any board, department or office within CalEPA, be submitted to an external scientific peer review entity for evaluation. "Scientific basis" and "scientific portion" means "those foundations of a rule that are premised upon, or derived from empirical data or other scientific findings, conclusions, or assumptions establishing a regulatory level, standard, or other requirement for the protection of public health or the environment." (Health & Saf. Code, §57004, subd. (a)(2).) Where there is no underlying scientific basis for the proposed rule, no peer review is required. Similarly, where the underlying scientific basis for the proposed rule has already been peer reviewed, additional peer review is not required. CalEPA's Unified California Environmental Protection Agency Policy and Guiding Principles for External Scientific Peer Review, March 13, 1998 (CalEPA Guiding Principles) recognizes that external scientific peer review processes are not warranted where there are no underlying scientific bases at issue, or where the underlying scientific basis has already undergone review.

Coordination and oversight of the scientific peer review was conducted by CalEPA External Scientific Peer Review Program. The scientific peer review was completed on July 28, 2023, as required by law.

Safe, Clean, Affordable Water (Water Code, §106.3)

In establishing and adopting the proposed regulations, the State Board considered the statewide policy set forth in section 106.3 of the Water Code and determined the proposed regulations will further the stated policy. The proposed regulations will not

result in increased costs to those served by a public water system and will result in a continued protection of the health and welfare of California residents, worker safety, and the state's environment by preventing cross connection of OTNWS and public water supply, providing a health-protective risk-based water quality standards for the use of onsite treated nonpotable water, and offsetting uses of potable water from nonpotable water uses by making onsite treated nonpotable water available for nonpotable water uses.

### **LOCAL MANDATE**

(Gov. Code, §11346.5, subd. (a)(5))

The State Board has determined that the regulations will not impose a mandate on local agencies or school districts that require state reimbursement.

### **FISCAL IMPACT**

(Gov. Code, §11346.5, subd. (a)(6))

The State Board has prepared fiscal impact estimates in accordance with Department of Finance instructions (SAM 6601-6616).

Estimated Fiscal Impact on Local Agency or School District: State Board staff estimated fiscal impact of the proposed regulations for the first seven years after the regulation is effective. The proposed regulations' fiscal impact is expected to be incurred by local governments that own existing alternate water systems. State Board staff do not anticipate any fiscal impact on state government and federal funding of state programs. There are a total of 15 existing installed alternate water systems owned by local government in Los Angeles County that will be impacted by the proposed regulations. The estimated fiscal impact, which include capital and operations & maintenance costs, are expected to range between \$1.2 million and \$1.6 million per year in the first five years. Costs for subsequent years beyond year 5 are limited to annually incurred operations and maintenance cost of \$0.5 million. Cost for the first seven years of regulatory implementation for local government owned systems is presented in the table below.

#### **Cost estimate for the first 7 years of regulatory implementation for all local government owned systems**

<b>Year</b>	<b>Capital Cost</b>	<b>O&amp;M Cost</b>	<b>Total Cost</b>
1	\$ 1,135,000	\$ 101,700	\$ 1,236,700
2	\$ 1,135,000	\$ 203,400	\$ 1,338,400
3	\$ 1,135,000	\$ 305,100	\$ 1,440,100
4	\$ 1,135,000	\$ 406,800	\$ 1,541,800
5	\$ 1,135,000	\$ 508,500	\$ 1,643,500
6	\$ 0	\$ 508,500	\$ 508,500

Year	Capital Cost	O&M Cost	Total Cost
7	\$ 0	\$ 508,500	\$ 508,500

Estimated Fiscal Impact on State Government: None

Other Non-discretionary Cost or Savings Imposed on Local Agencies: None.

Estimated Fiscal Impact on Federal Funding of State Programs: None.

Cost to Any Local Agency or School District which Must be Reimbursed in Accordance with Government Code sections 17500 through 17630: None.

## **HOUSING COSTS**

(Gov. Code, §11346.5, subd. (a)(12))

The State Board has determined that the regulations will have no direct impact on housing costs. Costs related to compliance with the proposed regulations will be incurred directly by private entities owning the multifamily residential or mixed-use occupancy buildings but may be passed on to individuals in the form of increased facilities fee or condominium fee. At the time of this assessment, data to analyze potential pass-through to individuals is not available.

## **SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESSES IN CALIFORNIA, INCLUDING ABILITY TO COMPETE**

(Gov. Code, §§11346.3, subd. (a), §11346.5, subds. (a)(7)-(8))

The proposed regulations will not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

## **STATEMENT OF THE RESULTS OF ECONOMIC IMPACT ASSESSMENT**

(Gov. Code, §§ 11346.3, subd. (b), 11346.5, subd. (a)(10))

The State Board estimates that the economic impact of this regulation (which includes the fiscal impact) is below \$10 million and is a non-major regulation.

Compliance with the proposed regulations will be mandated only for those engaging in onsite nonpotable water treatment and recycling. The proposed regulations will impact local jurisdictions with an existing OTNWS permitting program and existing OTNWS owners who are subject to the requirement to bring the existing OTNWS into compliance with the proposed regulations upon its effective date.

State Board staff estimated total cost impact of the proposed regulations for the first seven years after the regulation is effective, where total cost impact includes direct cost impact and fiscal impact. Direct cost impact to privately owned businesses and fiscal impact to local government consist of capital and operations & maintenance costs

related to the replacement of and the subsequent operation and maintenance of existing OTNWSs in operation before the effective date of the regulations. Total cost is expected to range between \$6.4 million and \$8.6 million per year in the first five years, where the maximum total cost is expected to occur on year 5. Costs for subsequent years beyond year 5 are limited to annually incurred operations and maintenance cost of \$2.8 million.

**Cost estimate for the first 7 years of regulatory implementation, for privately owned business and local governments**

Year	Capital Cost	O&M Cost	Total Cost
1	\$5,815,000	\$567,100	\$6,382,100
2	\$5,815,000	\$1,134,200	\$6,949,200
3	\$5,815,000	\$1,701,300	\$7,516,300
4	\$5,815,000	\$2,268,400	\$8,083,400
5	\$5,815,000	\$2,835,500	\$8,650,500
6	\$0	\$2,835,500	\$2,835,500
7	\$0	\$2,835,500	\$2,835,500

Creation or elimination of jobs within California: With existing manufacturers of equipment and material for treatment trains potentially expanding production in the short term, these businesses might slightly increase hiring of jobs in this sector because of the proposed regulations. However, the overall impact of the proposed regulations on jobs is negligible compared to California's labor force: as explained in the Appendix, the total number of jobs within the state is estimated to increase by 50 per year, on average, in the seven years after the proposed regulations are effective.

Creation of new businesses or elimination of existing businesses within California: The proposed regulation is not expected to cause entry of new businesses or the exit of existing ones from commercial, multi-family, or mixed-use buildings real estate markets. The proposed regulations are assumed to increase the investment (capital costs) in existing OTNWSs at multifamily residential, commercial, and mixed-use buildings in the City and County of San Francisco and the County of Los Angeles. This increased investment should be met through increased production by in-state companies, mostly manufacturers of equipment and material for treatment trains. Thus, existing manufacturers of equipment and material for treatment trains, including manufacturers of electrical and plumbing fixtures and chemical manufacturers, will potentially expand production in the short term as a result of the proposed regulations. Similarly, businesses that provide support, maintenance, and repair of treatment trains might experience some expansion. However, this expansion is not expected to be significant statewide, nor are new businesses expected to be created.

Expansion of businesses currently doing business within the state: Existing manufacturers of equipment and material for treatment trains, including manufacturers of electrical and plumbing fixtures and chemical manufacturers, will potentially expand

production in the short term, as a result of the proposed regulations. Similarly, businesses that provide support, maintenance, and repair of treatment trains might experience some expansion. However, this expansion is not expected to be significant statewide, nor are new businesses expected to be created.

Benefits of the regulations to the health and welfare of California residents, worker safety, and the state's environment: The health and welfare of California residents will continue to be protected by preventing cross connection of onsite treated nonpotable water systems and public water supply, providing a health-protective risk-based water quality standards for the use of onsite treated nonpotable water, and offsetting uses of potable water from nonpotable water uses by making onsite treated nonpotable water available for nonpotable water uses.

### **STATEMENT OF THE RESULTS OF THE STANDARDIZED REGULATORY IMPACT ANALYSIS (SRIA)**

(Gov. Code, §11346.5, subd. (a)(10))

The State Board has determined that the proposed regulations are not a major regulation. SRIA is not applicable to the proposed regulations.

### **COST IMPACTS ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS**

(Gov. Code, §11346.5, subd. (a)(9))

State Board staff estimated the direct cost impact of the proposed regulations on privately-owned systems that may be impacted by the proposed regulations for the first seven years after the regulation is effective. Direct costs incurred by privately-owned businesses, which include capital and operations and maintenance, are expected to range between \$5.1 million and \$7.0 million per year in the first five years. Costs for subsequent years beyond year 5 are limited to annually incurred operations and maintenance cost of \$2.3 million.

#### **Cost estimate for the first 7 years of regulatory implementation for privately owned systems**

<b>Year</b>	<b>Capital Cost</b>	<b>O&amp;M Cost</b>	<b>Total Cost</b>
1	\$ 4,680,000	\$ 465,400	\$ 5,145,400
2	\$ 4,680,000	\$ 930,980	\$ 5,610,800
3	\$ 4,680,000	\$ 1,396,200	\$ 6,076,200
4	\$ 4,680,000	\$ 1,861,600	\$ 6,541,600
5	\$ 4,680,000	\$ 2,327,000	\$ 7,007,000
6	\$ 0	\$ 2,327,000	\$ 2,327,000
7	\$ 0	\$ 2,327,000	\$ 2,327,000

Typical Business

Existing alternate water source systems installed at multifamily residential, commercial, and mixed use buildings in the City and County of San Francisco and Los Angeles County may be impacted by the proposed regulations. To assess the direct cost impact on the typical regulated business, all 68 privately-owned alternate water source systems were considered. For this analysis, a typical business is defined as a hypothetical business entity that privately owns and occupies an entire building and operates an alternate water source system with the average attributes. Direct costs for a typical business are as follows:

- A typical business operating a rainwater (roof runoff) system thus defined would incur a direct cost of approximately \$275,000 in Year 1 assuming a replacement system installation in Year 1. A typical business would incur a direct cost of \$27,500 in Year 2 and in subsequent years for operations and maintenance.
- A typical business operating a stormwater system thus defined would incur a direct cost of approximately \$375,000 in Year 1 assuming a replacement system installation in Year 1. A typical business would incur a direct cost of \$32,500 in Year 2 and in subsequent years for operations and maintenance.
- A typical business operating a graywater system thus defined would incur a direct cost of approximately \$400,000 in Year 1 assuming a replacement system installation in Year 1. A typical business would incur a direct cost of \$43,000 in Year 2 and in subsequent years for operations and maintenance.

### Individuals

Single family residences are not subject to the requirements of the proposed regulations; therefore, individuals are not expected to incur any direct costs to comply with the proposed regulations. The proposed regulations are only applicable to multifamily residential, commercial, and mixed-use occupancies. Costs related to compliance with the proposed regulations will be incurred directly by businesses or private entities owning the multifamily residential or mixed-use occupancy buildings. The costs related to compliance with the proposed regulations may be passed on to individuals in the form of increased cost of goods or services provided by the business, or in the form of increased facilities fee or condominium fee. At the time of this assessment, data to analyze potential pass-through to individuals is not available.

### **BUSINESS REPORT**

(Gov. Code, §§11346.3, subd. (d), 11346.5, subd. (a)(11))

Water Code section 13558 requires the State Board to adopt the proposed regulations. The proposed regulations represent the minimum criteria and requirements necessary for the protection of human health and the environment. The proposed regulations contain reporting requirements for owners of alternate water source systems to demonstrate compliance with the regulations. These reporting requirements will ensure



that the treatment, distribution, and use of onsite treated non-potable water is protective of public health, safety, and welfare. To the extent that some alternate water source systems are privately-owned businesses, the State Board finds that it is necessary for the proposed regulations to apply to these businesses to ensure the delivery of safe onsite treated non-potable water for non-potable end uses in these facilities.

No additional costs are associated with reporting requirements for the proposed regulations. The existing alternate water systems (that will be considered onsite treated nonpotable water systems) are already required to submit water quality monitoring reports to their local jurisdictions. These existing water quality reporting are comparable to by water quality reporting required by the proposed regulations.

### **EFFECT ON SMALL BUSINESS**

(Cal. Code Regs., tit. 1, §4, subds. (a)-(b))

State Board staff considers the effect of the proposed regulations on small business to be defined in the Government Code section 11342.610. State Board staff also considers the definition of “Small Business” to be as defined in Government Code section 11346.3, subdivision (b)(4)(B), where a “small business” means a business that is all of the following:

- Independently owned and operated,
- Not dominant in its field of operation.
- Has fewer than 100 employees.

Data to determine if an impacted alternate water system is located within a building owned by a business meeting the “small business” criteria in the either sections above is not available. Therefore, it is not possible to determine the number of small businesses, if any, that would be affected by the proposed regulations. If a small business is affected, State Board staff assumes that the cost incurred by that small business will be the same as the cost incurred by a typical business if it owns and occupies an entire building and operates an alternate water source system. Small businesses that rent and occupy spaces in privately-owned buildings with operational alternate water source systems that are impacted by the proposed regulations might incur indirect cost impacts through increase in rent cost or facility fees.

### **CONSIDERATION OF ALTERNATIVES**

(Gov. Code, §11346.5, subd. (a)(13))

The State Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more

cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

As noted above, the Legislature has directed the State Board to adopt the subject regulations. The State Board invites interested parties to present statements or arguments with respect to alternatives to the proposed regulations at the scheduled hearing or during the written comment period, as identified in this notice.

### **STATE BOARD CONTACT PERSONS**

(Gov. Code, §11346.5, subd. (a)(14))

Requests for copies of the proposed regulatory text, the initial statement of reasons, subsequent modifications of the proposed regulatory text, if any, or other inquiries concerning the proposed action may be directed to:

Sherly Rosilela, P.E.  
Senior Water Resource Control Engineer  
State Water Resources Control Board, Division of Drinking Water  
1001 I Street, 17<sup>th</sup> Floor  
Sacramento, CA 95814  
Telephone: (916) 341-5578  
Electronic mail: [sherly.rosilela@waterboards.ca.gov](mailto:sherly.rosilela@waterboards.ca.gov)

In the event Sherly Rosilela is not available to respond to requests or inquiries, please contact:

Randy Barnard, P.E.  
Supervising Water Resource Control Engineer  
State Water Resources Control Board, Division of Drinking Water  
Telephone: (619) 525-4022  
Electronic mail: [randy.barnard@waterboards.ca.gov](mailto:randy.barnard@waterboards.ca.gov)

Please identify the action by using the State Board regulation package identifier, **“SBDDW-22-001: Onsite Treatment and Reuse of Nonpotable Water Regulations”** in any inquiries or written comments.

### **AVAILABILITY OF INITIAL STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS, AND THE RULEMAKING FILE**

(Gov. Code, §11346.5, subd. (a)(16))

The State Board has prepared the proposed regulation text and an Initial Statement of Reasons for the proposed regulatory action. The Initial Statement of Reasons includes the specific purpose for the regulations proposed for adoption, and the rationale for the

State Board's determination that adoption is reasonably necessary to carry out the purpose for which the regulations are proposed. All information upon which the proposed regulations are based is contained in the rulemaking file, which is available for inspection and copying throughout the rulemaking process. To inspect or copy the rulemaking file at the State Board office, contact Sherly Rosilela, identified above ("Contact Persons").

#### **AVAILABILITY OF CHANGED OR MODIFIED TEXT**

(Gov. Code, §11346.5, subd. (a)(18))

After holding the hearing and considering relevant comments received in a timely manner, the State Board may adopt the proposed regulations substantially as described in this notice. If the State Board makes modifications that are substantially related to the originally proposed text, the State Board will make the modified text – with changes clearly indicated – available to the public for at least 15 days before the State Board adopts the modified regulations. Any such modifications will also be posted on the State Board Web site. Please send requests for copies of any modified regulations to the attention of the contact persons provided above ("Contact Persons"). The State Board will accept written comments on the modified regulation for 15 days after the date on which they were made available.

#### **AVAILABILITY OF FINAL STATEMENT OF REASONS**

(Gov. Code, §11346.5, subd. (a)(19))

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the contact person(s) named in this notice or may be accessed on the website address provided in the "Availability of Documents on the Internet" section of this Notice.

#### **AVAILABILITY OF DOCUMENTS ON THE INTERNET**

(Gov. Code, §§11346.4, subd. (a)(6), 11346.5, subd. (a)(20))

Materials regarding the action described in this notice (including this public notice, the regulation text, and the Initial Statement of Reasons) are available via the Internet and may be accessed directly from the State Board Onsite Treatment and Nonpotable Water Reuse Regulation webpage at:

[https://www.waterboards.ca.gov/drinking\\_water/certlic/drinkingwater/otnws\\_regs.html](https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/otnws_regs.html)

March 21, 2025  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Courtney Tyler  
Clerk to the Board



March 25, 2025

The Honorable Catherine Blakespear, Chair  
Senate Environmental Quality Committee  
1021 O Street, Room 3230  
Sacramento, CA 95814

**Subject: SB 682 (Allen): Support**

Dear Senator Blakespear and Members of the Committee,

The California Association of Sanitation Agencies (CASA) is proud to co-sponsor and strongly support SB 682 (Allen), which seeks to eradicate harmful forever chemicals from products unwittingly used by consumers in their daily lives. The undersigned coalition strongly endorses this vital policy effort to reduce human health impacts and environmental exposure to these chemicals. Consistent with our coalition's core missions of both protecting public health and the environment and maintaining affordable essential public services, SB 682 is the most cost-efficient method for reducing baseline concentrations of PFAS in our water, wastewater and waste management processes.

In recent years, Per- and Polyfluoroalkyl substances (PFAS) have become a topic of public concern due to their high mobility and resistance to breaking down naturally as well as the persistent detection of PFAS compounds in people's bodies and in the environment. A statewide source control approach is necessary to systematically remove PFAS from the stream of commerce, including in products which have a direct pathway to our watersheds and waste management systems.

Often referred to as “forever chemicals,” PFAS chemicals are both ubiquitous and indestructible. Removing PFAS at the end of their life cycle does not address the problem of ongoing exposure to the general public to PFAS from everyday products. In limited cases, PFAS can be removed from water and wastewater through advanced treatment technology. However, there is currently no technologically feasible method for the large-scale destruction of PFAS compounds. Instead, once removed, PFAS residuals are merely displaced to another waste stream to cycle back through the waste management process or transferred to a different environmental media. This is why SB 682's focus on stopping PFAS at its source is vital.

While in some very limited cases, the source of PFAS contamination can be identified and addressed through industrial pre-treatment programs or other similar mechanisms, this is not generally the case. In 2020, the State Water Resources Control Board issued a statewide monitoring and reporting order that required wastewater agencies to monitor and report for PFAS in influent, effluent and biosolids. Monitoring data from this effort demonstrates that domestic discharges (residential and commercial influent) is the predominant pathway of PFAS entering wastewater systems, meaning that products people are using in their homes and businesses are contributing PFAS to wastewater systems through everyday uses that are not controllable through local enforcement or industrial pretreatment programs.

Moreover, regulatory efforts are underway that could have serious consequences for clean water agencies and their ratepayers. Last year, USEPA adopted Maximum Contaminant Levels (MCLs) for 6 PFAS chemicals in drinking water, and the State Water Resources Control Board has stated its intent to begin a proceeding this year to adopt a statewide MCL for PFAS consistent with the adopted Federal MCL. Drinking water MCLs are highly consequential for the regulated water community, including wastewater agencies, as they are often incorporated “by reference” into existing Basin Plans, thus imposing de facto limits for discharges to certain bodies of water. Removing PFAS from the stream of commerce before it enters our waterways and waste treatment systems is the most cost-effective way to address this issue.

Finally, as local public agencies begin the process of preparing for implementation of new and proposed PFAS regulations, affordability of essential services is a critical consideration. USEPA estimates that for drinking water systems to comply with the newly imposed Maximum Contaminant Level (MCL) for a handful of PFAS chemicals will result in annual cost impacts surpassing \$1 billion. Water industry leaders contend these costs are

likely much higher and could surpass \$3 billion annually, and do not account for financial impacts beyond the drinking water system requirements. These are all costs that will be borne by California utility ratepayers.

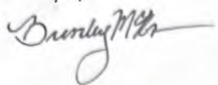
For these reasons, the meaningful and comprehensive source control and pollution prevention strategy presented in SB 682 is the most cost effective and appropriate approach to reducing PFAS pollution in the environment.

CASA strongly supports SB 682 and urges your support when it is heard in the Senate Environmental Quality Committee.

Sincerely,



Jessica Gauger  
Director of Legislative Advocacy & Public  
Affairs  
California Association of Sanitation Agencies



Brenley McKenna  
Managing Director  
WaterResue CA



Karen Cowan  
Executive Director  
California Stormwater Quality Association



David Newman  
Mayor  
City of Thousand Oaks



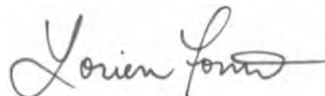
Michael Moore  
General Manager/CEO  
East Valley Water District



Melissa Sparks-Kranz  
Legislative Advocate  
League of California Cities



Nick Blair  
Senior Policy Advocate  
Association of California Water Agencies



Lorien Fono  
Executive Director  
Bay Area Clean Water Agencies



Jan R. Lee  
General Manager  
Dublin San Ramon Services District



Jackie Zipkin  
General Manager  
East Bay Dischargers Authority





Greg Thomas  
General Manager  
Elsinore Valley Municipal Water District



Jordan Damerel, PE  
General Manager/District Engineer  
Fairfield-Suisun Sewer District



Robert C. Ferrante  
Chief Engineer & General Manager  
Los Angeles County Sanitation Districts



Mike McCullough, MPA  
Director of External Affairs  
Monterey One Water



Teresa Herrera, P.E.  
Manager  
Silicon Valley Clean Water



Jason Dafforn, P.E.  
General Manager  
Valley Sanitary District



Jason A. Martin  
General Manager  
Rancho California Water District



Krista Bernasconi  
Mayor  
City of Roseville



Joe Mouawad, P.E.  
General Manager  
Eastern Municipal Water District



Shivaji Deshmukh, P.E.  
General Manager  
Inland Empire Utilities Agencies



Dave Pedersen  
General Manager  
Las Virgenes Municipal Water District



Rob Thompson  
General Manager  
Orange County Sanitation District



Mark Tomko  
General Manager  
Vallejo Flood & Wastewater District



Craig D. Miller, P.E.  
General Manager  
Western Municipal Water District



Roger S. Bailey  
General Manager  
Central Contra Costa Sanitary District



**B A C W A**  
**BAY AREA**  
**CLEAN WATER**  
**AGENCIES**

**BAY AREA CLEAN WATER AGENCIES  
ANNUAL MEETING PROGRAM**

**DRAFT**

**May 2, 2025**

**David Brower Center**

TIME	DESCRIPTION	SPEAKER
8:30am - 9:00am	Coffee in the lobby	
9:00 am - 9:20 am	Welcome/Introduction Year in Review	Jackie Zipkin, BACWA Chair/ EBDA Lorien Fono, BACWA
9:20 am - 10:15 am	Regulator Priorities Bay Area Air District US Environmental Protection Agency State Water Resources Control Board staff San Francisco Bay Regional Water Board staff Q&A	<b>Moderator: Lori Schectel, Central San</b> Meredith Bauer/Greg Nudd Ellen Blake/Peter Kozelka Phil Crader Bill Johnson
10:15 am - 10:45 am	Break - Coffee and snacks in the foyer	
10:45 pm -12:15 pm	Nutrient Watershed Permit: Year 1 Check-in How is BACWA assisting with compliance? Regional Planning - Which projects are agencies advancing? Agency Planning Insights  Facilitated Discussion	<b>Moderator: Amit Mutsuddy, EBMUD</b> Lorien Fono, BACWA Mike Falk, HDR Peter Kistenmacher, CMSA Nitin Goel, Central San Jignesh Desai , SFPUC
12:15 pm - 1:15 pm	Lunch - On the terrace	
1:20 pm - 1:30 pm	BACWA Leadership Recognition	Jackie Zipkin, BACWA Chair/EBDA
1:30 pm - 1:40 pm	Welcoming the Bay Area Biosolids Coalition into BACWA	Rebecca Overacre, EBMUD
1:40 pm - 2:30 pm	Climate Resilience - Planning for Uncertainty  Facilitated Discussion	<b>Moderator: Amy Chastain, SFPUC</b> Matt Fabry, City of San Mateo Steve Moore, Ross Valley SD Marsha Van Loan, SFPUC
2:30 pm - 3:20 pm	Pollution Prevention: Where have we been and where are we going? Member agency staff perspectives  Regulator perspectives	<b>Moderator: Eric Dunlavey, San José</b>  Karin North, City of Palo Alto Stephanie Turnipseed, NapaSan SF Environment Alessandra Moyer, Regional Water Board Dept. of Toxic Substances Control
3:20 pm - 3:30 pm	Annual Meeting Wrap-Up	Jackie Zipkin, BACWA Chair/EBDA
3:30 PM	Adjourn - Social hour	





## BACWA EXECUTIVE BOARD ACTION REQUEST

AGENDA NO.: 3

FILE NO.: 19-28

MEETING DATE: Dec 21, 2018

**TITLE: Request for Board Approval of BACWA Policy BFP-2.04 Financial Reserves**

☐ RECEIPT    ☐ DISCUSSION    ☐ RESOLUTION    ☒ APPROVAL

### RECOMMENDED ACTION

Approve BACWA Policy BFP-2.04 Financial Reserves that sets the target reserves for the various BACWA Funds.

**SUMMARY:** It is important that BACWA maintain sufficient reserves to provide for unforeseen circumstances that require funds beyond what has been budgeted. Setting and meeting target reserve levels can impact dues, fees, and surcharges that BACWA collects from its members. Setting target levels is a Board policy issue. The attached policy sets target levels of reserves for the operating, legal and Clean Bay Collaborative funds. A review of the reserve policy will be scheduled every two years..

### FISCAL IMPACT

No fiscal impact to BACWA.

### ALTERNATIVES

This action does not require consideration of alternatives.

Attachment; BACWA Policy BFP-2.04 Financial Reserves

Approved:

Date: December 21, 2018

\_\_\_\_\_  
Lori Schectel, Chair  
BACWA Executive Board



**POLICY NUMBER:** BFP – 2.04

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**NAME OF POLICY:** Financial: Reserves

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**DATE APPROVED:**

**LAST REVISED:**

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**PURPOSE:** The Policy sets the target Reserves for the various BACWA Funds (Operations - BACWA Fund), Legal (Legal Fund), and regulatory activities (Clean Bay Collaborative Fund). The level of Reserves is important since it impacts dues, fees, and surcharges that BACWA collects from its Members.

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**RESERVE POLICY**

The amount of Reserves to be held for each Fund will be formally approved by the BACWA Executive Board through the Board Authorization Request process. The Reserve amounts will be reviewed by the BACWA Executive Board every two years and modified as need. The intent is for the Reserve level in each Fund to meet the target level at the end of the Five-Year BACWA Financial Plan which is updated on an annual basis. The target reserves for each Fund are as follows:

**BACWA Fund:** Will maintain Reserves in the amount of three months Operating Expenses based on the fiscal year in which the amount is determined.

**Legal Fund:** Will maintain Reserves in the amount of \$300,000.

**CBC Fund:** Will maintain Reserves in the amount of \$1,000,000

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### **FY 2026 BACWA Board Meetings**

August 15, 2025 – EBMUD Orinda

September 19, 2025 – Central San

October 9 & 10, 2025– Pardee Technical Seminar

December 12, 2025 – EBMUD Downtown

**January 9 or 23rd, 2026** – SFPUC (Tentative – Waiting for approval)

February 20, 2026 – EBMUD Orinda

March 20, 2026 – Central San

April 17, 2026 – EBMUD downtown

May 1 or 8, 2026 Annual Meeting, David Brower Center, Berkeley

**June 5 or 12<sup>th</sup>, 2026** – SFPUC (Tentative – Waiting for approval)



## BACWA AIR Committee Meeting Minutes

**Date:** December 11, 2024  
**Time:** 10 am – noon  
**Location:** **Virtual:** MS Teams

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Thank you all for attending the December **BACWA AIR Committee** Meeting online! Below is a summary of the discussion and action items for your review and files.

Post-Meeting Update: Following the BACWA AIR Committee Meeting but prior to the issuance of these Meeting Minutes, it was announced that the Bay Area Air Quality Management District was streamlining the agency's name. The agency is now the "Bay Area Air District" or the "Air District." The Bay Area Air District is used in these Meeting Minutes. For more information on the new name and logo, please reference [the Bay Area Air District's website](#).

### Summary of BACWA-Bay Area Air District Implementation Workgroup Meeting on September 23<sup>rd</sup>

The wastewater-focused workgroup<sup>1</sup> meets quarterly. Topics from the September 23<sup>rd</sup> meeting included:

- Updates from BACWA and the Bay Area Air District
  - Nutrient Permit
  - Permit Timelines and Staffing
- Outlook on Engagement
  - Update from the Bay Area Air District on Strategic Plan and Resulting Rule Making Priorities
    - Regulatory Priorities
    - Resources
    - White Paper on Future Regulations (Anaerobic Digestion)
  - Update from BACWA on Status of Edits to Standard Permit Conditions
  - Bay Area Air District Source Testing
    - EPA v. Bay Area Air District
    - Guidance on Report Formatting
    - Source Test Workshop
  - Update from the Bay Area Air District on Future BACT Determination Process and Guidebook Updates
  - Update from the Bay Area Air District on Status of Rule 11-18 Amendments
  - Update from BACWA on the CASA Statewide Air Toxics Pooled Emissions Study Coordination
  - Report to the Bay Area Air District Board
- Other Opportunities for Collaboration between BACWA and the Bay Area Air District

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<sup>1</sup> The workgroup was established as negotiating amendments to the Bay Area Air District Regulation 2 to "help facilitate the implementation of the Proposed Amendments and address other concerns related to toxic air contaminant reduction at these facilities and future rule development."

For additional information, please reference the BACWA-Bay Area Air District Implementation Workgroup Meeting Minutes when they are posted on BACWA's website<sup>2</sup>.

### **Next BACWA-Bay Area Air District Implementation Workgroup Meeting January 2025**

Possible topics for the next Workgroup meeting include:

- Update from the Bay Area Air District on Strategic Plan and Resulting Rule Making Priorities
- Update from the Bay Area Air District on the Anaerobic Digester White Paper
- Permit Prioritization
- Update from BACWA on Status of Edits to Standard Permit Conditions
- Bay Area Air District Source Testing
- Update from the Bay Area Air District on Future BACT Determination Process and Guidebook Updates
- Update from the Bay Area Air District on Status of Rule 11-18 Amendments
- Update from BACWA on the CASA Statewide Air Toxics Pooled Emissions Study Coordination
- Other Opportunities for Collaboration between BACWA and the Bay Area Air District

### **Bay Area Air District Anaerobic Digestion White Paper**

The Bay Area Air District has resumed work on Regulation 13: Climate Pollutants. Efforts had been suspended for several years. Rule Development started working on a White Paper focused on Rule 13-4 Sewage Treatment and Anaerobic Digestion. The Bay Area Air District staff state the objective of the White Paper is to determine whether a new rule should be proposed and developed, best management practices identified (without proposing a new rule), or if further research is necessary. The Bay Area Air District is reaching out to stakeholders, including BACWA, to provide input. BACWA met with the Bay Area Air District on September 30 and has engaged with some POTWs as the White Paper is being developed.

### **Bay Area Air District Permitting Meeting**

BACWA and representatives of some member agencies met with the Bay Area Air District management staff on December 9<sup>th</sup> to discuss the time it is taking to evaluate permit applications and issue Authorities to Construct. Concerns around capital planning, priorities, and funding restrictions were discussed. BACWA reminded the Bay Area Air District about the upcoming projects that will emerge from the San Francisco Bay Nutrients Watershed Permit, and the importance of timely permit processing to meet the San Francisco Bay Nutrients Watershed Permit requirements. The Bay Area Air District acknowledged that staff workload capacity is a factor. There has been initial internal discussion about how to increase staff to remedy this situation. The Bay Area Air District requested information on how many permit applications from BACWA member agencies are anticipated over the next 5-10 years.

### **Standard Permit Conditions**

The Bay Area Air District and BACWA are working together to develop standard permit conditions to help streamline the permitting process. Standard permit conditions for cogeneration engines, anaerobic digesters, and food waste receiving stations are in development. The BACWA subcommittee meets periodically to review the draft standard permit conditions and develop feedback on the Bay Area Air District proposals. The most recent meeting was December 16<sup>th</sup>. Please let us know ([cmizutani@sbcglobal.net](mailto:cmizutani@sbcglobal.net) and [rdavid@carollo.com](mailto:rdavid@carollo.com)) if you would like to participate.

### **Bay Area Air District BACT/TBACT Updates**

Permit applicants that propose new or modified emergency standby diesel engines now will need to use engines that meet the EPA Tier 4 emissions standards. [The Bay Area Air Districts staff presented a webinar](#) on October 21, 2024, on BACT/TBACT for standby diesel generators >50 hp to Tier 4.

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<sup>2</sup> BACWA- Bay Area Air District Implementation Workgroup Meeting Agendas and Minutes - <https://bacwa.org/committees/air-issues-regulations-committee-air>.

### **Proposed Amendments to Rule 11-18**

At the end of 2023, the Bay Area Air District proposed Regulatory Concepts for Amendments to Rule 11-18, as well as proposed updates to the Implementation Procedures based on the current version of the Rule. BACWA provided a comment letter on February 29, 2024. Draft language for the rule amendments is anticipated to be shared in Spring 2025. After the amendment, updated Implementation Procedures will be developed by the Bay Area Air District. POTWs remain in Phase 2 for Rule 11-18 implementation. Conversations with the Bay Area Air District staff regarding timing indicate that the pooled emission study factors (see below) should be available in time to inform the risk calculations for BACWA members.

### **CARB Statewide Air Toxics Two-Step Process**

CASA is serving as the fiscal administrator in coordination with regional associations (i.e., BACWA will coordinate billing for Bay Area facilities) on the CARB Statewide Air Toxics Two-Step Process. Yorke Engineering is the project manager for the first phase of the project.

- The list of participating agencies includes over 140 facilities across the state. Facilities subject to the regulation include: Facilities with covered primaries and an average dry weather flow (ADWF) >10 mgd and facilities with uncovered primaries with an ADWF > 5 mgd.
- Jason Nettleton (San Jose) and Lorien Fono (BACWA) serve on the Pooled Emission Study steering committee, along with other statewide representatives from the POTW sector.
- CASA has included the Bay Area Air District (along with CARB, CAPCOA and other Air Districts) in the statewide two-step process coordination. The steering committee plans to meet with the Bay Area Air District in January 2025.
- AIR Committee members are invited to participate in the CASA AIR Toxics Subgroup to keep closely coordinated on the monthly progress for the four-year duration of the two-step process (contact Sarah Deslauriers ([sdeslauriers@casaweb.org](mailto:sdeslauriers@casaweb.org)) if you would like to join the email distribution list and subgroup meetings).

### **CARB Advanced Clean Fleets Regulations**

The [Advanced Clean Fleet Regulations](#), adopted April 28, 2023, targets zero-emission of medium- and heavy-duty truck fleets by 2045, with government entities identified as early adopters.

POST-MEETING UPDATE: CARB staff submitted a letter of [withdrawal](#) to EPA for a waiver for the Advanced Clean Fleets Regulation on January 13, 2025 (following the meeting but during drafting of the meeting minutes). Following the withdrawal of the Advanced Clean Fleets Regulation, CARB staff stated they have authority to enforce the State and Local Government Agency Fleet Requirements regardless of withdrawing their waiver request to EPA (pursuant to [Section 209 of the Clean Air Act, CAA](#)). CASA is continuing to follow this evolving situation on behalf of WWTPs across the state.

### **Next Meeting**

Our next AIR Committee meeting is scheduled for March 19<sup>th</sup>. Please feel free to contact us ([cmizutani@sbcglobal.net](mailto:cmizutani@sbcglobal.net) and [rdavid@carollo.com](mailto:rdavid@carollo.com)) if you have any questions or items you want to share with the Committee.

**Committee Request for Board Action: None**

34 attendees participated virtually from 24 member agencies and the Regional Water Board.

***Updates on Committee Activity and Announcements***

- **BACWA Updates:** [Register here](#) for the BACWA Annual Members Meeting to be held May 2<sup>nd</sup>.
- **Legislative Update on PFAS:** [SB 682](#), a ban on non-essential uses of PFAS, has been introduced into the CA Senate. BACWA has signed CASA's [letter of support](#) for the bill.
- **Legislative Update on Wipes:** The [WIPPES act](#) has been introduced into the US Senate. The bill would require "Do Not Flush" labeling similar to the California law signed in 2021 (AB 818).
- **Pesticides Committee:** The committee recently became aware of research by the CA Dept. of Pesticide Regulation showing chlorpyrifos in effluent that could exceed aquatic toxicity benchmarks. There is only one registered use in California: the product INSECTA can be used in sewer manholes. The committee is seeking information on whether local agencies use this product and, if so, if there are tips on safe usage.
- **Steering Committee Update on Spring Campaign:** The spring campaign will focus on PFAS and will be timed to begin during Earth Week 2025. The ads (see example at right) will link to this [new Baywise page](#). Graphics have been shared with BAPPG members or can be [downloaded here](#).
- **CWEA's Annual Conference** will be held April 22 – 25 in Palm Springs.



***Wastewater Surveillance Monitoring for Drugs in Laguna Treatment Plant Influent***

Robert Wilson (City of Santa Rosa) shared the City's experiences participating in epidemiological research of five drugs in wastewater influent: nicotine, fentanyl, cocaine, methamphetamine, and xylazine. Some of the drugs are purely recreational, while others have legitimate medical uses. The monitoring was conducted in 2024-2025 and was part of a national study through [Biobot](#), which allows a side-by-side comparison of local and national data. The monitoring data are intended for use by public health agencies, not wastewater agencies. For example, the non-opioid drug xylazine (Tranq) cannot be reversed by naloxone and has extreme side effects, so it would be a public health concern if it was found to be present in local wastewater. Fortunately, this drug was rarely detected in Santa Rosa's wastewater during the study. By contrast, Santa Rosa found that the influent load of methamphetamine exceeded the national per-capita average; the load was the same order of magnitude as some metals like nickel. Although Santa Rosa's recent monitoring effort has been discontinued due to funding cuts, public health agencies may find value in this approach when there is a need for information about high-risk drug use in the community. Also, Robert suggested that if wastewater agencies need information about the risk of exposure to chemicals from recycled water, they refer to [this WateReuse study](#) on pharmaceuticals and personal care products.

***Pesticides Update***

As a follow-up to the February 2025 BAPPG meeting, members shared how they have been implementing the [Checklist on Flea and Tick Pet Pesticides](#). Many have been using the materials (like flyers) from the [Flea and Tick Outreach Toolkits](#).

**Next BAPPG General Meeting: June 4, 10am – 12pm**

The next meeting will include member updates on plant tours and public outreach through artwork. Please plan to share what your agency is doing on this topic!



**Committee Request for Board Action:** None

40 attendees participated remotely, including representatives from 22 member agencies

**Receiving Water Limitations**

The March 2025 [Supreme Court ruling](#) in *City and County of San Francisco v. USEPA* affects receiving water limits in NPDES permits. The ruling states that the Clean Water Act “does not authorize the EPA to include ‘end-result’ provisions in NPDES permits. Determining what steps a permittee must take to ensure that water quality standards are met is the EPA’s responsibility, and Congress has given it the tools needed to make that determination.” The ruling does not affect state law under the Porter-Cologne Water Quality Control Act. The ruling has delayed [scheduled NPDES Permit reissuances](#) in Region 2, as Regional Water Board staff await guidance from their legal counsel on necessary changes to standard permit language (e.g., possible removal of receiving water limits).

**Chronic Toxicity Monitoring**

As NPDES permits are reissued, acute toxicity monitoring requirements are being removed and chronic toxicity monitoring requirements are being updated per the [Statewide Toxicity Provisions](#). Region 2 default monitoring frequencies are listed below. Dischargers may qualify for reduced monitoring based on the ten most recent TST results (see pages 22-23 of the Toxicity Provisions):

**Routine/Compliance Monitoring -**

1/Month - if flow Q is  $\geq 5.0$  MGD  
1/Quarter - if  $1.0 < Q < 5.0$  MGD  
2/Year - if  $Q \leq 1.0$  MGD

**Surveillance Monitoring** (only applicable to Deep water

dischargers with dilution  $> 20:1$ ):  
1/Year if flow is between 1.0 - 5.0 MGD  
2/Year if flow is  $> 5.0$  MGD

**Due Dates for Self-Monitoring Reports**

February 1<sup>st</sup> is the current due date for annual self-monitoring reports for most individual NPDES permits in the region. Members expressed interest in extending the date to allow more time to incorporate December monitoring data. After the meeting, Regional Water Board staff expressed a willingness to move the date to March 1st. Members also requested information about SMR due dates the fall on weekends and holidays. California code implies that the deadline would be moved to the next business day (see Civil Code [section 10](#) or Civil Procedure [section 12](#)). Although the legal due date is the next business day, CIWQS is not programmed to incorporate this change, so the submittals will be flagged as past due in CIWQS.

**Nutrients**

- The Regional Water Board is pursuing a Basin Plan Amendment that would supersede the state’s 2008 compliance schedule policy, thereby allowing compliance schedules longer than 10 years.
- The [2024 Group Annual Report](#) required by the Nutrients Watershed Permit was submitted on April 1. Work on the Scoping Plan for the Regional Planning effort is underway. It is due July 1<sup>st</sup>.
- A summary of the NMS science program called [Science to Inform Management](#) is now available for download. BACWA will also be obtaining print copies.

**Other Announcements**

- Regional Water Board staff recently shared that they plan to reopen the mercury TMDL in 2028 and the PCBs TMDL in 2030. The main purpose would be to modify the timeframe for implementation of load allocations (mainly for stormwater loads, not wastewater).
- Comments on USEPA’s [Draft Human Health Water Quality Criteria](#) for PFAS are due April 24<sup>th</sup>.
- CASA-supported [SB 682](#) banning non-essential uses of PFAS was introduced into the CA Senate.
- The RMP’s [Emerging Contaminants Workgroup](#) holds its annual meeting April 23-24<sup>th</sup> to provide an update on recently completed CECs studies and discuss the work plan for 2026.
- The Bay Area Pollution Prevention Group (BAPPG), BACWA’s pollution prevention committee, has a subcommittee devoted to pesticides and welcomes participation from BACWA members.

Next Meeting: Tuesday, June 10th, Virtual





## Executive Director's Report to the Board

### March 2025

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#### EXECUTIVE BOARD MEETING AND SUPPORT

- Worked with BACWA staff to plan and manage 3/21 Executive Board meeting
- Conducted the Executive Board meeting agenda review with the BACWA Chair
- Hosted 3/21 Executive Board meeting and developed meeting notes
- Continued to track all action items to completion
- Continued planning 2025 BACWA Annual Members meeting
- Planned and attended joint meeting with R2 (3/10)

#### COMMITTEES:

- Attended O&M committee (3/6)
- Attended AIR committee meeting (3/19)

#### REGULATORY:

- Virtually attended R2 Board meeting (3/12)
- Attended CASA Air Toxics meeting (3/12)
- Met with R2 EO (3/18)
- Participated in CASA Pooled Emissions SC meeting (3/26)

#### NUTRIENTS:

Completed a variety of tasks and activities associated with BACWA's interests on nutrients and collaborating with the Water Board including:

- Discussed potential contractor market assessment with consultant
- Attended PSC meeting (3/14)
- Met with NMS Science Manager on programmatic issues
- Reviewed NMS Science priorities and proposed projects
- Reviewed program overview document outline
- Met with HDR to discuss regional scoping plan elements
- Held Regional Plan Scoping document kickoff (3/13, 3/27)
- Attended NMS SC meeting (3/24)
- Met with BACWA NMS leads to discuss program goals (3/25)

#### COMMUNICATIONS

- Discussed PFAS communications with members
- Attended NBC OpenRoads planning sessions
- Reviewed social media vignettes
- Reviewed draft budget for different alternatives prepared by Civic Edge

#### FINANCE:

- Reviewed the monthly BACWA financial reports
- Reviewed and approved invoices

- Worked with AED on updated draft budget for FY26
- Updated 5-year plan
- Recalculated Nutrient Surcharge and developed narrative for allocation method

#### **COLLABORATIONS:**

- Participated in WRF Research planning summit for NBS (3/3)
- Attended CASA RWG Strategic Meeting at Pardee (3/4-5)
- Attended CASA SLC (3/14)
- Met with BACWA RW Comm and WaterReuse Norcal leaders to plan workshop (3/25)
- Attended CASA ACE meeting (3/13)
- Checked in with EPA on SF Bay Program Office funding and non-compete memo for nutrient management
- Attended California Water Quality Management Council meeting (2/20)
- Attended CASA RWG Biosolids Committees (3/20)

#### **ASC (AQUATIC SCIENCE CENTER)**

- Reviewed materials sent via email by ASC ED

#### **BABC (BAY AREA BIOSOLIDS COALITION)**

- Finalized approval for BABC integration as a BACWA committee

#### **BACC (BAY AREA CHEMICAL CONSORTIUM)**

- Reviewed issues that came up as part of bid
- Reviewed bid results

#### **BACWWE (BAY AREA COALITION FOR WATER/WASTEWATER EDUCATION)**

- none

#### **ADMINISTRATION:**

- Planned for and conducted the monthly BACWA staff meeting to prepare for the Board Meeting and to coordinate and prioritize activities.
- Signed off on invoices, reviewed correspondence, prepared for upcoming Board meetings, responded to inquiries on BACWA efforts, oversaw and participated in updating of web page and provided general direction to BACWA staff.
- Worked with RPM in the preparation of the monthly BACWA Bulletin.
- Developed and responded to numerous emails and phone calls as part of the conduct of BACWA business on a day-to-day basis.

#### **MISCELLANEOUS MEETINGS/CALLS:**

- Worked with BACWA Chair and Committee Chairs on items that arose during the month
- Other miscellaneous calls and inquiries regarding BACWA activities
- Responded to Board members' requests for information
- Met with City of Richmond and WCWD to discuss JPA dissolution and future membership status



## Board Calendar

May 2025 – July 2025 Meetings

### DATE

*May 2, 2025*  
*David Brower Center*

*June 20, 2025*  
*SFPUC*

*July 2025*

### AGENDA ITEMS

#### **Annual Meeting**

#### **Approvals & Authorizations:**

- FY26 Contract Approval
- 

#### **Policy / Strategic Discussion:**

- Final review of regional plan scoping plan

#### **Operational:**

- Pardee planning
- Succession planning for representatives and committees

**No BACWA Board Meeting in July**



## BACWA ACTION ITEMS

Number	Subject	Task	Responsibility	Deadline	Status
<b>Action Items from March 21 2025 BACWA Executive Board Meeting</b>			<b>resp.</b>	<b>deadline</b>	<b>status</b>
2025.3.30	ED Performance Plan template and schedule	BACWA to hold closed session at the end of April Board meeting to discuss ED performance evaluation.	ED	4/14/2025	complete
2025.3.31	Recommended edits to classes of membership policy	BACWA ED to bring final policy to April 2025 BACWA Board Meeting for approval	ED	4/14/2025	complete
2025.3.32	Draft FY26 BACWA Budget, Workplan, and 5-year plan	BACWA ED and AED to make updates and bring a final FY26 budget to the April 2025 BACWA board meeting for approval.	ED / AED	4/14/2025	complete
2025.3.33	Annual meeting draft agenda	BACWA ED and AED to finalize agenda and promote Annual Meeting sign up.	ED / AED	4/14/2025	complete
2025.3.34	Board meeting schedule FY26	BACWA ED and AED to update calendar and arrange locations	ED / AED	4/14/2025	complete
2025.3.35	NMS Update	BACWA ED to create an order form for printed copies of the SFEI NMS brochure	ED		WIP
2025.3.36	NMS Update	BACWA ED schedule a meeting for the BACWA Nutrient Strategy Team	ED	4/14/2025	complete
2025.3.37	Proposed PFAS Communications Summit	BACWA ED to propose dates and agenda	ED	4/14/2025	complete
2025.3.38	Proposed PFAS Communications Summit	BACWA ED to invite CASA to provide an update on SB 682 at the April meeting	ED	4/14/2025	complete
<b>Action Items Remaining from Previous BACWA Executive Board Meetings</b>					
2025.2.24	OAH Modeling off the Northern California Coastline	BACWA ED to work with Martha & David to bring this discussion to stakeholders in the Bay Area soon	ED	4/14/2025	complete

FY25: 37 of 38 Action items are complete  
 FY24: 43 of 43 Action Items are complete  
 FY23: 58 of 58 Action Items are complete  
 FY22: 51 of 52 Action items are completed  
 FY21: 51 of 51 Action items completed  
 FY20: 70 of 70 Action Items completed  
 FY19: 110 of 110 action Items completed  
 FY18: 66 of 66 Action Items completed  
 FY17: 90 of 90 Action Items completed



## **Regulatory Program Manager's Report to the Executive Board**

**March 2025**

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**BACWA BULLETIN:** Completed and circulated March Bulletin.

**CASA REGULATORY WORKGROUP:** Participated in annual retreat for CASA's biosolids and water regulatory workgroups to prioritize work for the coming year.

**CECs:** Reviewed draft manuscript on QACs in wastewater; reviewed draft proposal for a future study of the potential for nutrient removal projects to modify concentrations of CECs in effluent.

**NUTRIENTS:** Participated in Nutrient Management Strategy (NMS) science planning meeting; coordinated with HDR and contract management group regarding Group Annual Report and its appendices; reviewed draft Group Annual Report and provided comments; reviewed draft outline for Scoping Plan and provided feedback.

**PFAS:** Edited landing page for PFAS for Baywise website; discussed SB 682 legislation with CASA staff; reviewed draft graphics for BAPPG's spring public outreach campaign.

### **COMMITTEE SUPPORT:**

**Asset Management** – Assisted with logistics for May workshop at Central San.

**BAPPG** – Participated in pesticides committee meeting and reviewed new information about chlorpyrifos in influent and effluent; assisted with planning for April committee meeting. See also PFAS item above.

**Biosolids** – Coordinated with Bay Area Biosolids Coalition regarding pending merger with biosolids committee.

**Laboratory** – Assisted with preparations for April committee meeting, including results from member survey on staff certification requirements.

**Permits** – Reviewed Supreme Court decision in *City and County of San Francisco vs. EPA* to understand expected impacts on NPDES permits in Region 2; assisted with compiling information about reductions in usage of dechlorinating chemicals; reviewed draft paper on QACs; began preparing agenda for April committee meeting.

**O&M Infoshare** – Assisted with planning for tour of CMSA plant in May.

**Recycled Water** – Assisted with planning April workshop on nutrients and recycled water. Circulated onsite nonpotable reuse regulations to members for review.

**Executive Board** – Provided regulatory updates for Executive Board meeting.

**ADMINISTRATIVE:** Staff meeting, website, email lists, Annual Meeting, & attendance certificates.

### **BACWA MEETINGS ATTENDED:**

BAPPG Steering Committee (3/5)

O&M Committee (3/6)

Executive Board with R2 (3/10)

Contract Management for HDR (3/13, 3/27)

AIR Committee (3/19)

Executive Board (3/21)

BAPPG Pesticides Committee (3/27)

### **EXTERNAL EVENTS ATTENDED:**

CASA Regulatory Workgroup (3/4, 3/20)

CASA Air, Climate and Energy (3/13)

CASA Collection Systems Workgroup (3/19)

NMS Steering Committee (3/24)