



**San Francisco Public Utilities Commission
 Citizens' Advisory Committee
 Water Subcommittee**

MEETING MINUTES

**Tuesday, July 27, 2021
 5:30 p.m. – 7:00 p.m.**

PARTICIPATE VIA BLUEJEANS VIRTUAL CONFERENCE SOFTWARE

Meeting URL

<https://bluejeans.com/222540402/0135>

Phone Dial-in

[408.317.9253](tel:408.317.9253)

Meeting ID/Passcode

222 540 402 # / 0135

Mission: The Water Subcommittee reviews water supply system reliability, water conservation, recycling, regional cooperation efforts and other relevant plans and policies. ([Admin Code 5.140-142](#))

This meeting is being held by Teleconference Pursuant to the Governor's Executive Order N-29-20 and the Sixteenth Supplement to Mayoral Proclamation Declaring the Existence of a Local Emergency Dated February 25, 2020

During the Coronavirus Disease (COVID-19) emergency, the San Francisco Public Utilities Citizens Advisory Committee's (SFPUC CAC) regular meeting room, 525 Golden Gate Ave., 3rd Floor Tuolumne Conference Room, is closed. CAC Members and SFPUC staff will convene CAC meetings remotely by teleconference. Members of the public are encouraged to submit their public comment on agenda items in advance of the teleconference meeting by emailing comments to cac@sfgwater.org. Comments submitted no later than 12 PM the day of the meeting will be read into the record by SFPUC CAC Staffing Team members during the teleconference meeting and will be treated as a substitute to providing public comment during the meeting. Persons who submit written public comment in advance on an agenda item or items will not be permitted to also provide public comment on the same agenda item(s) during the meeting.

Members:

Jennifer Clary (Chair) (D11)	Suki Kott (D2)	Amy Nagengast (D8)
Nicole Sandkulla (M-Reg'l Water Customers)	Eliahu Perszyk (M-Large Water User)	

D = District Supervisor appointed, M = Mayor Appointed, B = Board President appointed

Staff Liaisons: Mayara Ruski Augusto Sa and Jobanjot Aulakh
 Staff Email for Public Comment: cac@sfgwater.org

London N. Breed
 Mayor

Sophie Maxwell
 President

Anson Moran
 Vice President

Tim Paulson
 Commissioner

Ed Harrington
 Commissioner

Newsha Ajami
 Commissioner

Michael Carlin
 Acting
 General Manager

OUR MISSION: To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.



ORDER OF BUSINESS

1. Call to Order and Roll Call at 5:34pm

Members present at roll call: (4) Clary, Sandkulla, Perszyk, Nagengast

Members Absent: (1) Kott**

Members of the Public: Anietie Ekanem, Emily Algire, Tom Francis, Moisés García

** Member Kott joined at 5:55 pm. Quorum maintained.

2. Approval of the [April 27, 2021](#) Minutes

Motion was made (Sandkulla) and seconded (Perszyk) to approve the April 27, 2021 Minutes.

AYES: (4) Clary, Sandkulla, Perszyk, Nagengast

NOES: (0)

ABSENT: (1) Kott

Public Comment: None.

3. Report from the Chair

- Chair welcomes committee members, staff, and the public

Public Comment: Anietie Ekanem suggested publishing blurbs to draw the public's attention to the CAC meetings.

4. Public Comment: Members of the public may address the Committee on matters that are within the committee's jurisdiction and are not on today's agenda

Public Comment: None

5. Presentation and Discussion: Drought Discussion, Jennifer Clary, Water CAC Chair, Nicole Sandkulla, Water CAC Member

Continuing the discussion about water resilience: follow up to July 16 [Special meeting](#) of the SFPUC.

- How do we prepare for future drought in light of accelerating climate impacts?
- Ratepayer response: how do we engage our appointing authorities and ratepayers in this discussion in a constructive manner?

Introduction:

- Chair Clary is glad that SFPUC has been conducting workshops focused on water matters. The objective for tonight is to identify what the CAC can do and to ensure that the City is ready for the upcoming environmental changes. Over the last twenty years, droughts are more common, and we have encountered our third drought within 13 years and this last one came about before we recovered from the previous drought. The recurring droughts are having an impact on the environment and on the bottom line for water agencies and something must change. The change will either come from regulation or climate change. The Water Subcommittee wants to understand what the SFPUC is doing and what more can it do.
- Member Sandkulla added that there is a lot that can be done, and the CAC should find a path to address issues such as climate change.

Discussion & Public Comment:

- **Chair Clary** asked what the assumptions should be on climate change and commented that is focus on the bad impact on species. Traditionally, if there is 3 dry years out of 10, species have 7 years to recover. We need to understand what we should anticipate and what we should plan for. The SFPUC has been working on a Climate Change Study for the past several years and asked if Member Sandkulla can add anything about this study.

Member Sandkulla answered that the study is funded by the Water Environment Foundation (WEF) and the SFPUC is the utility participant. The foundation has an international team of experts on climate change that are looking into changing climate and risk resilience analysis including climate, the environment and all those impacts on the PUC system. The SFPUC is not the driver of the report. The draft report of the study is expected to be available towards the end of summer.

- **Chair Clary** commented that if the report is ready by the end of the summer then it will be available by the September Water meeting or the Full CAC meeting in October.

Tom Francis (BAWSCA – Bay Area Water Supply and Conservation Agency) added that the study has been in the works for around three years. Water Research Foundation (WRF) is charged of putting the report together. The SFPUC has been discussing scheduling presentations once the study is finished, but the study will first be published on the WRF website.

- **Chair Clary** commented that she was disappointed about previous research that SFPUC did on climate change on the upcountry watershed.
- **Anietie Ekanem** asked what the job and economic impact from these recurring drought sequences is. 3 years of drought out of 10 with 7 years to replenish was the previous system. If that changes, does that also mean that business cycles are affected.

Member Sandkulla responded that studies exist but they are controversial. During the 2015-17 drought, there were 26-27% cutbacks from a regional perspective. It appeared that residential customers were able to achieve that high-level cutback and that is the key to minimizing job and economic impact. The assessment involves an analysis of if residential customers can absorb the level of impact that they are being required to achieve. This last drought showed that residential customers can take a higher level cutback than originally thought. We did not think the residential customers would be able to achieve that without having business also step up. Customers have shown that they can do more and we need them to do more in order to protect the economic engine.

- **Member Perszyk** commented that climate change is coming, and this report is critical. Residents can cut back but, for example, if we would want to get the Tuolumne River to what the State is asking for, we need more than what customer can do

Member Sandkulla agreed and added that if the Bay Delta Plan was implemented right now, we would be asking the customers and the wholesale area for cutbacks of 40-45%, which is a lot higher than the current 15%. The question then is what are the impacts of cutbacks that are as high as 40-45% and how to deal with them.

- **Anietie Ekanem** asked if cutbacks should just be the new norm across the board.

Member Sandkulla commented that she participated in the PUC's workshop 2 weeks ago. It was a 3-hour workshop on demands and demand projection. What our demand projection shows for the BAWSCA region is that as we project out to 2045, our residents will achieve a per capita use that is equal to the low of the per capita use that was used during the last drought, which is 56 gallons per person per day. We are planning built in conservation moving forward, but we're going to have to do more beyond that. For San Francisco retail, the numbers were lower, but the trend was essentially the same. Both for the retail and the wholesale customers, we have plans in place that will continue to press the residential use per person down. However, we live in a region that has some of the highest growth for new housing and non-residential growth. Total demand in both wholesale and retail will increase, but on a per capita basis the residential per capita will go down.

- **Chair Clary** commented that as population goes up, demand reduction continues to drive overall use down. Is there a point at which we bottom out and then we can't account for our population growth through our conservation? Pacific Institute did a conservation report in 2005 that said with current technology, per capita indoor water use should be 22-25 gallons per capita per day. If you have conservation, then you have to make up your water bill, so water agencies adopt a drought surcharge. If you overestimate the water supply, you end up overcharging people for water and not everyone can afford that. Water conservation has increased the system's flexibility and ability to handle drought. How do we think about this economically? Do we need to change how we define a drought? And change how we pay for drought

in a way that does not create cost burdens for people who are trying to use as little water as possible because they do not have money.

- **Anietie Ekanem** asked where the money for the technology install comes from because you would need everybody to have it. There is a cost-benefit and how can we deploy something like that.

Chair Clary responded that it is from current cost-effective technology. For example, having a 1.28 gallon water toilet instead of a 3.5 gallon water toilet. The biggest jumps in conservation come from regulatory changes, from changing the size of your nozzle, requiring aerators on your faucet, or a low flow toilet, slow flow washer and dryer. Large water agencies have a robust water conservation budget. The way water conservation is funded is inherently inequitable because so many agencies use reimbursement as an incentive for people to upgrade their appliances. Small systems do not have the staffing to apply for funding or the funding to use. The big issue is equity and how to ensure that the people who cannot afford water are actually able to save water.

- **Anietie Ekanem** commented that we have been talking about residential customers but how about business customers. What are business customers doing to cut back?

Member Sandkulla replied that business is more difficult. We are starting to see development policies drive some of that, such as onsite reuse. Policies such as new developments that cannot increase water use. It is difficult with businesses because it is on a case-by-case basis. Businesses are more complicated.

Chair Clary commented that San Francisco has a plant downtown that uses about a million gallons of water a day. They are taking the water that builds up and they are using that to save a million gallons a day of potable water supply.

- **Member Sandkulla** commented that those types of things have another driver. It is a cost-benefit thing and it is about identifying what is the driver for the business. Stanford Utilities has an aggressive onsite reuse program. They are reusing water at this specific location multiple times for different purposes. Big companies like Facebook and Google have done a lot of work on their campuses, but the problem is smaller businesses.
- **Chair Clary** commented that the Urban Water Management Plan and the Alternative Water Supply Report identify the instream inflow requirements for the Tuolumne River as 98 million gallons per day on average. In a normal or high flow year the system can meet those needs and on a low flow year they cannot. Where does that 98 million gallons per day come from and why does the Alternative Water Supply Report only identify less than 10 million gallons a day? There is a disconnect. Whether or not the Bay Delta Plan moves forward in its current format, climate change is still happening. We still need to do something about our reliance on the Tuolumne River and we still have to provide more flows for the environment. And we have a regulatory

standard. Should we at least have a discussion about what it would take to fill that gap? What should the investment be and what should we prioritize? Does it make sense for the SFPUC to assume that it is not going to have any regulatory requirements and that climate change is going to stay within the bounds of the voluntary agreement?

- **Member Kott** asked what examples of drought-free supply are, and if that would include desalinization.

Member Sandkulla replied that the Urban Water Management Plan assumes that the Bay Delta Plan gets implemented. This was not controversial with San Francisco, but it was controversial with BAWSCA. If you assume that the Bay Delta Plan does not get implemented, that does not necessarily mean we do not need water supplies because climate change is happening and we might need resilient supplies, or a drought proof supply to add to BAWSCA's mix of projects. Examples of drought free supplies are desal and potable reuse and advanced treated recycled water. There are several of projects in San Francisco's Alternative Water Supply Report that BAWSCA has pressed them strongly on.

Chair Clary commented that drought proof supply does not mean a new supply because it does not exist in a drought. It is about how you handle the supply you have and that is why conservation is the best option in a drought. It is instant and requires no building. But alternatives are necessary to fill the gap. The residential sector has had significant reductions.

- **Member Perszyk** asked how to compare the benefits of more aggressive technical assistance to help people and businesses update their properties (such as getting a cistern or helping people retrofit their houses) to the benefits of a large water project which costs more money.

Member Sandkulla responded that what Member Perszyk is talking about is a decentralized re-use at a residential level. As utilities, cisterns are not as good when it does not rain often. There is a technical analysis that can be done regarding what are the best investments and it needs to be a part of what the PUC staff does when they look at these alternative supplies. Member Sandkulla stated that her interest is to get the PUC to develop those projects as much as possible to allow the decisions to be made. There are a lot of ranges for how much water supply each project might create, but there are a lot of unknowns.

Chair Clary commented that we have been doing aggressive water recycling. Our per capita water use has decreased 50% in the last 10 years. Chair Clary asked Member Sandkulla if the same is true for her service area/

Member Sandkulla responded positively. Recycled water in the service area is expected to double between now and 2045. It is expected to go from 7 or 8 MGD (million gallons per day) now to 17 MGD in 2045.

BAWSCA Staff Tom Francis commented that in the City / County of SF, for FY (fiscal year) 2019-20, the residential GPCD (gallons per capita per day) was 42.9 and the gross GPCD was 72.8. Source = SFPUC's 2020 Retail Water Conservation Plan available on SFPUC's website

- **Chair Clary** commented that in San Francisco, cisterns can be used two ways. One is you can use them to store water and the other is to disrupt the wastewater streams. San Francisco is so impervious that when it rains, that water gets to the Bayside and the Oceanside quickly and it results in combined sewer overflows in the waterfront, particularly in the Bayview. Even if you can make significant investments in conservation, there is always a lot more to do in multi-family buildings. The price of water is really helping us because it is going up 9-10% every year. Every time the water bill goes up, people figure out how to use less. The rising prices are good bets. Even if we do all that, we still need more water supply to meet our needs. San Francisco is overwhelmingly dependent on a single source of water. San Francisco makes the system more reliable by building more storage across the State. Building more storage does not fix the problem of not having water to fill those storages. San Francisco does have wastewater and it is about to open a recycled water plant. This plant will produce 2 to 3 million gallons a day for irrigation and to offset groundwater pumping. However, 60 million gallons a day is still being thrown away. San Francisco needs to figure out how to reuse the wastewater.

Member Sandkulla responded that if you do that you will not have much outdoor use, and it would be incorporated it into the drinking water. BAWSCA has pressed the PUC to look at potable reuse: treating that recycled water and putting it back into the drinking water system. In the City, there are no plans for that, though. The answer is that it is being done onsite for large buildings.

Member Kott commented recycling water for drinking needs a lot of public relations work.

Chair Clary commented that we need to find 98 million gallons per day of water. 1/3 of that responsibility is coming from SF and the question is where SF can come up with 32 million gallons a day. It will be expensive, but climate change is expensive. We need to develop a better understanding of what our options are. We need to plan for our climate future. SFPUC needs to step up to the plate in a much bigger way than they have.

Member Kott commented that storage is not diversifying.

Member Sandkulla replied that this is correct. Using storage is not necessarily diversifying though you can put a new, diversified supply (like highly treated water) into storage.

- **Member Perszyk** commented that we should make it a goal to have the PUC to identify a path to fill in this gap of what we are taking from the Tuolumne River with the water resources that we have in San Francisco. It does not seem like they are doing that right now. Can we

simplify the goal of filling in the water resources gap? And ask that SFPUC expedite this process and not take 30 years to do it.

Chair Clary responded that it may take 30 years to do it.

Member Perszyk added that they should probably start right now.

Member Sandkulla commented that there is a lot of uncertainty and we do not know how much we exactly need. The challenge is to ask the SFPUC to put together the plan to support a decision by the Commission that is appropriate. The goal is to have the Commission to have everything it needs to make the right choice and then we can assist and inform and be a part of that discussion. If we cannot give them a full portfolio that allows them to have a full set of options that meet the needs, then they will fail.

Member Perszyk commented about combined conditions like climate change. If a plan needs to be developed to meet a need, we need to be prepared to address future needs. Projects need to start the projects now. It is bad right now and it will get hotter and dryer.

Chair Clary agreed.

- **Member Sandkulla** commented that BAWSCA's Tom Francis added a note in the Alternative Water Supply Program Quarterly Report about an upcoming study for the potential for purified water. This may be something that the CAC should learn more about.

BAWSCA Staff Tom Francis commented that on page 24 of the SFPUC's most recent Alternative Water Supply Program Quarterly Report (released in June of 2021), there is a short discussion of the SFPUC's upcoming study to consider "the potential for purified water on a Citywide basis". Francis suggested reaching out to SFPUC to learn more about it as this particular effort apparently is starting soon.

Member Sandkulla commented that it would be worth following up with the SFPUC on that. SFPUC is now targeting 2023 for this program to be ready for environmental review. This means getting all projects ready to the point that you can initiate environmental review, which is the next critical step. It is important to make sure they have everything they need to analyze to the point that they can support environmental analysis decision making.

- **Member Kott** asked what is the source of the SFPUC's resistance and is it cost?

Member Sandkulla replied that she is not sure if this is the PUC's position, but it is certainly hers. We are entrusted with the public protection of a water supply in a cost-effective manner so that people can afford water. Investments need to be made the right way and overinvestment needs to be avoided.

Chair Clary commented that SFPUC is a victim of its own advertising. It sold Hetch Hetchy water as the best water in the world and it incentivized people to not accept any other water.

- **Anietie Ekanem** asked if it would be better to over invest because we would be covered in case the drought doubles. On the other hand, we do the 15-30 years and we may find out that there is no way we can meet the demand.

Member Sandkulla agreed that this is a true challenge. Even as a public body, the decision to make the extra investments will still be challenged. These investments all have impacts and it is necessary to justify them. Broadening the benefit may be making the environment better. Making investments might include a commitment to the Tuolumne River, for instance.

- **Chair Clary** commented that there is a consensus that the SFPUC should be planning to fill the gap that has been identified through regulation. Identifying how to fill the gap does not mean making an investment today, it means identifying options, maybe making an initial investment. Chair Clary suggested drafting a resolution to support that.

Member Sandkulla replied that would be very powerful and very helpful. The resolution should also reflect decision making based on the science of climate change. The CAC should recommend that the Commission require the SFPUC to use the climate change report to support this planning effort.

- **Chair Clary** asked how do we inform our constituents, neighbors, and colleagues about this climate change impact and how we need to address it? It is a long-term question and the PUC did not do a good job of addressing this question. The question is how to explain what is being done to the customers.

Anietie Ekanem commented that it is not a technical issue, but a public perception issue. It is about taste and not science. Good marketing could be helpful.

Member Kott commented that it is not just about taste - people worry about all sorts of contaminants.

- **Member Sandkulla** commented that it is a good idea to give the Commissioners the tools. The idea is to have the PUC staff rethink the idea of alternate supplies and what it means as a community because it is a way of addressing climate change, and it is a way of enabling communities to be more resilient in the future.

Chair Clary commented “the Tuolumne River water is so good we can drink it twice” would be an appropriate slogan.

Member Sandkulla commented that the parties have been a little hesitant in regard to the Peninsula Potable Reuse Project, and that is likely to be a bigger problem in San Francisco

Chair Clary commented that it is not as if the public will be getting recycled water tomorrow.

Member Sandkulla agreed and stated that it is going to be a different kind of supply no matter what it is. It could be groundwater, desal, recycled water, another water project water which can be worse than potable reuse water.

- **Member Kott** commented she does not remember hearing that the groundwater project is an aspect of addressing climate change (and no mention of it being for the greater good which includes wildlife).

Moisés García commented that he agrees that SFPUC is not using a climate change lens regarding groundwater. He grew up in Orange County and groundwater recharge with purified water was a point of environmental pride and a necessity.

- **Anietie Ekanem** suggested coupling it with decreased water bills and do a CleanWaterSF (water with ground water options) similar to CleanPowerSF.

Member Sandkulla commented she does not see a future with decreased water bills. The investments are paid for with ratepayer dollars. We need to focus on what benefits alternative water supplies can bring to us, instead of fixating that the supply is not Hetch Hetchy water.

- **Chair Clary** commented that cost becomes a Prop 218 issue which makes it difficult to be innovative and flexible when it comes to cost. Prop 218 was a constitutional amendment put on by voters that states that an assessment must reflect the cost of service. The water bill needs to reflect the cost of providing the water without extra charges. It was good because it meant public agencies started paying for their water and were conserving more. But it makes some things more difficult. It demands more care when setting tiered rates and low income rate assistance programs.

Member Sandkulla commented that they are funded by the general fund and not by the utility. That is why many water utilities try to put up cable powers because that is extra money that is not repair money.

- **Chair Clary** announced that she will work with Member Sandkulla on drafting a resolution to the Full CAC as discussed previously. The Commission's next water workshop is scheduled in September.

Member Sandkulla responded that the workshop is scheduled for September 17th. The PUC staff is going to walk the Commission through the ideas of how to evaluate and consider what investments to make.

6. Staff Report

- Survey is ready and should be sent to all members soon.
- Two new members – Barklee Sanders (District 6) and Maika Pinkston (Environmental Organization appointed by the Mayor).
- District 3 member, Steven Kight, is coming back.

Public Comment: None.

7. Future Agenda Items and Resolutions

Standing Subjects

- Groundwater
- Water Quality

Specific Subjects

- Capital Projects Update – *September 2021*
- Emergency Water Firefighting System - *September 2021*
- Climate Change – report update – *tentatively November 2021*
- State Board Water Rights
- Debate about Bay Delta – Member Sandkulla suggested everyone watch the February 5, 2021 Commission workshop about the Voluntary Agreement
- Affordability
- Racial Equity Plan Water Enterprise
- Natural Resources and Land Management Division Update
- COVID and Long-term Affordability Program
- Impact of Climate Change on Water Supply
- Hetch Hetchy Water and Power Division Update
- State Policy and Programs on Affordability or Low-Income Rate Assistance (LIRA)
- Bay Delta Plan and voluntary settlement agreement
- Legislative Update
- State of the Regional Water System Report – Bi-annual report
- Drought resilience: 3-year water supply update
- Water Equity and Homelessness
- State of Local Water Report
- Retail Conservation Report
- Harry Tracy Water Treatment Plant tour – *tentatively Fall 2021*

Adopted Resolutions for Follow Up

- Resolution in Support of the Southern Skyline Boulevard Ridge Trail Extension Project [adopted April 20, 2021](#)
- Resolution in Support of Interim Emergency Rate Assistance Program and Revised Community Assistance Program [adopted July 21, 2020](#)
- Resolution in Support of Improved Communications Related to the San Francisco Groundwater Supply Project [adopted August 21, 2018](#)
- Resolution in Supporting Stewardship and Public Access in the Redeveloped Lake Merced West Property [adopted in March 15, 2016](#)
- Resolution on Impacts of Drought on System Maintenance and Improvements [adopted January 19, 2016](#)

Public Comment: None.

8. **Announcements/Comments** – Please visit www.sfpuc.org/cac for final confirmation of the next scheduled meeting, agenda and materials.

Public Comment: None.

9. Adjournment

Motion was made (Clary) and seconded (Sandkulla) to adjourn the meeting.

Meeting was adjourned at 6:57 pm.