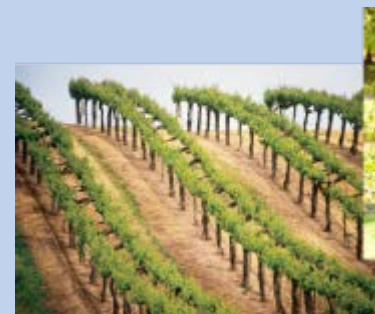




NBWRA Board Meeting

January 23, 2017

**Excerpt of Items 12 & 13:
NBWRA Alternatives and Moving Forward
February 22, 2017**



NORTH BAY WATER REUSE PROGRAM
Expanding Water Supplies with Regional Reuse



NBWRA Alternatives and Moving Forward

Item 12



Alternatives

- 💧 **Process to consider future NBWRA direction**
 - Based on Member feedback from last 6-months
 - Range from minimizing Title XVI expenditures to building on the success of the NBWRA
 - Provide context for relationship between services and cost-allocation

Alternatives

- 💧 Title XVI Alternatives
 - Alternative 1: Basic Program
 - Alternative 2: Limited Program Services
- 💧 Moving Forward: New Water Management Program
- 💧 Each of the Alternatives provides the basis for developing FY 17/18 and FY 18/19 Workplans and Budgets



Title XVI Program Alternatives



Alternative 1: Title XVI Basic Program

North Bay Water Reuse Authority

BASIC TITLE XVI

- Phase 1 projects – close out USBR agreements
- Phase 2 Study, EIS/EIR – close out USBR study agreement
- Phase 2 USBR construction agreement and grant applications
- SCWA administration
- Limited Board meetings

DISCONTINUE PROGRAM SERVICES

- Program Development, Federal and State Advocacy
- Public Outreach associated with Advocacy

Alternative 1: Title XVI Basic Program Constraints

- 💧 The Title XVI Program is fully utilized
 - No new members to participate and share costs
- 💧 Current cost allocation structure cannot support existing Program beyond completion of Phase 1
 - When Phase 1 is complete, members will drop out and won't contribute toward Program costs
 - Phase 2 members cannot carry Program costs without their support
- 💧 Estimated completion of Phase 1 is 2018

Alternative 1: Title XVI Basic Program Features

- 💧 Program narrows to support Basic Title XVI services
 - Administrative and technical functions associated with completing Phase 1
 - Administrative and technical functions associated with implementing Phase 2
 - Meetings only associated with these tasks
- 💧 Eliminates all other services
 - Program Development, Federal and State Advocacy
 - Public Outreach; web and media

Alternative 2: Title XVI Limited Program Services

North Bay Water Reuse Authority

BASIC TITLE XVI

- Phase 1 projects – close out USBR agreements
- Phase 2 Study, EIS/EIR – close out USBR study agreement
- Phase 2 USBR construction agreement and grant applications
- SCWA administration
- Limited Board meetings

LIMITED PROGRAM SERVICES to TITLE XVI

- Program Development, Federal and State Advocacy
- Public Outreach only to support Advocacy

Alternative 2: Limited Program Services Features

- 💧 Same Basic Title XVI tasks
- 💧 Also provides Limited Services to Title XVI Program
 - Limited Program Development, Federal and State advocacy specific to Phase 2 projects
 - Support for Title XVI funding in federal budgets
 - Annual DC visit in support of Title XVI funding
 - Support for recycled water funding in state water bonds
 - Annual Sacramento visit in support of recycled water funding
 - Outreach
 - Annual brochure and website updates



Title XVI Program Alternatives and Budgets



Title XVI Budget Cost-centers

- 💧 Engineering, Planning and Outreach
- 💧 Program Development, Federal and State Advocacy
- 💧 Program Manager
- 💧 SCWA Administration

Title XVI Alternatives and Budgets

- 💧 This information is the basis for preparing FY 17/18 budgets
- 💧 Alternatives 1 and 2
 - Basic Title XVI budget
 - Basic Title XVI + Limited Program Services budget
 - Cost allocations for Phase 1 and Phase 2 members based on approved September 2016 Method

Reminder: 2-year Budget will be prepared for consideration but each year's budget is approved annually

Engineering Planning and Outreach:

Task	Alternative 1: Basic Title XVI	Alternative 2: Basic + Limited Program
1 - Title XVI Workshops/Public Outreach/ Management		
1.1 Workshops	Add 4 Board meetings	
1.3 Public Involvement	Support to EIR/EIS	Support only Title XVI Advocacy Program
1.4 Administration	Add BC LOE for 12 months	
2 - Title XVI Feasibility Study/Report	Carryover to support EIR/EIS	
3 - Environmental Evaluation	Carryover from FY16/17	
4 - Financial Capabilities Determination	Carryover from FY16/17	
5 - Phase 2 Grant Applications & Management		
Study Grant Application and Management	Carryover \$10,000 for grant closeout	
Fall 2017 Construction Grant Preparation and Submittal	Carryover \$23,787	
	New Fall 2017 Application: \$38,135	
	Add \$14,348 to budget	
6 - Phase 1 Grant Application & Management	Carryover for grant closeout	

Engineering Planning and Outreach: Cost

Task	Alternative 1: Basic Title XVI	Alternative 2: Basic + Limited Program
1 - Workshops/Public Outreach/ Management		
1.1 Workshops	\$23,432	
1.3 Public Involvement	\$48,424	\$40,074
1.4 Administration	\$24,536	
2 - Title XVI Feasibility Study/Report	\$0	
3 - Environmental Evaluation	\$0	
4 - Financial Capabilities Determination	\$0	
5 - Phase 2 Grant Applications & Management	\$14,348	
6 - Phase 1 Grant Application & Management	\$0	
Total	\$110,740	\$40,074

Program Development, Federal and State Advocacy

Task	Comparison: Current Contract	Alternative 1: Basic Title XVI	Alternative 2: Basic + Limited Program
Program Development	\$184,000		\$110,850
Federal Advocacy	\$112,000		\$65,000
State Advocacy	\$44,400		\$36,000
Total	\$340,400		\$211,850

Program Manager

Task	Alternative 1: Basic Title XVI	Alternative 2: Basic + Limited Program
Program Manager	\$37,500	

SCWA Administration

Task	Alternative 1: Basic Title XVI	Alternative 2: Basic + Limited Program
Phase 1 Grant Administration		
Phase 2 Admin, Grant Admin, & EIR/EIS	\$75,479	
Joint Use (Phase 1 & Phase 2)	\$105,000	\$15,000
Total	\$180,479	\$15,000

Alternative 1 or 2 - Title XVI Budgets: September Cost-allocation Method to be Applied

Task	Alternative 1: Basic Title XVI	Total Budget: Alternatives 1 & 2: Limited Program
Engineering Planning and Outreach, Grant application and Management	\$110,740	\$150,814
Program Development Federal, and State Advocacy		\$211,850
Program Manager	\$37,500	\$37,500
SCWA Administration	\$180,479	\$195,479
Total	\$328,719	\$595,643

Next Steps

- 💧 **Member Agencies Discuss Title XVI Alternative Preferences**
 - **March meeting: Select Alternative 1 or 2 for final Budget preparation**
 - **May meeting: Consider approving budget**



Items for Future Discussion & Action

Item 13



Moving Forward: New Water Management Program



New Water Management Program

North Bay Water Reuse Authority

TITLE XVI PROGRAM (Alternative 1 or 2)

**BASIC TITLE
XVI**

**DISCONTINUE
PROGRAM
SERVICES**

OR

**LIMITED
PROGRAM
SERVICES**

**Applies existing cost allocation
method to these tasks**

NEW WATER MANAGEMENT PROGRAM

**Based on regional approach assisting
members with project funding and
implementation**

- **No Title XVI activities**
- **Open general membership**
- **Separate budget for:**
 - **Development, Advocacy and Grants**
 - **Studies and projects**
 - **Outreach and Meetings**

Water Management Program: Consistency and Purpose

Item No. 12

- 💧 Water Management Program Continues NBWRA Principals
 - Regional approach to water supply reliability
 - Program identity will continue to attract project funding
 - Economies of scale: shared costs allows agencies to participate
 - Support agencies in implementing their own projects

- 💧 Water Management Program's Purpose
 - To recognize transition to 'one water' approach in state and federal policy
 - To assist in capturing state and federal funding for the region's full range of water management projects

Water Management Program Features

- 💧 Water Management Program Issues
 - Maximizing use of recycled water
 - Surface, storage and groundwater projects
 - Stormwater capture and management
 - Drought and climate related issues

Water Management Program Features

- 💧 Proposed Water Management Program Structure
 - General Membership + Project Cost Model
 - Open to agencies with water management authority
 - Budget based on fixed membership fee that stabilizes costs
 - Program Services
 - New funding sources and grant assistance
 - New studies and projects
 - Technical assistance
 - Program Development, Federal and State Advocacy
 - Meetings and Outreach

On the Horizon Water Management Program Opportunities



Water Management Program Opportunities

- 💧 As when the NBWRA was first established, the SCWA is taking the lead on two new studies that will be of interest to Water Management Program members
- 💧 **These studies continue SCWA's leadership by providing new initiatives, that develop and support local solutions to regional water supply reliability**

Water Management Program Opportunities

- 💧 Under USBR's WaterSMART Program are two opportunities
 - North Bay Basin Study (Basin Study)
 - Drought Contingency Plan (DCP)

- 💧 These Investigations lead to **Project Funding** thru WaterSMART
 - New implementation grant criteria award points based on being a recommend alternative, action or project from a Basin Study or DCP

North Bay Watersheds Basin Study

What Does a Basin Study Do

- Basin Studies identify water supply issues that could potentially be resolved with changes to the operation of water supply systems, modifications to existing facilities, development of new facilities, or non-structural changes
- The studies will incorporate the latest science, engineering technology, climate models and innovation
- The desired outcomes are basin-specific plans recommending ***collaboratively developed solutions**** that will help meet water demands and foster sustainable development

* Through an extensive stakeholder involvement process

North Bay Watersheds Basin Study

- Basin Study Projections of Water Supply and Demands Include
 - Surface, groundwater, stormwater and recycled water supplies
 - Agricultural, municipal, environmental and recreational demands

North Bay Watersheds Basin Study

- 💧 Basin Study Timeframe and Costs
 - Studies can take 2-3 years to complete
 - Studies cost between \$2-3 million
 - There is a 50/50 cost-share with local stakeholder contribution being 100% in-kind services

- 💧 Basin Study Selection Process
 - Reclamation invited us to submit a 3-page Letter of Interest to participate in this program
 - If selected, we will submit a 20-page Letter Proposal
 - Awarded Basin Studies will be notified in June

Example: LA River Basin Study

- 💧 Study was released in Fall 2016 with these Key Findings
 - Potential water supply deficit in the region of 160,000 ac-ft by 2035
 - Potential water supply deficit in the region of 440,000 ac-ft by 2095
 - This is 25% less than the regions projected water needs
 - ***Strong emphasis was placed on use of stormwater capture and recycled water use to meet supply demands***
- 💧 In addition to traditional water supply and demand assessments, the Study included impacts of Climate-change, Sea-level Rise and Wildfire risk

North Bay Watersheds Drought Contingency Plan

What is a Drought Contingency Plan (DCP)

- Supports collaborative planning efforts that use a proactive approach to build long-term resiliency to drought
- Requires participation by multiple stakeholders to encourage comprehensive plans that address issues important to different sectors (e.g., agricultural, municipal, and environmental) and develop broad support for ***mitigation and response actions***
- Must include consideration of climate change impacts to water supplies, in order to support long term resiliency to climate change
- ***Mitigation and Response*** actions are projects to be funded under WaterSMART

North Bay Watersheds Drought Contingency Plan

DCP Timeframe and Costs

- Studies can take up to 2-years to complete
- Studies cost approximately \$400,000
- There is a 50/50 cost-share with local stakeholder contribution

DCP Process

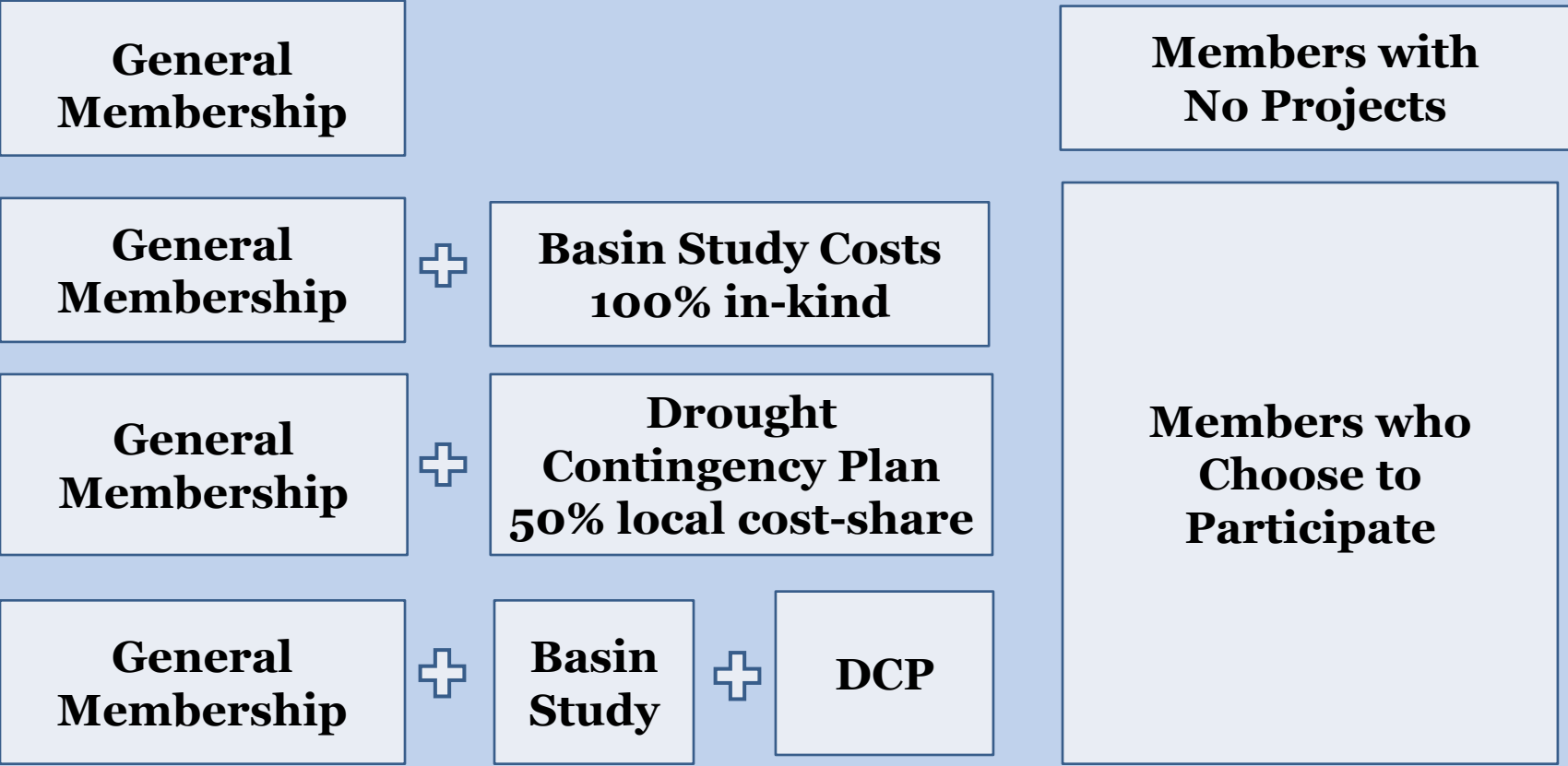
- Application is being prepared
- If selected, we will be notified in June

Proposed Water Management Program Budget



Water Management Program

General Membership + Project Cost



New Water Management Budget

- 💧 Water Management Program Budget
 - Establishes and is based on an annual General Membership fee
 - Allows Phase 1 or Phase 2 agencies to consider joining separate from the Title XVI Program
 - Allows outreach to new members in the region
 - Keeps study and project costs separate from membership costs thereby stabilizing the organizations operating costs

Water Management Program Cost-centers

- 💧 Engineering, Planning and Outreach
 - Includes meeting management and logistics
- 💧 Program Development, Federal and State Advocacy
 - Includes new sources of grant assistance
- 💧 SCWA Administration

Proposed Water Management Program Budget

Task	Water Management Program
Engineering, Planning and Outreach	\$203,378
Program Development, Federal and State Advocacy	\$237,050
SCWA Administration	\$50,000
Total	\$490,428

Water Management Program

Initial Basin Study and DCP Costs

- 💧 SCWA is providing both leadership and seed funding to get the Basin Study and DCP applications submitted
 - Staff time/resources and \$38,000 toward consulting fees

- 💧 NBWRA consultants also are contributing their time and resources to get these opportunities underway
 - Mike Savage: over \$8,000 in time in addition to his consulting fees
 - Ginger Bryant: over \$26,000 in time/resources
 - Mark Millan: over \$6,000 in time/resources

Next Steps

- 💧 New Water Management Program
 - Develop Membership Outreach Brochure
 - Continue to work on budget and new members
 - Continue working with SCWA on Basin Study and DCP
 - More detailed information at March meeting

NBWRA Delivers Results for the North Bay Region

Item No. 12

- 💧 Title XVI Program has been on the leading edge of recycled water planning for 10-years
- 💧 Authority has a high, respected profile with state and federal agencies that has translated into significant grant funding
- 💧 To maintain this position, the NBWRA must evolve to meet changing state and federal water management policies/funding criteria
- 💧 Drought and supply issues never go away – the NBWRA supports activities to provide a safe, reliable water supply that benefits all water users in the North Bay

March 27, 2017 Meeting

Meeting Agenda

- Regular Reports
- Discussion and selection of Title XVI Alternative for FY 17/18 Budget
- Discussion on Water Management Program
 - Basin Study and DCP information
 - New sources of grant assistance