

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

May 16, 2011

5:30 p.m. – 7:00 p.m.
1155 Market Street, 4th Floor Conference Room

Members: Jennifer Clary (Chair), Richard Hansen, Walt Farrell, Doug Cain, Art Jensen

Staff: Maureen Barry, Amy Sinclair

ORDER OF BUSINESS

1. Call to Order

The meeting was called to order at 5:38pm.

2. Roll Call

Present: Clary, Farrell, Cain, Jensen

3. Approval of Minutes

The April 2011 minutes were approved.

4. Public Comment

None

5. Staff Announcements/Updates

None.

6. 2011 Retail Water Conservation Plan – Julie Ortiz

Julie Ortiz presented information about the 2011 Retail Water Conservation Plan.

Evaluation process: analyzed three demand projection scenarios: assessed 2004 measures, reviewed actual implementation, considered changes to improve program effectiveness, included statewide perspective.

Evaluation criteria include: cost effectiveness, water savings, market opportunity, customer interest, etc. Results of Evaluation: Modified savings assumptions for some measures, modified costs for some measures, eliminated and added some measures.

Conservation Measures included: single family, multi-family and non-residential programs. Programs not accounted for in model: technical

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consultation, education programs, gray water and rainwater, irrigation ordinance, automated water meter, municipal partnerships, etc.

Estimated Annual Water Savings: for 2018, 5 MGD (from three broad sectors – single family, multi-family and non-residential), and in 2035, 6 MGD. More of the savings are attributed to active conservation.

Doug Cain asked about population projections used in the study. Julie and Molly stated sources are from ABAG for 2009 for future, current was based on California Department of Finance.

Art asked if the City considered sub-metering in the future. Julie stated in the 2004 model, it included existing and new buildings, with the assumption that new construction will be built to code. However, they did not model sub-metering of existing or new buildings.

Doug asked if the SFPUC has conservation programs for non-residential accounts. Staff clarified that there were several conservation programs for commercial and business accounts. Jennifer noted the diversity of types of businesses makes it difficult to project commercial water use and conservation. She suggested breaking down the non-residential sector so it would be possible to know which business areas are doing better than others.

7. Urban Water Management Plan – Paula Kehoe and Molly Petrick

The draft 2010 Urban Water Management Plan presents SFPUC supply and demand projections through 2035. It includes retail and wholesale customer projections and key changes between 2009 and 2010. Includes updated retail demand projections such as change in population, housing, employment, decrease in jobs, water loss, etc. Shows a projected total savings potential of 5 MGD by 2018 and 6 MGD by 2035 from active conservation.

Under current analysis, no greater than 20% system-wide reduction in any one year. Retail per capita water use is in compliance with the Water Conservation Act of 2009. Wholesale customer demands exceed supply in future dry years assuming 265 MGD supply limitation extended to 2035. Supply is sufficient to meet retail customer demands under all conditions. Public review period of draft Urban Water Management Plan ended May 27, 2011.

Walt Farrell asked if we could not accommodate water demand if not for conservation program. Molly stated we are developing ground water, recycled water programs and conservation helps us keep our water supply goals. Conservation is part of it but on top of it we are developing other sources. Art stated we would be encouraging conservation even if our demand was not increasing. On the wholesale side, the wholesale agencies create their own plans and work with SFPUC to finalize.

Jennifer stated it would be great if there was a model of the purple piping buildings in the plan. How do you incorporate it into the plan? Molly stated we are actively working on it but we do not include it supply yet. Paula stated the East Side is approximately 2 million gallons per year. Molly stated we would like to include non-potable sources in future. Jennifer stated even if yield is not included, it should be stated that it will be a significant portion in the future.

8. Discussion of recommendations for Commission's July planning retreat

Jennifer wants an outline of a motion for an action item in June. Paula stated the event (retreat) has been moved to August.

Two questions include sub-metering and water neutral development to cover hook-up fees and something specific on climate change.

Art said he would like to see the commission routinely ask who would benefit from projects and activities, who would pay the costs, and what the impact on typical water bills would be if the project or activity were approved. Art also said a prior retreat discussion focused on measuring organizational performance in comparison to other utilities. He said it would be more appropriate to ask water rate payers if they thought the SFPUC was doing a good job. He noted one potential downside is that agency investments in public outreach can be recast as attempts to engineer public perception.

Doug Cain stated he is concerned about ROI, deficit spending and bond funding.

Jennifer also mentioned the need for an asset management program.

9. Future meeting topics

- Recreational Use Update (to be rescheduled from April)
- Input for June annual staff planning retreat (June action item for Commission)
- New members
- Rate impact discussion
- June action item to add Karen Donovan as public member
- Changes in budget since February 2011 presentation (staff announcement)
- WSIP update (July)
- Greywater manual
- Asset management (by Fall)
- Climate Change (TBD)
- SFPUC liability (Risk Management)
- Cost Containment and Cost Effectiveness

10. Adjournment

The meeting adjourned at 7:10pm.