

STAFF REPORT

To: Coastside County Water District Board of Directors

From: Mary Rogren, General Manager

Agenda: December 10, 2024

Report Date: December 6, 2024

Agenda Title: General Manager's Report

Information Only:

Statement by Nicole Sandkulla, CEO of BAWSCA, to the San Francisco Public Utilities Commission

On November 12, 2024, Nicole Sandkulla, outgoing CEO of BAWSCA, addressed the San Francisco Public Utilities Commission for the last time. In her statement (attached) she urged "continued collaboration to find solutions to water reliability challenges that recognizes the needs of water users that rely on the Hetch Hetchy Regional Water System.



Statement by Nicole Sandkulla, Chief Executive Officer for the Bay Area Water Supply and Conservation Agency (BAWSCA), to the San Francisco Public Utilities Commission (SFPUC) Urging Continued Collaboration to Find Solutions to Water Reliability Challenges that Recognize the Needs of Water Users that Rely on the Hetch Hetchy Regional Water System (System)

November 12, 2024

Good afternoon President Stacy, Members of the Commission, and General Manager Herrera.

Thank you for this opportunity to speak before this Commission one last time as BAWSCA's CEO and General Manager.

Twenty-five years ago, I was given the opportunity to work with San Francisco in its stewardship of the remarkable Hetch Hetchy Regional Water System on behalf of BAWSCA's 26 member agencies and the 1.8 million residential customers and over 40,000 businesses in Alameda, Santa Clara and San Mateo Counties that they serve.

Reflecting on the past 25 years, I'm grateful for the challenges and accomplishments we have shared. And yet, we are not done. Looking ahead, the System continues to face new challenges including anticipated growth in our region, a changing climate, and increasing regulatory requirements that threaten the reliability of our water supply from the Tuolumne River.

In 2002, at the urging of local elected officials and others outside of San Francisco, the State passed legislation that required San Francisco to fix the then earthquake vulnerable Regional Water System. At the time, the water rate payers outside of San Francisco understood that fixing the System could triple their water rates. And still, these rate payers pressed the State and San Francisco to do what was necessary to ensure the System could continue to deliver water following an earthquake. San Francisco was not supportive initially; however, I believe that today we all look at the implementation of the \$4.8B Water System Improvement Program (WSIP) as a singularly successful and significant local rate payer investment in their water supply reliability.

However, as we navigate the future challenges, we must adopt a more holistic approach. While traditional engineering might present us with a singular answer to these problems, that will not suffice. To address today's risks to reliability, we must all challenge ourselves to examine more possible outcomes and broader solutions than ever before. Whether those challenges are related to matters such as the development of Alternative Water Supplies or the construction of necessary System upgrades, it is important that BAWSCA and the SFPUC work together to find solutions that recognize the needs of our water users.

As we did for the WSIP, to successfully address emerging water challenges, securing water user support is paramount. This requires gaining the trust and confidence of the water users in the solutions and their eventual costs. By fostering transparency and open communication, we can build trust and garner support for the essential investments in the Regional Water System, ensuring a continued reliable water supply.

BAWSCA and the SFPUC have forged a stronger partnership through the implementation of the WSIP and subsequent collaborations on behalf of our respective constituencies that rely on the

same Regional Water System. We have learned to balance our distinct responsibilities with shared objectives. I hope that future leaders will continue to prioritize this balanced approach because I believe it has yielded positive results for our water users and the System.

I have been fortunate to have had good working relationships with prior Commission members. I know that BAWSCA's next Chief Executive Officer will continue to work with each of you and General Manager Herrera to build effective and constructive relationships that focus on results for the water users.

I want to express my sincere gratitude to the Commission and the SFPUC staff for the honor of working with you on this remarkable water system on behalf of the BAWSCA's 26 agencies and their water customers.

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