



CITY *of* BRISBANE

Joint City Council & Guadalupe Valley Municipal Improvement District Meeting Agenda

Thursday, September 4, 2025 at 6:30 PM • Hybrid Meeting 50 Park Place, Brisbane, CA

The public may observe/participate in City Council meetings using remote public comment options or attending in person. The City Council may take action on any item listed in the agenda.

TO ADDRESS THE COUNCIL

IN PERSON

Location: Community Meeting Room 50 Park Place, Brisbane, CA 94005

To address the City Council on any item – whether on the posted agenda or not – please fill out a Request to Speak Form located in the Community Meeting Room Lobby and submit it to the City Clerk. Speakers are not required to submit their name or address.

REMOTE PARTICIPATION

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The agenda materials may be viewed online at brisbaneca.org at least 72 hours prior to a Regular Meeting, and at least 24 hours prior to a Special Meeting.

Remote Public Comments:

Remote meeting participants may address the City Council via Zoom Webinar. Aside from commenting personally while in the Zoom Webinar, you can also use the call in number. The public comments received will be noted for the record during Oral Communications 1 and 2 or during an agenda item. We encourage you to email comments on or not on agenda items in advance of the meeting to ipadilla@brisbaneca.org. That email address, however, will not be monitored during the meeting and emails received during the meeting will not be responded to or brought to the attention of the City Council during the meeting.

Join Zoom Webinar: zoom.us (please use the latest version: zoom.us/download)
brisbaneca.org/cc-zoom

Webinar ID: 991 9362 8666

Call In Number: 1 (669) 900-9128

Note: Callers dial *9 to "raise hand" and dial *6 to mute/unmute.

SPECIAL ASSISTANCE

If you need special assistance to participate in this meeting, please contact the City Clerk at (415) 508-2113. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

WRITINGS THAT ARE RECEIVED AFTER THE AGENDA HAS BEEN POSTED

Any writings that are received after the agenda has been posted but before 4pm of the day of the meeting will be available for public inspection at the front lobby in City Hall and on the internet (brisbaneca.org/meetings). Any writings that are received after 4pm of the day of the meeting will be distributed to the Council and made available for public inspection at the front lobby and on the internet the day after the meeting (brisbaneca.org/meetings).

6:30 P.M. CALL TO ORDER – PLEDGE OF ALLEGIANCE

ROLL CALL

- A. Consider any request of a City Councilmember to attend the meeting remotely under the “Emergency Circumstances” of AB 2449

ADOPTION OF AGENDA

AWARDS AND PRESENTATIONS

- B. National Preparedness Month

ORAL COMMUNICATIONS NO. 1

CONSENT CALENDAR

- C. Approve Minutes of City Council Joint Meeting of July 17, 2025
- D. Approve Minutes of City Council Closed Session Meeting of July 17, 2025
- E. Accept Investment Report as of June 2025
- F. Accept Investment Report as of July 2025
- G. Approve the Brisbane Dance Workshop Holiday Craft Fair Application for Event Co-sponsorship
- H. Approve the Lions Club Fun Run & Pumpkin Patch Application for Event Co-sponsorship
- I. Approve the Lions Club Senior Holiday Luncheon & Worldwide Candle Lighting Applications for Event Co-sponsorships

- J. Approve the Chamber of Commerce “The Showbroads” Application for Event Co-sponsorship
- K. Approve the Agreement Between the City of Brisbane and the San Mateo Pre-Hospital Emergency Medical Services Group for Personnel Services and Office Space

PUBLIC HEARING

- L. Consider Introduction of an Ordinance Amending Brisbane Municipal Code Chapters 15.10, 17.02, 17.12, 17.16, 17.32, 17.34, And 17.43 to Amend Regulations Pertaining to Accessory Dwelling Units and Junior Accessory Dwelling Units

(This item is for a Zoning Text Amendment 2025-RZ-02; Citywide; Zoning Text Amendments to update the City’s existing Accessory Dwelling Unit regulations to comply with current State law; and finding that this project is statutorily exempt from environment review under CEQA Guidelines Section 15282(h) because it involves adoption of an ordinance regarding second units in single-family and multifamily residential zones; City of Brisbane, applicant.)

NEW BUSINESS

- M. Review and Consider Approval of the Complete Streets Safety Committee’s Recommendation to Implement Full Street Closures in the Downtown Area on the Evening of Halloween, October 31, 2025

(The fiscal impact of this item will depend on Council’s direction.)

- N. Consider Adoption of City of Brisbane and GVMID Resolutions Approving Tier 2 Drought Response Implementation Plan Pursuant to Section 3.11C of the Amended and Restated Water Supply Agreement and Approving an Amendment to the Amended and Restated Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County

(The cost increase of the Amendment to all Regional Water System customers would result in an increase of no more than \$0.04 per hundred cubic feet of water. There is no anticipated cost impact as a result of adopting the Tier 2 Drought Response Implementation Plan.)

- O. Receive Report on City of Brisbane Volunteer Initiatives and Provide Direction to Staff

STAFF REPORTS

- P. City Manager’s Report- City Updates and Upcoming Activities

MAYOR/COUNCIL MATTERS

Q. Countywide Assignments and Subcommittee Reports

- i. Report Out on Subcommittee Meetings
- ii. Upcoming Subcommittee Meetings

R. Written Communications

ORAL COMMUNICATIONS NO. 2

ADJOURNMENT

File Attachments for Item:

C. Approve Minutes of City Council Joint Meeting of July 17, 2025



BRISBANE CITY COUNCIL

ACTION MINUTES

JOINT CITY COUNCIL AND HOUSING AUTHORITY MEETING AGENDA THURSDAY, JULY 17, 2025

HYBRID MEETING, 50 PARK PLACE, BRISBANE, CA 94005

6:30 P.M. CALL TO ORDER – PLEDGE OF ALLEGIANCE

Mayor Lentz called the meeting to order at 6:317 P.M. and led the Pledge of Allegiance.

ROLL CALL

A. Consider any request of a City Councilmember to attend the meeting remotely under the “Emergency Circumstances” of AB 2449

No requests were made under Roll Call Item A.

Councilmembers Present: Councilmembers Davis, Kern, Mackin, O’Connell and Mayor Lentz

Councilmembers Absent: None

Staff Present: City Manager Dennis, Assistant City Manager Fernandez, City Clerk Padilla, City Attorney McMorro, Finance Director Yuen, Community Development Director Swiecki, City Engineer Breault, Deputy Public Works Director Kinser, Assistant Engineer Santoyo, Management Analyst Brown, Police Commander Garcia, Police Chief Macias, and Admin Management Analyst Ibarra

REPORT OUT OF CLOSED SESSION

City Attorney McMorro reported that Councilmembers provided direction to staff on the Performance Evaluation item.

ADOPTION OF AGENDA

Councilmember O’Connell made a motion, seconded by Councilmember Davis, to adopt the agenda as it stands. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O’Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

AWARDS AND PRESENTATIONS

B. Recognizing Karen Kinser for her 31 years of Service to the City of Brisbane

Mayor Lentz proclaimed that the City Council of the City of Brisbane, on behalf of the entire community, extends its deepest gratitude and highest respect to Deputy Public Works Director Karen Kinser for her distinguished service and unwavering commitment to the public good.

Mayor Lentz, Councilmembers, and Former City Manager Robin Leiter congratulated Karen Kinser on her retirement after 31 years of service to the City of Brisbane

Council took a 5 minute reception break.

ORAL COMMUNICATIONS NO. 1

Ariel Cherbowsky and Frida Pensamiento thanked the City for co-sponsoring the Summer Solstice Celebration with San Bruno Mountain Watch.

CONSENT CALENDAR

C. Approve Minutes of City Council Special Meeting of June 26, 2025

E. Adopt a Resolution Prohibiting Parking at the Bay Conservation and Development Commission's Public Parking Area Within 7000 Marina Boulevard Between the Hours of 2:00 A.M. and 4:00 A.M.

F. Award the Construction Contract for the 2024 Slurry Seal Project to VSS International, Inc. in the Amount of \$313,211.00, and Authorize the Mayor to Sign the Contract

G. Accept the Annual Military Equipment Report per California Assembly Bill 481

H. Approve Revised Silverspot Nursery School Lease Agreement

I. Authorize Staff to Release a Request for Proposals to Lease or Manage the Visitacion Garden Senior Housing Development

K. Adopt a Resolution, "Imposing National Pollutant Discharge Elimination System Compliance Fees on Commercial Property Owners Within an Identified Study Area," authorizing placement of said charges on the 2025-2026 County Tax Roll, and authorizing the County Tax Collector to collect such charges"

(The NPDES Commercial Property Fees is anticipated to generate \$279,854 to assist in offsetting the NPDES budget shortfall.)

Council made a request to pull Consent Calendar Item J and D for discussion. Councilmember O'Connell made a motion, seconded by Councilmember Davis, to approve Consent Calendar Item C, E, F, G, H, I and K. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

J. Acquisition of Five Properties in the Brisbane Acres for Purposes of Open Space and Habitat Conservation

(With escrow fees, the total cost to the City will be approximately \$855,000. The City will use the funds received from the recent sale of vacant property in Crocker Park to purchase these properties. This action is not subject to further environmental review as it is not a project under the California Environmental Quality Act. CEQA Guidelines, Section 15378(b)(4))

Councilmember O'Connell pulled Item J to acknowledge staff's hard work to acquire the 5 Brisbane Acre properties.

Councilmember O'Connell made a motion, seconded by Councilmember Kern, to approve Consent Calendar Item J. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

D. Approve Amendment to Reimbursement Agreement with 90 Santa Clara

After some council questions of staff and property owners, Amy Cheng of 80 Santa Clara Street asked not to extend this agreement. Michele Salmon raised safety concerns about cars being parked in front of the fire road.

After council discussion, Council directed staff to bring back this item at a Council Meeting during May of 2026, closer to the expiration date of the Reimbursement Agreement with 90 Santa Clara. The council can consider at this future council meeting the request made by the parties who paid for construction of the roadway extension to extend the term of the agreement to May 9, 2037.

PUBLIC HEARING

L. City of Brisbane Local Stormwater Program Fees

1. Open the Public Hearing and take public comment. Close the Public Hearing, and if appropriate, overrule any objections to the imposition of fees related to the National Pollutant Discharge Elimination System (NPDES)

2. Consider Adoption of a Resolution, "A Resolution of the City Council of the City of Brisbane Imposing Charges for Funding the Local Brisbane Stormwater Program, Authorizing Placement of Said Charges on the 2025-2026 County Tax Roll and Authorizing the County Tax Collector to Collect Such Charges."

City Engineer Breault reported that staff is recommending to adopt a Resolution imposes charges for the

City of Brisbane Local Stormwater Program, and authorizes the County Tax Collector to place such charges on the property tax roll. The total fee assessment (charges) per the 2025 Engineer's Report is approximately \$51,550. The annual charge per parcel is not changed from previous years.

After the public hearing was open, Michele Salmon asked if there are any relief for property owners from these fees.

Councilmember O'Connell made a motion, seconded by Councilmember O'Connell, to close the public hearing. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

After further clarifying questions and council discussion, Councilmember O'Connell made a motion, seconded by Councilmember Davis, to adopt a Resolution imposing charges for funding the local Brisbane Stormwater Program, authorizing Placement of said charges on the 2025-2026 County Tax Roll and authorizing the County Tax Collector to collect such charges. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

M. Imposition of Fiscal Year 2025-2026 Tax Roll Charges for the Sierra Point Landscaping and Lighting District

- 1. Hear Statement of Engineer of Record, Read Mayor's Statement, Hear City Clerk Statement, Open Public Hearing to hear any testimony, Close Public Hearing**
- 2. Consider Adoption of proposed Resolution Addressing Objections and Ordering the Improvements and Confirming the Diagrams and Assessment for Fiscal Year 2025-2026 for the Sierra Point Landscaping and Lighting District.**

After hearing the statements from the Engineer of Record, Mayor Lentz and City Clerk Padilla, and no Council questions, the Mayor opened the public hearing for the Imposition of Fiscal Year 2025-2026 Tax Roll Charges for the Sierra Point Landscaping and Lighting District.

Councilmember O'Connell made a motion, seconded by Councilmember Kern, to close the public hearing. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

Councilmember Kern made a motion, seconded by Councilmember O'Connell, to adopt a Resolution

addressing objections and ordering the improvements and confirming the diagrams and assessment for Fiscal Year 2025-2026 for the Sierra Point Landscaping and Lighting District. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

NEW BUSINESS

N. Review of Residential Parking Permit Program on Thomas Avenue and Request for City Council Direction

(Staff is recommending to consider the feedback from Thomas Avenue residents and provide direction whether to continue, modify or end the Residential Parking Permit Program on Thomas Avenue.)

Deputy Public Works Director Kinser reported that staff prepared a short survey on the Residential Parking Permit Program (RPPP) on Thomas Avenue and mailed it to all residents of Thomas Avenue. There were 20 responses, and 75% did not want to see the program continue, with 25% in favor of the program. While the large majority of people contacted did not want the program to continue, staff observed that the program outreach was apparently limited, as some residents seemed unaware of how it worked and how to make requests for enforcement. Staff is requesting direction from City Council whether to continue, modify or end the RPPP.

After council questions, Tiffany Meyer asked Council not to continue the parking permit program because of the financial burden on the residents of that street.

After some Council discussion, Councilmember Kern made a motion, seconded by Councilmember Davis, to end the Residential Parking Permit Program. The motion was carried unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

O. Receive the Complete Streets Safety Committee (CSSC) Recommended Safety, Traffic Flow, and Parking Improvements to the Visitacion Avenue Corridor and Provide Direction to Staff on their Implementation

Deputy Public Works Director reported that the Complete Streets Safety Committee and Council liaisons made the following recommendations to improve the safety, traffic flow and parking on Visitacion Avenue:

- Designate a loading zone on Monterey Street EB at Visitacion Avenue next to Beauty Fix for delivery truck use during daytime delivery hours only.
- Designate Transportation Network Company (such as DoorDash and Uber Eats) and

resident curbside pickup spots on Visitacion Avenue approaching Mariposa Street NB and approaching Monterey Street SB

- Convert the vacant Brisbane Teen Center lot into a public parking lot
- Utilize MPS Safety Sticks to provide parking enforcement
- Increase fines for double parking violations

After council questions, Michele Salmon commented that the City would have less parking problems if there were enforcement and also provided more possible solutions for the parking issues. Chris Florkowski added that parking becomes an issue when good public transportation is not available.

After Council discussion, staff was directed to contact businesses and residents to learn more about the parking needs especially regarding truck deliveries.

P. Consider Authorizing Staff to Release a Request for Proposals for City Attorney Services

City Manager Dennis reported that in January 2025, Mr. McMorrow provided written notice to the City Council informing Council of his and Mr. Roush's intention to step down from their respective roles at the end of 2025. In that memo, Mr. McMorrow laid out a process for recruiting and appointing a new City Attorney. City staff have drafted a proposed Request for Proposals (RFP) that fulfills the core responsibilities and services of a City Attorney. Since the City Attorney is appointed by the City Council directly, staff requests feedback on the RFP and provide direction on the next steps of the recruitment process.

After council questions, no public comment and council discussion, staff were given direction to move forward with the recruitment and the release of the Request for Proposals for City Attorney Services.

STAFF REPORTS

Q. City Manager's Report- City Updates and Upcoming Activities

City Manager Dennis provided updates and reported on upcoming activities in the City.

MAYOR/COUNCIL MATTERS

R. Countywide Assignments and Subcommittee Reports

- Report Out on Subcommittee Meetings**
- Upcoming Subcommittee Meetings**

Councilmembers reported on their subcommittee and county assignment activities as well requesting input from each councilmember on important Countywide matters.

S. Written Communications

Written communication was received from the following members of the public:

Florkowski (07-14-2025) Large Data Center
Cheng (07-15-2025) 80 Santa Clara Street
Follien (7-17-2025) New Business Item O
Repke (7-17-2025) Safety Sticks

ORAL COMMUNICATIONS NO. 2

Michele Salmon thanked the City for the Brisbane Acres purchases and for cosponsoring of the Summer Solstice event with San Bruno Mountain Watch.

Chris Florkowsky asked Council to consider the regional transit measure through the lens of San Mateo County not in isolation.

Roland Lebrun commented for the Council and the public to review important discussions at the latest Caltrain Board Meeting.

ADJOURNMENT

Mayor Lentz adjourned the meeting at 9:29 P.M.

Ingrid Padilla
City Clerk

File Attachments for Item:

D. Approve Minutes of City Council Closed Session Meeting of July 17, 2025



BRISBANE CITY COUNCIL

ACTION MINUTES

**CITY COUNCIL CLOSED SESSION MEETING AGENDA
THURSDAY, JULY 17, 2025**

*HYBRID MEETING, 50 PARK PLACE LARGE CONFERENCE ROOM,
BRISBANE, CA 94005*

6:00 P.M. CLOSED SESSION

A. Approval of the Closed Session Agenda

B. Public Comment. Members of the public may address the Councilmembers on any item on the closed session agenda

C. Adjournment into Closed Session

D. Government Code, Section 54957 (b) (1). Performance Evaluation: City Manager

Mayor Lentz called the meeting to order at 6:01 P.M.

Councilmember Davis made a motion, seconded by Councilmember Kern to approve the Closed Session Meeting agenda as it stands. The motion passed unanimously by all present.

Ayes: Councilmembers Davis, Kern, Mackin, O'Connell and Mayor Lentz

Noes: None

Absent: None

Abstain: None

There was no public comment. Mayor Lentz adjourned the meeting into Closed Session.

REPORT OUT OF CLOSED SESSION

City Attorney McMorrow reported that Councilmembers provided direction to staff on the Performance Evaluation item.

ADJOURNMENT

The meeting was adjourned at 6:30 P.M.

Ingrid Padilla, City Clerk

File Attachments for Item:

E. Accept Investment Report as of June 2025

**CITY OF BRISBANE
CASH BALANCES & INVESTMENTS
SOURCE OF FUNDING
June 30, 2025**

NAME OF DEPOSITORY	INVESTMENT TYPE	DATE OF INVESTMENT	FACE VALUE OF INVESTMENT	CARRY VALUE OF INVESTMENT	MARKET VALUE OF INVESTMENT	COUPON INTEREST RATE %	MATURITY DATE	RATING/ COLLATERAL
WELLS FARGO	Checking A/C		\$ 3,213,604	\$ 3,213,604	\$ 3,213,604	0.000		110% collateral
STATE FUND (LAIF)	Deposit on call	continuous	\$ 8,649,268	\$ 8,649,268	\$ 8,649,268	4.270	on call	no rating
Other Investments								
	FHLB	7/28/2022	\$ 1,000,000	\$ 1,000,000	\$ 999,750	4.050	07/28/2025	
	FHLB	12/31/2021	\$ 1,000,000	\$ 1,000,000	\$ 992,530	1.300	09/30/2025	
	FHLB	10/27/2022	\$ 1,000,000	\$ 1,000,000	\$ 1,001,750	4.750	10/27/2025	
	FFCB	9/12/2022	\$ 1,000,000	\$ 1,000,000	\$ 997,860	4.125	12/12/2025	
	FFCB	12/1/2023	\$ 1,000,000	\$ 1,000,000	\$ 1,000,810	5.060	12/01/2026	
	FHLB	3/25/2022	\$ 1,000,000	\$ 1,000,000	\$ 977,270	2.600	03/25/2027	
	FHLB	5/26/2022	\$ 1,000,000	\$ 1,000,000	\$ 991,800	3.750	05/26/2027	
	FHLB	11/19/2024	\$ 1,000,000	\$ 1,000,000	\$ 999,550	4.650	11/19/2027	
	FNMA	3/24/2025	\$ 1,000,000	\$ 1,000,000	\$ 999,030	4.625	03/24/2028	
	FHLB	6/30/2025	\$ 1,000,000	\$ 1,000,000	\$ 999,230	4.500	06/23/2028	
	FHLB	6/30/2025	\$ 1,000,000	\$ 1,000,000	\$ 1,000,070	4.375	06/23/2028	
	FHLB	7/29/2024	\$ 1,000,000	\$ 1,000,000	\$ 998,730	5.150	07/25/2029	
	FHLM	11/19/2024	\$ 1,000,000	\$ 1,000,000	\$ 1,002,240	5.000	11/19/2029	
	FHLM	3/27/2025	\$ 1,000,000	\$ 1,000,000	\$ 999,230	5.000	03/27/2030	
	FHLB	4/30/2025	\$ 1,000,000	\$ 1,000,000	\$ 996,160	5.000	04/17/2030	
	FHLB	4/29/2025	\$ 1,000,000	\$ 1,000,000	\$ 995,840	4.800	04/29/2030	
BNY Mellon	Treasury Obligations	continuous	\$ 7,465,803	\$ 7,465,803	\$ 7,465,803	4.280	on call	110% collateral
Sub-total			\$ 23,465,803	\$ 23,465,803	\$ 23,417,653			
U.S. Bank	2014 BGPFA Bond (330)	Improvements	Fed Treas Obl	\$ -	10031			
		Reserve Fund	Fed Treas Obl	\$ 1	10032			
		Revenue Fund	Fed Treas Obl	\$ -	10034			
		Expense Fund	Fed Treas Obl	\$ -	10035			
		Principal	Fed Treas Obl	\$ 1	10036			
		Interest Fund	Fed Treas Obl	\$ 0	10037			
U.S. Bank	2015 Utility Capital (545)	Improvements	Fed Treas Obl	\$ -	10031			
		Reserve	Fed Treas Obl	\$ 93	10032			
		Expense Fund	Fed Treas Obl	\$ -	10035			
BNY Mellon	2023 BGVMIDFA Bond (328)	Improvements	Fed Treas Obl	\$ 64	10031			
		Reserve / Project	Fed Treas Obl	\$ 1,410,175	10032			
		Expense Fund	Fed Treas Obl	\$ -	10035			
		Principal	Fed Treas Obl	\$ -	10036			
		Interest Fund	Fed Treas Obl	\$ -	10037			
PARS	OPEB Trust	Trust Cash	Investments	\$ 4,869,354	13050			
PARS	Retirement Trust	Trust Cash	Investments	\$ 1,769,796	13050			
Sub-total	Cash with Fiscal Agents			\$ 8,049,484				
Total other investments			\$ 31,515,287	\$ 31,515,287	\$ 23,417,653			
TOTAL INVESTMENTS & CASH BALANCES			\$ 43,378,160	\$ 43,378,160	\$ 35,280,526			

Outstanding Loans to Department Heads / Former Employees

	Date of loan	Amount	Amount Remaining	Interest Rate
Stuart Schillinger	4/1/2002	318,750	\$ 318,750	Variable, LAIF + 1%

FFCB - Federal Farm Credit Bank
FHLB - Federal Home Loan Bank
FHLM - Federal Home Loan Mortgage Corporation
FNMA -Federal National Mortgage Association

Two year Treasury	3.96%	
Weighted Interest	3.90%	
Weighted maturity	1.27	Years

TREASURER'S CERTIFICATE

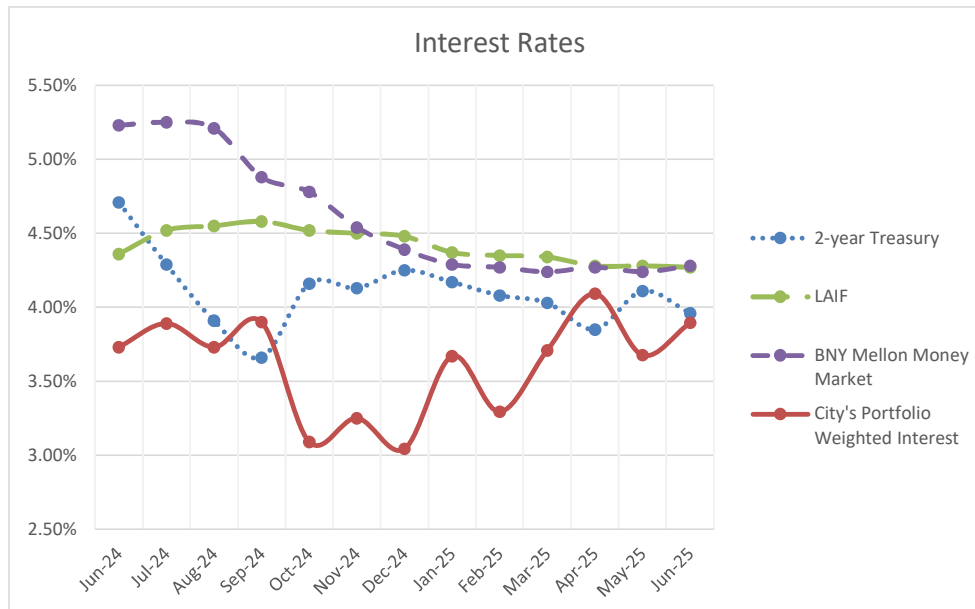
These are all the securities in which the city funds, including all trust funds and oversight agencies funds, are invested and that (excluding approved deferred compensation plans) all these investments are in securities as permitted by adopted city policy.

It is also certified that enough liquid resources (including maturities and anticipated revenues) are available to meet the next six months' cash flow.

Carolina Yuen
CITY TREASURER

CITY OF BRISBANE
CASH BALANCES & INVESTMENTS
Comparative Review
June 30, 2025

NAME OF DEPOSITORY	INVESTMENT TYPE	FACE		Previous Month			Previous Year		
		VALUE OF INVESTMENT	MARKET VALUE OF INVESTMENT	FACE VALUE OF INVESTMENT	Change in Face Value		FACE VALUE OF INVESTMENT	Change in Face Value	
WELLS FARGO	Checking A/C	\$ 3,213,604	\$ 3,213,604	\$ 5,245,051	\$ (2,031,447)	(38.7%)	\$ 3,875,125	\$ (661,520)	(17.1%)
STATE FUND (LAIF)	Deposit on call	\$ 8,649,268	\$ 8,649,268	\$ 4,649,268	\$ 4,000,000	86.0%	\$ 1,580,260	\$ 7,069,008	447.3%
Other Investments									
Sub-total	BNY Mellon	\$ 23,465,803	\$ 23,417,653	\$ 23,366,322	\$ 99,481	0.4%	\$ 25,498,444	\$ (2,032,642)	(8.0%)
Sub-total	Cash with Fiscal Agents	\$ 8,049,484		\$ 7,971,920	\$ 77,564	1.0%	\$ 9,965,695	\$ (1,916,211)	(19.2%)
	Total other investments	\$ 31,515,287		\$ 31,338,243	\$ 177,045		\$ 35,464,139	\$ (3,948,852)	
TOTAL INVESTMENTS & CASH BALANCES		\$ 43,378,160	\$ 35,280,526	\$ 41,232,562	\$ 2,145,598	5.2%	\$ 40,919,524	\$ 2,458,636	6.0%



June 2025 Review

The City's overall investments and cash balances had a net increase of \$2.1M over the previous month due to a semi-annual payment for the Business License Tax on Recycling Establishments received at month-end. The Wells Fargo ending balance was reduced by \$2M to \$3.2M and along with June deposits, a total of \$4M was transferred to LAIF to take advantage of better rates (4.27%).

As reflected on Page 1, the BNY Mellon subtotal started the month with \$16M. Two \$1M bonds earning 5.5% were called in June, but replaced with bonds earning slightly less than 4.5% but the money market rate stayed relatively flat earning 4.28%. Moving funds from Wells Fargo to LAIF contributed to an overall increase in the portfolio weighted interest compared to the prior month to 3.9%, relatively on par with the 2-year Treasury rate benchmark.

The City's Cash with Fiscal Agents June 2025 \$8M balance is primarily comprised of \$6.6M of the PARS trust accounts and \$1.4M of the 2023 Bond proceeds held in trust, as reflected on Page 1. The month-to-month net increase of \$77K is comprised of \$424K in Annex construction reimbursements offset by \$317K contribution to the OPEB trust and net interest earnings of \$184K on both PARS trust accounts.

File Attachments for Item:

F. Accept Investment Report as of July 2025

**CITY OF BRISBANE
CASH BALANCES & INVESTMENTS
SOURCE OF FUNDING
July 31, 2025**

NAME OF DEPOSITORY	INVESTMENT TYPE	DATE OF INVESTMENT	FACE VALUE OF INVESTMENT	CARRY VALUE OF INVESTMENT	MARKET VALUE OF INVESTMENT	COUPON INTEREST RATE %	MATURITY DATE	RATING/ COLLATERAL
WELLS FARGO	Checking A/C		\$ 1,225,118	\$ 1,225,118	\$ 1,225,118	0.000		110% collateral
STATE FUND (LAIF)	Deposit on call	continuous	\$ 5,210,851	\$ 5,210,851	\$ 5,210,851	4.260	on call	no rating
Other Investments								
	FHLB	12/31/2021	\$ 1,000,000	\$ 1,000,000	\$ 994,850	1.300	09/30/2025	
	FHLB	10/27/2022	\$ 1,000,000	\$ 1,000,000	\$ 1,000,700	4.750	10/27/2025	
	FFCB	9/12/2022	\$ 1,000,000	\$ 1,000,000	\$ 997,990	4.125	12/12/2025	
	FFCB	12/1/2023	\$ 1,000,000	\$ 1,000,000	\$ 999,950	5.060	12/01/2026	
	FHLB	3/25/2022	\$ 1,000,000	\$ 1,000,000	\$ 975,550	2.600	03/25/2027	
	FHLB	5/26/2022	\$ 1,000,000	\$ 1,000,000	\$ 990,420	3.750	05/26/2027	
	FHLB	11/19/2024	\$ 1,000,000	\$ 1,000,000	\$ 998,830	4.650	11/19/2027	
	FNMA	3/24/2025	\$ 1,000,000	\$ 1,000,000	\$ 998,420	4.625	03/24/2028	
	FHLB	6/30/2025	\$ 1,000,000	\$ 1,000,000	\$ 998,820	4.500	06/23/2028	
	FHLB	6/30/2025	\$ 1,000,000	\$ 1,000,000	\$ 999,490	4.375	06/23/2028	
	FHLM	11/19/2024	\$ 1,000,000	\$ 1,000,000	\$ 1,000,770	5.000	11/19/2029	
	FHLM	3/27/2025	\$ 1,000,000	\$ 1,000,000	\$ 998,040	5.000	03/27/2030	
	FHLB	4/30/2025	\$ 1,000,000	\$ 1,000,000	\$ 996,080	5.000	04/17/2030	
	FHLB	4/29/2025	\$ 1,000,000	\$ 1,000,000	\$ 994,570	4.800	04/29/2030	
	FHLM	7/24/2025	\$ 1,000,000	\$ 1,000,000	\$ 999,890	4.850	07/10/2030	
BNY Mellon	Treasury Obligations	continuous	\$ 8,539,039	\$ 8,539,039	\$ 8,539,039	4.260	on call	110% collateral
Sub-total			\$ 23,539,039	\$ 23,539,039	\$ 23,483,409			
U.S. Bank	2014 BGPGA Bond (330)	Improvements	Fed Treas Obl	\$ -	10031			
		Reserve Fund	Fed Treas Obl	\$ 1	10032			
		Revenue Fund	Fed Treas Obl	\$ -	10034			
		Expense Fund	Fed Treas Obl	\$ -	10035			
		Principal	Fed Treas Obl	\$ 1	10036			
		Interest Fund	Fed Treas Obl	\$ 0	10037			
U.S. Bank	2015 Utility Capital (545)	Improvements	Fed Treas Obl	\$ -	10031			
		Reserve	Fed Treas Obl	\$ 94	10032			
		Expense Fund	Fed Treas Obl	\$ -	10035			
BNY Mellon	2023 BGVMIDFA Bond (328)	Improvements	Fed Treas Obl	\$ 65	10031			
		Reserve / Project	Fed Treas Obl	\$ 1,415,959	10032			
		Expense Fund	Fed Treas Obl	\$ -	10035			
		Principal	Fed Treas Obl	\$ -	10036			
		Interest Fund	Fed Treas Obl	\$ -	10037			
PARS	OPEB Trust	Trust Cash	Investments	\$ 4,891,452	13050			
PARS	Retirement Trust	Trust Cash	Investments	\$ 1,777,797	13050			
Sub-total	Cash with Fiscal Agents			\$ 8,085,369				
Total other investments			\$ 31,624,408	\$ 31,624,408	\$ 23,483,409			
TOTAL INVESTMENTS & CASH BALANCES			\$ 38,060,376	\$ 38,060,376	\$ 29,919,378			

Outstanding Loans to Department Heads / Former Employees

	Date of loan	Amount	Amount Remaining	Interest Rate
Stuart Schillinger	4/1/2002	318,750	\$ 318,750	Variable, LAIF + 1%

FFCB - Federal Farm Credit Bank
FHLB - Federal Home Loan Bank
FHLM - Federal Home Loan Mortgage Corporation
FNMA -Federal National Mortgage Association

Two year Treasury	4.10%	
Weighted Interest	4.10%	
Weighted maturity	1.48	Years

TREASURER'S CERTIFICATE

These are all the securities in which the city funds, including all trust funds and oversight agencies funds, are invested and that (excluding approved deferred compensation plans) all these investments are in securities as permitted by adopted city policy.

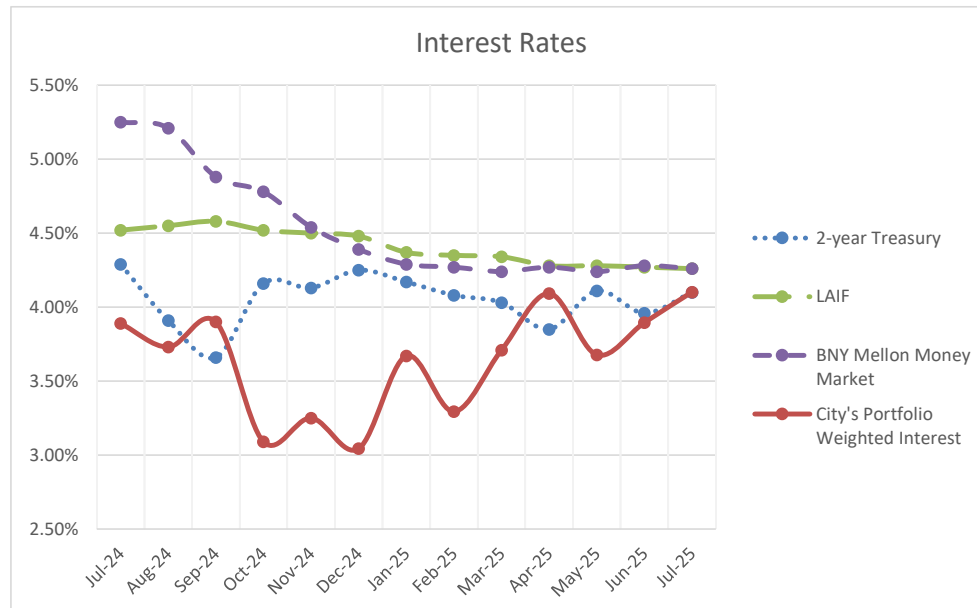
It is also certified that enough liquid resources (including maturities and anticipated revenues) are available to meet the next six months' cash flow.

Carolina Yuen

CITY TREASURER

CITY OF BRISBANE
CASH BALANCES & INVESTMENTS
Comparative Review
July 31, 2025

NAME OF DEPOSITORY	INVESTMENT TYPE			Previous Month			Previous Year		
		FACE VALUE OF INVESTMENT	MARKET VALUE OF INVESTMENT	FACE VALUE OF INVESTMENT	Change in Face Value		FACE VALUE OF INVESTMENT	Change in Face Value	
WELLS FARGO	Checking A/C	\$ 1,225,118	\$ 1,225,118	\$ 3,213,604	\$ (1,988,487)	(61.9%)	\$ 3,994,383	\$ (2,769,265)	(69.3%)
STATE FUND (LAIF)	Deposit on call	\$ 5,210,851	\$ 5,210,851	\$ 8,649,268	\$ (3,438,418)	(39.8%)	\$ 1,598,096	\$ 3,612,755	226.1%
Other Investments									
Sub-total	BNY Mellon	\$ 23,539,039	\$ 23,483,409	\$ 23,465,803	\$ 73,236	0.3%	\$ 27,581,950	\$ (4,042,911)	(14.7%)
Sub-total	Cash with Fiscal Agents	\$ 8,085,369		\$ 8,049,484	\$ 35,884	0.4%	\$ 8,160,939	\$ (75,571)	(0.9%)
	Total other investments	\$ 31,624,408		\$ 31,515,287	\$ 109,121		\$ 35,742,889	\$ (4,118,481)	
TOTAL INVESTMENTS & CASH BALANCES		\$ 38,060,376	\$ 29,919,378	\$ 43,378,160	\$ (5,317,784)	(12.3%)	\$ 41,335,368	\$ (3,274,991)	(7.9%)



July 2025 Review

The City's overall investments and cash balances had a net decrease of \$5.3M over the previous month due to annual Unfunded Pension Liability payment of \$2.8M, Smart Corridor project and utility purchase payments. WFB was replenished with \$3M of LAIF funds

As reflected on Page 1, the BNY Mellon agency bonds subtotal ended at \$15M. The net decrease was due to the maturity of one \$1M bond earning 4.05%. A \$1M bond earning 5.15% was called, but replaced with a bond earning 4.85%. Despite moving funds from LAIF to Wells Fargo to replenish large payments, the City's portfolio weighted interest increased to 4.10%, and remained on par with the 2-year Treasury rate benchmark.

The City's Cash with Fiscal Agents July 2025 \$8M balance is primarily comprised of \$6.7M of the PARS trust accounts and \$1.4M of the 2023 Bond proceeds held in trust, as reflected on Page 1. The month-to-month balance remained relatively flat.

File Attachments for Item:

G. Approve the Brisbane Dance Workshop Holiday Craft Fair Application for Event Co-sponsorship



CITY COUNCIL AGENDA REPORT

Meeting Date: September 4, 2025
From: Jeff Franco, Recreation Coordinator
 Noreen Leek, Parks and Recreation Director
Subject: Brisbane Dance Workshop Holiday Craft Fair Application for Event Cosponsorship

Recommendation

Staff recommends approval of the Brisbane Dance Workshop (BDW) Holiday Craft Fair as a cosponsored event.

Background

Founded in 1982, Brisbane Dance Workshop (BDW) is a non-profit organization established to provide creative, and skill based performing arts to children ages 3 and older. BDW embraces a real challenge in teaching dance: to preserve the innocence, playfulness and creativity in a child while developing the more demanding technical and aesthetic aspect of the performing arts. BDW has staged over thirty original performances involving children and adults and offers a wide range of classes such as: Ballet, Modern, Hip Hop, Composition, Creative Movement, Acting, Voice, and Improvisation. BDW offers scholarships to students who participate in BDW classes as well as scholarships for students who have a proven record of dedication and wish to expand their learning experience outside Brisbane.

BDW strives to create holiday cheer for all by hosting their annual Arts & Crafts Fair at the Mission Blue Center. They coordinate over 30 artists & makers to host booths to sell their handmade items and provide live music throughout the day for eventgoers. They also operate concessions and a photo studio for Santa photos. This event is open to people of all ages and helps to support the mission of the Brisbane Dance Workshop.

BDW requests continued support from the City for the compensated use of Mission Blue, waiver of insurance requirement, facility staff time, and assistance promoting the event to the community.

Discussion

Brisbane Dance Workshop will hold their annual Holiday Arts & Crafts Fair at the Mission Blue Center on Saturday, December 6th from 11am-4pm. Since they are a resident non-profit group

and the event is open to the general public, they qualify as a Group II permittee and are therefore eligible for free use of the facility and waiver of the deposit requirement.

Fiscal Impact

The Brisbane Dance Workshop is requesting support from the City as summarized in the table below. They have requested use of the Mission Blue Center for the event. Use of the facility and the deposit are waived as part of their Group II designation.

FINANCIAL IMPACT SUMMARY BASED ON APPLICATION		
Hourly Rental of Mission Blue Center	Approximately 13 hours @ \$371/hour = \$4,823 <i>(including set up)</i>	Waived per City policy for Non-profit use
Mission Blue Rental Deposit	\$500 <i>(Typically refundable absent damages)</i>	Waived per City policy for Non-profit use
Event Insurance	Approximately \$100-\$250/event. <i>(Renters are typically required to procure insurance on their own and provide a copy to the city.)</i>	Requesting requirement be waived
Promotional and Marketing Support	Waived	

Attachments

1. Cosponsorship application

Jeff Franco

Jeff Franco, Recreation Coordinator

Noreen Leek

Noreen Leek, Parks & Recreation Director

Jeremy Dennis

Jeremy Dennis, City Manager

G.



City of Brisbane

CO-SPONSORSHIP APPLICATION

This application must be submitted to the Parks & Recreation Department at least **(90) working days** prior to the requested event.

PHONE: 415-508-2140 | EMAIL: BRISBANEREC@BRISBANECA.ORG | OFFICE: 50 Park Place, Brisbane, CA 94005

APPLICANT INFORMATION

Name of Contact Person: Theresa Jimenez Contact Person's Phone: 415-350-6132
 Contact Person's Email: theresa_jimenez@sbcglobal.net
 Name of Organization: Brisbane Dance Workshop Organization's Website: www.brisbancedanceworkshop.org
 Organization's Address or P.O. Box: P.O. Box 844, Brisbane, CA 94005

Circle ONE of the following items below that best describes your organization.

- ☒ a. Brisbane Non-Profit Organization
- ☐ b. Non-resident, Non-Profit Organization (Outside of Brisbane)
- ☐ c. School District, School, or School Affiliated Group (ex. PTO)
- ☐ d. Private Group, Club, or Organization

What year did your organization begin serving the Brisbane community? Over 40 yrs ago.

How has your organization contributed to the Brisbane community in the past 2 years?

Yes

What is your organization's mission and/or purpose?

BDW partners with professional artists to facilitate classes & experiences in the performing arts.

EVENT DETAILS

Name of Event: BDW's Annual Holiday Arts & Crafts Fair

Event Date (mm/dd/yy): 12/6/25

Event Day of Week: Saturday

Event Location: Mission Blue Community Center

Reservation Permit Number (if applicable): _____

Describe what can be expected from this event? (ex. Performance, shopping, activities, etc.)

Shopping / Santa Photo Opportunity / Raffle / Concession Stand

Will there be any fundraising at this event? Yes

If yes, what will the funds raised be used for? for BDW programs & performance

Are there any admission fees for this event? NO

If yes, please list them here: _____

If this event is NOT open to the general public, what are the restrictions for who may attend? (ex. Age, membership, residency, etc.)

N/A

Event Set-up Start Time: Friday ^{12/5} Afternoon/Evening - Sat 12/6 at 7:30 AM
 Event Start Time: 11:00 AM
 Event Close Time: 4:00 pm + 1-2 hrs cleanup

G. DOOR FACILITY ACCESS REQUEST

City Staff must be present to accommodate the use of any of our indoor facilities. The following schedule will be used to ensure someone will be available when you need access. (If you are not requesting indoor facility use, you may skip to the next section)

Date of Facility Access (mm/dd/yy): 12/5/25 Opening Time: 4:00pm Closing Time: 6:00pm (flexible)
 Date of Facility Access (mm/dd/yy): 12/6/25 Opening Time: 7:30am Closing Time: 6:00pm
 Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____

EQUIPMENT USE REQUEST

<Insert Equipment Use Liability Notice>

Indicate the equipment you wish to borrow for this event.

Bluetooth Speaker? ☒ with Microphone? ☒

Projector & Screen? (Mission Blue Only) _____

Theater Risers? (Mission Blue Only) _____

Theatrical Lighting? (Mission Blue Only) yes Lighting Technician: yes

Other: Annika Schmitt is not at the bar

Quantity:

14-15

5

approx 60

5

5

Item:

in addition to what is at mbs.

6ft Long Rectangle Tables TBD based on vendors

5ft Diameter Round Tables

Chairs

10ft x 10ft Canopy/Pop-up Tent

Weighted Sandbags

PERMITS**Food & Beverage Permits**

Will any food or non-alcoholic beverages be sold at your event? yes If yes, this permit is required smchealth.org/food-program

Will alcoholic beverages be served or sold at your event? NO If yes, you must attach a copy of an [Alcoholic Beverage Permit](#)

*Full Liquor Liability: If beer or wine is available for consumption and money is transacted in any form (i.e. for donation, for a ticket, for a meal, for entry to the event, for the beverage) then full liquor liability premiums are necessary.

Traffic Permits

Will this event require any street or parking closures? NO If yes, you must obtain a [Brisbane Encroachment Permit](#)

Amplified Sound Permits

Do you wish to use amplified sound at this event? NO If yes, you must submit an [Brisbane Amplified Sound Permit Application](#) just the usual speakers for CD music (low) and mic for raffle announcements.

ADDITIONAL SUPPORT

Do you need any promotional support for this event?

Signboards? yes Social Media? yes

Digital Graphics / Flyers? NO Programs? NO

Other: _____

USE AGREEMENT & LIABILITY RELEASE

To the fullest extent allowed by law, I agree to indemnify and defend the City of Brisbane, its directors, officers, agents, employees and volunteers and hold them harmless from and against any and all loss, liability, expense, claims, costs, suits, and damages, including attorneys' fees, arising out of the use or occupancy described in this application. I agree to waive all rights of subrogation against the City, its elected or appointed officers, officials, agents and employees for losses paid under the terms of any policy which arise from the use or occupancy described in this application

Applicant Signature Theresa

Date 6/3/25

File Attachments for Item:

H. Approve the Lions Club Fun Run & Pumpkin Patch Application for Event Co-sponsorship



CITY COUNCIL AGENDA REPORT

Meeting Date: September 4, 2025
From: Jeff Franco, Recreation Coordinator
 Noreen Leek, Parks and Recreation Director
Subject: Lions Club Fun Run & Pumpkin Patch Application for Cosponsorship

Recommendation

Approve the Brisbane Lions Club Fun Run & Pumpkin Patch application for a cosponsored event.

Background

The Brisbane Lions Club is a 501(c)(3) committed to serving the community. Lions Clubs are spaces where individuals join together to give their time and effort to improving their communities, and the world. They help the community get vision and hearing care and equipment. They support the students in the community through the scholarship program and provide opportunities for scholarships to any college enrolled student who lives in Brisbane.

Discussion

The Fun Run & Pumpkin Patch will be held on Saturday, October 18th, 2025, from 9:00am-2:00pm at the Brisbane Community Park Gazebo, Picnic Areas 1,2,3, and Lawn Areas 1,2. The event is a pumpkin patch and a check in area for the fun run along with a BBQ. The Brisbane Lions Club qualifies under the Group II category for use permits as a non-profit group serving the Brisbane community. Meeting the Group II requirements with the events open to the general public qualifies them for free use of the facility and waives the deposit requirement.

Fiscal Impact

The Brisbane Lions Club is requesting support from the City as summarized in the table below. Use of the facility and the deposit are waived as part of their Group II designation.

FINANCIAL IMPACT SUMMARY BASED ON APPLICATION		
Rental of Community Park Gazebo	Approximately 5 hours @ \$80/hour = \$400 <i>(including set up/clean up)</i>	Waived per City policy for Non-profit use
Daily Rental of Community Park Picnic Areas 1, 2, 3	\$164/day x 3 areas = \$492 <i>(including set up/clean up)</i>	Waived per City policy for Non-profit use

Daily Rental of Community Park Lawn Areas 1, 2	\$257/day x 2 areas = \$514 (including set up/clean up)	Waived per City policy for Non-profit use
Community Park Gazebo Rental Deposit	\$200 (Typically refundable absent damages)	Waived per City policy for Non-profit use
Promotional and Marketing Support	Requesting to be waived	

Attachments

1. Cosponsorship application

Jeff Franco

Jeff Franco, Recreation Coordinator

Noreen Leek

Noreen Leek, Parks & Recreation Director

Jeremy Dennis

Jeremy Dennis, City Manager



City of Brisbane

CO-SPONSORSHIP APPLICATION

This application must be submitted to the Parks & Recreation Department at least **(90) working days** prior to the requested event.

PHONE: 415-508-2140 | EMAIL: BRISBANEREC@BRISBANECA.ORG | OFFICE: 50 Park Place, Brisbane, CA 94005

APPLICANT INFORMATION

Name of Contact Person: _Lion Sharon

Contact Person's Phone: 650.280.8468

Contact Person's Email: BrisbaneLionsClub@gmail.com

Name of Organization: Brisbane Lions Club

Organization's Website: BrisbaneLions.org

Organization's Address or P.O. Box: P.O. Box 317, Brisbane, CA, 94005

Circle ONE of the following items below that best describes your organization.

- a. **Brisbane Non-Profit Organization**
- b. Non-resident, Non-Profit Organization (Outside of Brisbane)
- c. School District, School, or School Affiliated Group (ex. PTO)
- d. Private Group, Club, or Organization

What year did your organization begin serving the Brisbane community? 1947

How has your organization contributed to the Brisbane community in the past 2 years? We have provided over \$125,000 in scholar awards to 81 brisbane students. we have provided financial support to various community member s in need. We have also helped a family rebuild their home after the mud slides in 2023.

What is your organization's mission and/or purpose? To Serve the community of Brisbane. Our Lions club motto is "We Serve".

EVENT DETAILS

Name of Event: The Fun Run and Pumpkin Patch

(mm/dd/yy): 10/18/2025

Event Day of Week: Saturday

Event Set-up Start Time: 8:00am

Event Start Time: 9:00am

Event Close Time: 2pm

Event Location: Community Park: Specifically the Gazebo in case of Rain. The Grass Area out in Front of the Gazebo Area. The Picnic table Areas

Reservation Permit Number (if applicable): _____

Describe what can be expected from this event? (ex. Performance, shopping, activities, etc.) Lions BBQing Hot Dogs, Hamburgers and Veggie Burgers for the fun run. The Lions Pumpkin patch out in the grass area. The Check in for the Fun Run at the picnic table area. BBQing will take place in the Picnic Bench area.

Will there be any fundraising at this event? Yes **If yes, what will the funds raised be used for?** Brisbane Community Member Needs

Are there any admission fees for this event? No **If yes, please list them here:**

INDOOR FACILITY ACCESS REQUEST

City staff must be present to accommodate the use of any of our indoor facilities. The following schedule will be used to ensure some-one will be available when you need access. (If you are not requesting indoor facility use, you may skip to the next section)

Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____ Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____
Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____

EQUIPMENT USE REQUEST

<Insert Equipment Use Liability Notice>

Indicate the equipment you wish to borrow for this event.

Bluetooth Speaker? _____ with Microphone? _____

Projector & Screen? (Mission Blue Only) Yes

Theater Risers? (Mission Blue Only) _____

Theatrical Lighting? (Mission Blue Only) _____ Lighting Technician? _____

Other: _____

Quantity:

Item:

_____	6ft Long Rectangle Tables
_____	5ft Diameter Round Tables
_____	Chairs
_____	10ft x 10ft Canopy/Pop-up Tent
_____	Weighted Sandbags

PERMITS

Food & Beverage Permits

Will any food or non-alcoholic beverages be sold at your event? No If yes, this permit is required smchealth.org/food-program

Will alcoholic beverages be served or sold at your event? NO

If yes, you must attach a copy of an [Alcoholic Beverage Permit](#)

*Full Liquor Liability: If beer or wine is available for consumption and money is transacted in any form (i.e. for donation, for a ticket, for a meal, for entry to the event, for the beverage) then full liquor liability premiums are necessary.

Traffic Permits

Will this event require any street or parking closures? NO If yes, you must obtain a [Brisbane Encroachment Permit](#)

It would be great if the city would block off parking on San Francisco St so we can park the trailer and truck there the night before

Amplified Sound Permits

ADDITIONAL SUPPORT

Do you need any promotional support for this event?

Signboards? _____ Social Media? _____

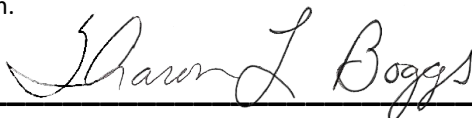
Digital Graphics / Flyers? _____ Programs? _____

Other: _____

USE AGREEMENT & LIABILITY RELEASE

To the fullest extent allowed by law, I agree to indemnify and defend the City of Brisbane, its directors, officers, agents, employees and volunteers and hold them harmless from and against any and all loss, liability, expense, claims, costs, suits, and damages, including attorneys' fees, arising out of the use or occupancy described in this application. I agree to waive all rights of subrogation against the City, its elected or appointed officers, officials, agents and employees for losses paid under the terms of any policy which arise from the use or occupancy described in this application.

Applicant Signature



Date 07/28/2025

File Attachments for Item:

I. Approve the Lions Club Senior Holiday Luncheon & Worldwide Candle Lighting Applications for Event Co-sponsorships



CITY COUNCIL AGENDA REPORT

Meeting Date: September 4, 2025
From: Jeff Franco, Recreation Coordinator
 Noreen Leek, Parks and Recreation Director
Subject: Approve the Lions Club Senior Holiday Luncheon & Worldwide
 Candle Lighting Applications for Event Cosponsorships

Recommendation

Approve the Brisbane Lions Club Senior Holiday Lunch & Worldwide Candle Lighting applications for cosponsored events.

Background

The Brisbane Lions Club, formed in 1947, is a 501(c)(3) committed to serving the community. Lions Clubs are places where individuals join together to give their time and effort to improve their communities, and the world. They help the community get vision and hearing care and equipment. They support the students in the community through the scholarship program, and they provide opportunities for scholarships to any college enrolled student who lives in Brisbane.

Discussion

The Holiday Senior Lunch will be held on Sunday, December 14th, 2025, from 9 AM to 2 PM at the Mission Blue Center. This event is a holiday themed lunch for local seniors in the community. The Worldwide Candle Lighting will also be held on Sunday, December 14th, 2025, from 2 PM to 9 PM at the Mission Blue Center. This event is a gathering of families to honor loved ones who are not with us anymore. There will be a memorial service as well as craftmaking. The Brisbane Lions Club qualifies under the Group II category for use permits as a non-profit group serving the Brisbane community. Meeting the Group II requirements with both events open to the general public qualifies them for free use of the facility and waives the deposit requirement.

Fiscal Impact

The Brisbane Lions Club is requesting support from the City as summarized in the table below. Use of the facility and the deposit are waived as part of their Group II designation.

FINANCIAL IMPACT SUMMARY BASED ON APPLICATION		
Hourly Rental of Mission Blue Center	Approximately 12 hours @ \$371/hour = \$4,452 <i>(including set up)</i>	Waived per City policy for Non-profit use
Mission Blue Rental Deposit	\$500 <i>(Typically refundable absent damages)</i>	Waived per City policy for Non-profit use
Event Insurance	Approximately \$100-\$250/event. <i>(Renters are typically required to procure insurance on their own and provide a copy to the city.)</i>	Requesting requirement be waived
Promotional and Marketing Support	Waived	

Attachments

1. Cosponsorship application

Jeff Franco

Jeff Franco, Recreation Coordinator

Noreen Leek

Noreen Leek, Parks & Recreation Director

Jeremy Dennis

Jeremy Dennis, City Manager



This application must be submitted to the Parks & Recreation Department at least **(90) working days** prior to the requested event.

PHONE: 415-508-2140 | EMAIL: BRISBANEREC@BRISBANECA.ORG | OFFICE: 50 Park Place, Brisbane, CA 94005

APPLICANT INFORMATION

Name of Contact Person: _Lion Sharon

Contact Person's Phone: 650.280.8468

Contact Person's Email: BrisbaneLionsClub@gmail.com

Name of Organization: Brisbane Lions Club

Organization's Website: BrisbaneLions.org

Organization's Address or P.O. Box: P.O. Box 317, Brisbane, CA, 94005

Circle ONE of the following items below that best describes your organization.

- a. Brisbane Non-Profit Organization
- b. Non-resident, Non-Profit Organization (Outside of Brisbane)
- c. School District, School, or School Affiliated Group (ex. PTO)
- d. Private Group, Club, or Organization

What year did your organization begin serving the Brisbane community? 1947

How has your organization contributed to the Brisbane community in the past 2 years? We have provided over \$125,000 in scholar awards to 81 brisbane students. we have provided financial support to various community member s in need. We have also helped a family rebuild their home after the mud slides in 2023.

What is your organization's mission and/or purpose? To Serve the community of Brisbane. Our Lions club motto is "We Serve".

EVENT DETAILS

Name of Event: World Wide Candle Lighting

(mm/dd/yy): 12/14/2025

Event Day of Week: Sunday

Event Set-up Start Time: 2:00pm

Event Start Time: 6:00pm

Event Close Time: 9:00pm

Event Location: Mission Blue

Reservation Permit Number (if applicable): _____

Describe what can be expected from this event? (ex. Performance, shopping, activities, etc.) Families Remembering thier loved ones with crafts, stories and music.

Will there be any fundraising at this event? no **If yes, what will the funds raised be used for?**

Are there any admission fees for this event? No **If yes, please list them here:**

If this event is NOT open to the general public, what are the restrictions for who may attend? (ex. Age, membership, residency, etc.)

DOOR FACILITY ACCESS REQUEST

City Staff must be present to accommodate the use of any of our indoor facilities. The following schedule will be used to ensure some-one will be available when you need access. (If you are not requesting indoor facility use, you may skip to the next section)

Date of Facility Access (mm/dd/yy): 12/14/2025 Opening Time: 2pm Closing Time: 9pm

Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____

Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____

EQUIPMENT USE REQUEST

<Insert Equipment Use Liability Notice>

Indicate the equipment you wish to borrow for this event.

Bluetooth Speaker? _____ with Microphone? _____

Projector & Screen? (Mission Blue Only) Yes

Theater Risers? (Mission Blue Only) _____

Theatrical Lighting? (Mission Blue Only) _____ Lighting Technician? _____

Other: _____

Quantity:

Item:

_____	6ft Long Rectangle Tables
_____	5ft Diameter Round Tables
_____	Chairs
_____	10ft x 10ft Canopy/Pop-up Tent
_____	Weighted Sandbags

PERMITS

Food & Beverage Permits

Will any food or non-alcoholic beverages be sold at your event? No If yes, this permit is required smchealth.org/food-program

Will alcoholic beverages be served or sold at your event? NO

If yes, you must attach a copy of an [Alcoholic Beverage Permit](#)

*Full Liquor Liability: If beer or wine is available for consumption and money is transacted in any form (i.e. for donation, for a ticket, for a meal, for entry to the event, for the beverage) then full liquor liability premiums are necessary.

Traffic Permits

Will this event require any street or parking closures? NO If yes, you must obtain a [Brisbane Encroachment Permit](#)

Amplified Sound Permits

ADDITIONAL SUPPORT

Do you need any promotional support for this event?

Signboards? _____ Social Media? _____

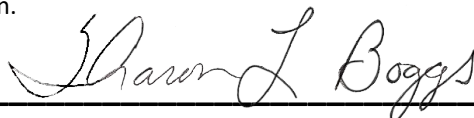
Digital Graphics / Flyers? _____ Programs? _____

Other: _____

USE AGREEMENT & LIABILITY RELEASE

To the fullest extent allowed by law, I agree to indemnify and defend the City of Brisbane, its directors, officers, agents, employees and volunteers and hold them harmless from and against any and all loss, liability, expense, claims, costs, suits, and damages, including attorneys' fees, arising out of the use or occupancy described in this application. I agree to waive all rights of subrogation against the City, its elected or appointed officers, officials, agents and employees for losses paid under the terms of any policy which arise from the use or occupancy described in this application.

Applicant Signature



Date **07/28/2025**

File Attachments for Item:

J. Approve the Chamber of Commerce “The Showbroads” Application for Event Co-sponsorship



CITY COUNCIL AGENDA REPORT

Meeting Date: September 4, 2025
From: Jeff Franco, Recreation Coordinator
 Noreen Leek, Parks and Recreation Director
Subject: The Chamber of Commerce “The Showbroads” Application for Event Cosponsorship

Recommendation

Staff recommends approval of the Brisbane Chamber of Commerce’s “The Showbroads” application for a cosponsored event.

Background

The Brisbane Chamber of Commerce (Chamber) is a Non-profit 501(c)(6) organization created through a partnership of businesses, civic leaders, and residents working together to enhance Brisbane’s economic landscape. The Chamber assisted small businesses throughout the COVID-19 pandemic with critical information about protocols and funding opportunities and partnered with the City of Brisbane to distribute grants. The Chamber continues to print The Luminary (Brisbane’s only newspaper), offer scholarships to college students, partner with Lipman Middle School on a job shadowing day, create wooden holiday stars for residents, and sponsor the Brisbane Garden Show.

Discussion

“The Showbroads”, will be held on Saturday, October 10th, 2025 from 6:30-8:30pm at the Mission Blue Center. The event will include a cabaret performance with refreshments and is structured as a fundraiser for the Chamber of Commerce. The Chamber of Commerce qualifies under the Group II category for recreation facilities indoor use permits as a non-profit group serving the Brisbane community. Meeting the Group II requirements with the event open to the general public qualifies the Chamber for free use of the facility and waives the deposit requirement.

Fiscal Impact

The Brisbane Chamber of Commerce is requesting support from the City as summarized in the table below. Use of the facility and the deposit would be waived as part of their Group III designation.

FINANCIAL IMPACT SUMMARY BASED ON APPLICATION		
Hourly Rental of Mission Blue Center	Approximately 8 hours @ \$371/hour = \$2,968 (including set up)	Waived per City policy for Non-profit use

Rental Deposit	\$500 <i>(Typically refundable absent damages)</i>	Waived per City policy for Non-profit use
Event Insurance	Approximately \$100-\$250/event. <i>(Renters are typically required to procure insurance on their own and provide a copy to the city.)</i>	Requesting requirement be waived
Use of existing theatre lighting at Mission Blue	Waived	
Lighting Technician	The City does not traditionally cover this cost and therefore it is the responsibility of the Non-profit organization to hire and pay a lighting technician.	
Promotional and Marketing Support	Waived	
ABC License for alcoholic beverage sales	The City does not traditionally cover this cost and therefore it is the responsibility of the Non-profit organization to pay associated fees.	

Attachments

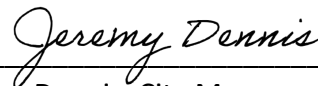
1. Cosponsorship application



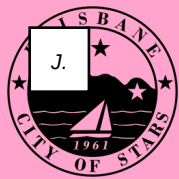
Jeff Franco, Recreation Coordinator



Noreen Leek, Parks & Recreation Director



Jeremy Dennis, City Manager



CITY OF BRISBANE COSPONSORSHIP APPLICATION

This application must be submitted to the Parks & Recreation Department at least **(90) working days** prior to the requested event.

Phone: (415) 508-2140 | Email: brisbanerec@brisbaneca.org | Office: 50 Park Place, Brisbane, CA 94005

APPLICANT INFORMATION

Name of Contact Person: Madison Davis **Phone:** 415-706-5276

Email: madison@brisbanechamber.org

Name of Organization: Brisbane Chamber of Commerce **Organization Website:** brisbanechamber.org

Organization Address or P.O. Box: 50 Park Place, Brisbane

Circle **ONE** of the following descriptions below that best describes your organization:

a. Brisbane Non-Profit Organization

b. Non-resident, Non-Profit Organization (Outside of Brisbane)

c. School District, School, or School Affiliated Group (ex. PTO)

d. Private Group, Club, or Organization

What year did your organization begin serving the Brisbane community? 1946

How has your organization added value to the Brisbane community in the past?

The Brisbane Chamber assisted small businesses throughout COVID with critical information, partnered with the City of Brisbane to distribute grants,

prints Brisbane's only newspaper-The Luminary, gives college scholarships to students, partners with Lipman on a job shadowing day, creates Holiday

stars for residents, and sponsors the garden show. These are just a few of our programs.

What is your organization's mission and/or purpose?

The Brisbane Chamber of Commerce is non-profit 501(c)(6) organization created through a partnership of businesses, civic leaders, and

residents working together to enhance Brisbane's economic landscape.

EVENT DETAILS

(If you are requesting multiple days & times, please attach those details on a separate sheet of paper.)

Name of Event: The Showbroads

Event Set-up Start Time: 12pm

Event Date (mm/dd/yy): 10/10

Event Start Time: 6:30pm

Event Day of Week: Friday

Event End Time: 8:30 pm

Event Location: Mission Blue

Describe what can be expected at this event? (ex. Performance, Dinner, Activities, etc.)

The Chamber hopes to host a show straight from New York called "The Showbroads" featuring Brisbane resident Leanne Borghesi and her performance partner, Marta Sanders. The two frequently perform Cabaret together in NYC and we want them to bring their show to Brisbane. We want to host an intimate performance with cabaret tables for 40-60 guests, similar to the Chamber's previous Cabaret events (Moonlight Madness ('22) and Moodswings ('23) but on a smaller, more casual scale. This is a fundraiser.

Will there be any fundraising at this event? Yes **If yes, what will the funds raised be used for?** Brisbane Chamber of Commerce

Are there any admission fees for this event? Yes **If yes, please list them here:** \$50-\$80 a person, exact price(TBD

If this event is NOT open to the general public, what are the restrictions for who may attend? (ex. age, membership, residency, etc.)

Guests should be 21+

INDOOR FACILITY ACCESS REQUEST

J. Staff must be present to accommodate the use of any indoor facilities. The below requested times will be used to ensure staff will be available when you need to access the facility. (If you are not requesting indoor facility use, you may skip to the next section.)

Date of Facility Access (mm/dd/yy): 10/9 (room set up) Opening Time: TBD Closing Time: TBD
Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____
Date of Facility Access (mm/dd/yy): _____ Opening Time: _____ Closing Time: _____

EQUIPMENT USE REQUEST

If you would like to request any equipment for an **outdoor event**, please include those details below. (If your event is at one of our indoor facilities, you may indicate your equipment needs on the rental layout.)

Quantity:	Item:
_____	6ft Long Rectangle Tables
_____	Chairs
_____	10ft x 10ft Canopy/Pop-up Tent
_____	Weighted Sandbags

Mission Blue Center ONLY

If your event will be at the Mission Blue Center, please indicate if you wish to request any of the equipment listed below.

Bluetooth Speaker? _____ with Microphone? _____
Projector & Screen? _____
*Theatrical Lighting? Yes with *Lighting Technician? Yes
*Theater Risers? _____

*Any additional fees associated with reservation of special equipment will be the responsibility of the applicant, and may require additional planning time.

PERMITS

Alcoholic Beverage Permit

Will alcoholic beverages (beer/wine) be sold at your event? Yes If yes, you must attach a copy of an [Alcoholic Beverage Permit](#)

*Full Liquor Liability: If beer or wine is available for consumption and money is transacted in any form (i.e. for donation, for a ticket, for a meal, for entry to the event, for the beverage) then full liquor liability premiums are necessary.

Food & Beverage Permits - Outdoor Events Only

Will any food or non-alcoholic beverages be sold at your event? _____ If yes, this permit is required smchealth.org/food-program

Traffic Permits

Will this event require any street or parking closures? No If yes, you must obtain a [Brisbane Encroachment Permit](#)

Amplified Sound Permits - Outdoor Events Only

Do you wish to use amplified sound at this event? _____ If yes, you must submit an [Brisbane Amplified Sound Permit Application](#)

Brisbane Business License

Do you intend to sell goods of any kind at your event? Yes If yes, you must have a valid [Brisbane Business License](#)

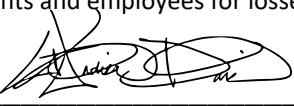
ADDITIONAL SUPPORT

To request promotional support, please circle the specific areas you would like support with. (Please note: promotional support is not guaranteed. Any graphics or content for your event are expected to be provided by the applicant.)

a. Brisbane Signboards b. Social Media c. City Website d. City Publications Other: _____

USE AGREEMENT & LIABILITY RELEASE

To the fullest extent allowed by law, I agree to indemnify and defend the City of Brisbane, its directors, officers, agents, employees and volunteers and hold them harmless from and against any and all loss, liability, expense, claims, costs, suits, and damages, including attorneys' fees, arising out of the use or occupancy described in this application. I agree to waive all rights of subrogation against the City, its elected or appointed officers, officials, agents and employees for losses paid under the terms of any policy which arise from the use or occupancy described in this application.

Applicant Signature  Date 8/21/25

ADMINISTRATIVE SECTION

Facility Application? _____ Permit # _____ CC Report Due _____ CC Meeting Date: _____

File Attachments for Item:

K. Approve the Agreement Between the City of Brisbane and the San Mateo Pre-Hospital Emergency Medical Services Group for Personnel Services and Office Space



CITY COUNCIL AGENDA REPORT

Meeting Date: September 4, 2025
From: Jeremy Dennis, City Manager
Subject: The San Mateo Pre-Hospital Emergency Medical Services Group Agreement for Personnel Services and Office Space

Recommendation

Staff recommends the City Council approve the agreement between the City of Brisbane and the San Mateo Pre-Hospital Emergency Medical Services Group (SMCPHEMSG) for personnel services and office space.

Background

The San Mateo County Pre-Hospital Emergency Medical Services Group (Medical Group) provides a valuable service to the residents and visitors of San Mateo County. Pursuant to its Joint Powers Agreement, the Medical Group staffs advanced life support, first response fire companies to respond to all 911 emergency medical requests, to work in tandem with the City's hospital transport and support partners. As a joint power authority (JPA), the Medical Group is a legally established entity that allows members to jointly exercise common powers. The Medical Group works to ensure the county, fire, and ambulance services work in conjuncture and provides seamless response to all patients.

The Medical Group's Board of Directors is responsible for the approval of the budget each fiscal year, setting forth all anticipated administrative, operational, and capital expenses for the JPA, and the approval of contracts with its partner agencies. Each of the 18 member groups appoints one elected representative from its own governing bodies to the Board to serve as long as they also hold office in their perspective city or district.

The City of Brisbane is one of the 18 member agencies of the JPA. Councilmember Frank Kern currently serves as the City's representative on the Board. Brisbane, along with the other member agencies, provide funds to the Medical Group for its operation.

Recently, the Medical Group made a request to the City to use a portion of 25 Park Place for its office space and to utilize one of the City's employees to provide administrative support services. The Medical Group would pay for the space and the support services. There is adequate space at 25 Park Place to accommodate that request and, given the limited amount of time that the City employee would be needed for support services, that request could also be accommodated. Accordingly, staff has prepared a draft Agreement between the City and the Medical Group and is recommending Council approve the Agreement.

Discussion

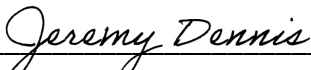
The Agreement states that the City shall provide personnel services by way of an Administrative Management Analyst for up to an average of 10 hours per week and potentially other City staff or consultants retained by the City on an as-needed basis, upon approval of the City Manager. The Agreement also provides the Medical Group will pay the City each month starting at \$300 per month with a 3% increase each January for use of the office space. There is also a 10% administrative fee assessed to cover the costs of services related to payroll and invoice processing.

Fiscal Impact

The City anticipates receiving approximately \$51,000 in FY 26 for staffing reimbursements, rent, and the administrative fee.

Attachments

1. Agreement between the City of Brisbane and the San Mateo Pre-Hospital Emergency Medical Services Group for Personnel Services and Office Space



Jeremy Dennis, City Manager

AGREEMENT BETWEEN THE CITY OF BRISBANE
AND THE SAN MATEO PRE-HOSPITAL EMERGENCY MEDICAL SERVICES GROUP
FOR PERSONNEL SERVICES AND OFFICE SPACE

This Agreement, dated _____, 2025, is by and between the City of Brisbane, a municipal corporation ("City") and the San Mateo Pre-Hospital Emergency Medical Services Group, a joint powers authority ("JPA").

RECITALS

WHEREAS, the City is a member of the JPA and the JPA needs assistance with personnel and office space; and

WHEREAS, the City is willing to provide assistance to the JPA with regard to personnel and office space;

NOW THEREFORE, in consideration of the mutual terms, covenants, and conditions set forth in this Agreement, the parties agree as follows:

1. Effective Date and Term: This Agreement shall be effective _____, 2025 and run through _____, provided that the parties may extend the term upon mutual written agreement.

2. Personnel: The City shall provide the following personnel services:

a. An Administrative Management Analyst for up to an average of 10 hours per week.

b. Other City staff or consultants retained by the City on an as-needed basis, such as technological services for the JPA website, upon the approval of the Brisbane City Manager.

3. Office Space: 25 Park Place, Suite B, Brisbane, CA 94005.

4. Compensation: Compensation for personnel, office space, and other costs shall be as set forth below.

a. For providing the Administrative Management Analyst services to the JPA, City shall receive compensation in the amount of one thousand fifty dollars (\$1,050.00) per month, regardless of the number of hours provided by the Analyst, plus an hourly rate of _____ (\$_____) for each hour, or portion thereof, that the Analyst spends on JPA matters. The hourly rate will increase in correlation with any salary adjustments, including but not limited to, step increases and COLA adjustments.

b. Other City staff time shall be at the hourly rate for the person in the classification providing the services. The hourly rate will increase in correlation with any salary adjustments, including but not limited to, step increases and COLA adjustments. For consultants retained by the City who provide services to the JPA, the rate will be the hourly rate that the City is charged for those services.

c. Office space shall be at the rate of \$300 per month. The monthly amount shall increase 3% each January. See Schedule _____ for rent and rent increases.

d. Administrative cost at the rate of ten percent (10%) of the monthly invoiced amount to cover costs of services related to payroll and invoice processing.

5. Invoices: City shall invoice JPA on a periodic basis. JPA shall remit payment no later than 30 days after receiving the invoice.

6. Notices: Any notices required pursuant to this Agreement shall be given in writing to the addresses provided below. Notices may be transmitted by email. Either party may update the address information as necessary.

To City:

To JPA:

7. Termination: Either party may terminate this Agreement upon ninety days' written notice.

8. Governing Law and Venue: This Agreement shall be interpreted by the laws of the State of California. Venue for any action or proceeding regarding this Agreement shall be in San Mateo County.

9. Entire Agreement: This Agreement constitutes the entire understanding of the parties. This Agreement supersedes any prior contracts, agreements, negotiations or understanding, whether written or verbal, between the parties.

10. Enforceability: If any term, provision or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full

In Witness Whereof, the parties have executed this Agreement.

CITY OF BRISBANE

Jeremy Dennis, City Manager

APPROVED AS TO FORM

_____ City Attorney

SAN MATEO PRE-HOSPITAL EMERGENCY
MEDICAL SERVICE GROUP

Executive Director

File Attachments for Item:

L. Consider Introduction of an Ordinance Amending Brisbane Municipal Code Chapters 15.10, 17.02, 17.12, 17.16, 17.32, 17.34, And 17.43 to Amend Regulations Pertaining to Accessory Dwelling Units and Junior Accessory Dwelling Units

(This item is for a Zoning Text Amendment 2025-RZ-02; Citywide; Zoning Text Amendments to update the City's existing Accessory Dwelling Unit regulations to comply with current State law; and finding that this project is statutorily exempt from environment review under CEQA Guidelines Section 15282(h) because it involves adoption of an ordinance regarding second units in single-family and multifamily residential zones; City of Brisbane, applicant.)



CITY COUNCIL AGENDA REPORT

Meeting Date: September 4, 2025
From: John Swiecki, Community Development Director
Subject: Zoning Text Amendment 2025-RZ-02; Introduction and first reading of draft ordinance to update the City's existing Accessory Dwelling Unit (ADU) regulations; and finding that this project is statutorily exempt from environment review under CEQA Guidelines Section 15282(h).

Recommendation

Staff recommends introduction of an ordinance amending the Brisbane Municipal Code (BMC) to modify the regulations governing Accessory Dwelling Unit (ADU) development within the City, as provided in Attachment A, to comply with state law.

Background

Since the last comprehensive update to the City's ADU Ordinance in October 2020, the State has adopted several bills to further incentivize the construction of ADUs as a part of legislative packages related to the statewide housing crisis. Starting in 2022, the California State Legislature passed laws pertaining to streamlining ADU permitting, increasing the number of ADUs allowed per lot, and reducing local and/or discretionary review of ADUs. (See Attachment C of Attachment 3 for a detailed summary of new state ADU laws.)

On May 8, 2025, the Planning Commission by unanimous vote adopted Resolution 2025-RZ-02 recommending approval of zoning amendments to achieve consistency with the new state regulations within Titles 15 and 17 of the BMC. The City's current ADU regulations are not in compliance with state law and must be updated.

Discussion

Minimum Statutory Requirements

The amendments would bring Brisbane's ADU ordinance into compliance with state ADU law and do not go beyond the minimum statutory requirements, except regarding the height limit for detached ADUs which is discussed later. The attached May 8, 2025 Planning Commission agenda report provides a detailed review of the proposed zoning text amendments (see Attachment 3), while a snapshot of significant amendments is provided below:

- Cross-Reference to city and state SB 9 Legislation related to the maximum number of ADUs and JADUs allowed on a lot utilizing the provisions of SB 9 (a total of 4 dwelling units is allowed, inclusive of primary units, ADUs, and JADUs);
- Eliminate the requirement for an ADU Permit within the Brisbane Acres Residential District;

- Increase the number of ADUs allowed per single-family lot to 2 ADUs plus one JADU;
- Increase the number of ADUs allowed per multi-family lot to as many as 9;
- Redesignate “Unrestricted ADUs” as “State-exempt ADUs”; and
- Allow State-exempt ADUs to be constructed in front setback areas

Since Chapter 17.43 must be revised to comply with new state legislation, a number of other related BMC sections must be amended to maintain consistency within the zoning ordinance as well as with Title 15. Such updates include:

- Updating certain definitions in the zoning ordinance;
- Adding setback exceptions specifically for ADUs;
- Amending the language of off-street parking requirements to match state law; and
- Amending language in BMC Chapter 15.10 to be consistent with new height limits for detached ADUs

Detached ADU Height Limitation

As mentioned previously, the draft ordinance does not extend regulations beyond the minimum statutory requirements, except regarding the height limit for detached ADUs. (The draft ordinance does not change what is currently allowed under the BMC for attached ADUs.) Specifically, state law establishes a minimum height limit of 18 feet for detached ADUs within a half mile radius of “major transit stops” as defined by the state, which is 2–feet taller than the otherwise state–established height minimum of 16 feet. Attachment 4, shows the half-mile radius of major transit stops, as defined by the State, where the 18-foot height standard applies.

The Planning Commission recommended the adoption of a singular maximum height limitation of 18 feet for detached ADUs citywide. It was the Commission’s belief that a uniform standard would be more equitable than utilizing the State’s language which would allow some detached ADUs to be two feet taller than other ADUs, even within the same zoning district or on the same street. Additional discussion on detached ADU height is provided in the attached Planning Commission Agenda Packet.

Fiscal Impact

None.

Attachments

1. Redline Copy of proposed Zoning Text Amendments
2. Draft Ordinance
3. May 8, 2025, Planning Commission Resolution 2025-RZ-02 and Agenda Report, including an excerpt from California Department of Housing and Community Development ADU Handbook (January 2025) summarizing new state legislation
4. Half-Mile Radius of Major Transit Stops in Brisbane

Julia Ayres, Principal Planner/ for
John Swiecki, Community Development Director

Jeremy Dennis
Jeremy Dennis, City Manager

Chapter 15.10 - Additions, alterations, and major rebuilds to existing buildings.

15.10.010 - Authority.

The building official or the building official's designee shall have the authority to enforce the provisions of this Chapter.

15.10.020 - Coordination with other Chapters.

This Chapter is intended to establish requirements which are in addition to, and not in replacement of, any other ordinance, rule, regulation, or policy of the city which may be applicable to the proposed development project, including any of the codes adopted by this Title 15 and the requirements of Section 17.01.060 of this title.

15.10.030 - Applicability.

This Chapter shall apply to additions, alterations, or major rebuilds, as defined in Section 15.10.040 of this Chapter, to a lawfully constructed building completed within any five (5) year period. The date of completion shall normally be established as the date on which the City grants final inspection approval of the work.

15.10.040 - Definitions.

For the purposes of this Chapter 15.10 the following definitions apply:

- A. "Addition and Alteration" shall mean new floor area added to an existing lawfully constructed building and/or changes to the existing floor area of a lawfully constructed building, which calculated together or apart constitute fifty (50) percent of the pre-existing floor area of the building. The conversion or recognition of non-habitable rooms to habitable space may be included in the calculation of alteration of space, at the discretion of the building official.
- B. "Major rebuild" shall mean removal of seventy-five percent (75%) or more of the combined surface area of the interior walls and ceilings of the habitable rooms of a building or structure to expose support members.
- C. "Floor Area" shall mean the sum of the gross horizontal areas of all floors of all buildings or structures measured from the interior face of the exterior walls, but excluding each of the following:
 - 1. Any area where the floor to ceiling height is less than six (6) feet.
 - 2. Any detached garage or other detached accessory structure which does not constitute habitable space.
 - 3. Any attached carport or covered deck.
 - 4. Any attached or detached accessory dwelling unit eight hundred (800) square feet or less in gross horizontal area that, if detached, does not exceed ~~sixteen~~ eighteen (~~16~~18) feet in height, where authorized pursuant to Chapter 17.43 of Title 17 of this Code.
- D. "Standards for new construction" shall mean:
 - 1. The requirements of the California Buildings Code adopted by this Title 15; and

2. The storm water management and discharge requirements established by Chapter 13.06 of Title 13; and
 3. The standard specifications and street standards adopted by Section 12.24.010 of Title 12.
- E. "Hardship" means some verifiable level of difficulty or adversity, beyond the control of the applicant, by which the applicant cannot reasonably comply with the requirements of this Chapter.

15.10.050 - Compliance Standards.

For applicable projects, the entire building shall be brought into conformity with the standards for new construction that the building official determines to be necessary or appropriate to eliminate existing health or safety hazards, including, but is not limited to, defects in structural integrity, defective or inadequate electrical installations, defective or inadequate fire sprinklers, sanitary sewer or storm drainage facilities, and substandard street access to the property.

15.10.060 - Exceptions.

- A. Standard Exceptions. The following standard exceptions to Section 15.10.050 shall apply:
1. The area of any additions and/or alterations not exceeding a cumulative total of four hundred (400) square feet within any five (5) year period.
 2. The conversion of existing floor area in an existing single-family or multiple-family dwelling to an accessory dwelling unit where authorized pursuant to Chapter 17.43 of Title 17.
 3. The area of any addition and/or alteration for the creation or expansion of an attached or detached accessory dwelling unit eight hundred (800) square feet or less in floor area where authorized pursuant to Chapter 17.43 of Title 17. If detached, the accessory dwelling unit may not exceed ~~sixteen~~sixteen ~~eighteen~~(1618) feet in height.
 4. Work involving exterior surfaces, such as the replacement of roofing or siding, or the addition or replacement of windows or doors, or the addition of a porch or deck.
 5. Alterations, renovations or repairs which do not essentially change the uses of the rooms within the building.
- B. Other Exceptions. Where the above listed exceptions do not apply, the building official shall have authority on a case-by-case basis to grant modifications of any such requirements for the standards of new construction if the building official is able to find and determine that:
1. Compliance with the requirement will cause unreasonable hardship; or
 2. The modification does not reduce any requirements for fire protection or any requirements relating to structural support and integrity; or

3. The modification does not create any new or increased hazard to the health or safety of the occupants of the existing building or structure.

17.02.235 - Dwelling.

"Dwelling" means a place that is used as the personal residence of the occupants thereof, including transitional housing as defined in California Health and Safety Code Section 50675.2(h) and supportive housing as defined in California Health and Safety Code Sections 50675.14(b)(2) and (3). The term includes factory-built or manufactured housing, such as mobile homes, but excludes trailers, campers, tents, recreational vehicles, hotels, motels, boarding houses and temporary structures.

- A. "Duplex dwelling" means a building containing two dwelling units totally separated from each other by a wall, floor or ceiling; provided, however, that a building containing a single-family dwelling and a lawful accessory dwelling unit or junior accessory dwelling unit shall not be deemed a duplex.
- B. "Dwelling group" means a group of two (2) or more detached buildings located upon the same site, each of which contains one or more dwelling units.
- C. "Dwelling unit" means a room or group of rooms including living, sleeping, eating, cooking and sanitation facilities, constituting a separate and independent housekeeping unit, designed, occupied, or intended for occupancy by one family on a permanent basis. Permanent residency shall mean continuous occupancy of the dwelling unit for a period of thirty (30) days or more.
- D. "Multiple-family dwelling" means a building or site containing three (3) or more dwelling units (also see "duplex"). The term includes single-room-occupancy dwelling units, typically comprised of one or two (2) rooms (which may include a kitchen and/or a bathroom, in addition to a bed), that are restricted to occupancy by no more than two (2) persons.
- E. "Accessory dwelling unit" means a separate dwelling unit created upon a site that contains a single-family dwelling, duplex, or multiple-family dwelling. Subject to the restrictions of this title, the accessory dwelling unit may be within, attached to, or detached from the single-family dwelling, duplex, or multiple-family dwelling. An accessory dwelling unit shall include permanent provisions for living, sleeping, eating, cooking, and sanitation. The term "secondary dwelling unit" shall have the same meaning throughout this title. An accessory dwelling unit also includes the following:
 - 1. An efficiency unit, as defined in section 17958.1 of the Health and Safety Code.
 - 1-2. A manufactured home, as defined in Section 18007 of the Health and Safety Code.
- E.F. "Junior accessory dwelling unit" means a dwelling unit that is no more than five hundred (500) square feet in size and contained entirely within a single-family dwelling. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the single-family dwelling. Junior accessory dwelling units are distinguished from accessory dwelling units in that they: (1) must include the conversion of existing, legally permitted floor area within an existing single-family dwelling; (2) must be owner occupied, or the main dwelling be owner occupied; and (3) are subject to unique standards that are not applicable to accessory dwelling units, as specified in Chapter 17.43 of this Title.

~~F.G.~~ "Primary dwelling unit" or "Main Dwelling" means a dwelling unit that is not an accessory dwelling unit or a junior accessory dwelling unit.

~~G.H.~~ "Single-family dwelling" means a dwelling unit constituting the only principal structure upon a single site (excluding any lawfully established accessory dwelling unit that may be located within the same structure on upon the same site). The term includes employee housing for six (6) or fewer persons, residential care facilities, licensed by the state to provide twenty-four-hour nonmedical care, serving six (6) or fewer persons (not including the operator, the operator's family or persons employed as staff) in need of supervision, personal services, or assistance essential for sustaining the activities of daily living or for the protection of the individual. Also see "Group care home" for seven (7) or more persons.

17.12.020 - Permitted uses. (R-BA)

The following permitted uses shall be allowed in the R-BA district:

- A. Single-family dwellings.
- B. Accessory structures and uses incidental to a permitted use, including personal cultivation of cannabis in compliance with Title 8, Chapter 8.12.
- C. Home occupations, conducted in accordance with the regulations prescribed in Chapter 17.44 of this title.
- D. Small family day care homes.
- E. Large family day care homes.
- F. Accessory dwelling units and junior accessory dwelling units, in accordance with Chapter 17.43 of this title.
- ~~F. Accessory dwelling units and junior accessory dwelling units, when authorized by a permit under Chapter 17.43 of this title.~~

Chapter 17.32.070 - Exceptions – Setback requirements.

- A. Notwithstanding any other provision of this title, certain structures or portions thereof may extend into a front, rear or side setback area to the extent permitted by the following chart:
 - 1. Projections from a Building.
 - a. Overhanging Architectural Features (Such as Eaves, Cornices Canopies, Rain Gutters and Downspouts).

Front setback area:	May extend three (3) feet from the building into the front setback
Rear setback area:	May extend three (3) feet from the building into the rear setback
Side setback area:	May extend three (3) feet from the building into the side setback area, but no closer than two and one-half (2½) feet from the side lot line. Rain gutters and downspouts may extend no closer than two (2) feet from the side lot line. In the R-1 district, a noncombustible awning over the main entrance to a residence located at the side of the structure may extend four (4) feet from the building into any portion of the side setback area, but shall not extend over or drain

- b. Cantilevered Windows No Greater Than Ten (10) Feet in Length That Do Not Include Any Floor Area (Such as Bay, Box, Bow, and Greenhouse Windows).

Front setback area:	May extend three (3) feet from the building into the front setback area, but no closer than five (5) feet from the front lot line.
Rear setback area:	May extend three (3) feet from the building into the rear setback area, but no closer than seven (7) feet from the rear lot line.
Side setback area:	May extend two (2) feet into the side setback area, but no closer than three (3) feet from the side lot line.

c. Supported Decks, Cantilevered Decks and Balconies.

Front setback area:	May extend five (5) feet from the building into the front setback area, but no closer than five (5) feet from the front lot line. Decks may be located atop a garage or carport approved under Section 17.32.070(A)(3)(a) and may extend to the front of the garage, but the railings of such deck may not exceed fifteen (15) feet in height above the elevation of the center of the adjacent street or four (4) feet from the surface of the deck, whichever is less, while at the same time maintaining the minimum railing height required by the building code.
Rear setback area:	May extend five (5) feet from the building into the rear setback area, but no closer than five (5) feet from the rear lot line. This exception shall not apply to the NCRO district.
Side setback area:	No exception permitted.

Modifications. The planning commission may approve a modification to the foregoing exceptions if there are not more than two (2) units on the site and the planning commission is able to make all of the following findings:

- i. The modification is necessary in order to gain access to the property or to the dwelling unit on the property.
- ii. The modification is necessary because of unusual or special circumstances relating to the configuration of the property.
- iii. The visual impacts of the modification have been minimized.

d. Deck Railings within Setback Areas.

Front setback area:	May not be higher than four (4) feet from the surface of the deck.
Rear setback area:	May not be higher than four (4) feet from the surface of the deck.

Side setback area:	No exception permitted.
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- e. Stairs, Ramps and Landings (That Are Open and Uncovered and Serve Buildings with No More Than Two Units).

Front setback area:	No more than one set of stairs per dwelling unit may extend from the building into the front setback area. Each set of stairs must lead to the front entrance of the unit. The height of the stairway within the front setback area shall not exceed twenty (20) feet. Stairs on grade, sidewalks, and other flatwork constructed of noncombustible materials may be located anywhere within the front setback area.
Rear setback area:	No more than one set of stairs per dwelling unit may extend from the building into the rear setback area, but no closer than five (5) feet from the rear lot line. Stairs on grade, sidewalks, and other flatwork constructed of noncombustible materials may be located anywhere within the rear setback area.
Side setback area:	No more than one set of stairs per dwelling unit may extend from the building into the side setback area, but no closer than three (3) feet from the side lot line. Stairs on grade, sidewalks, and other flatwork constructed of noncombustible materials may be located anywhere within the side setback area.

Modifications. The planning commission may approve a modification to the foregoing exceptions for stairs, ramps and landings if there are not more than two units on the site and the planning commission is able to make all of the following findings:

- i. The modification is necessary in order to gain access to the property or to the dwelling unit on the property.
- ii. The modification is necessary because of unusual or special circumstances relating to the configuration of the property.
- iii. The visual impacts of the modification have been minimized.

The planning commission may also approve a modification to the foregoing exceptions as part of a design permit being granted for three (3) or more units on the site, if the commission is able to make all of the findings listed above.

- f. Accessibility Improvements (Such as Ramps, Elevators, and Lifts).

All Setback Areas. Accessibility improvements, such as ramps, elevators and lifts, may be allowed within any front, rear or side area setback upon the granting of an accessibility improvement permit by the zoning administrator, following the conduct of a hearing with ten (10) days' notice thereof being given to the owners of all adjacent

properties. The zoning administrator may issue the accessibility improvement permit if he or she finds and determines that:

- i. The exception is necessary to meet special needs for accessibility of a person having a physical handicap which impairs his or her ability to access the property and cannot be addressed through the standard exceptions to the setback area requirements under this Section 17.32.070.
- ii. Visual impacts of the accessibility improvements located within a setback area have been minimized.
- iii. The accessibility improvements will not create any significant adverse impacts upon adjacent properties in terms of loss of privacy, noise or glare.
- iv. The accessibility improvements will be constructed in a sound and workmanlike manner, in compliance with all applicable provisions of the building and fire codes.

2. Small Free-Standing Structures.

- a. Small Accessory Buildings and Roofed Structures (Such as Gazebos, Greenhouses, Garden and Utility Sheds).

Front setback area:	No exception permitted.
Rear setback area:	May be placed at any location within the rear setback area which is not less than five (5) feet from the rear lot line or three (3) feet from the interior side lot line, provided the building or structure, or portion thereof, within the rear setback area does not exceed eight (8) feet in height and does not have a floor area in excess of one hundred twenty (120) square feet.
Side setback area:	May be placed at any location within the interior side setback area which is not less than three (3) feet from the interior side lot line, provided the building or structure, or portion thereof, within the interior side setback area does not exceed eight (8) feet in height and does not have a floor area in excess of one hundred twenty (120) square feet. No exception is permitted for an exterior side setback area.

Modifications. The zoning administrator may approve a modification to the foregoing exceptions for small accessory buildings and roofed structures, following the conduct of a hearing with ten (10) days' notice thereof being given to the owners of all adjacent properties, if the zoning administrator is able to make all of the following findings:

- i. The modification will not result in overbuilding the site or result in the removal of significant greenscape.

- ii. The modification will not create any significant adverse impacts upon adjacent properties in terms of loss of privacy, noise, or glare.
- iii. The accessory structure is designed to be compatible with the primary dwelling(s) on the site.

A building permit shall be required to construct or install any accessory structure for which a modification has been granted under this subsection.

- b. Unroofed and Openwork Roofed Garden Structures (Such as Arbors, Porticos, Trellises and Lath Houses).

Front setback area:	May not exceed eight (8) feet in height or cover more than fifteen percent (15%) of the front setback area.
Rear setback area:	May be placed at any location within the rear setback area which is not less than five (5) feet from the rear lot line, provided the structure, or portion thereof, within the rear setback area does not exceed eight (8) feet in height and does not cover more than fifteen percent (15%) of the rear setback area.
Side setback area:	May be placed at any location within the side setback area which is not less than three (3) feet from the side lot line, provided the structure, or portion thereof, within the side setback area does not exceed eight (8) feet in height and does not cover more than fifteen percent (15%) of the side setback area.

Modifications. The zoning administrator may approve a modification to the foregoing exceptions for unroofed and openwork roofed garden structures, following the conduct of a hearing with ten (10) days' notice thereof being given to the owners of all adjacent properties, if the zoning administrator is able to make all of the following findings:

- i. The modification will not result in overbuilding the site or result in the removal of significant greenscape.
- ii. The modification will not create any significant adverse impacts upon adjacent properties in terms of loss of privacy, noise, or glare.
- iii. The accessory structure is designed to be compatible with the primary dwelling(s) on the site.

3. Miscellaneous Improvements.

- a. Garages and Carports and Parking Decks on Slopes of Fifteen Percent (15%) or Greater.
- b. Decorative Artwork, Ponds, Fountains and Similar Water Features, Not More Than Six (6) Feet in Height.

c. Existing Permitted Garages or Accessory Buildings Converted into Accessory Dwelling Units.

Front setback area:	May be placed at any location within the front setback area.
Rear setback area:	May be placed at any location within the rear setback area.
Side setback area:	May be placed at any location within the side setback area.

4. ~~Detached~~ Accessory Dwelling Units

a. Exceptions to the setback requirements for ~~detached~~ accessory dwelling units shall be as established in Chapter 17.43.

a.b. ~~Attached accessory dwelling units within a principle or primary are subject to the setback exceptions contained within Section 17.32.070.~~

B. The exceptions set forth in subsection A of this Section 17.32.070 shall not be construed to include chimney boxes, swimming pools and spas, exposed plumbing, or mechanical equipment such as heating and air conditioning units or pool pumps, and no exceptions to the setback requirements shall be permitted for any of these structures.

C. Any structure, architectural feature, wall, or other improvement lawfully constructed within a setback area and constituting a nonconforming structure as defined in Section 17.02.560, may be allowed to continue in accordance with Chapter 17.38 of this title.

Chapter 17.34.020 – Minimum requirements. (Parking)

- A. The following minimum parking requirements shall apply to all buildings erected, new uses commenced, and to the area of extended uses commenced after the effective date of this Chapter. For any use not specifically mentioned in this Chapter, the planning commission shall determine the amount of parking required. All required off-street parking facilities shall be on-site unless specified differently in this Chapter or as permitted under Title 12 of this Code. Required off-street parking facilities need not be provided as covered parking unless specified differently in this chapter:

Uses:	Parking Requirements:
Single-family dwellings and group care homes:	
Studio or 1-bedroom dwellings not more than 900 square feet in floor area:	1 off-street space (uncovered or covered).
All other dwellings not exceeding 1,800 square feet in floor area:	1 off-street space plus 1 space which shall be in a garage or carport.
Dwellings exceeding 1,800 square feet in floor area on lots having less than 37.5 feet in frontage:	2 off-street spaces plus 1 space which shall be in a garage or carport.
Dwellings exceeding 1,800 square feet in floor area on lots of 37.5 feet frontage or greater:	2 on-street or off-street spaces plus 2 spaces which shall be in a garage or carport.

Uses:	Parking Requirements:
	See Section 17.34.020(B)(1) regarding garage and carport exclusions from the floor area calculation.
	Additional guest parking spaces shall be provided for all residential subdivisions of 5 or more single-family residences, at the rate of 1 parking space for every 5 units. Such spaces shall be located entirely within the public right-of-way and available for public use. Any accessible parking spaces required per Section 17.34.040(D) shall count as guest parking spaces.
Accessory dwelling units	In the R-1, R-2, R-3, NCRO-2, SCRO-1, PAOZ-1, or PAOZ-2 Districts: No off-street parking required. In the R-BA and PD Districts: 1 off-street parking space (uncovered or covered) <u>per accessory dwelling unit or per bedroom, whichever is less</u>, unless <u>any of the following criteria applies</u>: <u>1. the The accessory dwelling unit is located within one-half mile walking distance of public transit;</u> <u>2. , or the The accessory dwelling unit is part of the proposed or existing dwelling, as defined in Section 17.02.235, or an accessory structure as defined in subsection B of Section 17.02.755;</u> <u>3. Where the accessory dwelling unit is located within an architecturally and historically significant historic district;</u> <u>4. When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit; or</u> <u>1.5. When there is a car share vehicle located within one block of the accessory dwelling unit.</u>
Junior accessory dwelling units	No off-street parking required.

Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units

17.43.010 - Purposes of chapter.

Accessory dwelling units and junior accessory dwelling units are permitted under this chapter to achieve the following purposes:

- A. To provide opportunities to establish accessory dwelling units and junior accessory dwelling units on building sites developed with existing or proposed single-family dwellings, duplexes, or multiple-family dwellings.
- B. To provide affordable housing to meet the needs of Brisbane citizens.
- C. To ensure that the development of accessory dwelling units is compatible with existing development and reflects the diversity of the community.
- D. To implement and promote the goals and policies of the general plan so as to guide and manage residential development in the city in accordance with such plan.

17.43.020 - Definitions.

In addition to the definitions set forth in Chapter 17.02, all of which are applicable to this chapter, the following words and phrases shall have the meanings respectively ascribed to them in this section, in accordance with Chapter 13 to Division 1 of Title 7 of the Government Code, or successor provisions, unless the context or the provision clearly requires otherwise:

"Impact fees" include the fees specified in Sections 66000 and 66477 of the Government Code, but do not include utility connection fees or capacity charges.

"Living area" means the interior habitable area of a main dwelling unit, including basements and attics but not including a garage or any accessory structure.

"Main dwelling" means that dwelling unit on the property that is not an accessory dwelling unit or a junior accessory dwelling unit.

"Efficiency kitchen" means a kitchenette or a small kitchen or part of a room equipped as a kitchen in a junior accessory dwelling unit and shall include all of the following: (1) a cooking facility with appliances, and (2) a food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit.

"Multiple-family dwellings" means a dwelling than contains two (2) or more attached dwelling units (including a "duplex"), provided, however, that a property containing a single-family dwelling and an attached lawful accessory dwelling unit ~~(either attached and detached)~~ and/or a junior accessory dwelling unit shall not be deemed a multiple-family dwelling. The term does not include a dwelling group as defined in Section 17.02.235.

"State-exempt accessory dwelling unit" means an accessory dwelling unit that is not subject to development or design standards, including both standards within this title and standards found in state accessory dwelling unit law that are not specifically listed in Government Code §66323. This includes, but is not limited to, parking, height, setbacks, or other zoning provisions (e.g., lot size, open space, floor area ratio, etc.). See Section 17.43.070(A) for accessory dwelling units that are may be considered state-exempt accessory dwelling units.

17.43.030 – Permit Requirements.

- A. Except as provided by subsection C of this Section 17.43.030, building permit applications for junior accessory dwelling units or accessory dwelling units shall be ministerially processed within sixty (60) days of receipt of a complete building permit application and approved if they meet the requirements of this chapter. Incomplete applications will be returned to the applicant with a written explanation of the additional information required for approval.
- B. Notwithstanding subsection A, if the building permit application submitted will also create a new single-family dwelling or multiple-family dwelling on the lot, the application for the junior accessory dwelling unit or accessory dwelling unit(s) shall not be acted upon until the building permit application for the new single-family dwelling or multiple-family dwelling is approved, but thereafter shall be ministerially processed within sixty (60) days of receipt of a complete application and approved if it meets the requirements of this chapter. Occupancy of the junior accessory dwelling unit or accessory dwelling unit(s) shall not be allowed until the City approves occupancy of the main dwelling.
- C. The City shall grant a delay in processing an application for an accessory dwelling unit or junior accessory dwelling unit if requested by the applicant in writing.
- D. All junior accessory dwelling unit and accessory dwelling unit applications shall be subject to building inspection and permit fees as established by resolution of the City Council and water and sewer connection and capacity fees in compliance with Title 13, except that:
 - 1. No impact fees may be imposed on a junior accessory dwelling unit or accessory dwelling unit that is less than seven hundred fifty (750) square feet.
 - 2. For accessory dwelling units that have a floor area of seven hundred fifty (750) square feet or more, impact fees shall be charged proportionately in relation to the current impact fees for the square footage of the main dwelling.
- ~~E. Construction of an accessory dwelling unit and/or junior accessory dwelling unit in the R-BA Brisbane Acres Residential District shall require submittal of an application for an accessory dwelling unit permit in addition to an application for a building permit. Accessory dwelling unit permits shall be granted ministerially by the director of community development pursuant to this chapter within sixty (60) days of receipt of a complete permit application in accordance with Section 65852.2 of the California Government Code.~~

17.43.040 – Development regulations for accessory dwelling units.

Accessory dwelling units shall comply with all of the following development standards:

- A. Zoning Districts. Accessory dwelling units may only be established or occupied in the R-1, R-2, R-3, R-BA, NCRO-2, SCRO-1, PAOZ-1, PAOZ-2 and PD zoning districts with an existing or proposed single-family ~~or~~ multiple-family dwelling, or dwelling group.
- B. Density. An accessory dwelling unit that conforms to this ~~Chapter~~ chapter 17.43 shall be deemed to be an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot upon which it is located. The

accessory dwelling unit shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot and shall not be considered in the application of any City ordinance, policy, or program to limit residential growth.

C. Lot Size. There is no minimum lot size requirement.

D. Number of Units.

1. Notwithstanding subsection 3., no more than one accessory dwelling unit may be constructed on any lot developed with a single-family dwelling, multiple-family dwelling, or dwelling group, except that multiple state-exempt accessory dwelling units may be constructed in accordance with Section 17.43.070.
2. The maximum number of accessory dwelling units permitted on any lot developed with a multiple-family dwelling shall comply with Section 17.43.050 of this chapter.
- ~~2-3.~~ No more than a total of four (4) dwelling units, including accessory dwelling units, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title.

E. Attached or Detached. Accessory dwelling units may be attached to or located within the existing or proposed main dwelling, including garages, storage areas, or accessory structures, or detached from the main dwelling on the same lot.

F. Unit Size. Accessory dwelling units shall not exceed one thousand (1,000) square feet in floor area, as defined in Section 17.02.315 of Chapter 17.02 of this title.

1. Unit size for state-exempt accessory dwelling units is established under Section 17.43.070(C).

F.G. Setbacks. Accessory dwelling units shall be subject to the following setback requirements:

1. Front Setback: The minimum front setback shall be as established in the underlying zoning district regulations.
 - a. State-exempt units may be located anywhere in the front setback area.
2. Side Setback. Accessory dwelling units ~~on a lot of forty (40) feet or more in width shall have a minimum side setback of four (4) feet. Accessory dwelling units on a lot with a width of less than forty (40) feet shall provide minimum side setbacks in compliance with the underlying zoning district regulations.~~ on any lot shall have a side setback of at least four (4) feet or as established in the underlying zoning district, whichever is less.
3. Rear Setback. Accessory dwelling units on any lot shall have a rear setback of at least four (4) feet.
4. No setback shall be required for an existing, legally permitted living area, garage, or accessory structure with nonconforming setbacks that is converted to an accessory dwelling unit or a portion of an accessory dwelling unit or an

accessory dwelling unit constructed in the same location and to the same dimensions, including height, as an existing, legally permitted living area, garage, or accessory structure with nonconforming setbacks.

5. Setback exceptions for detached accessory dwelling units.

- a. Overhanging Architectural Features (Such as Eaves, Cornices Canopies, Rain Gutters and Downspouts). May extend into required setback areas, but no closer than 2½ feet from the side lot line. Rain gutters and downspouts may extend no closer than 2 feet from the side lot line. A noncombustible awning over the main entrance to an accessory dwelling unit may into any portion of the setback area, but shall not extend over or drain onto an abutting property.
- b. Stairs, Ramps and Landings (That Are Open and Uncovered). Shall be constructed of noncombustible material. No more than 1 set of stairs per accessory dwelling unit may extend from the structure into required setback areas. Stairs on grade, sidewalks, and other flatwork constructed of noncombustible materials may be located anywhere within setback areas.
- c. Supported Decks, Cantilevered Decks and Balconies. Shall be no closer than 4 feet from any property line or as the minimum setback required within the underlying zoning district, whichever is less.
- d. No exceptions to the setback requirements shall be permitted for any of the following: cantilevered windows (such as bay, box, bow, and greenhouse windows); chimney boxes; exposed plumbing; or mechanical equipment such as heating, air conditioning units, or heat pumps.

4-6. Setback exceptions for attached accessory dwelling units are as provided in Section 17.32.070 of this title.

H. Lot Coverage. Accessory dwelling units shall be included in calculating the lot coverage for the lot on which the accessory dwelling unit is located.

- 1. ~~State except for accessory dwelling units eight hundred (800) square feet or less in floor area and no more than sixteen (16) feet in height. exempt~~ accessory dwelling units shall be excluded from lot coverage requirements.

I. Floor Area Ratio. The floor area of the accessory dwelling unit shall be included in calculating the floor area ratio for the lot on which the accessory dwelling unit is located.

- 2-1. ~~except that~~ State-exempt accessory dwelling units shall be excluded from floor area ratio calculations.
- 3. ~~Accessory dwelling units eight hundred (800) square feet or less in floor area and no more than sixteen (16) feet in height, if detached, are exempt from calculating the floor area ratio for the lot; and~~
- 4. ~~Accessory dwelling units proposed within the space of a single-family dwelling or existing accessory structure may include an expansion of not more than one hundred fifty (150) square feet beyond the physical dimensions of the existing accessory structure or single-family dwelling, provided however, that the expansion of the single-family dwelling or accessory structure shall be limited to~~

~~accommodating ingress and egress for the accessory dwelling unit, the setbacks of the expansion shall comply with the setback standards set forth in subsection G of Section 17.43.040 or of the underlying zoning district if the accessory dwelling unit is attached to the single-family dwelling, and shall be compliant with building, health, and fire codes.~~

J. Height.

1. Attached Accessory accessory dwelling units shall not exceed two stories and shall be subject to the height maximum established in the underlying zoning district.

5-2. Detached accessory dwelling units shall not exceed eighteen (18) feet.

G-K. Required Facilities. An accessory dwelling unit shall include all of the following facilities:

1. A kitchen, including a sink, food preparation counter, storage cabinets, and permanent cooking facilities such as a range or cooktop and oven, that meet Building Code standards; and
2. A full bathroom, including sink, toilet, and shower and/or bath facilities.

H-L. Landscaping. Accessory dwelling units shall be subject to the landscaping requirements of the underlying zoning district except that state-exempt accessory dwelling units are exempt from landscaping requirements.

M. Parking. Parking spaces for the main dwelling and accessory dwelling units shall be provided in accordance with the requirements set forth in Chapter 17.34, except that state-exempt accessory dwelling units are exempt from parking requirements.

1. ~~except that when~~When a garage, carport, ~~or~~ covered parking structure, or uncovered parking space is demolished or converted in conjunction with the construction of an accessory dwelling unit, any parking spaces that were provided by such garage, carport, ~~or~~ covered parking structure, or uncovered parking space are not required to be replaced.

I-N. Unit Access.

1. As required by Section 17.01.060, the lot on which the accessory dwelling unit is located shall have a legal means of access to the public right of way that complies with the street standards set forth in Section 12.24.010.
2. A separate exterior entry from the main entrance to the main dwelling shall be required to serve each attached accessory dwelling unit. Interior entry access between an accessory dwelling unit and the main dwelling is permitted, provided that the interior entry is located off a common living area of the main dwelling, such as a living room, family room, dining room, kitchen, or an interior hallway leading to common living areas.

J-O. Utilities. The lot is served by adequate water, sewer, and storm drain facilities which comply with city standards as established per Title 13 of this Code. An accessory dwelling unit shall not be considered a new residential use for the purposes of calculating connection fees or capacity charges for water and sewer

service provided by the City, pursuant to Title 13 of this Code. As to the main dwelling, a separate water connection, a separate sewer service connection, or a separate power connection for water, sewer, and power service is not required for an accessory dwelling unit.

~~K.P.~~ Compliance with Codes. The accessory dwelling unit and all new construction on the lot that will be performed in connection therewith shall comply with all applicable provisions of this title and all applicable building, health and fire codes.

1. Accessory dwelling units shall not be required to provide fire sprinklers except when fire sprinklers are required for the main dwelling, as determined by the building official consistent with Chapter 15.10.

17.43.050 - Accessory dwelling units in multiple-family dwellings.

A. Accessory dwelling units on lots with existing or proposed multiple-family dwellings shall comply with the development regulations established in Section 17.43.040 of this chapter, except that multiple state-exempt accessory dwelling units may be constructed in accordance with subsection B.

B. Multiple state-exempt accessory dwelling units shall be allowed on lots with existing or proposed multiple-family dwellings, as defined in Section 17.43.020, in accordance with Section 17.43.070 as follows:

1. Attached Accessory Dwelling Units. At least one (1) attached accessory dwelling unit shall be allowed per lot developed with an existing multiple-family dwelling.

a. The total number of attached accessory dwelling units permitted shall not exceed a maximum of twenty-five percent (25%) of the total number of existing dwelling units within the existing multiple-family dwelling.

b. Attached accessory dwelling units shall be allowed within existing portions of multiple-family dwellings that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided, that each accessory dwelling unit complies with state building standards for dwellings. An accessory dwelling unit shall not be created within any portion of the habitable area of an existing dwelling unit in a multiple-family dwelling.

2. Detached Accessory Dwelling Units. Multiple detached accessory dwelling units, not to exceed the numbers specified below, as applicable, shall be allowed on a lot that has an existing or proposed multi-family dwelling provided that all detached accessory dwelling units shall be state-exempt accessory dwelling units constructed in accordance with Section 17.43.070.

a. Existing Multiple-Family Dwelling. In addition to attached accessory dwelling units permitted under subsection A, not more than eight (8) detached accessory dwelling units, provided that the number of detached accessory dwelling units shall not exceed the number of existing main dwelling units on the lot.

b. Proposed Multiple-Family Dwelling. Not more than two (2) detached accessory dwelling units may be allowed.

~~In addition to compliance with the development regulations established in Section 17.43.040 of this chapter, accessory dwelling units on lots with existing multiple-family dwellings shall also comply with all of the following criteria:~~

~~A. At least one attached accessory dwelling unit shall be allowed per lot developed with a multiple-family dwelling.~~

- ~~1. The total number of attached accessory dwelling units permitted shall not exceed a maximum of twenty-five percent (25%) of the total number of existing dwelling units within the existing multiple-family dwelling.~~
- ~~2. Attached accessory dwelling units shall be allowed within existing portions of multiple-family dwellings that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided, that each accessory dwelling unit complies with state building standards for dwellings. An accessory dwelling unit shall not be created within any portion of the habitable area of an existing dwelling unit in a multiple-family dwelling.~~

~~B. In addition to attached accessory dwelling units permitted under subsection A, not more than two detached accessory dwelling units may be allowed on a lot developed with a multiple-family dwelling. Detached accessory dwelling units shall be subject to the following standards:~~

- ~~1. Setbacks. The setback requirements of Section 17.43.040 of this Chapter apply.~~
- ~~2. Floor Area. Detached accessory dwelling units may not exceed eight hundred (800) square feet in floor area per unit.~~
- ~~3. Height. Detached accessory dwelling units shall not exceed sixteen (16) feet in height.~~

17.43.060 - Development regulations for junior accessory dwelling units.

Junior accessory dwelling units shall comply with all of the following development standards:

- A. Zoning Districts. Junior accessory dwelling units may only be established or occupied on lots in the R-1, R-2, R-3, R-BA, NCRO-2, SCRO-1, PAOZ-1, and PD zoning districts with an existing or proposed single-family dwelling.
- B. Density. A junior accessory dwelling unit that conforms to this Chapter 17.43 shall be deemed to be an accessory use and shall not be considered to exceed the allowable density for the lot upon which it is located. The junior accessory dwelling unit shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot and shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.
- C. Lot Size. There is no minimum lot size requirement.
- D. Number of Units.

1. ~~Notwithstanding subsection 3., no~~ more than one junior accessory dwelling unit may be constructed on any lot developed with an existing or proposed single-family dwelling.
2. A junior accessory dwelling unit may be permitted on a lot with an accessory dwelling unit, provided ~~that the the following criteria are met~~accessory dwelling unit(s) qualify as state-exempt units in accordance with Section 17.43.070.:
- 2-3. No more than a total of four (4) dwelling units, including junior accessory dwelling units, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title.
 - a. ~~The accessory dwelling unit is fully detached and the junior accessory dwelling unit is within an existing or proposed single-family dwelling; and~~
 - b. ~~The detached accessory dwelling unit does not exceed a total floor area of more than eight hundred (800) square feet and a height limitation of sixteen (16) feet.~~

E. Floor Area Requirements.

1. Junior accessory dwelling unit shall not exceed five hundred (500) square feet in floor area and shall be constructed within the existing walls of the main dwelling. For purposes of this section, enclosed uses within the main dwelling, such as attached garages, are considered a part of the proposed or existing single-family residence.
2. The floor area of the junior accessory dwelling unit shall be included in calculating the floor area ratio for the lot on which the junior accessory dwelling unit is located and subject to the maximum floor area ratio established in the underlying zoning district.
 - a. State-exempt junior accessory dwelling units shall be excluded from floor area ratio calculations.
 - b. ~~Exemption: A junior accessory dwelling unit may expand the main dwelling by not more than one hundred fifty (150) square feet beyond the physical dimensions of the main dwelling, provided that the expansion of the main dwelling shall be limited to accommodating ingress and egress for the junior accessory dwelling unit. The setbacks of the expansion shall comply with the setback standards of the underlying zoning district and shall be compliant with building, health, and fire codes.~~

F. Unit Access.

1. As required by Section 17.01.060, the lot on which the junior accessory dwelling unit is located shall have a legal means of access to the public right of way that complies with the street standards set forth in Section 12.24.010.
2. A separate exterior entry from the main entrance to the main dwelling shall be provided to serve the junior accessory dwelling unit only. Interior entry access between the junior accessory dwelling unit and the main dwelling is permitted,

provided that the interior entry is located off a common living area of the main dwelling, such as a living room, family room, dining room, kitchen, or an interior hallway leading to these common living areas.

- G. Required Facilities. A junior accessory dwelling unit shall include all of the following facilities:
1. At a minimum, an efficiency kitchen.
 2. Sanitation facilities, but such facilities may be separated from or shared with the main dwelling.
- H. Owner Occupancy. Either the main dwelling or the junior accessory dwelling unit shall be occupied by the record owner of the property as the owner's principal place of residence. In the case of ownership by a corporation, limited liability company, partnership, trust or association, either the main dwelling or the junior accessory dwelling unit shall be the principal place of residence of an officer, director, shareholder, or member of the company, a partner in the partnership, a trustor or beneficiary of the trust, a member of the association, or an employee of any such organization. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.
- I. Recordation of Declaration of Restrictions.
1. A Declaration of Restrictions shall be recorded to run with the land that indicates the following:
 - a. Only one unit may be occupied solely by persons other than the owner or owners of record;
 - b. If a junior accessory dwelling unit is rented, the unit shall not be rented for a period of less than 30 consecutive calendar days;
 - c. Sale of the junior accessory dwelling unit separately from the main dwelling is prohibited; and
 - d. The approved size and attributes of the junior accessory dwelling unit.
 2. A copy of this Declaration of Restrictions must be given to each prospective purchaser or occupant.
- J. Parking. Parking spaces for the main dwelling and junior accessory dwelling unit shall be provided in accordance with the requirements set forth in Chapter 17.34 of this title.
- ~~3.1.~~ When a garage is converted in conjunction with the construction of a junior accessory dwelling unit, any parking spaces that were provided by such garage are not required to be replaced.-
- J.K. Utilities. The lot shall be served by adequate water, sewer, and storm drain facilities which comply with city standards as established per Title 13 of this Code. A junior accessory dwelling unit shall not be considered a new residential use for the purposes of calculating connection fees or capacity charges for water and sewer service provided by the City.

~~K-L.~~ Compliance with Codes. The junior accessory dwelling unit and all new construction on the lot that will be performed in connection therewith shall comply with all applicable provisions of this title and all applicable building, health, and fire codes.

1. Junior accessory dwelling units shall not be required to provide fire sprinklers except when fire sprinklers are required for the main dwelling, as determined by the building official consistent with Chapter 15.10.

17.43.070 – State-exempt Accessory and Junior Accessory Dwelling Units

A. The following types of units shall be considered state-exempt accessory dwelling units when all requirements and development regulations indicated under subsection C., are met:

1. An accessory dwelling unit within the proposed space of a single-family dwelling, or existing space of a single-family dwelling or accessory structure.
2. A newly constructed, detached accessory dwelling unit.
3. Accessory dwelling units constructed within an existing multiple-family dwelling structure not used as livable space.
4. Detached accessory dwelling units on a lot with an existing or proposed multiple-family dwelling.
5. A junior accessory dwelling unit within the proposed space of a single-family dwelling or existing space of a single-family dwelling when combined with an accessory dwelling unit from subsections A.1., or A.2., above.

B. The following state-exempt accessory dwelling units are allowed as follows:

<u>State-exempt ADU Type</u>	<u>Allowed on any lot with a Single-family Main Dwelling¹</u>	<u>Allowed on any lot with a Multiple-family Main Dwelling²</u>
<u>1. ADU constructed within proposed or existing SFD</u>	<u>Yes</u>	<u>No</u>
<u>2. Newly constructed, detached ADU</u>	<u>Yes</u>	<u>No</u>
<u>3. ADUs constructed in existing MFD not used as livable</u>	<u>No</u>	<u>Yes</u>
<u>4. Multiple detached ADUs</u>	<u>No</u>	<u>Yes</u>
<u>5. JADUs</u>	<u>Yes</u>	<u>No</u>
<u>¹ Any combination of type 1, 2, or 5 state-exempt units may be combined on a single lot with a single-family main dwelling. Provided, however, no more than a total of 4 dwelling units, including ADUs and JADUs, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title.</u>		
<u>² Any combination of type 3 or 4 state-exempt units may be combined on a single lot with a multiple-family main dwelling.</u>		

C. The following shall apply to state-exempt units, in addition to compliance with the development regulations established in Sections 17.43.040 thru 17.43.060 above:

<u>State-Exempt ADU Type</u>	<u>Requirements and Provisions in Addition to Development Regulations</u>	<u>Applicable Development Regulations</u>
<u>1. ADU constructed within proposed or existing SFD</u>	<u>a. No limitation on unit size.</u> <u>b. When proposed within an existing accessory structure, the accessory structure may expand one hundred fifty (150) square feet from the existing structure for ingress and egress.</u> <u>c. Side and rear setbacks shall be sufficient for fire and safety, as determined by the building official.</u>	<u>§17.43.040</u>
<u>2. Newly constructed, detached ADU</u>	<u>a. Shall not exceed eight hundred (800) square feet in floor area.</u>	<u>§17.43.040</u>
<u>3. ADUs constructed in existing MFD non-livable space(s)</u>	<u>a. No limitation on unit size.</u> <u>b. Non-livable space(s), shall include, but is not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings.</u> <u>c. The planning director shall have authority to render administrative interpretations of what constitutes livable space. Any administrative interpretation by the Planning Director may be appealed to the Planning Commission in accordance with the procedure set forth in Chapter 17.52 of this title.</u>	<u>§17.43.040 & §17.43.050</u>
<u>4. Multiple detached ADUs</u>	<u>a. No limitation on unit size.</u>	<u>§17.43.040 & §17.43.050</u>
<u>5. JADUs</u>	<u>a. Side and rear setbacks shall be sufficient for fire and safety, as determined by the building official.</u>	<u>§17.43.060</u>

17.43.~~070-080~~ - Prohibition on sale and limitation on rental.

- A. Accessory dwelling units and junior accessory dwelling units shall not be sold separately from the main dwelling(s).
- B. If an accessory dwelling unit or junior accessory dwelling unit is rented, the unit shall not be rented for a period of less than 30 consecutive calendar days.

17.43.~~080-090~~ – Delay of enforcement of building standards.

- A. Prior to January 1, 2030, the owner of an accessory dwelling unit that was built before January 1, 2020, may submit an application to the building official requesting that correction of any violation of building standards be delayed for five years. For the purposes of this section, “building standards” refer to those standards enforced by local agencies under the authority of Section 17960 and following of the California Health and Safety Code.
- B. The building official shall grant any application submitted under subsection A of this Section if the building official determines that enforcement of the building standard is not necessary to protect health and safety. In making this determination, the building official shall consult with the fire marshal.
- C. No applications submitted pursuant to this section shall be approved on or after January 1, 2030; provided, however, any delay to correct a violation that was approved by the building official before January 1, 2030, shall be valid for the full term of the delay that the building official approved at the time the building official approved the application.
- D. Until January 1, 2030, any notice to correct a violation of building standard that is issued to the owner of an accessory dwelling unit built before January 1, 2020 shall include a statement that the owner has a right to request a delay in enforcement of the building standard for an accessory dwelling unit pursuant to this section.
- E. This section shall remain in effect until January 1, 2035, and as of that date is repealed.

17.43.~~090-100~~ - Appeals.

Any decision or determination by the ~~director of community development~~Planning Director or building official pursuant to this chapter may be appealed in accordance with the procedure set forth in Chapter 17.52 of this title.

draft
ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF BRISBANE
 AMENDING BMC CHAPTERS 15.10, 17.02, 17.12, 17.16, 17.32, 17.34, AND 17.43 TO
 AMEND REGULATIONS PERTAINING TO
 ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS**

The City Council of the City of Brisbane hereby ordains as follows:

SECTION 1: Section 15.10.040 - Definitions in Chapter 15.10 – Additions, alterations, and major rebuilds to existing buildings of the Municipal Code is amended to read as follows:

(Subsections A and B, no change)

C. “Floor Area” shall mean the sum of the gross horizontal areas of all floors of all buildings or structures measured from the interior face of the exterior walls, but excluding each of the following:

1. Any area where the floor to ceiling height is less than six (6) feet.
2. Any detached garage or other detached accessory structure which does not constitute habitable space.
3. Any attached carport or covered deck.
4. Any attached or detached accessory dwelling unit eight hundred (800) square feet or less in gross horizontal area that, if detached, does not exceed eighteen (18) feet in height, where authorized pursuant to Chapter 17.43 of Title 17 of this Code.

(Subsections D and E, no change)

SECTION 2: Section 17.02.235 - Dwelling in Chapter 17.02 - Definitions of the Municipal Code is amended to read as follows:

(Subsections A through D, no change)

E. "Accessory dwelling unit" means a separate dwelling unit created upon a site that contains a single-family dwelling, duplex, or multiple-family dwelling. Subject to the restrictions of this title, the accessory dwelling unit may be within, attached to, or detached from the single-family dwelling, duplex, or multiple-family dwelling. An accessory dwelling unit shall include permanent provisions for living, sleeping, eating, cooking, and sanitation. The term "secondary dwelling unit" shall have the same meaning throughout this title. An accessory dwelling unit also includes the following:

1. An efficiency unit, as defined in section 17958.1 of the Health and Safety Code.
2. A manufactured home, as defined in Section 18007 of the Health and Safety Code.

(Subsections F through H, no change)

SECTION 3: Section 17.12.020 - Permitted uses in Chapter 17.12 - R-BA Brisbane Acres Residential District of the Municipal Code is amended to read as follows:

The following permitted uses shall be allowed in the R-BA district:

- A. Single-family dwellings.
- B. Accessory structures and uses incidental to a permitted use, including personal cultivation of cannabis in compliance with Title 8, Chapter 8.12.
- C. Home occupations, conducted in accordance with the regulations prescribed in Chapter 17.44 of this title.
- D. Small family day care homes.
- E. Large family day care homes.
- F. Accessory dwelling units and junior accessory dwelling units, in accordance with Chapter 17.43 of this title.

SECTION 4: Section 17.32.070 – Exceptions – Setback requirements in Chapter 17.32 – General Use Regulations of the Municipal Code is amended to read as follows:

(Subsections A.1 through A1.3, no change)

3. Accessory Dwelling Units

- a. Exceptions to the setback requirements for detached accessory dwelling units shall be as established in Chapter 17.43.
- b. Attached accessory dwelling units within a principle or primary structure are subject to the setback exceptions contained within Section 17.32.070.

(Subsections B and C, no change)

SECTION 5: Section 17.34.020 – Minimum Requirements in Chapter 17.34 – Off-street Parking of the Municipal Code is amended to read as follows:

- A. The following minimum parking requirements shall apply to all buildings erected, new uses commenced, and to the area of extended uses commenced after the effective date of this chapter. For any use not specifically mentioned in this chapter, the planning commission shall determine the amount of parking required. All required off-street parking facilities shall be on-site unless specified differently in this chapter or as permitted under Title 12 of this code. Required off-street parking facilities need not be provided as covered parking unless specified differently in this chapter:

Uses:	Parking Requirements:
Single-family dwellings and group care homes:	
Studio or 1-bedroom dwellings not more than 900 square feet in floor area:	1 off-street space (uncovered or covered).
All other dwellings not exceeding 1,800 square feet in floor area:	1 off-street space plus 1 space which shall be in a garage or carport.

Dwellings exceeding 1,800 square feet in floor area on lots having less than 37.5 feet in frontage:	2 off-street spaces plus 1 space which shall be in a garage or carport.
Dwellings exceeding 1,800 square feet in floor area on lots of 37.5 feet frontage or greater:	2 on-street or off-street spaces plus 2 spaces which shall be in a garage or carport.
	See Section 17.34.020.B.1. regarding garage and carport exclusions from the floor area calculation.
	Additional guest parking spaces shall be provided for all residential subdivisions of 5 or more single-family residences, at the rate of 1 parking space for every 5 units. Such spaces shall be located entirely within the public right-of-way and available for public use. Any accessible parking spaces required per Section 17.34.040.D. shall count as guest parking spaces.
Accessory dwelling units	In the R-1, R-2, R-3, NCRO-2, SCRO-1, PAOZ-1, or PAOZ-2 Districts: No off-street parking required. In the R-BA and PD Districts: 1 off-street parking space (uncovered or covered) per accessory dwelling unit or per bedroom, whichever is less, unless any of the following criteria applies: 1. The accessory dwelling unit is located within one-half mile walking distance of public transit; 2. The accessory dwelling unit is part of the proposed or existing dwelling, as defined in Section 17.02.235, or an accessory structure as defined in subsection B of Section 17.02.755; 3. Where the accessory dwelling unit is located within an architecturally and historically significant historic district; 4. When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit; or When there is a car share vehicle located within one block of the accessory dwelling unit.
Junior accessory dwelling units	No off-street parking required.
Duplex or multiple family dwelling units; Mobile home park units:	
Studios	1 (uncovered or covered) space per unit.
1-bedroom units	1½ spaces (1 of which shall be covered) per unit; only 1 (covered) space required for units not over 900 square feet in floor area.
2-bedroom units	1½ spaces (1 of which shall be covered) per unit.

3-bedroom units or larger	2 spaces (1 of which shall be covered) per unit, plus 1 (uncovered or covered) space for units over 2,700 square feet.
	See Section 17.34.020.B.1. regarding garage and carport exclusions from the floor area calculation.
	Additional guest parking spaces shall be provided for all developments of 5 or more units at the rate of 1 parking space for every 5 units. The accessible parking spaces required per Section 17.34.040.D. shall count as guest parking spaces.
Emergency shelters	0.35 space per bed plus 1 space per staff member on the largest shift.
Hotels, motels	One space per unit, plus applicable requirements for restaurants, bars and meeting halls.
Cultural facilities, meeting halls and places of worship	One space for each 50 square feet of assembly area or 1 space for each 4 fixed seats, whichever is greater, plus 1 space for each 300 square feet of the remaining floor area of the building (meeting rooms not exceeding 750 square feet and ancillary to an office use shall be included with the floor area of the office in calculating the parking requirement for the office use).
Commercial recreation	3 spaces per ball court; 2.5 spaces per batting cage; 4 spaces per lane for bowling alleys; 2 spaces per tee for golf courses; 20 spaces per playing field; 2 spaces per shooting range; 2 spaces per horse stall for stables; 1 space per 100 square feet of water area for swimming pools.
	For commercial recreation uses that do not fall within the above categories, 1 parking space shall be required for every 4 fixed seats for spectators, 1 parking space per each 200 square feet of floor area used for indoor commercial recreation, and 1 parking space per each 1,000 square feet of site area used for outdoor commercial recreation.
Marinas	1 space per 0.75 berths.
Schools—Public, private or commercial	1 space for each classroom and office.
Hospitals	1 space per bed plus 1 space for each 2 employees on the largest shift.
Financial services	1 space for each 200 square feet of gross floor area.
Administrative office	1 space for each 300 square feet of gross floor area.
Professional office	1 space for each 250 square feet of gross floor area.
Retail stores, restaurants, bars, offices	1 space for each 300 square feet of gross floor area.
Service stations	2 spaces for each working bay plus 1 space for each employee on the largest shift.

Warehousing, light fabrication, food production, media studios, printing	1 space for each 1,000 square feet of gross floor area.
Convalescent hospitals, sanitariums, rest homes	1 space for each 7 beds plus 1 space for each 2 employees on the largest shift.

(Subsection B, no change)

SECTION 6: Section 17.43.020 - Definitions in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

In addition to the definitions set forth in Chapter 17.02, all of which are applicable to this chapter, the following words and phrases shall have the meanings respectively ascribed to them in this section, in accordance with Chapter 13 to Division 1 of Title 7 of the Government Code, or successor provisions, unless the context or the provision clearly requires otherwise:

“Impact fees” include the fees specified in Sections 66000 and 66477 of the Government Code, but do not include utility connection fees or capacity charges.

"Living area" means the interior habitable area of a main dwelling unit, including basements and attics but not including a garage or any accessory structure.

"Main dwelling" means that dwelling unit on the property that is not an accessory dwelling unit or a junior accessory dwelling unit.

“Efficiency kitchen” means a kitchenette or a small kitchen or part of a room equipped as a kitchen in a junior accessory dwelling unit and shall include all of the following: (1) a cooking facility with appliances, and (2) a food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit.

“Multiple-family dwellings” means a dwelling than contains two (2) or more attached dwelling units (including a “duplex”), provided, however, that a property containing a single-family dwelling and an attached lawful accessory dwelling unit and/or a junior accessory dwelling unit shall not be deemed a multiple-family dwelling. The term does not include a dwelling group as defined in Section 17.02.235.

“State-exempt accessory dwelling unit” means an accessory dwelling unit that is not subject to development or design standards, including both standards within this title and standards found in state accessory dwelling unit law that are not specifically listed in Government Code §66323. This includes, but is not limited to, parking, height, setbacks, or other zoning provisions (e.g., lot size, open space, floor area ratio, etc.). See Section 17.43.070(A) for accessory dwelling units that are considered state-exempt accessory dwelling units.

SECTION 7: Section 17.43.030 – Permit Requirements in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

- A. Except as provided by subsection C of this Section 17.43.030, building permit applications for junior accessory dwelling units or accessory dwelling units shall be ministerially processed within sixty (60) days of receipt of a complete building permit application and approved if they meet the requirements of this chapter. Incomplete applications will be returned to the applicant with a written explanation of the additional information required for approval.

- B. Notwithstanding subsection A, if the building permit application submitted will also create a new single-family dwelling or multiple-family dwelling on the lot, the application for the junior accessory dwelling unit or accessory dwelling unit(s) shall not be acted upon until the building permit application for the new single-family dwelling or multiple-family dwelling is approved, but thereafter shall be ministerially processed within sixty (60) days of receipt of a complete application and approved if it meets the requirements of this chapter. Occupancy of the junior accessory dwelling unit or accessory dwelling unit(s) shall not be allowed until the City approves occupancy of the main dwelling.
- C. The City shall grant a delay in processing an application for an accessory dwelling unit or junior accessory dwelling unit if requested by the applicant in writing.
- D. All junior accessory dwelling unit and accessory dwelling unit applications shall be subject to building inspection and permit fees as established by resolution of the City Council and water and sewer connection and capacity fees in compliance with Title 13, except that:
 - 1. No impact fees may be imposed on a junior accessory dwelling unit or accessory dwelling unit that is less than seven hundred fifty (750) square feet.
 - 2. For accessory dwelling units that have a floor area of seven hundred fifty (750) square feet or more, impact fees shall be charged proportionately in relation to the current impact fees for the square footage of the main dwelling.

SECTION 7: Section 17.43.040 - Development regulations for accessory dwelling units in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

Accessory dwelling units shall comply with all of the following development standards:

- A. Zoning Districts. Accessory dwelling units may only be established or occupied in the R-1, R-2, R-3, R-BA, NCRO-2, SCRO-1, PAOZ-1, PAOZ-2 and PD zoning districts with an existing or proposed single-family, multiple-family dwelling, or dwelling group.
- B. Density. An accessory dwelling unit that conforms to this chapter shall be deemed to be an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot upon which it is located. The accessory dwelling unit shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot and shall not be considered in the application of any City ordinance, policy, or program to limit residential growth.
- C. Lot Size. There is no minimum lot size requirement.
- D. Number of Units.
 - 1. Notwithstanding subsection 3., no more than one accessory dwelling unit may be constructed on any lot developed with a single-family, multiple-family dwelling, or dwelling group, except that multiple state-exempt accessory dwelling units may be constructed in accordance with Section 17.43.070.
 - 2. The maximum number of accessory dwelling units permitted on any lot developed with a multiple-family dwelling shall comply with Section 17.43.050 of this chapter.
 - 3. No more than a total of four (4) dwelling units, including accessory dwelling units, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title.

- E. Attached or Detached. Accessory dwelling units may be attached to or located within the existing or proposed main dwelling, including garages, storage areas, or accessory structures, or detached from the main dwelling on the same lot.
- F. Unit Size. Accessory dwelling units shall not exceed one thousand (1,000) square feet in floor area, as defined in Section 17.02.315 of Chapter 17.02 of this title.
 - 1. Unit size for state-exempt accessory dwelling units is established under Section 17.43.070(C).
- G. Setbacks. Accessory dwelling units shall be subject to the following setback requirements:
 - 1. Front Setback: The minimum front setback shall be as established in the underlying zoning district regulations.
 - a. State-exempt units may be located anywhere in the front setback area.
 - 2. Side Setback. Accessory dwelling units on any lot shall have a side setback of at least four (4) feet or as established in the underlying zoning district, whichever is less.
 - 3. Rear Setback. Accessory dwelling units on any lot shall have a rear setback of at least four (4) feet.
 - 4. No setback shall be required for an existing, legally permitted living area, garage, or accessory structure with nonconforming setbacks that is converted to an accessory dwelling unit or a portion of an accessory dwelling unit or an accessory dwelling unit constructed in the same location and to the same dimensions, including height, as an existing, legally permitted living area, garage, or accessory structure with nonconforming setbacks.
 - 5. Setback exceptions for detached accessory dwelling units.
 - a. Overhanging Architectural Features (Such as Eaves, Cornices Canopies, Rain Gutters and Downspouts). May extend into required setback areas, but no closer than 2½ feet from the side lot line. Rain gutters and downspouts may extend no closer than 2 feet from the side lot line. A noncombustible awning over the main entrance to an accessory dwelling unit may into any portion of the setback area, but shall not extend over or drain onto an abutting property.
 - b. Stairs, Ramps and Landings (That Are Open and Uncovered). Shall be constructed of noncombustible material. No more than 1 set of stairs per accessory dwelling unit may extend from the structure into required setback areas. Stairs on grade, sidewalks, and other flatwork constructed of noncombustible materials may be located anywhere within setback areas.
 - c. Supported Decks, Cantilevered Decks and Balconies. Shall be no closer than 4 feet from any property line or the minimum setback required within the underlying zoning district, whichever is less.
 - d. No exceptions to the setback requirements shall be permitted for any of the following: cantilevered windows (such as bay, box, bow, and greenhouse windows); chimney boxes; exposed plumbing; or mechanical equipment such as heating, air conditioning units, or heat pumps.
 - 6. Setback exceptions for attached accessory dwelling units are as provided in Section 17.32.070 of this title.

- H. Lot Coverage. Accessory dwelling units shall be included in calculating the lot coverage for the lot on which the accessory dwelling unit is located.
1. State-exempt accessory dwelling units shall be excluded from lot coverage requirements.
- I. Floor Area Ratio. The floor area of the accessory dwelling unit shall be included in calculating the floor area ratio for the lot on which the accessory dwelling unit is located.
1. State-exempt accessory dwelling units shall be excluded from floor area ratio calculations.
- J. Height.
1. Attached accessory dwelling units shall not exceed two stories and shall be subject to the height maximum established in the underlying zoning district.
 2. Detached accessory dwelling units shall not exceed eighteen (18) feet.
- K. Required Facilities. An accessory dwelling unit shall include all of the following facilities:
1. A kitchen, including a sink, food preparation counter, storage cabinets, and permanent cooking facilities such as a range or cooktop and oven, that meet Building Code standards; and
 2. A full bathroom, including sink, toilet, and shower and/or bath facilities.
- L. Landscaping. Accessory dwelling units shall be subject to the landscaping requirements of the underlying zoning district except that state-exempt accessory dwelling units are exempt from landscaping requirements.
- M. Parking. Parking spaces for the main dwelling and accessory dwelling units shall be provided in accordance with the requirements set forth in Chapter 17.34 except that state-exempt accessory dwelling units are exempt from parking requirements.
1. When a garage, carport, covered parking structure, or uncovered parking space is demolished or converted in conjunction with the construction of an accessory dwelling unit, any parking spaces that were provided by such garage, carport, covered parking structure, or uncovered parking space are not required to be replaced.
- N. Unit Access.
1. As required by Section 17.01.060, the lot on which the accessory dwelling unit is located shall have a legal means of access to the public right of way that complies with the street standards set forth in Section 12.24.010.
 2. A separate exterior entry from the main entrance to the main dwelling shall be required to serve each attached accessory dwelling unit. Interior entry access between an accessory dwelling unit and the main dwelling is permitted, provided that the interior entry is located off a common living area of the main dwelling, such as a living room, family room, dining room, kitchen, or an interior hallway leading to common living areas.
- O. Utilities. The lot is served by adequate water, sewer, and storm drain facilities which comply with city standards as established per Title 13 of this Code. An accessory dwelling unit shall not be considered a new residential use for the purposes of calculating connection fees or capacity charges for water and sewer service provided by the City, pursuant to Title 13 of this Code. As to the main dwelling, a separate water connection, a separate sewer service

connection, or a separate power connection for water, sewer, and power service is not required for an accessory dwelling unit.

- P. Compliance with Codes. The accessory dwelling unit and all new construction on the lot that will be performed in connection therewith shall comply with all applicable provisions of this title and all applicable building, health and fire codes.
 - 1. Accessory dwelling units shall not be required to provide fire sprinklers except when fire sprinklers are required for the main dwelling, as determined by the building official consistent with Chapter 15.10.

SECTION 8: Section 17.43.050 - Accessory dwelling units in multiple-family dwellings in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is deleted in its entirety and replaced to read as follows:

- A. Accessory dwelling units on lots with existing or proposed multiple-family dwellings shall comply with the development regulations established in Section 17.43.040 of this chapter, except that multiple state-exempt accessory dwelling units may be constructed in accordance with subsection B.
- B. Multiple state-exempt accessory dwelling units shall be allowed on lots with existing or proposed multiple-family dwellings, as defined in Section 17.43.020, in accordance with Section 17.43.070 as follows:
 - 1. Attached Accessory Dwelling Units. At least one (1) attached accessory dwelling unit shall be allowed per lot developed with an existing multiple-family dwelling.
 - a. The total number of attached accessory dwelling units permitted shall not exceed a maximum of twenty-five percent (25%) of the total number of existing dwelling units within the existing multiple-family dwelling.
 - b. Attached accessory dwelling units shall be allowed within existing portions of multiple-family dwellings that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided, that each accessory dwelling unit complies with state building standards for dwellings. An accessory dwelling unit shall not be created within any portion of the habitable area of an existing dwelling unit in a multiple-family dwelling.
 - 2. Detached Accessory Dwelling Units. Multiple detached accessory dwelling units, not to exceed the numbers specified below, as applicable, shall be allowed on a lot that has an existing or proposed multi-family dwelling provided that all detached accessory dwelling units shall be state-exempt accessory dwelling units constructed in accordance with Section 17.43.070.
 - a. Existing Multiple-Family Dwelling. In addition to attached accessory dwelling units permitted under subsection A, not more than eight (8) detached accessory dwelling units, provided that the number of detached accessory dwelling units shall not exceed the number of existing main dwelling units on the lot.
 - b. Proposed Multiple-Family Dwelling. Not more than two (2) detached accessory dwelling units may be allowed.

SECTION 9: Section 17.43.060 - Accessory dwelling units in multiple-family dwellings in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

Junior accessory dwelling units shall comply with all of the following development standards:

- A. Zoning Districts. Junior accessory dwelling units may only be established or occupied on lots in the R-1, R-2, R-3, R-BA, NCRO-2, SCRO-1, PAOZ-1, and PD zoning districts with an existing or proposed single-family dwelling.
- B. Density. A junior accessory dwelling unit that conforms to this Chapter 17.43 shall be deemed to be an accessory use and shall not be considered to exceed the allowable density for the lot upon which it is located. The junior accessory dwelling unit shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot and shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.
- C. Lot Size. There is no minimum lot size requirement.
- D. Number of Units.
 - 1. Notwithstanding subsection 3., no more than one junior accessory dwelling unit may be constructed on any lot developed with an existing or proposed single-family dwelling.
 - 2. A junior accessory dwelling unit may be permitted on a lot with an accessory dwelling unit, provided that the accessory dwelling unit(s) qualify as state-exempt units in accordance with Section 17.43.070.
 - 3. No more than a total of four (4) dwelling units, including junior accessory dwelling units, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title.
- E. Floor Area Requirements.
 - 1. Junior accessory dwelling unit shall not exceed five hundred (500) square feet in floor area and shall be constructed within the existing walls of the main dwelling. For purposes of this section, enclosed uses within the main dwelling, such as attached garages, are considered a part of the proposed or existing single-family residence.
 - 2. The floor area of the junior accessory dwelling unit shall be included in calculating the floor area ratio for the lot on which the junior accessory dwelling unit is located and subject to the maximum floor area ratio established in the underlying zoning district.
 - a. State-exempt junior accessory dwelling units shall be excluded from floor area ratio calculations.
- F. Unit Access.
 - 1. As required by Section 17.01.060, the lot on which the junior accessory dwelling unit is located shall have a legal means of access to the public right of way that complies with the street standards set forth in Section 12.24.010.
 - 2. A separate exterior entry from the main entrance to the main dwelling shall be provided to serve the junior accessory dwelling unit only. Interior entry access between the junior accessory dwelling unit and the main dwelling is permitted, provided that the

interior entry is located off a common living area of the main dwelling, such as a living room, family room, dining room, kitchen, or an interior hallway leading to these common living areas.

- G. Required Facilities. A junior accessory dwelling unit shall include all of the following facilities:
1. At a minimum, an efficiency kitchen.
 2. Sanitation facilities, but such facilities may be separated from or shared with the main dwelling.
- H. Owner Occupancy. Either the main dwelling or the junior accessory dwelling unit shall be occupied by the record owner of the property as the owner's principal place of residence. In the case of ownership by a corporation, limited liability company, partnership, trust or association, either the main dwelling or the junior accessory dwelling unit shall be the principal place of residence of an officer, director, shareholder, or member of the company, a partner in the partnership, a trustor or beneficiary of the trust, a member of the association, or an employee of any such organization. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.
- I. Recordation of Declaration of Restrictions.
1. A Declaration of Restrictions shall be recorded to run with the land that indicates the following:
 - a. Only one unit may be occupied solely by persons other than the owner or owners of record;
 - b. If a junior accessory dwelling unit is rented, the unit shall not be rented for a period of less than 30 consecutive calendar days;
 - c. Sale of the junior accessory dwelling unit separately from the main dwelling is prohibited; and
 - d. The approved size and attributes of the junior accessory dwelling unit.
 2. A copy of this Declaration of Restrictions must be given to each prospective purchaser or occupant.
- J. Parking. Parking spaces for the main dwelling and junior accessory dwelling unit shall be provided in accordance with the requirements set forth in Chapter 17.34 of this title.
1. When a garage is converted in conjunction with the construction of a junior accessory dwelling unit, any parking spaces that were provided by such garage are not required to be replaced.
- K. Utilities. The lot shall be served by adequate water, sewer, and storm drain facilities which comply with city standards as established per Title 13 of this Code. A junior accessory dwelling unit shall not be considered a new residential use for the purposes of calculating connection fees or capacity charges for water and sewer service provided by the City.
- L. Compliance with Codes. The junior accessory dwelling unit and all new construction on the lot that will be performed in connection therewith shall comply with all applicable provisions of this title and all applicable building, health, and fire codes.

1. Junior accessory dwelling units shall not be required to provide fire sprinklers except when fire sprinklers are required for the main dwelling, as determined by the building official consistent with Chapter 15.10.

SECTION 10: Section 17.43.070 - Prohibition on sale and limitation on rental in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is renumbered to Section 17.43.080 - Prohibition on sale and limitation on rental.

SECTION 11: Section 17.43.080 - Delay of enforcement of building standards in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is renumbered to Section 17.43.090 - Delay of enforcement of building standards.

SECTION 12: Section 17.43.090 - Appeals in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is renumbered to Section 17.43.100 – Appeals, and amended to read as follows:

Any decision or determination by the Planning Director pursuant to this chapter may be appealed in accordance with the procedure set forth in Chapter 17.52 of this title.

SECTION 13: Section 17.43.070 is added to Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code Brisbane Municipal Code, to read as follows:

17.43.070 – State-exempt Accessory and Junior Accessory Dwelling Units

- A. The following types of units shall be considered state-exempt accessory dwelling units when all requirements and development regulations indicated under subsection C., are met:
 1. An accessory dwelling unit within the proposed space of a single-family dwelling, or existing space of a single-family dwelling or accessory structure.
 2. A newly constructed, detached accessory dwelling unit.
 3. Accessory dwelling units constructed within an existing multiple-family dwelling structure not used as livable space.
 4. Detached accessory dwelling units on a lot with an existing or proposed multiple-family dwelling.
 5. A junior accessory dwelling unit within the proposed space of a single-family dwelling or existing space of a single-family dwelling when combined with an accessory dwelling unit from subsections A.1., or A.2., above.
- B. The following state-exempt accessory dwelling units are allowed as follows:

State-exempt ADU Type	Allowed on any lot with a Single-family Main Dwelling ¹	Allowed on any lot with a Multiple-family Main Dwelling ²
1. ADU constructed within proposed or existing SFD	Yes	No
2. Newly constructed, detached ADU	Yes	No

3. ADUs constructed in existing MFD not used as livable	No	Yes
4. Multiple detached ADUs	No	Yes
5. JADUs	Yes	No
¹ Any combination of type 1, 2, or 5 state-exempt units may be combined on a single lot with a single-family main dwelling. Provided, however, no more than a total of 4 dwelling units, including ADUs and JADUs, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title. ² Any combination of type 3 or 4 state-exempt units may be combined on a single lot with a multiple-family main dwelling.		

- C. The following shall apply to state-exempt units, in addition to compliance with the development regulations established in Sections 17.43.040 thru 17.43.060 above:

State-Exempt ADU Type	Requirements and Provisions in Addition to Development Regulations	Applicable Development Regulations
1. ADU constructed within proposed or existing SFD	a. No limitation on unit size. b. When proposed within an existing accessory structure, the accessory structure may expand one hundred fifty (150) square feet from the existing structure for ingress and egress. c. Side and rear setbacks shall be sufficient for fire and safety, as determined by the building official.	§17.43.040
2. Newly constructed, detached ADU	a. Shall not exceed eight hundred (800) square feet in floor area.	§17.43.040
3. ADUs constructed in existing MFD non-livable space(s)	a. No limitation on unit size. b. Non-livable space(s), shall include, but is not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings. c. The planning director shall have authority to render administrative interpretations of what constitutes livable space. Any administrative interpretation by the Planning Director may be appealed to the Planning Commission in accordance with the procedure set forth in Chapter 17.52 of this title.	§17.43.040 & §17.43.050
4. Multiple detached ADUs	a. No limitation on unit size.	§17.43.040 & §17.43.050
5. JADUs	a. Side and rear setbacks shall be sufficient for fire and safety, as determined by the building official.	§17.43.060

SECTION 14: If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Brisbane hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases may be held invalid or unconstitutional.

SECTION 15: The City Council finds and determines that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080.17, which states that the CEQA does not apply to the adoption of local ordinances regulating construction of second units, and by CEQA Section 15282(h) that exempts adoption of an ordinance regarding second units in single-family and multifamily residential zones. In addition to being statutorily exempt from CEQA, the project is consistent with the General Plan per State CEQA Guidelines Section 15183(a)--this proposal falls within a class of projects which are consistent with existing zoning or general plan policies for which an EIR was certified and shall therefore not require further review. The exception to this section requiring environmental review as might be necessary to examine project specific significant effects does not apply.

SECTION 16: This Ordinance shall be in full force and effect thirty days after its passage and adoption.

* * *

The above and foregoing Ordinance was regularly introduced and after the waiting time required by law, was thereafter passed and adopted at a regular meeting of the City Council of the City of Brisbane held on the _____ day of _____, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mayor Cliff Lentz

ATTEST:

City Clerk

APPROVED AS TO FORM:



City Attorney



PLANNING COMMISSION AGENDA REPORT

Meeting Date: May 8, 2025

From: Jeremiah Robbins, Associate Planner

Subject: Zoning Text Amendment 2025-RZ-02; Zoning Text Amendments to update the City's existing Accessory Dwelling Unit (ADU) regulations; and finding that this project is statutorily exempt from environment review under CEQA Guidelines Section 15282(h); City of Brisbane, applicant; Citywide.

REQUEST: The proposed zoning text amendments would modify the City's ADU Ordinance to be in compliance with State law.

RECOMMENDATION: Recommend City Council adoption of the proposed zoning text amendments via adoption of Resolution 2025-RZ-02.

ENVIRONMENTAL DETERMINATION: The project is exempt from the requirements of California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080.17, which states that the CEQA does not apply to the adoption of local ordinances regulating construction of second units, and by CEQA Section 15282(h) that exempts adoption of an ordinance regarding second units in single-family and multifamily residential zones. In addition to being statutorily exempt from CEQA, the project is consistent with the General Plan per State CEQA Guidelines Section 15183(a)--this proposal falls within a class of projects which are consistent with existing zoning or general plan policies for which an EIR was certified and shall therefore not require further review. The exception to this section requiring environmental review as might be necessary to examine project specific significant effects does not apply.

APPLICABLE CODE SECTIONS: Brisbane Municipal Code (BMC):

- "Dwelling" defined in [§17.02.235](#)
- R-BA Residential District Development Regulations in [§ 17.12.40](#)
- Setback exceptions in [§ 17.32.070](#)
- Off-street parking requirements in [§ 17.34.020](#)
- Accessory Dwelling Units, [Chapter 17.43](#)

ANALYSIS AND FINDINGS:

Background

The City last updated its ADU ordinance in October 2020. Since then, the State has passed a number of laws meant to clarify and/or streamline the production of ADUs and junior ADUs (JADUs). A complete summary of recent changes to the state's ADU Law since 2022 is available in attachment C, but generally the changes require local agencies to:

- Impose only objective development standards on ADUs
- Streamline the permitting process

- Eliminate separate zoning review
- Permit more than one ADU, under certain circumstances, on both single-family and multiple-family properties; and
- Ministerially approve “state-exempt” ADUs and JADUs.

Additionally, amendments since 2020 have been made to modify parking requirements, height limitations, and/or other development requirements, or otherwise prohibit a local agency from imposing additional requirements as a condition of approval. Lastly, the state has updated Government Code sections related to ADU and JADU law from sections 65852.2, 65852.22, 65852.23, and 65852.26 to Government Code sections 66310-66342.

Draft Ordinance

The draft ordinance proposes a number of changes to BMC Chapter 17.43, Accessory Dwelling Units, and minor amendments to other sections of the BMC to comply with the new State regulations. Below is a list of the significant or substantial amendments within the draft ordinance.

❖ *Cross-Reference to SB 9 Legislation*

In addition to new ADU regulations, the state has passed numerous laws meant to increase housing production. One such housing law is colloquially known as Senate Bil 9 (SB 9), which regulates urban lot-splits and two-unit developments. In December 2024, the City adopted the R-TUO overlay district to implement the requirements under SB 9, which, in part, allows a lot in a single-family district to be split and/or developed with up to four dwelling units, including ADUs and JADUs. The draft ordinance specifies one ADU is allowed per lot developed with a single-family or multiple-family dwelling, provided that no more than four total dwelling units are permitted on a lot for which an urban lot split or two-unit development was approved. This means, for example, that a lot split under SB 9 and developed with a duplex on each resultant lot, would not be permitted an ADU since the total number of dwelling units would already be at the maximum allowed.

❖ *Eliminate ADU Permit*

Currently, the BMC requires an ADU permit in addition to a building permit for ADUs proposed within the Brisbane Acres Residential District. With modified streamlining requirements and increased limitations on discretionary review of ADUs since 2020, requiring an additional permit and separate approval is more challenging if not entirely prohibited. Section 66321 of the Government Code prohibits local agencies from requiring separate zoning clearance or review for most ADUs, including all state-exempt ADUs, with the distinction based on attributes of the ADU rather than its location within a certain subarea or zoning district. Additionally, staff has found that a building permit application provides

sufficient opportunity for a comprehensive conformance review of ADUs within the prescribed timeframes under Government Code Sections 65943, 66317, 66320, and 66335.

❖ *Number of ADUs Allowed Per Lot*

The state has changed the permitted number of ADUs allowed on both single-family and multiple family lots. See table below.

State Legislation:	▪ Must permit an attached, detached, or converted ADU on a lot that is zoned to allow single-family or multifamily residential use and includes an existing or proposed dwelling ▪ Must allow any combination of state-exempt ADUs on lots with multiple-family structure as follows: ○ At least one ADU (could potentially be more) constructed within existing non-livable space ○ Two detached ADUs on proposed multi-family development ○ As many as eight detached ADUs on an existing multi-family development (may not exceed the number of primary units) ▪ Must allow any combination of state-exempt ADUs on single-family lots as follows: ○ One ADU constructed within existing space ○ One newly constructed detached ADU ○ One JADU constructed within existing space
Existing BMC:	▪ One ADU per single-family lot ▪ One JADU per single-family lot ○ A JADU may be permitted on a lot with an ADU provided the ADU qualifies as unrestricted (state-exempt) ▪ At least one ADU (could potentially be more) constructed within existing non-livable space of a multiple-family structure ▪ Two detached ADUs on existing or proposed multi-family development
Draft Ordinance:	▪ Matches state language from the Government Code regulating state-exempt ADUs (Section 66323)

❖ *Unrestricted ADUs are now State-Exempt ADUs*

In 2020, the State coined the term “unrestricted ADU.” This referred to an ADU on any residential lot that was exempt from a number of development regulations, such as lot coverage and floor area ratio, provided it was no more than 800 square feet, 16 feet in height or less, and had 4-foot side and rear setbacks. That term has been replaced with “state-exempt ADUs”.

Generally, the premise remains the same with state-exempt ADUs, as certain ADUs are still exempt from a number of development regulations, but under new state legislation cities are prohibited from applying development or design standards not explicitly listed within

Government Code §66323. This limitation also includes any other development regulations for ADUs found within other sections the Government Code.

The draft ordinance defines “state-exempt ADUs”, whereas “unrestricted ADUs” was not previously defined, and adds a new section related to specific regulations and standards applicable to such state-exempt ADUs. See also Number of ADUs Allowed Per Lot for additional changes related to state-exempt ADUs.

❖ *Setbacks*

In 2024, the State mandated that state-exempt ADUs may be constructed within front setback areas. The draft ordinance reflects this change. However, ADUs that are not state-exempt are still prohibited within front setback areas.

❖ *Setback Exemptions*

The draft ordinance incorporates setback exemptions as described below for detached ADUs within Chapter 17.43, when none existed before. New dwelling units constructed in Brisbane since 2020 have mostly been ADUs so more specific setback exceptions are warranted due to unique and state-mandated setback areas for ADUs. The proposed exceptions are generally consistent with existing setback exceptions that apply to the primary structure, and attached ADUs – since a part of the primary structure – would be subject to the setback exceptions available to the primary structure. See Section 17.43.040 of the draft ordinance for the complete list and requirements for detached ADU setback exceptions; below is a list of what may encroach into the setback areas:

- Overhanging architectural features
- Stairs, ramps, and landings
- Supported decks

Discussion

As indicated above, the draft ordinance would bring Brisbane ADU ordinance into compliance with State ADU law. It does not go beyond the statutory minimums, except regarding the height limit for detached ADUs. The Commission may also consider modifying the parking requirement for ADUs based on recent trends, as provided below.

ADU Height Limitations

The latest updates to the State’s maximum height limitation have changed from 16 feet for detached ADUs to the following:

- Base height limitation of 16 feet for detached ADUs;
- Maximum height limitation on a detached ADU to 18 feet if the ADU is “either within a half-mile walking distance of a major transit stop or a high-quality transit corridor” and provides

for an additional two feet for roof pitch to align with the roof pitch of the primary dwelling unit.”

- Increases the base height maximum to 18 feet for a detached ADU that is on a lot with an existing or proposed multifamily, multistory dwelling.
- Establishes a maximum height limitation on an attached ADU at 25 feet, or the existing primary dwelling height limit if lower than 25 feet. Also allows local agencies to limit an ADU to no more than two stories.

The draft ordinance would establish 18 feet as the maximum height for a detached ADU, citywide, rather than as indicated above. Previously, the only major transit stop in Brisbane was the Caltrain stop but Assembly Bill 2553 has modified the definition so that now transit stops on Bayshore and Valley Drive qualify as major stops. This puts nearly all of Central Brisbane and the eastern half of the Northeast Ridge within half a mile of a major transit stop where the State mandates a maximum height limitation of 18 feet. Adopting a singular maximum height limitation for detached ADUs citywide would be more equitable than utilizing the State’s language which would allow some ADUs to be up to 12% taller than other ADUs, even within the same zoning district.

Detached, state-exempt ADUs on a single-family property would be required to be 16 feet or less, as specified under State ADU law, and the draft ordinance does not change what is currently allowed under the BMC for attached ADUs; attached ADUs would be limited to no more than two stories and subject to the height maximum established in the underlying zone ([§17.43.040\(J\)](#)).

ADU Parking Requirements

The State has slightly modified ADU parking standards to be no more than one space per unit or bedroom, whichever is less. This requirement is not applicable to state-exempt units, where no parking can be required. Additionally, parking is not required under a number of situations, with the most pertinent exemption being the ADU is located within one half mile of (any) public transit. Currently, the BMC mirrors the State and the draft ordinance does not propose to further modify nor eliminate parking requirement(s) for ADUs beyond the state’s requirements; ADUs in Central Brisbane are exempt from requiring parking due to proximity to public transit and ADUs proposed within the Brisbane Acres or the Northeast Ridge are required to provide parking, unless otherwise exempted.

Since 2020 the City has approved more than 20 ADUs and none were required to provide parking due to one or more of the exemptions allowed under State ADU law, including ADUs located in districts where the BMC requires parking (unless exempted). While not proposed under the draft ordinance, modifying the attached draft ordinance to require no parking for all ADUs, citywide, would not preclude the applicant from providing a dedicated off-street parking space but it may simplify both the design process and review of ADUs with a uniform parking exemption.

ATTACHMENTS

- A. Draft Resolution 2025-RZ-02 (including draft ordinance)
- ~~B. Redline copy of proposed zoning text amendments~~
- C. Excerpt from California Department of Housing and Community Development ADU Handbook (January 2025) summarizing new state legislation
- D. Link to [Chapter 13 to Division 1 of Title 7 of the Government Code](#) (Government Code sections 66310-66342)

Jeremiah Robbins

Jeremiah Robbins, Associate Planner

John Swiecki

John Swiecki, Community Development Director

RESOLUTION 2025-RZ-02
A RESOLUTION OF THE PLANNING COMMISSION OF BRISBANE
RECOMMENDING CITY COUNCIL APPROVAL OF ZONING TEXT AMENDMENT 2025-RZ-02
AMENDING REGULATIONS CONCERNING ACCESSORY DWELLING UNITS AND
JUNIOR ACCESSORY DWELLING UNITS TO COMPLY WITH STATE LAW

WHEREAS, the City Council adopted the Housing Element for the 2023-2033 cycle on May 18, 2023 via Resolution No. 2023-18; and

WHEREAS, Housing Element Goal 2 establishes the community's aspiration to facilitate and support the production of housing at all income levels, but especially affordable housing in Brisbane; and

WHEREAS, Housing Element Policy 2.A encourages zoning for a balance of housing types, sizes, and tenure, such as accessory dwelling units (ADUs), and Program 2.A.10 mandates the City will update its ADU ordinance to comply with current State law; and

WHEREAS, Housing Element Goal 7 establishes the community's aspiration to avoid unreasonable government constraints to the provisions of housing in Brisbane; and

WHEREAS, Housing Element Program 7.A.1 is intended to reducing regulatory constraints on the development of new housing, particularly infill housing and housing that adds to the mix of types, size, tenure and affordability of the local housing stock; and

WHEREAS, since 2020, Assembly Bills 345 (2021), 434 (2023), 1332 (2023), 976 (2023), 1033 (2023), and 2533 (2024) and Senate Bills 477 (2024) and 1211 (2024), collectively, replaced and amended Sections 65852.2, 65852.22, 65852.23, and 65852.26 of the Government Code with Sections 66310-66342 and changed the requirements for local governments relating to ADUs and junior ADUs (JADUs); and

WHEREAS, the City's current ordinance regarding ADUs must be updated to comply with current State law; and

WHEREAS, the draft ordinance attached as Exhibit A to this resolution proposes amendments to Title 17 (Zoning) of the Brisbane Municipal Code in order to comply with current State law regarding ADUs and JADUs; and

WHEREAS, on May 8, 2025, the Planning Commission conducted a public hearing of the draft ordinance concerning ADUs and JADUs, publicly noticed in compliance with Brisbane Municipal Code Chapters 1.12 and 17.54, at which time any person interested in the matter was given an opportunity to be heard; and

WHEREAS, the draft ordinance is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) per Section 15282(h) of the CEQA Guidelines and categorically exempt from CEQA per Section 15183(a) of the CEQA Guidelines, and the exceptions to the categorical exemption are inapplicable.

NOW THEREFORE, based upon the evidence presented, both written and oral, the Planning Commission of the City of Brisbane, at its meeting of May 8, 2025, hereby RECOMMENDS that the City Council adopt the attached ordinance.

AYES: Funke, Gooding, Patel, and Sayasane

NOES: None

ABSENT: Lau

Pamala Sayasane

Pamala Sayasane
Chairperson

ATTEST:

John Swiecki

JOHN ASWIECKI, Community Development Director

draft
ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF BRISBANE
AMENDING BMC CHAPTERS 15.10, 17.02, 17.12, 17.16, 17.32, 17.34, AND 17.43 TO
AMEND REGULATIONS PERTAINING TO
ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS**

The City Council of the City of Brisbane hereby ordains as follows:

SECTION 1: Section 15.10.040 - Definitions in Chapter 15.10 – Additions, alterations, and major rebuilds to existing buildings of the Municipal Code is amended to read as follows:

(Subsections A and B, no change)

- C. “Floor Area” shall mean the sum of the gross horizontal areas of all floors of all buildings or structures measured from the interior face of the exterior walls, but excluding each of the following:
1. Any area where the floor to ceiling height is less than six (6) feet.
 2. Any detached garage or other detached accessory structure which does not constitute habitable space.
 3. Any attached carport or covered deck.
 4. Any attached or detached accessory dwelling unit eight hundred (800) square feet or less in gross horizontal area that, if detached, does not exceed eighteen (18) feet in height, where authorized pursuant to Chapter 17.43 of Title 17 of this Code.

(Subsections D and E, no change)

SECTION 2: Section 17.02.235 - Dwelling in Chapter 17.02 - Definitions of the Municipal Code is amended to read as follows:

(Subsections A through D, no change)

- E. "Accessory dwelling unit" means a separate dwelling unit created upon a site that contains a single-family dwelling, duplex, or multiple-family dwelling. Subject to the restrictions of this title, the accessory dwelling unit may be within, attached to, or detached from the single-family dwelling, duplex, or multiple-family dwelling. An accessory dwelling unit shall include permanent provisions for living, sleeping, eating, cooking, and sanitation. The term "secondary dwelling unit" shall have the same meaning throughout this title. An accessory dwelling unit also includes the following:
1. An efficiency unit, as defined in section 17958.1 of the Health and Safety Code.
 2. A manufactured home, as defined in Section 18007 of the Health and Safety Code.

(Subsections F through H, no change)

SECTION 3: Section 17.12.020 - Permitted uses in Chapter 17.12 - R-BA Brisbane Acres Residential District of the Municipal Code is amended to read as follows:

The following permitted uses shall be allowed in the R-BA district:

- A. Single-family dwellings.
- B. Accessory structures and uses incidental to a permitted use, including personal cultivation of cannabis in compliance with Title 8, Chapter 8.12.
- C. Home occupations, conducted in accordance with the regulations prescribed in Chapter 17.44 of this title.
- D. Small family day care homes.
- E. Accessory dwelling units and junior accessory dwelling units, in accordance with Chapter 17.43 of this title.

SECTION 4: Section 17.32.070 – Exceptions – Setback requirements in Chapter 17.32 – General Use Regulations of the Municipal Code is amended to read as follows:

(Subsections A.1 through A1.3, no change)

3. Accessory Dwelling Units

- a. Exceptions to the setback requirements for detached accessory dwelling units shall be as established in Chapter 17.43.
- b. Attached accessory dwelling units within a principle or primary structure are subject to the setback exceptions contained within Section 17.32.070.

(Subsections B and C, no change)

SECTION 5: Section 17.34.020 – Minimum Requirements in Chapter 17.34 – Off-street Parking of the Municipal Code is amended to read as follows:

- A. The following minimum parking requirements shall apply to all buildings erected, new uses commenced, and to the area of extended uses commenced after the effective date of this chapter. For any use not specifically mentioned in this chapter, the planning commission shall determine the amount of parking required. All required off-street parking facilities shall be on-site unless specified differently in this chapter or as permitted under Title 12 of this code. Required off-street parking facilities need not be provided as covered parking unless specified differently in this chapter:

Uses:	Parking Requirements:
Single-family dwellings and group care homes:	
Studio or 1-bedroom dwellings not more than 900 square feet in floor area:	1 off-street space (uncovered or covered).
All other dwellings not exceeding 1,800 square feet in floor area:	1 off-street space plus 1 space which shall be in a garage or carport.

Dwellings exceeding 1,800 square feet in floor area on lots having less than 37.5 feet in frontage:	2 off-street spaces plus 1 space which shall be in a garage or carport.
Dwellings exceeding 1,800 square feet in floor area on lots of 37.5 feet frontage or greater:	2 on-street or off-street spaces plus 2 spaces which shall be in a garage or carport.
	See Section 17.34.020.B.1. regarding garage and carport exclusions from the floor area calculation.
	Additional guest parking spaces shall be provided for all residential subdivisions of 5 or more single-family residences, at the rate of 1 parking space for every 5 units. Such spaces shall be located entirely within the public right-of-way and available for public use. Any accessible parking spaces required per Section 17.34.040.D. shall count as guest parking spaces.
Accessory dwelling units	In the R-1, R-2, R-3, NCRO-2, SCRO-1, PAOZ-1, or PAOZ-2 Districts: No off-street parking required. In the R-BA and PD Districts: 1 off-street parking space (uncovered or covered) per accessory dwelling unit or per bedroom, whichever is less, unless any of the following criteria applies: 1. The accessory dwelling unit is located within one-half mile walking distance of public transit; 2. The accessory dwelling unit is part of the proposed or existing dwelling, as defined in Section 17.02.235, or an accessory structure as defined in subsection B of Section 17.02.755; 3. Where the accessory dwelling unit is located within an architecturally and historically significant historic district; 4. When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit; or When there is a car share vehicle located within one block of the accessory dwelling unit.
Junior accessory dwelling units	No off-street parking required.
Duplex or multiple family dwelling units; Mobile home park units:	
Studios	1 (uncovered or covered) space per unit.
1-bedroom units	1½ spaces (1 of which shall be covered) per unit; only 1 (covered) space required for units not over 900 square feet in floor area.
2-bedroom units	1½ spaces (1 of which shall be covered) per unit.

3-bedroom units or larger	2 spaces (1 of which shall be covered) per unit, plus 1 (uncovered or covered) space for units over 2,700 square feet.
	See Section 17.34.020.B.1. regarding garage and carport exclusions from the floor area calculation.
	Additional guest parking spaces shall be provided for all developments of 5 or more units at the rate of 1 parking space for every 5 units. The accessible parking spaces required per Section 17.34.040.D. shall count as guest parking spaces.
Emergency shelters	0.35 space per bed plus 1 space per staff member on the largest shift.
Hotels, motels	One space per unit, plus applicable requirements for restaurants, bars and meeting halls.
Cultural facilities, meeting halls and places of worship	One space for each 50 square feet of assembly area or 1 space for each 4 fixed seats, whichever is greater, plus 1 space for each 300 square feet of the remaining floor area of the building (meeting rooms not exceeding 750 square feet and ancillary to an office use shall be included with the floor area of the office in calculating the parking requirement for the office use).
Commercial recreation	3 spaces per ball court; 2.5 spaces per batting cage; 4 spaces per lane for bowling alleys; 2 spaces per tee for golf courses; 20 spaces per playing field; 2 spaces per shooting range; 2 spaces per horse stall for stables; 1 space per 100 square feet of water area for swimming pools.
	For commercial recreation uses that do not fall within the above categories, 1 parking space shall be required for every 4 fixed seats for spectators, 1 parking space per each 200 square feet of floor area used for indoor commercial recreation, and 1 parking space per each 1,000 square feet of site area used for outdoor commercial recreation.
Marinas	1 space per 0.75 berths.
Schools—Public, private or commercial	1 space for each classroom and office.
Hospitals	1 space per bed plus 1 space for each 2 employees on the largest shift.
Financial services	1 space for each 200 square feet of gross floor area.
Administrative office	1 space for each 300 square feet of gross floor area.
Professional office	1 space for each 250 square feet of gross floor area.
Retail stores, restaurants, bars, offices	1 space for each 300 square feet of gross floor area.
Service stations	2 spaces for each working bay plus 1 space for each employee on the largest shift.

Warehousing, light fabrication, food production, media studios, printing	1 space for each 1,000 square feet of gross floor area.
Convalescent hospitals, sanitariums, rest homes	1 space for each 7 beds plus 1 space for each 2 employees on the largest shift.

(Subsection B, no change)

SECTION 6: Section 17.43.020 - Definitions in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

In addition to the definitions set forth in Chapter 17.02, all of which are applicable to this chapter, the following words and phrases shall have the meanings respectively ascribed to them in this section, in accordance with Chapter 13 to Division 1 of Title 7 of the Government Code, or successor provisions, unless the context or the provision clearly requires otherwise:

“Impact fees” include the fees specified in Sections 66000 and 66477 of the Government Code, but do not include utility connection fees or capacity charges.

"Living area" means the interior habitable area of a main dwelling unit, including basements and attics but not including a garage or any accessory structure.

"Main dwelling" means that dwelling unit on the property that is not an accessory dwelling unit or a junior accessory dwelling unit.

“Efficiency kitchen” means a kitchenette or a small kitchen or part of a room equipped as a kitchen in a junior accessory dwelling unit and shall include all of the following: (1) a cooking facility with appliances, and (2) a food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit.

“Multiple-family dwellings” means a dwelling than contains two (2) or more attached dwelling units (including a “duplex”), provided, however, that a property containing a single-family dwelling and an attached lawful accessory dwelling unit and/or a junior accessory dwelling unit shall not be deemed a multiple-family dwelling. The term does not include a dwelling group as defined in Section 17.02.235.

“State-exempt accessory dwelling unit” means an accessory dwelling unit that is not subject to development or design standards, including both standards within this title and standards found in state accessory dwelling unit law that are not specifically listed in Government Code §66323. This includes, but is not limited to, parking, height, setbacks, or other zoning provisions (e.g., lot size, open space, floor area ratio, etc.). See Section 17.43.070(A) for accessory dwelling units that are considered state-exempt accessory dwelling units.

SECTION 7: Section 17.43.030 – Permit Requirements in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

- A. Except as provided by subsection C of this Section 17.43.030, building permit applications for junior accessory dwelling units or accessory dwelling units shall be ministerially processed within sixty (60) days of receipt of a complete building permit application and approved if they meet the requirements of this chapter. Incomplete applications will be returned to the applicant with a written explanation of the additional information required for approval.

- B. Notwithstanding subsection A, if the building permit application submitted will also create a new single-family dwelling or multiple-family dwelling on the lot, the application for the junior accessory dwelling unit or accessory dwelling unit(s) shall not be acted upon until the building permit application for the new single-family dwelling or multiple-family dwelling is approved, but thereafter shall be ministerially processed within sixty (60) days of receipt of a complete application and approved if it meets the requirements of this chapter. Occupancy of the junior accessory dwelling unit or accessory dwelling unit(s) shall not be allowed until the City approves occupancy of the main dwelling.
- C. The City shall grant a delay in processing an application for an accessory dwelling unit or junior accessory dwelling unit if requested by the applicant in writing.
- D. All junior accessory dwelling unit and accessory dwelling unit applications shall be subject to building inspection and permit fees as established by resolution of the City Council and water and sewer connection and capacity fees in compliance with Title 13, except that:
 - 1. No impact fees may be imposed on a junior accessory dwelling unit or accessory dwelling unit that is less than seven hundred fifty (750) square feet.
 - 2. For accessory dwelling units that have a floor area of seven hundred fifty (750) square feet or more, impact fees shall be charged proportionately in relation to the current impact fees for the square footage of the main dwelling.

SECTION 7: Section 17.43.040 - Development regulations for accessory dwelling units in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

Accessory dwelling units shall comply with all of the following development standards:

- A. Zoning Districts. Accessory dwelling units may only be established or occupied in the R-1, R-2, R-3, R-BA, NCRO-2, SCRO-1, PAOZ-1, PAOZ-2 and PD zoning districts with an existing or proposed single-family, multiple-family dwelling, or dwelling group.
- B. Density. An accessory dwelling unit that conforms to this chapter shall be deemed to be an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot upon which it is located. The accessory dwelling unit shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot and shall not be considered in the application of any City ordinance, policy, or program to limit residential growth.
- C. Lot Size. There is no minimum lot size requirement.
- D. Number of Units.
 - 1. Notwithstanding subsection 3., no more than one accessory dwelling unit may be constructed on any lot developed with a single-family, multiple-family dwelling, or dwelling group, except that multiple state-exempt accessory dwelling units may be constructed in accordance with Section 17.43.070.
 - 2. The maximum number of accessory dwelling units permitted on any lot developed with a multiple-family dwelling shall comply with Section 17.43.050 of this chapter.
 - 3. No more than a total of four (4) dwelling units, including accessory dwelling units, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title.

- E. Attached or Detached. Accessory dwelling units may be attached to or located within the existing or proposed main dwelling, including garages, storage areas, or accessory structures, or detached from the main dwelling on the same lot.
- F. Unit Size. Accessory dwelling units shall not exceed one thousand (1,000) square feet in floor area, as defined in Section 17.02.315 of Chapter 17.02 of this title.
 - 1. Unit size for state-exempt accessory dwelling units is established under Section 17.43.070(C).
- G. Setbacks. Accessory dwelling units shall be subject to the following setback requirements:
 - 1. Front Setback: The minimum front setback shall be as established in the underlying zoning district regulations.
 - a. State-exempt units may be located anywhere in the front setback area.
 - 2. Side Setback. Accessory dwelling units on any lot shall have a side setback of at least four (4) feet or as established in the underlying zoning district, whichever is less.
 - 3. Rear Setback. Accessory dwelling units on any lot shall have a rear setback of at least four (4) feet.
 - 4. No setback shall be required for an existing, legally permitted living area, garage, or accessory structure with nonconforming setbacks that is converted to an accessory dwelling unit or a portion of an accessory dwelling unit or an accessory dwelling unit constructed in the same location and to the same dimensions, including height, as an existing, legally permitted living area, garage, or accessory structure with nonconforming setbacks.
 - 5. Setback exceptions for detached accessory dwelling units.
 - a. Overhanging Architectural Features (Such as Eaves, Cornices Canopies, Rain Gutters and Downspouts). May extend into required setback areas, but no closer than 2½ feet from the side lot line. Rain gutters and downspouts may extend no closer than 2 feet from the side lot line. A noncombustible awning over the main entrance to an accessory dwelling unit may into any portion of the setback area, but shall not extend over or drain onto an abutting property.
 - b. Stairs, Ramps and Landings (That Are Open and Uncovered). Shall be constructed of noncombustible material. No more than 1 set of stairs per accessory dwelling unit may extend from the structure into required setback areas. Stairs on grade, sidewalks, and other flatwork constructed of noncombustible materials may be located anywhere within setback areas.
 - c. Supported Decks, Cantilevered Decks and Balconies. Shall be no closer than 4 feet from any property line or the minimum setback required within the underlying zoning district, whichever is less.
 - d. No exceptions to the setback requirements shall be permitted for any of the following: cantilevered windows (such as bay, box, bow, and greenhouse windows); chimney boxes; exposed plumbing; or mechanical equipment such as heating, air conditioning units, or heat pumps.
 - 6. Setback exceptions for attached accessory dwelling units are as provided in Section 17.32.070 of this title.

- H. Lot Coverage. Accessory dwelling units shall be included in calculating the lot coverage for the lot on which the accessory dwelling unit is located.
 - 1. State-exempt accessory dwelling units shall be excluded from lot coverage requirements.
- I. Floor Area Ratio. The floor area of the accessory dwelling unit shall be included in calculating the floor area ratio for the lot on which the accessory dwelling unit is located.
 - 1. State-exempt accessory dwelling units shall be excluded from floor area ratio calculations.
- J. Height.
 - 1. Attached accessory dwelling units shall not exceed two stories and shall be subject to the height maximum established in the underlying zoning district.
 - 2. Detached accessory dwelling units shall not exceed eighteen (18) feet.
- K. Required Facilities. An accessory dwelling unit shall include all of the following facilities:
 - 1. A kitchen, including a sink, food preparation counter, storage cabinets, and permanent cooking facilities such as a range or cooktop and oven, that meet Building Code standards; and
 - 2. A full bathroom, including sink, toilet, and shower and/or bath facilities.
- L. Landscaping. Accessory dwelling units shall be subject to the landscaping requirements of the underlying zoning district except that state-exempt accessory dwelling units are exempt from landscaping requirements.
- M. Parking. Parking spaces for the main dwelling and accessory dwelling units shall be provided in accordance with the requirements set forth in Chapter 17.34 except that state-exempt accessory dwelling units are exempt from parking requirements.
 - 1. When a garage, carport, covered parking structure, or uncovered parking space is demolished or converted in conjunction with the construction of an accessory dwelling unit, any parking spaces that were provided by such garage, carport, covered parking structure, or uncovered parking space are not required to be replaced.
- N. Unit Access.
 - 1. As required by Section 17.01.060, the lot on which the accessory dwelling unit is located shall have a legal means of access to the public right of way that complies with the street standards set forth in Section 12.24.010.
 - 2. A separate exterior entry from the main entrance to the main dwelling shall be required to serve each attached accessory dwelling unit. Interior entry access between an accessory dwelling unit and the main dwelling is permitted, provided that the interior entry is located off a common living area of the main dwelling, such as a living room, family room, dining room, kitchen, or an interior hallway leading to common living areas.
- O. Utilities. The lot is served by adequate water, sewer, and storm drain facilities which comply with city standards as established per Title 13 of this Code. An accessory dwelling unit shall not be considered a new residential use for the purposes of calculating connection fees or capacity charges for water and sewer service provided by the City, pursuant to Title 13 of this Code. As to the main dwelling, a separate water connection, a separate sewer service

connection, or a separate power connection for water, sewer, and power service is not required for an accessory dwelling unit.

- P. Compliance with Codes. The accessory dwelling unit and all new construction on the lot that will be performed in connection therewith shall comply with all applicable provisions of this title and all applicable building, health and fire codes.
 - 1. Accessory dwelling units shall not be required to provide fire sprinklers except when fire sprinklers are required for the main dwelling, as determined by the building official consistent with Chapter 15.10.

SECTION 8: Section 17.43.050 - Accessory dwelling units in multiple-family dwellings in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is deleted in its entirety and replaced to read as follows:

- A. Accessory dwelling units on lots with existing or proposed multiple-family dwellings shall comply with the development regulations established in Section 17.43.040 of this chapter, except that multiple state-exempt accessory dwelling units may be constructed in accordance with subsection B.
- B. Multiple state-exempt accessory dwelling units shall be allowed on lots with existing or proposed multiple-family dwellings, as defined in Section 17.43.020, in accordance with Section 17.43.070 as follows:
 - 1. Attached Accessory Dwelling Units. At least one (1) attached accessory dwelling unit shall be allowed per lot developed with an existing multiple-family dwelling.
 - a. The total number of attached accessory dwelling units permitted shall not exceed a maximum of twenty-five percent (25%) of the total number of existing dwelling units within the existing multiple-family dwelling.
 - b. Attached accessory dwelling units shall be allowed within existing portions of multiple-family dwellings that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, provided, that each accessory dwelling unit complies with state building standards for dwellings. An accessory dwelling unit shall not be created within any portion of the habitable area of an existing dwelling unit in a multiple-family dwelling.
 - 2. Detached Accessory Dwelling Units. Multiple detached accessory dwelling units, not to exceed the numbers specified below, as applicable, shall be allowed on a lot that has an existing or proposed multi-family dwelling provided that all detached accessory dwelling units shall be state-exempt accessory dwelling units constructed in accordance with Section 17.43.070.
 - a. Existing Multiple-Family Dwelling. In addition to attached accessory dwelling units permitted under subsection A, not more than eight (8) detached accessory dwelling units, provided that the number of detached accessory dwelling units shall not exceed the number of existing main dwelling units on the lot.
 - b. Proposed Multiple-Family Dwelling. Not more than two (2) detached accessory dwelling units may be allowed.

SECTION 9: Section 17.43.060 - Accessory dwelling units in multiple-family dwellings in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is amended to read as follows:

Junior accessory dwelling units shall comply with all of the following development standards:

- A. Zoning Districts. Junior accessory dwelling units may only be established or occupied on lots in the R-1, R-2, R-3, R-BA, NCRO-2, SCRO-1, PAOZ-1, and PD zoning districts with an existing or proposed single-family dwelling.
- B. Density. A junior accessory dwelling unit that conforms to this Chapter 17.43 shall be deemed to be an accessory use and shall not be considered to exceed the allowable density for the lot upon which it is located. The junior accessory dwelling unit shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot and shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.
- C. Lot Size. There is no minimum lot size requirement.
- D. Number of Units.
 - 1. Notwithstanding subsection 3., no more than one junior accessory dwelling unit may be constructed on any lot developed with an existing or proposed single-family dwelling.
 - 2. A junior accessory dwelling unit may be permitted on a lot with an accessory dwelling unit, provided that the accessory dwelling unit(s) qualify as state-exempt units in accordance with Section 17.43.070.
 - 3. No more than a total of four (4) dwelling units, including junior accessory dwelling units, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title.
- E. Floor Area Requirements.
 - 1. Junior accessory dwelling unit shall not exceed five hundred (500) square feet in floor area and shall be constructed within the existing walls of the main dwelling. For purposes of this section, enclosed uses within the main dwelling, such as attached garages, are considered a part of the proposed or existing single-family residence.
 - 2. The floor area of the junior accessory dwelling unit shall be included in calculating the floor area ratio for the lot on which the junior accessory dwelling unit is located and subject to the maximum floor area ratio established in the underlying zoning district.
 - a. State-exempt junior accessory dwelling units shall be excluded from floor area ratio calculations.
- F. Unit Access.
 - 1. As required by Section 17.01.060, the lot on which the junior accessory dwelling unit is located shall have a legal means of access to the public right of way that complies with the street standards set forth in Section 12.24.010.
 - 2. A separate exterior entry from the main entrance to the main dwelling shall be provided to serve the junior accessory dwelling unit only. Interior entry access between the junior accessory dwelling unit and the main dwelling is permitted, provided that the

interior entry is located off a common living area of the main dwelling, such as a living room, family room, dining room, kitchen, or an interior hallway leading to these common living areas.

- G. **Required Facilities.** A junior accessory dwelling unit shall include all of the following facilities:
1. At a minimum, an efficiency kitchen.
 2. Sanitation facilities, but such facilities may be separated from or shared with the main dwelling.
- H. **Owner Occupancy.** Either the main dwelling or the junior accessory dwelling unit shall be occupied by the record owner of the property as the owner's principal place of residence. In the case of ownership by a corporation, limited liability company, partnership, trust or association, either the main dwelling or the junior accessory dwelling unit shall be the principal place of residence of an officer, director, shareholder, or member of the company, a partner in the partnership, a trustor or beneficiary of the trust, a member of the association, or an employee of any such organization. Owner-occupancy shall not be required if the owner is another governmental agency, land trust, or housing organization.
- I. **Recordation of Declaration of Restrictions.**
1. A Declaration of Restrictions shall be recorded to run with the land that indicates the following:
 - a. Only one unit may be occupied solely by persons other than the owner or owners of record;
 - b. If a junior accessory dwelling unit is rented, the unit shall not be rented for a period of less than 30 consecutive calendar days;
 - c. Sale of the junior accessory dwelling unit separately from the main dwelling is prohibited; and
 - d. The approved size and attributes of the junior accessory dwelling unit.
 2. A copy of this Declaration of Restrictions must be given to each prospective purchaser or occupant.
- J. **Parking.** Parking spaces for the main dwelling and junior accessory dwelling unit shall be provided in accordance with the requirements set forth in Chapter 17.34 of this title.
1. When a garage is converted in conjunction with the construction of a junior accessory dwelling unit, any parking spaces that were provided by such garage are not required to be replaced.
- K. **Utilities.** The lot shall be served by adequate water, sewer, and storm drain facilities which comply with city standards as established per Title 13 of this Code. A junior accessory dwelling unit shall not be considered a new residential use for the purposes of calculating connection fees or capacity charges for water and sewer service provided by the City.
- L. **Compliance with Codes.** The junior accessory dwelling unit and all new construction on the lot that will be performed in connection therewith shall comply with all applicable provisions of this title and all applicable building, health, and fire codes.

1. Junior accessory dwelling units shall not be required to provide fire sprinklers except when fire sprinklers are required for the main dwelling, as determined by the building official consistent with Chapter 15.10.

SECTION 10: Section 17.43.070 - Prohibition on sale and limitation on rental in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is renumbered to Section 17.43.080 - Prohibition on sale and limitation on rental.

SECTION 11: Section 17.43.080 - Delay of enforcement of building standards in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is renumbered to Section 17.43.090 - Delay of enforcement of building standards.

SECTION 12: Section 17.43.090 - Appeals in Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code is renumbered to Section 17.43.100 – Appeals, and amended to read as follows:

Any decision or determination by the Planning Director pursuant to this chapter may be appealed in accordance with the procedure set forth in Chapter 17.52 of this title.

SECTION 13: Section 17.43.070 is added to Chapter 17.43 - Accessory Dwelling Units and Junior Accessory Dwelling Units of the Municipal Code Brisbane Municipal Code, to read as follows:

17.43.070 – State-exempt Accessory and Junior Accessory Dwelling Units

- A. The following types of units shall be considered state-exempt accessory dwelling units when all requirements and development regulations indicated under subsection C., are met:
 1. An accessory dwelling unit within the proposed space of a single-family dwelling, or existing space of a single-family dwelling or accessory structure.
 2. A newly constructed, detached accessory dwelling unit.
 3. Accessory dwelling units constructed within an existing multiple-family dwelling structure not used as livable space.
 4. Detached accessory dwelling units on a lot with an existing or proposed multiple-family dwelling.
 5. A junior accessory dwelling unit within the proposed space of a single-family dwelling or existing space of a single-family dwelling when combined with an accessory dwelling unit from subsections A.1., or A.2., above.
- B. The following state-exempt accessory dwelling units are allowed as follows:

State-exempt ADU Type	Allowed on any lot with a Single-family Main Dwelling ¹	Allowed on any lot with a Multiple-family Main Dwelling ²
1. ADU constructed within proposed or existing SFD	Yes	No
2. Newly constructed, detached ADU	Yes	No

3. ADUs constructed in existing MFD not used as livable	No	Yes
4. Multiple detached ADUs	No	Yes
5. JADUs	Yes	No
¹ Any combination of type 1, 2, or 5 state-exempt units may be combined on a single lot with a single-family main dwelling. Provided, however, no more than a total of 4 dwelling units, including ADUs and JADUs, may be built in the same lot area typically used for a single-family residence for which an urban lot split or two-unit development was approved under Chapter 17.05 of this Title. ² Any combination of type 3 or 4 state-exempt units may be combined on a single lot with a multiple-family main dwelling.		

- C. The following shall apply to state-exempt units, in addition to compliance with the development regulations established in Sections 17.43.040 thru 17.43.060 above:

State-Exempt ADU Type	Requirements and Provisions in Addition to Development Regulations	Applicable Development Regulations
1. ADU constructed within proposed or existing SFD	a. No limitation on unit size. b. When proposed within an existing accessory structure, the accessory structure may expand one hundred fifty (150) square feet from the existing structure for ingress and egress. c. Side and rear setbacks shall be sufficient for fire and safety, as determined by the building official.	§17.43.040
2. Newly constructed, detached ADU	a. Shall not exceed eight hundred (800) square feet in floor area.	§17.43.040
3. ADUs constructed in existing MFD non-livable space(s)	a. No limitation on unit size. b. Non-livable space(s), shall include, but is not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings. c. The planning director shall have authority to render administrative interpretations of what constitutes livable space. Any administrative interpretation by the Planning Director may be appealed to the Planning Commission in accordance with the procedure set forth in Chapter 17.52 of this title.	§17.43.040 & §17.43.050
4. Multiple detached ADUs	a. No limitation on unit size.	§17.43.040 & §17.43.050
5. JADUs	a. Side and rear setbacks shall be sufficient for fire and safety, as determined by the building official.	§17.43.060

SECTION 14: If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Brisbane hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases may be held invalid or unconstitutional.

SECTION 15: The City Council finds and determines that the adoption of this Ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080.17, which states that the CEQA does not apply to the adoption of local ordinances regulating construction of second units, and by CEQA Section 15282(h) that exempts adoption of an ordinance regarding second units in single-family and multifamily residential zones. In addition to being statutorily exempt from CEQA, the project is consistent with the General Plan per State CEQA Guidelines Section 15183(a)--this proposal falls within a class of projects which are consistent with existing zoning or general plan policies for which an EIR was certified and shall therefore not require further review. The exception to this section requiring environmental review as might be necessary to examine project specific significant effects does not apply.

SECTION 16: This Ordinance shall be in full force and effect thirty days after its passage and adoption.

* * *

The above and foregoing Ordinance was regularly introduced and after the waiting time required by law, was thereafter passed and adopted at a regular meeting of the City Council of the City of Brisbane held on the _____ day of _____, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Cliff Lentz

ATTEST:

City Clerk

APPROVED AS TO FORM:



City Attorney

[Link to Complete 2025 ADU Handbook](#)

Summary of Recent Changes to ADU Law



In Government Code section 66310, subdivision (d), the California Legislature declared that allowing ADUs in zones that allow single-family and multifamily uses provides additional rental housing and is an essential component in addressing California's housing needs. Over the years, State ADU Law has been revised to improve its effectiveness in creating more housing units. Major changes to State ADU Law, effective January 1, 2023, January 1, 2024, and January 1, 2025, further reduced barriers to the development of ADUs and JADUs. Within this context, HCD developed –

and continues to update – this Handbook to assist local governments, homeowners, attorneys, architects, and the public in understanding and applying the requirements of state law. Below is a summary of recent legislation that amended State ADU Law.

Please visit <https://leginfo.legislature.ca.gov> for the complete statutory changes.

All local permitting agencies and interested parties should review the amendments to California law, effective January 1, 2023, 2024, and 2025, regarding the creation of ADUs and JADUs.

2022 legislation includes the following changes to State ADU Law (effective January 1, 2023):

Assembly Bill (AB) 2221 (Chapter 650, Statutes of 2022, Section 1) and Senate Bill (SB) 897 (Chapter 664, Statutes of 2022, Sections 2.5, 4, 5, and 6) built upon recent changes to State ADU and JADU Law and further addressed barriers to the development of ADUs and JADUs. Due to SB 897 being chaptered after AB 2221, section 2.5 of SB 897 incorporated amendments to ADU Law proposed by both SB 897 and AB 2221.

- **Objective Standards.** Requires local agencies to only impose objective standards on ADUs, which “involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal” of an ADU permit application. (Gov. Code, § 66313, subd. (i). See *also* Gov. Code, §§ 66314, subd. (b)(1); 66323, subd. (g).)
- **Detached Garages.** Allows ADUs detached from the proposed or existing primary dwelling, including in detached garages (Gov. Code, § 66314, subd. (d)(3)).
- **Occupancy Change.** Provides that the construction of an ADU does not constitute a

Group R occupancy change under the local building code, unless the local agency makes a written finding based on substantial evidence in the record that the construction of the ADU could have a specific, adverse impact on public health and safety (Gov. Code, § 66314, subd. (d)(8)).

- **Fire Sprinklers.** Precludes ADU construction from triggering a requirement that fire sprinklers be installed in the existing primary dwelling (Gov. Code, § 66314, subd. (d)(12)).
- **Permitting Process.** Requires a permitting agency to either approve or deny (replacing the former language “act on”) an application to create or serve an ADU or JADU within 60 days from when a completed application is received, if there is an existing single-family or multifamily dwelling on the lot (Gov. Code, §§ 66317, subd. (a); 66320, subd. (a); 66335, subd. (a)(2)).
- **Concurrent Permitting.** Clarifies that permitting agencies may concurrently approve or deny a proposed ADU and new single-family or multifamily dwelling when submitted simultaneously for permitting. The application for the ADU shall be considered without discretionary review or hearing. Clarifies that permitting agencies may concurrently approve or deny a proposed JADU and new single-family dwelling when submitted simultaneously for permitting. (Gov. Code, §§ 66317, subd. (a); 66320, subd. (a); 66335, subd. (a)(3).)
- **Permitting Agency Denials.** Obligates a permitting agency, when it denies an ADU or JADU application, to “return in writing a full set of comments to the applicant with a list of items that are defective or deficient and a description of how the application can be remedied by the applicant” within 60 days from when a completed application is received. (Gov. Code, §§ 66317, subd. (b); 66320, subd. (b); 66335, subd. (b).)
- **Demolition Permits.** Adds a requirement for a local agency to review and issue a demolition permit for “a detached garage that is to be replaced with an ADU” at the same time it reviews, and issues permits for, the ADU construction. (Gov. Code, § 66314, subd. (e).) Also prohibits permitting agencies requiring applicants to “provide written notice or post a placard for the demolition of a detached garage ... unless the property is located within an architecturally and historically significant district.” (Gov. Code, § 66314, subd. (f).)
- **Zoning & Setbacks.** Prohibits a local agency from requiring “a zoning clearance or separate zoning review or any other minimum or maximum size for an accessory dwelling unit, size based upon a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, front setbacks, and minimum lot size, for either attached or detached dwellings that does not permit at least an 800 square foot accessory dwelling unit with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.” (Gov. Code, § 66321, subd. (b)(3).)
- **Detached ADU Height Limitations.** Establishes a base height limitation of 16 feet for detached ADUs (Gov. Code, § 66321, subd. (b)(4)(A)). Increases the maximum height limitation on a detached ADU to 18 feet if the ADU is “either within a half-mile walking distance of a major transit stop or a high-quality transit corridor” and provides for an

additional two feet for roof pitch to align with the roof pitch of the primary dwelling unit.” (Gov. Code, §§ 66321, subd. (b)(4)(B); 66323, subd. (a)(2)(B).) Increases the height to 18 feet for a detached ADU that is “on a lot with an existing or proposed multifamily, multistory dwelling.” (Gov. Code, § 66321, subd. (b)(4)(B).)

- **Attached ADU Height Limitations.** Establishes the maximum height limitation that may be imposed by a local agency on an attached ADU to 25 feet, or the existing primary dwelling height limit if lower than 25 feet. Does not require a local agency to allow an ADU to exceed two stories (Gov. Code, § 66321, subd. (b)(4)(D)).
- **Parking Standards.** Prohibits local agencies from imposing parking in a number of specific circumstances (Gov. Code, § 66322, subd. (a)).
- **Zoning Nonconformance & Building Code Violations.** Prohibits local agencies from denying an ADU permit due to the correction of “nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and are not affected by the construction of the accessory dwelling unit.” (Gov. Code, § 66322, subd. (b).) The prohibition was also added to Government Code section 66336 to apply to JADUs.
- **Multifamily Dwellings.** Prohibits a permitting agency from requiring “any modification of the existing multifamily dwelling as a condition of approving the application to construct an accessory dwelling unit” if the existing multifamily dwelling has “a rear or side setback of less than four feet...” (Gov. Code, § 66323, subd. (a)(4)(B)).
- **Permitting Agency Definition.** Adds definition of a permitting agency as “any entity that is involved in the review of a permit for an accessory dwelling unit or junior accessory dwelling unit and for which there is no substitute, including, but not limited to, applicable planning departments, building departments, utilities, and special districts.” (Gov. Code, § 66313, subd. (k).)
- **Unpermitted ADUs.** Precludes a local agency from denying a permit for an unpermitted ADU that was constructed before January 1, 2018, because the ADU violates building standards or because the ADU does not comply with State ADU Law or a local ordinance. (Gov. Code, § 66332, subd. (a).) This prohibition does not apply if the local agency makes a finding that “correcting the violation is necessary to protect the health and safety of the public or occupants of the structure” (Gov. Code, § 66332, subd. (b)) or to a building that is deemed substandard pursuant to Health and Safety Code section 17920.3 (Gov. Code, § 66332, subd. (c)).
- **Enclosed Uses.** Considers enclosed uses within the residence, such as attached garages, to be “a part of the proposed or existing single-family residence” for the purposes of JADUs (Gov. Code, § 66333, subd. (d)).

- **JADU Separate Entrance.** Requires a JADU without a separate bathroom to “include a separate entrance from the main entrance to the proposed JADU, with an interior entry to the main living area.” (Gov. Code, § 66333, subd. (e)(2).)

2023 legislation includes the following changes to State ADU Law (effective January 1, 2024):

AB 976 (Chapter 751, Statutes of 2023) and AB 1033 (Chapter 752, Statutes of 2023) made changes to State ADU Law. AB 1332 (Chapter 759, Statutes of 2023) added Government Code section 65852.27 to expedite the approval of ADUs. AB 434 (Chapter 740, Statutes of 2023) modified Government Code section 65585 to require enforcement of State ADU Law, ADU amnesty laws, and lot split / duplex laws, among others.

- **Owner Occupancy.** Removes the existing 2025 sunset of the prohibition on owner-occupancy requirements and instead mandates no owner-occupancy requirement for ADUs (Gov. Code, § 66315). Authorizes a local agency to adopt a local ordinance to allow the separate conveyance of the primary dwelling unit and ADU(s) as condominiums (Gov. Code, § 66342).
- **Pre-Approved ADU Plans.** Requires the local agency to develop a program for the preapproval of ADU plans by January 1, 2025. The local agency shall accept ADU plan submissions for preapproval from any party and shall approve or deny applications pursuant to standards established in Government Code sections 66314-66332. The local agency shall post preapproved ADU plans and the contact information of the applicant on the local agency’s website. The local agency may also post plans pre-approved by other local or state agencies. (Gov. Code, § 65852.27.)
- **Enforcement Authority.** Amends Government Code section 65585, subdivision (j), by adding to the list of laws about which HCD is authorized to notify a local jurisdiction or the Attorney General when the local jurisdiction fails to comply with those laws, including Chapter 13 (commencing with Section 66310) and Government Code sections 65852.21, 65852.24, 65852.28, 65913.4.5, and 66411.7, among others.

2024 legislation includes the following changes to State ADU Law (effective March 27, 2024, and January 1, 2025):

SB 477 (Chapter 7, Statutes of 2024) made changes to the numbering of the government code sections related to ADU and JADU Law. AB 2533 (Chapter 834, Statutes of 2024) and SB 1211 (Chapter 296, Statutes of 2024) made changes to State ADU Law.

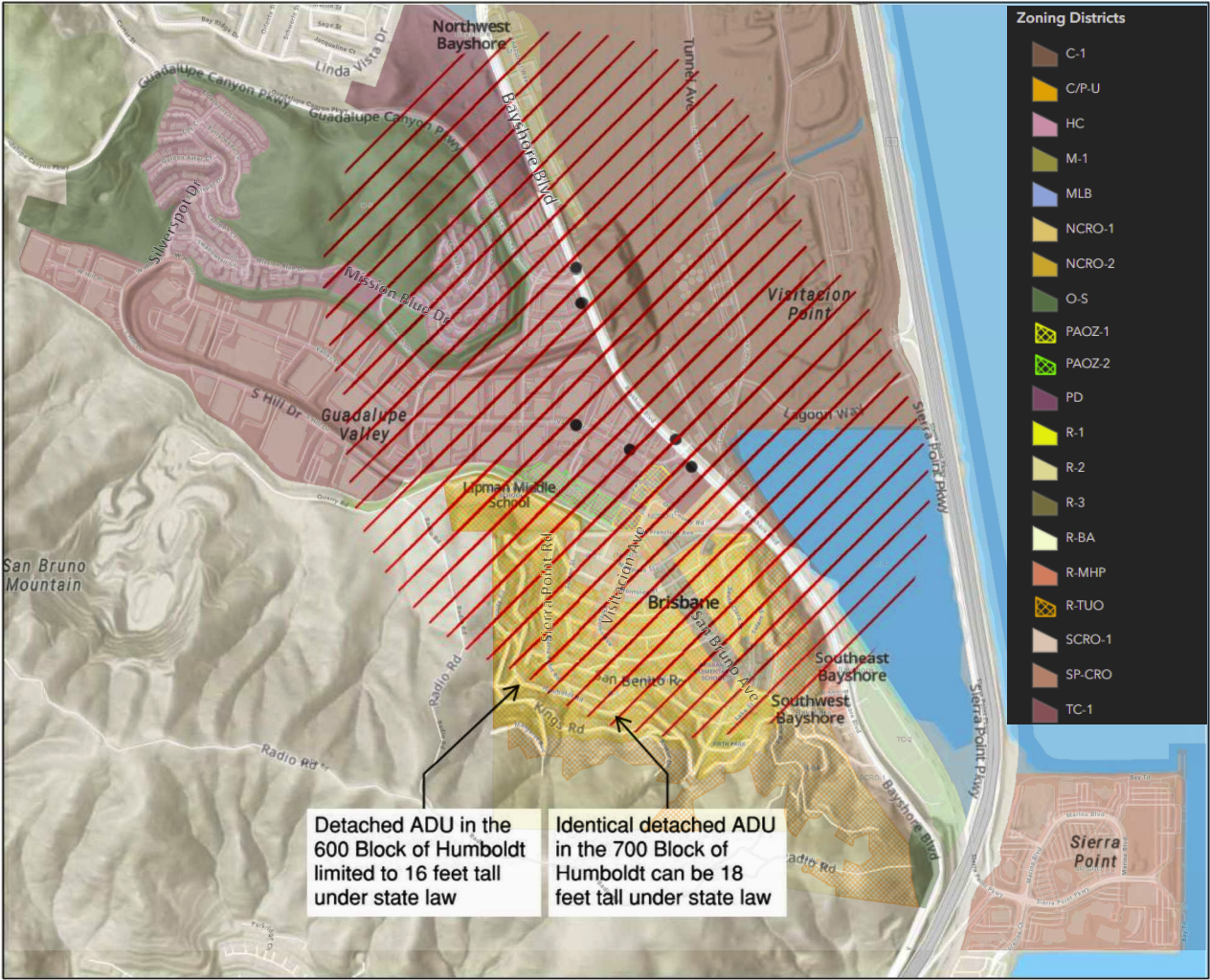
- **Updated Government Code Sections.** Government Code sections related to ADU and JADU law were updated from 65852.2, 65852.22, 65852.23, and 65852.26 to Government Code sections 66310-66342.
- **Unpermitted ADUs and JADUs.** Changes the date from January 1, 2018, to January 1, 2020, such that a local agency is precluded from denying a permit for an unpermitted ADU that was constructed before January 1, 2020, because the ADU violates building standards

or because the ADU does not comply with State ADU Law or a local ordinance. (Gov. Code, § 66332, subd. (a).) A local agency shall inform the public about the provisions of this section through public information resources, including permit checklists and the local agency's internet website, which shall include both of the following: (1) a checklist of the conditions specified in Section 17920.3 of the Health and Safety Code that would deem a building substandard, and (2) information that, before applying for a permit, the homeowner may obtain a confidential third-party code inspection from a licensed contractor to determine the unit's existing condition or potential scope of building improvements before applying for a permit. (Gov. Code, § 66332, subd. (d)(1), (d)(2).)

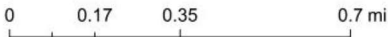
- **Objective Standards.** Prohibits a local agency from imposing any objective development standards on 66323 Units that are not authorized by the provisions of Government Code section 66323, subdivision (a).
- **Livable Space.** Defines "livable space" as a space in a dwelling intended for human habitation, as the term appears in Government Code sections 66313, subdivision (e), and 66323, subdivision (a)(3)(A).
- **Uncovered Parking.** Specifies that uncovered, off-street parking spaces demolished in conjunction with the construction of an ADU do not need to be replaced.
- **Detached ADUs.** Authorizes up to eight detached ADUs on a lot with an existing multifamily dwelling, provided that the number of ADUs does not exceed the number of existing units on the lot.

For additional summaries of ADU legislation, please see the Resources section.

Half-Mile Radius of Major Transit Stops in Brisbane



- Qualifying Major Transit Stops, per AB 2553
- Half-mile Radius (18-foot maximum height limitation imposed by the State)



Esri, NASA, NGA, USGS, FEMA, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community

File Attachments for Item:

M. Review and Consider Approval of the Complete Streets Safety Committee's Recommendation to Implement Full Street Closures in the Downtown Area on the Evening of Halloween, October 31, 2025

(The fiscal impact of this item will depend on Council's direction.)



CITY COUNCIL AGENDA REPORT

Meeting Date: September 4, 2025
From: Commander Mario Garcia
Subject: Complete Streets Safety Committee Halloween Street Closures Recommendation

Recommendation

Staff recommends that the City Council review and consider the Complete Streets Safety Committee's (CSSC) recommendation to implement full street closures in the downtown area on the evening of Halloween, October 31, 2025.

Background

At the August 6, 2025 monthly meeting of the CSSC, community members presented a proposal to close specific streets in the lower downtown area on Halloween to improve safety for families and children participating in Halloween activities. Halloween in Brisbane is a popular annual event that attracts a significant number of residents and visitors to the City of Brisbane. Community members expressed concern about vehicle traffic and the need to create a safer environment, and the plan as offered provides enhanced pedestrian safety during trick-or-treating activities.

The proposal included a map and requested the closure of Mariposa Street from Visitacion Avenue to Alvarado Street, Monterey Avenue from Visitacion Avenue to Alvarado Street, and Mendocino Street from Visitacion Avenue to Alvarado Street. These closures would also result in the closure of San Bruno Avenue between Mariposa Street and Mendocino Street. Further, the request includes closure of San Francisco Avenue from San Bruno Avenue to Mariposa Street and San Bruno Avenue from San Francisco Avenue to Mariposa Street to facilitate an event for younger children at the community park. The requested closure hours are from 5PM to 9 PM on Halloween.

Discussion

During the discussion, community members initially proposed a "soft closure" to allow limited vehicle ingress and egress. The CSSC did not support a soft closure at each entry point but instead suggested a compromise of providing controlled access at two points, with entry allowed at San Bruno Avenue and Mariposa Street and exiting at San Bruno Avenue and Mendocino Street. While staff initially expressed support for this compromise, upon further review, it was determined that even limited vehicle movement during the event would compromise pedestrian safety. Staff therefore recommends a full hard closure of the proposed streets with no vehicle ingress or egress during the event hours, except in the case of an emergency.

Community members acknowledged that each road closure point would require monitoring and recognized that the Police Department and Public Works do not have adequate staffing to fully manage the event. They offered to provide community volunteers to assist with monitoring the closure points. The City's volunteer waivers will be provided to all volunteers.

The CSSC also discussed parking impacts for both displaced resident vehicles and visitors. To address this, the CSSC recommended using the City Hall parking lot and also making the former Bank of America building parking lot available for public use without the need for monitoring.

The CSSC recommends that the City Council approve a full hard closure of Mariposa, Monterey, and Mendocino Streets, which would also close San Bruno Avenue between San Francisco Avenue and Mendocino Streets as well as San Francisco Avenue from San Bruno Avenue to Mariposa Street, from 5PM to 9 PM on Halloween. The CSSC further recommends that no community surveys or voting be required before implementation and that immediate and robust public messaging be initiated to notify residents and visitors well in advance. Then Deputy Director of Public Works Karen Kinser acknowledged the recommendation and stated that staff may provide additional input for City Council consideration.

If the City Council does not approve the proposed street closures, an alternative plan would be to close San Francisco Avenue only and host a City of Brisbane Parks and Recreation Halloween event at the community park. After discussion, the CSSC agreed to add this site and associated closures to their recommendation so that the City Council could consider both proposals, allowing trick-or-treating in the lower neighborhood and an event for very young children in the park. The Council may wish to also discuss a children's event at the park in either proposal.

Fiscal Impact

The fiscal impact will depend on the direction of the City Council. If the street closures are approved, costs would be tied to City staff time to stage and later remove Type III barricades before and after the event. In addition, the City would need to utilize an Electronic Message Board to provide a warning to vehicular traffic regarding the street closures. Other potential costs include signage and limited staff support during the event. Community volunteers have indicated they are willing to assist with monitoring, which may help reduce staffing expenses. The alternative plan of hosting a City-sponsored Halloween event at the community park would involve costs associated with event preparation and operations. Detailed cost estimates will be provided following City Council direction.

Attachments

- Attachment 1 – road closure map

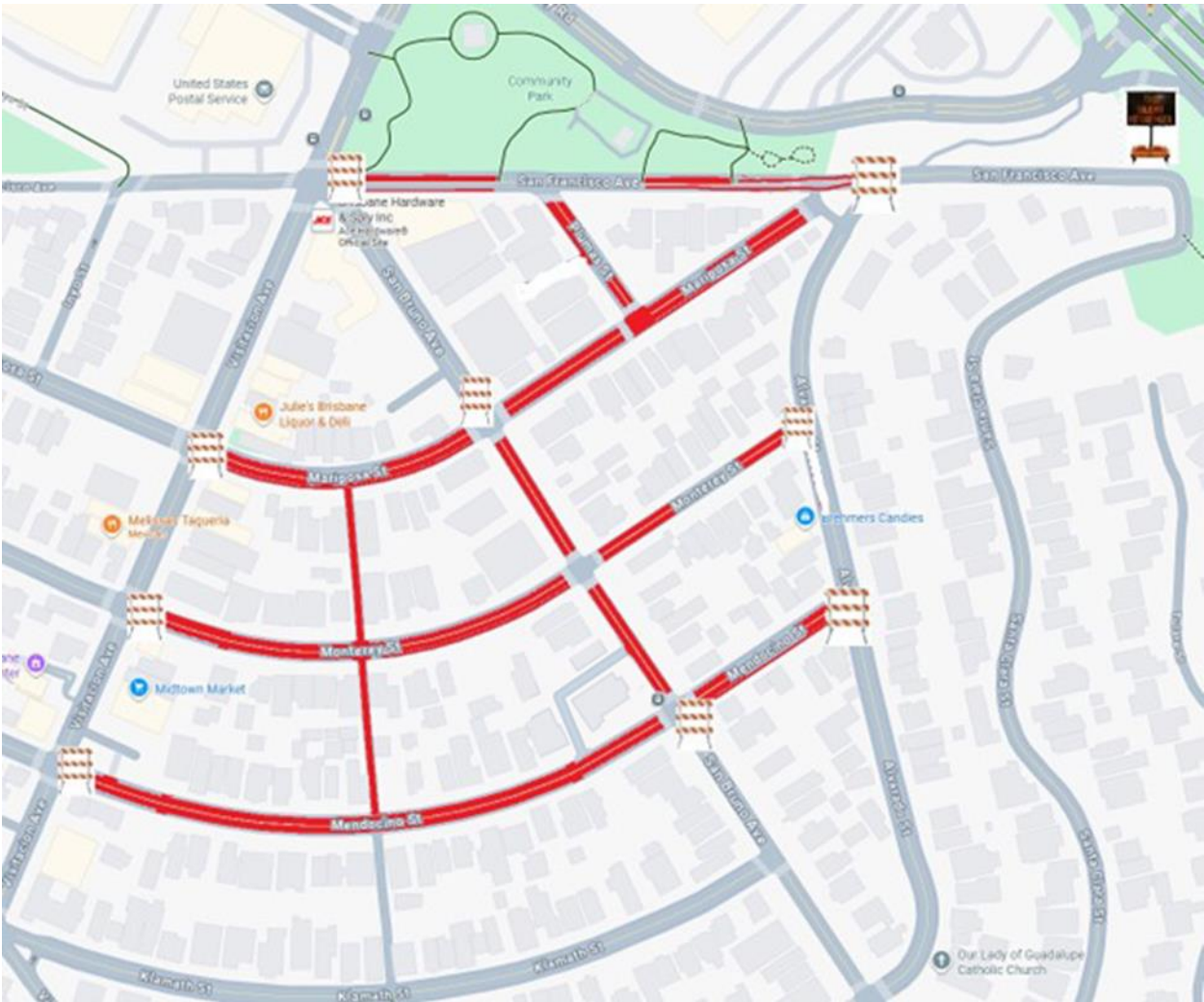
Chief Lisa Macias (for)

Mario Garcia, Police Commander

Jeremy Dennis

Jeremy Dennis, City Manager

Attachment 1



File Attachments for Item:

N. Consider Adoption of City of Brisbane and GVMID Resolutions Approving Tier 2 Drought Response Implementation Plan Pursuant to Section 3.11C of the Amended and Restated Water Supply Agreement and Approving an Amendment to the Amended and Restated Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County

(The cost increase of the Amendment to all Regional Water System customers would result in an increase of no more than \$0.04 per hundred cubic feet of water. There is no anticipated cost impact as a result of adopting the Tier 2 Drought Response Implementation Plan.)



CITY COUNCIL & GVMID BOARD OF DIRECTORS AGENDA REPORT

Meeting Date: September 4, 2025
From: Randy Breault, Director of Public Works/City Engineer
Subject: Amendments to Water Supply Agreement with the City and County of San Francisco

Adoption of these Resolutions is exempt from CEQA review because it is not a project (CCR Title 14 §15378 (b) (2)).

Recommendation

Staff recommends that the City Council acting on behalf of itself and in its capacity as the Board of Directors of the Guadalupe Valley Municipal Improvement District approve City of Brisbane and GVMID Resolutions “Approving Tier 2 Drought Response Implementation Plan Pursuant to Section 3.11C of the Amended and Restated Water Supply Agreement” and “Approving an Amendment to the Amended and Restated Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County”.

Background

The City of Brisbane and the Guadalupe Valley Municipal Improvement District (GVMID) receive 100% of their water supply from the City and County of San Francisco (CCSF) via the Water Enterprise of the San Francisco Public Utilities Commission (SFPUC). The delivery mechanism for water supply is also referred to as the Regional Water System (RWS). The City and GVMID are members of the Bay Area Water Supply & Conservation Agency (BAWSCA) and are referred to as one of SFPUC’s “Wholesale Customers”.

BAWSCA is a multicounty agency formed in 2002 to represent its member agencies in administration of the 1984 Water Supply Agreement (WSA) between CCSF and the Wholesale Customers.

Discussion

NOTE: BAWSCA staff will attend the Council/Board meeting and deliver a similar presentation to that provided to the city’s Infrastructure Subcommittee (Mayor Lentz and Councilmember O’Connell) on 7/15/25. At that meeting, the subcommittee supported the recommended revisions/amendments.

Two identical actions are proposed for the City and GVMID; first, the adoption of a new Tier 2 Drought Response Implementation Plan (DRIP), and the revision of requirements in the WSA that impose Minimum Purchase Quantities (MPQ) on certain members of BAWSCA.

As explained in the attached Fact Sheet, the Tier 2 DRIP is the methodology by which BAWSCA members agree to share water amongst themselves after the SFPUC declares a system wide water shortage of up to 20% due to drought. The SFPUC allocation to the Wholesale Customers is referred to as Tier 1. The Tier 2 plan revision recommended was a topic of discussion amongst Wholesale Customers over a period of two years. With unanimous agreement finally reached amongst all of the member agencies' technical staff, this item is now recommended to the governing bodies.

The MPQ revision is a slightly more complex matter. Requirements of the WSA vary somewhat from member agency to member agency; in particular, four of the agencies have a minimum purchase quantity, which is also referred to as "take or pay". The original rationale for having the MPQ provisions was to ensure that member agencies with access to water outside of the RWS continued to purchase a minimum quantity of water to guarantee both a financial stake in the RWS and to also provide year-to-year financial stability to the RWS (and the resulting unit costs charged to all Wholesale Customers).

The attached MPQ Fact Sheet provides significant detail on the reason for resetting the MPQ values; the primary driver is that the current requirements disincentivize agencies who are well-suited to developing additional external RWS water sources from doing so. By lowering the volume of MPQ, those impacted agencies will in theory have freed up capital to develop drought-resistant local supplies, thus improving the reliability of the RWS and benefits all RWS users.

Fiscal Impact

The cost increase of the MPQ Amendment to all RWS customers in non-drought years may be between \$0.007 to \$0.040 per hundred cubic feet (CCF, i.e. 748 gallons of water). With the current cost of water from the RWS at \$5.80 per CCF, this would result in an increase of no more than \$0.04 per CCF.

There is no anticipated cost impact as a result of adopting the Tier 2 DRIP.

Environmental Review

Adoption of these resolutions does not need further environmental review under the California Environmental Quality Act (CEQA) as it is general policy and procedure making not applied to a specific instance and therefore it is not a "project" (CEQA Guidelines, §15378 (b) (2)).

Attachments

1. City of Brisbane Resolution approving Tier 2 Drought Response Implementation Plan (4/149)
2. GVMID Resolution approving Tier 2 Drought Response Implementation Plan (27/149)
3. City of Brisbane Resolution approving revisions to the Water Supply Agreement (50/149)
4. GVMID Resolution approving revisions to the Water Supply Agreement (89/149)
5. BAWSCA PowerPoint presentation (128/149)
6. Fact Sheet – Tier 1 and Tier 2 Drought Response Implementation Plan (146/149)

7. Fact Sheet – Water Supply Agreement Amendment – Minimum Purchase Quantity (148/149)

R.L. Breault

Randy Breault, Public Works Director

Jeremy Dennis

Jeremy Dennis, City Manager

RESOLUTION NO. 2025-__**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE
APPROVING TIER 2 DROUGHT RESPONSE IMPLEMENTATION PLAN PURSUANT TO
SECTION 3.11.C OF THE AMENDED AND RESTATED WATER SUPPLY AGREEMENT**

WHEREAS, the City of Brisbane is one of twenty-six (26) agencies in San Mateo, Santa Clara and Alameda Counties (Wholesale Customers) which purchase water from the City and County of San Francisco (San Francisco) pursuant to a Water Supply Agreement entered into in 2009, and recently amended in 2018, 2021 and 2025 (the Agreement or WSA). Collectively these 26 agencies are referred to in the Agreement as Wholesale Customers; and

WHEREAS, Section 3.11 of the Agreement addresses situations when insufficient water is available in the San Francisco Regional Water System (RWS) to meet the full demands of all users. Section 3.11.C provides that during periods of water shortage caused by drought, the San Francisco Public Utilities Commission (SFPUC) will allocate available water between its retail customers and the Wholesale Customers collectively, in accordance with a schedule contained in the Water Shortage Allocation Plan set forth in Attachment H to the Agreement (Tier 1 Plan); and

WHEREAS, Section 3.11.C authorizes the Wholesale Customers to adopt a Drought Allocation Plan, including a methodology for allocating the available water among the individual Wholesale Customers (Tier 2 Plan). The WSA also commits the SFPUC to honor allocations of water unanimously agreed to by all Wholesale Customers or, if unanimous agreement cannot be achieved, water allocations that have been adopted by the Board of Directors of the Bay Area Water Supply and Conservation Agency (BAWSCA). The Agreement also provides that the SFPUC can allocate water supplies as necessary during a water shortage emergency if no agreed upon plan for water allocation has been adopted by the 26 Wholesale Customers or the BAWSCA Board of Directors; and

WHEREAS, Commencing in January 2022, representatives appointed by the managers of each of the Wholesale Customers began meeting monthly to develop a set of principles to serve as guidelines for an equitable allocation methodology, and to develop formulas and procedures, in order to implement those principles. These discussions, and supporting technical analyses, have been conducted with the assistance of BAWSCA; and

WHEREAS, The Tier 2 Plan, attached to this resolution as Exhibit A, has been endorsed by all of the Wholesale Customer representatives who participated in the formulation process and they have each recommended that it be formally adopted by the governing body of their respective agencies; and

WHEREAS, The Tier 2 Plan allocates the collective Wholesale Customer share of RWS supply made available by the SFPUC among each of the 26 Wholesale Customers through December 31, 2034 and is coordinated with the term of the Agreement, and extension and renewal terms.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brisbane as follows:

1. The Tier 2 Drought Response Implementation Plan, as attached as Exhibit A (Tier 2 Plan), is approved.

2. This approval is conditioned upon all of the other twenty-five Wholesale Customers approving the Tier 2 Plan, such approvals being evidenced through adoption of similar resolutions or, in the case of private-sector organizations, by other equivalently binding written commitments signed by an executive officer acting within the scope of delegated authority, and all such approvals occurring on or before December 31, 2025.

If such resolutions or binding commitments are not adopted by that date, this resolution will automatically expire and be of no further effect after December 31, 2025, unless it has been extended prior thereto by further action of this Council.

Cliff Lentz, Mayor

* * * *

PASSED AND ADOPTED at a regular meeting of the Brisbane City Council held on the fourth day of September, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Ingrid Padilla, City Clerk

Attachment:

Exhibit A. Tier 2 Drought Response Plan including Example Tier 2 Plan Excel-Based Model



Tier 2 Drought Response Implementation Plan

Drought Shortage
Allocation Plan for the
Regional Water System
Wholesale Customers

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1. Introduction

The Tier 2 Drought Response Implementation Plan (the “Plan” or “Tier 2 Plan”) describes the method for allocating the water made available by the San Francisco Regional Water System (“RWS”) among the Wholesale Customers during shortages caused by Drought. This Plan is adopted pursuant to Section 3.11(C) of the Amended and Restated Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers in Alameda, San Mateo, and Santa Clara Counties (the “WSA”).

2. Relationship to Water Supply Agreement

The WSA includes a Water Shortage Allocation Plan which, among other things, (a) provides for the allocation of available water between Retail Customers (e.g., retail water customers within the City and County of San Francisco) and the Wholesale Customers collectively during system-wide water shortages of 20 percent or less, (b) contemplates the adoption by the Wholesale Customers of this Plan for allocation of the Wholesale Customers share of available water, (c) commits the SFPUC to implement this Plan, (d) provides for banking of unused allocation, and (e) provides for the transfer of both banked water and shortage allocations between and among the Wholesale Customers and commits the SFPUC to implement such transfers. That plan is referred to as the Tier 1 Plan and is included as Attachment H to the WSA.

The Tier 1 Plan also provides the methodology for determining the Overall Average Wholesale Customer Reduction, expressed as a percentage cutback from prior year’s normal SFPUC purchases, and Overall Wholesale Customer Allocation, in million gallons per day (MGD), both of which are used in determining the final Allocation Factor for each Wholesale Customer. The Overall Average Wholesale Customer Reduction is determined by dividing the volume of water available to the Wholesale Customers (the “Overall Wholesale Customer Allocation” or “Tier 1 Allocation”), shown as a share of available water in Section 2 of the Tier 1 Plan, by the prior year’s normal total Wholesale Customers’ RWS purchases and subtracting that value from one.

3. Development Process

Between January 2022 and June 2024, Bay Area Water Supply and Conservation Agency (BAWSCA), supported by Woodard & Curran technical consultants, facilitated negotiations between the Wholesale Customers through a series of meetings, workshops, and workgroups to develop a formula and implementation plan to allocate RWS supplies in the event of shortage caused by a SFPUC declared Drought, as defined in the WSA. These meetings, workshops, and workgroups provided a forum for in-depth discussion of the objectives, mechanics, and policy aspects of the elements of an updated Plan.

The Wholesale Customers began negotiations by reviewing the prior Plan, then discussed and agreed upon four policy principles to lay the foundation for a revised Plan. BAWSCA, with support from Woodard & Curran as the technical consultant team, introduced potential elements of a formula to align with the agreed upon policy principles. In monthly workshops, the Wholesale Customers discussed these options and provided feedback on which elements should be included in the Plan, along with suggested refinements. These workshops, and the discussions, suggestions, and comments expressed by the Wholesale Customers during this process, were the primary forum through which this Plan was developed.

4. Plan Policy Principles

The Wholesale Customers collectively developed four policy principles (the “Policy Principles”) to guide the development and performance of the Tier 2 Plan. The Tier 2 Plan and associated Tier 2 Plan Allocation Model were developed in consideration of these policy principles, with the intent to abide by each policy principle while minimizing conflicts between policy principles. The policy principles are summarized below and implemented in Attachment B, Tier 2 Plan Data Sources and Calculations.

1. **Policy Principle #1** - Provide sufficient water for the basic health and safety needs of customers.
2. **Policy Principle #2** - Minimize economic and other adverse impacts of water shortages on customers and the BAWSCA region.
3. **Policy Principle #3** - Provide predictability of drought allocations through consistent and predetermined rules for calculation, while allowing for flexibility to respond to unforeseen circumstances.
4. **Policy Principle #4** - Recognize benefits of, and avoid disincentives for, water use efficiency and development of alternative water supply projects.

5. Allocation Formula

Guided by the Policy Principles, the Wholesale Customers developed a specific formula for apportioning the Overall Wholesale Customer Allocation among the individual Wholesale Customers. The Tier 2 Allocation Model requires several inputs to calculate each Wholesale Customer's allocation. First, Base Period data are collected to be used as inputs in the Tier 2 formula. Next each Wholesale Customer's allocation is calculated in five steps.

Base Period Calculations

The Base Period in the Tier 2 Plan is defined as the average of each Wholesale Customer's two years with the highest volumes of SFPUC purchases from the previous three non-Drought years. A non-Drought year is defined as a full fiscal year (July 1 through June 30) in which the SFPUC has not declared a water shortage emergency, as defined in the WSA. BAWSCA's Annual Survey, which compiles and publishes data self-reported by the Wholesale Customers, is the primary source for model inputs.

Tier 2 Plan Allocation Formula Inputs

- **Population:** Each Wholesale Customer's population as reported in the most recently published Annual Survey and is not tied to Drought or non-Drought year status.
- **Base Period SFPUC Purchases:** The average of each Wholesale Customer's two years with the highest volumes of SFPUC purchases from the previous three non-Drought years.
- **Base Period Total Potable Water Production:** Total potable production as reported in the Annual Survey.

- **Base Period SFPUC Reliance:** Each Wholesale Customer's Base Period SFPUC Purchases divided by Base Period Total Potable Water Production, expressed as a percentage.
- **Base Period Percent Indoor Demand:** The single lowest month's total potable demand (a proxy for indoor use) divided by the average monthly total potable demand, expressed as a percentage. The resulting percentages are averaged for the two selected Base Period years.
- **Base Period Percent Non-Residential Demand:** Each Wholesale Customer's potable water consumption from the Base Period from all customer categories except residential, divided by the Wholesale Customer's Base Period Total Potable Water Production, expressed as a percentage. The resulting percentages are averaged for the two selected Base Period years.
- **Individual Supply Guarantee (ISG):** Each Wholesale Customer's share of the Supply Assurance, as shown on Attachment C to the WSA, with proxies for Hayward, San Jose, and Santa Clara in order to provide inputs for the Tier 2 Allocation Formula

There are three exceptions to the Base Period Calculations: (1) Coastside County Water District ("Coastside CWD") Base Period SFPUC Purchases and Base Period SFPUC Reliance, (2) Stanford Base Period Percent Indoor Demand, and (3) Stanford Population Calculation.

- (1) Coastside CWD Base Period SFPUC Purchases will be calculated as 94% of its Base Period Total Potable Water Production. Base Period SFPUC Reliance will be fixed at 94%. More information is provided in Attachment B.
- (2) Stanford's Base Period Percent Indoor Demand calculation will exclude demand from the month of December and/or January when the campus is closed and demand is abnormally low.
- (3) Stanford's population is calculated as described in Attachment B.

Furthermore, three Wholesale Customers do not have an ISG and a proxy is used in the Tier 2 Plan: (1) Hayward, (2) San Jose, and (3) Santa Clara. Background on ISG and each ISG proxy is described in Attachment B.

Data sources, methodologies, and equations used to calculate each input are described further in Attachment B.

Step 0: Establish SFPUC Minimum and Maximum Cutback

The Minimum and Maximum Cutback establish the upper and lower bounds for each Wholesale Customer's final allocation.

No water is allocated in this step. Instead, allocations in subsequent steps are limited such that no Wholesale Customer's final allocation is outside the upper and lower bounds (i.e., above the Minimum Cutback or below the Maximum Cutback) established in this step.

Minimum Cutback: Each Wholesale Customer will contribute to meeting the Overall Average Wholesale Customer Reduction by taking a Minimum Cutback from its Base Period SFPUC

Purchases (up to its ISG or proxy). This establishes the upper limit of each Wholesale Customer's potential final allocation. The Minimum Cutback, expressed as a percentage, is equal to 1/3 times the Overall Average Wholesale Customer Reduction, but no less than 5%.

Maximum Cutback: The Maximum Cutback establishes the lower limit of each Wholesale Customer's potential final allocation. The Maximum Cutback, expressed as a percentage, is equal to 1.5 times the Overall Average Wholesale Customer Reduction. The Maximum Cutback is calculated from each Wholesale Customer's Base Period SFPUC Purchases (up to its ISG, or proxy).

Step 1 Override Exception: If a Wholesale Customer's allocation in Step 1 exceeds the upper limit established by the Minimum Cutback at 1/3 times the Overall Average Wholesale Customer Reduction, the Wholesale Customer's Minimum Cutback will be reduced, but the Minimum Cutback will be no less than 5%.

Calculations and an example of the Step 1 Override Exception are provided in Attachment B.

Step 1: Efficient Residential Allocation

Step 1 allocates water on a residential per capita basis, based on the State Indoor Water Use Efficiency Standard¹ and the portion of each Wholesale Customer's water demand met by the RWS.

The per capita efficient residential volume, in gallons, will align with the State Residential Indoor Water Use Efficiency Standard, established as 47 gallons per capita per day (GPCD) through 2029 and 42 GPCD beginning in 2030. This step multiplies the per-capita volume by each Wholesale Customer's Population and Base Period SFPUC Reliance to determine the total amount of supply allocated to each Wholesale Customer in this step.

Step 2: Non-Residential Base Allocation

Step 2 allocates water based on each Wholesale Customer's estimated non-residential indoor/base demand.

To calculate non-residential indoor/base demand, each Wholesale Customer's Base Period SFPUC Purchases are multiplied by:

- Base Period Percent Indoor Demand
- Base Period Percent Non-Residential Demand
- Non-Residential Base Allocation Factor – this is equal to one minus 50% of the Overall Average Wholesale Customer Reduction.
 - For example, in a 20% Overall Average Wholesale Customer Reduction, the Non-Residential Base Allocation Factor will be 90% ($1 - (20\% \div 2)$) of each Wholesale Customer's non-residential indoor/base demand.

¹ SB 1157, signed into law in September 2022, established the standard for efficient indoor residential water use be 47 gallons per capita per day ("GPCD"), lowering to 42 GPCD in 2030.

Step 3: SFPUC Maximum Cutback Reserve

The Maximum Cutback establishes the lower limit for each Wholesale Customer's final allocation. See Step 0 for more information.

No water is allocated in this step. Instead, this step calculates the gap between each Wholesale Customer's allocation after Step 2 and the lower limit of its potential final allocation. This step then reserves the sum of the gap for all Wholesale Customers from the Overall Wholesale Customer Allocation for Step 5. This Maximum Cutback Reserve ensures, after other steps are applied, that sufficient water is available in the final step to provide that each Wholesale Customer's final allocation is equal to, or greater than, the lower limit of its potential allocation established by the Maximum Cutback.

Step 4: Seasonal Allocation

Step 4 allocates water based on estimated seasonal purchases from the RWS.

The inverse of each Wholesale Customer's Base Period Percent Indoor Demand (1 - % Indoor Demand) is used to estimate percent seasonal demand, which is then multiplied by Base Period SFPUC Purchases to estimate each Wholesale Customers' SFPUC seasonal purchases. Each Wholesale Customer's estimated SFPUC seasonal purchases are multiplied by the Seasonal Cutback Factor to establish each Wholesale Customer's Seasonal Allocation.

The Seasonal Cutback Factor is calculated based upon the Overall Wholesale Customer Allocation remaining to be allocated after Step 2. Of the remaining Overall Wholesale Customer Allocation after Step 2 (less the Maximum Cutback Reserve), 50% is allocated through the Seasonal Minimum Allocation Step. The detailed methodology for calculating the Seasonal Cutback Factor is described in Attachment B.

Step 5: SFPUC Purchases and ISG-Based Allocation

Step 5 allocates the water remaining after Step 4 to get agencies as close to the "Target Allocation" as possible. Each Wholesale Customer's Target Allocation is based on a weighted share of two-thirds Base Period SFPUC Purchases and one-third ISG (or proxy) while ensuring each agency's final allocation is between the Minimum and Maximum Cutback limits.

The detailed methodology for calculating the Base Period SFPUC Purchases and ISG weighted allocation is described in Attachment B.

6. Plan Implementation

The Tier 2 Plan applies when, and only when, the SFPUC declares a Drought that has is a system-wide water shortage of 20 percent or less. The Tier 2 Plan applies only to water acquired and distributed by the SFPUC to the Wholesale Customers through the WSA and has no effect on water obtained by a Wholesale Customer from any source other than the SFPUC.

Shortages Greater than 20 Percent

In no way should it be construed that the Wholesale Customers relieve the SFPUC of its obligations established in the Level of Service goals adopted in the Water System Improvement

Program (“WSIP”), including the level of service goal to “meet dry-year delivery needs while limiting drought rationing to a maximum 20 percent system-wide reduction water service during extended droughts” (2023 Amended and Updated LOS Goals and Objectives, SFPUC Resolution No. 23-0210, adopted November 28, 2023, updating the Resolution No. 08-0200, adopted October 30, 2008). Should conditions occur that result in system-wide shortages greater than 20%, the provisions in WSA Section 3.11(C) apply. The Tier 2 Plan calculations may be used during discussions with the SFPUC on how to implement reductions above 20% with the Wholesale Customers and for planning purposes only to estimate potential Wholesale Customer allocations for system-wide shortages greater than 20% (e.g., to inform efforts such as Urban Water Management Plans).

BAWSCA Role in Plan Implementation

In accordance with the WSA, upon the SFPUC’s declaration or reconfirmation of a water shortage emergency, BAWSCA will calculate and provide the SFPUC with each Wholesale Customer’s individual percentage share of the amount of water allocated to the Wholesale Customers collectively.

In the event that shortage conditions change and the SFPUC takes action to declare an increase or decrease to the system-wide shortage level, BAWSCA will recalculate the Tier 2 Plan and submit new Allocation Factors to the SFPUC. When rerunning the Tier 2 calculations, the Base Period will not change to provide predictability (Policy Principle #3). The only inputs that will change are the Overall Wholesale Customer Allocation and population, if a more recent Annual Survey has been published.

If the appropriate base period data, as specified in this Plan, are not available when BAWSCA initially calculates the Tier 2 Allocation Factors, the Base Period may be updated. However, BAWSCA may only provide the SFPUC with updated Allocation Factors if the Commission takes action to declare or reconfirm a shortage condition.

Each year, BAWSCA will provide the Wholesale Customers with a review of the Tier 2 Plan. The annual review will include:

- Calculation of each Wholesale Customer’s Allocation Factor for regional shortages of 10% and 20% for the current Base Period, based upon the most recent published BAWSCA Annual Survey;
- Review of Base Period data used to develop the calculations.

7. Plan Term

The term of the Tier 2 Plan will be the same as the WSA term and may be extended by the written agreement of all the Wholesale Customers. The Tier 2 Plan negotiators chose to coordinate the Plan term with WSA term in order to avoid simultaneous renegotiation of these related agreements. Pursuant to WSA Section 2, the WSA expires on June 30, 2034. In December 2031, the SFPUC may provide written notice to the Wholesale Customers that it is willing to extend the WSA for five years, through June 30, 2039. Between January 1, 2032 and June 30, 2032, any Wholesale Customer may accept the SFPUC’s offer to extend the Term by providing a written notice of extension to the SFPUC. If the WSA is extended, the Tier 2 Plan

shall expire on December 31, 2034, unless extended by the written agreement of all Wholesale Customers. The Wholesale Customers will meet to review and potentially negotiate amendments to the Tier 2 Plan between July 2032 and June 2034.

If the SFPUC is not willing to extend the term of the WSA, or the Wholesale Customers decline the offer to extend the term of the WSA, the term of the Tier 2 Plan shall be automatically extended for two additional years through December 31, 2036 to allow for more time for the Wholesale Customers to meet to review and potentially negotiate amendments to the Tier 2 Plan between July 2034 and June 2036.

Sample schedules described above are provided in the table below.

Date	Extension of WSA with Limited Negotiated Changes	Parties must renegotiate WSA Terms
Dec 2031	SFPUC indicates willingness to extend term of WSA for 5 years	SFPUC indicates willingness to extend term of WSA for 5 years
Jan - Jun 2032	Wholesale Customers <u>accept</u> offer to extend term of WSA	Wholesale Customers <u>decline</u> offer to extend term of WSA
Jul 2032 - Jun 2034	Wholesale Customers meet to review, extend and potentially negotiate amendments to the Tier 2 Plan	SFPUC and Wholesale Customers negotiate amendments to WSA
Jul 2034 – Jun 2036		Wholesale Customers meet to review and potentially negotiate amendments to the Tier 2 Plan

Attachment A: List of Abbreviations and Definitions

Abbreviations

BAWSCA – Bay Area Water Supply and Conservation Agency

GPCD – gallons per capita per day

ISG – Individual Supply Guarantee

MGD – million gallons per day

RWS – San Francisco Regional Water System

SFPUC – San Francisco Public Utilities Commission

WSA – Amended and Restated Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers in Alameda, San Mateo and Santa Clara Counties

WSIP – Water System Improvement Program

Definitions

Allocation Factor – Each Wholesale Customer's portion of the Overall Wholesale Customer Allocation, expressed as a percent.

Base Period – The average of each Wholesale Customer's two years with the highest volumes of SFPUC purchases from the previous three non-Drought years.

BAWSCA Annual Survey – An annual survey of the Wholesale Customers, conducted by BAWSCA, to update key service area information including actual and projections of Wholesale Customer water demand and population.

Drought – "[a] water shortage caused by lack of precipitation, as reflected in resolutions of the Commission calling for voluntary or mandatory water rationing based on evaluation of water stored or otherwise available to the Regional Water System, whether or not the Commission declares a water shortage emergency pursuant to Water Code §§ 350 et seq., as amended from time to time." (*WSA, Attachment A*)

Individual Supply Guarantee – "[each] Wholesale Customer's share of the Supply Assurance, as shown in Attachment C [to the WSA]." (*WSA, Attachment A*)

Overall Average Wholesale Customer Reduction – The percent cutback from Base Period SFPUC Purchases, calculated by dividing the Overall Wholesale Customer Allocation by the sum of the Wholesale Customer's Base Period SFPUC Purchases.

Overall Wholesale Customer Allocation or Tier 1 Allocation – The volume of water available to the Wholesale Customers from the RWS.

Regional Water System – “[the] water storage, transmission and treatment system operated by the SFPUC in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco counties, including projects constructed under the WSIP, but excluding Direct Retail and Direct Wholesale assets.” (*WSA, Attachment A*)

SFPUC Purchases – For the purposes of the Tier 2 Plan, SFPUC Purchases are defined as the volume of water purchased by and delivered to a Wholesale Customer for use within its service area. SFPUC Purchases specifically exclude (1) **In-Lieu Water**, which is Regional Water System water pursuant to the WSA and the Regional Groundwater Storage and Recovery Project Operating Agreement and (2) **Imputed Sales**, both defined in the WSA, Attachment A.

Supply Assurance – “[the] 184 MGD maximum annual average metered supply of water dedicated by San Francisco to public use in the Wholesale Service Area (not including San Jose and Santa Clara) in the 1984 Agreement and Section 3.01 of this Agreement.” (*WSA, Attachment A*)

Tier 1 Plan or Tier 1 Shortage Plan – “[the] Water Shortage Allocation Plan (Attachment H) adopted by the SFPUC and the Wholesale Customers in conjunction with this Agreement [the WSA] describing the method for allocating water between the SFPUC and the Wholesale Customers collectively for shortages of up to 20% of deliveries from the Regional Water System, as amended from time-to-time.” (*WSA, Attachment A*)

Tier 2 Plan or Tier 2 Drought Response Implementation Plan – The method of apportioning the Tier 1 Allocation among the 26 Wholesale Customers.

Tier 2 Plan Allocation Model – The Excel-based tool used for applying the Tier 2 Plan allocation methodology and determining each Wholesale Customer's Allocation Factor.

Wholesale Customers – “[the] 26 water customers identified in Section 1.02 [of the WSA] that are contracting for purchase of water from San Francisco pursuant to [the WSA].” (*WSA, Attachment A*)

Attachment B: Tier 2 Plan Data Sources and Calculations

BAWSCA Annual Survey

Each year, BAWSCA conducts an annual survey of its members in order to update key BAWSCA service area information including population, current and projected water use, and climatology. BAWSCA begins collecting data in October of each year. The Wholesale Customers submit data through BAWSCA's Water Conservation Database. Between approximately January and March, BAWSCA reviews the Wholesale Customers' submissions for potential errors and works with Wholesale Customers to confirm and finalize the data. The final report is published around March of each year for the fiscal year ending the previous June 30th.

Base Period inputs will use data published in the Annual Surveys from the previous three non-Drought years. Depending on when the SFPUC declares a shortage emergency, the most recent non-Drought year's Annual Survey may not be finalized and published. If the most recent non-Drought year's Annual Survey is not available, the Base Period inputs will use data from the three most recent non-Drought year's published in Annual Surveys.

Base Period

The Tier 2 Plan uses historical SFPUC purchases, total potable water production, monthly potable production, potable consumption by customer category, and population for Steps 0 through 5. These values are established using a historical base period with established water supply and delivery data.

The Base Period for all inputs except population is defined as the average from the highest two years of SFPUC Purchases over the most recent three non-Drought years. The selection of Base Period is unique to each Wholesale Customer. Two example agencies are provided in the table below, where the data associated with the highest two years are highlighted.

Previous Non-Drought Year	Agency A		Agency B	
	SFPUC Purchases	Percent Non-Residential	SFPUC Purchases	Percent Non-Residential
Year 1	2.50	70%	5.90	58%
Year 2	2.75	69%	6.20	56%
Year 3	2.40	67%	6.10	55%
Calculation	$\frac{(2.50 + 2.75)}{2}$	$\frac{(0.70 + 0.69)}{2}$	$\frac{(6.20 + 6.10)}{2}$	$\frac{(0.56 + 0.55)}{2}$
Average of Highest Two Years	2.63	70%	6.15	55.5%

Coastside CWD Special Provisions for Base Period Calculations

Coastside CWD Base Period SFPUC Purchases will be calculated as 94% of its Base Period Total Potable Water Production. Base Period SFPUC Reliance will be fixed at 94%.

Coastside CWD's high variability in SFPUC purchases from year to year, the California Coastal Commission limitations on growth in its service area, and geographical and hydrological isolation set it apart from other Wholesale Customers. Uniquely among the Wholesale Customers, Coastside CWD does not have interties with other Wholesale Customers or agencies. Additionally, it has junior rights on local surface water supplies. To ensure resiliency, Coastside CWD must maximize its use of Denniston Creek in normal years to provide evidence to the State in its ongoing case to perfect its water rights. This results in low RWS purchases in non-drought years, which are the source of each Wholesale Customer's Base Period. The Coastside CWD special provisions for Base Period SFPUC Purchases ensure its dry year reliance on the RWS is reflected in the Tier 2 Plan.

Minimum Cutback Factor

The minimum cutback factor is used to establish the upper limit at or below which each Wholesale Customer's final allocation will be. The minimum cutback factor is equal to 1/3 times the Overall Average Wholesale Customer Reduction, expressed as a percentage. Base Period SFPUC Purchases (up to ISG or proxy) are multiplied by 1 minus the minimum cutback factor. An example equation is provided below.

$$\text{Wholesale Customer final allocation upper limit} = \text{Base Period SFPUC Purchases} \times (1 - (1/3 \times \text{Overall Average Wholesale Customer Reduction}))$$

Step 1 Override Exception

If a Wholesale Customer's allocation in Step 1 (Efficient Residential Allocation) is greater than the upper limit of its potential allocation established by the Minimum Cutback, the Step 1 allocation will override. However, no Wholesale Customer's final cutback will be less than 5%.

For example, in a 20% Overall Average Wholesale Customer Reduction, the Minimum Cutback will be 6.67% ($20\% \times 1/3$). An example Wholesale Customer's calculation is provided below.

Base Period SFPUC Purchases	5.0 MGD
Minimum Cutback Factor	- 6.67%
Upper Limit of Potential Final Allocation	4.67 MGD

Population	101,000
Base Period SFPUC Reliance	100%
Residential Efficient Allocation	47 GPCD
Step 1 Allocation	4.75 MGD

The example agency's final cutback will be 5.1% as calculated below:

$$4.75 \text{ mgd} / 5.0 \text{ mgd} - 1 = -5.1\%$$

Maximum Cutback Factor

The maximum cutback factor is used to establish the lower limit at or above each Wholesale Customer's final allocation. The maximum cutback factor is equal to 1.5 times the Overall Average Wholesale Customer Reduction, expressed as a percentage. Base Period SFPUC

Purchases (up to ISG or proxy) are multiplied by 1 minus the minimum cutback factor. An example equation is provided below.

$$\begin{aligned} & \text{Wholesale Customer final allocation lower limit} \\ &= \text{Base Period SFPUC Purchases} \\ &\times (1 - (1.5 \times \text{Overall Average Wholesale Customer Reduction})) \end{aligned}$$

Efficient Residential Volume

The Tier 2 Plan uses a per-capita volume, in gallons, to calculate each Wholesale Customer's Efficient Residential Allocation (Step 1 of the Allocation Model). The per-capita volume is 47 gallons per capita per day through 2029 and 42 GPCD beginning in 2030, consistent with the State of California Indoor Residential Water Use Standard for 2025 established by SB 1157.

SFPUC Reliance

For agencies with multiple potable water sources, the Tier 2 Plan calculates SFPUC Reliance by dividing each agency's Base Period SFPUC Purchases by Base Period Total Potable Water Production, expressed as a percentage. SFPUC Reliance is used in Step 1 to calculate multi-source agency's Residential Efficient Allocation met by the RWS.

Population

The Tier 2 Plan uses population reported in the most recently published Annual Survey to calculate each Wholesale Customer's Efficient Residential Allocation in Step 1.

BAWSCA reviews data submitted for the Annual Survey and works with agencies to ensure the information is correct before making it public. As part of this annual review, BAWSCA will flag any agencies that have reported population increases greater than 5%. BAWSCA will first confirm with the agency that there are no reporting errors. If the reported data are correct, BAWSCA will include a note to all agencies during the annual review of the Tier 2 Plan.

Stanford University Population Calculation

Stanford has historically reported its population in the BAWSCA Annual Survey using data from the Stanford Office of Institutional Research & Decision Support, which annually documents population based on student enrollment and data from human resources. This number captures all students (undergraduate and graduate), post-docs, faculty, and staff that are employed and work on campus. The population report does not directly capture residential population that is not enrolled or employed (significant others or dependents). However, it would include a daytime population component. Stanford reviewed several population sources and calculation methods including census data. Based on review of the available sources for population information, Stanford proposed, and the BAWSCA agencies agreed, to utilize a formula that captures student and faculty/staff residential population. This new approach would eliminate the inclusion of daytime staff and faculty who do not live on campus.

The formula takes the Office of Institutional Research & Decision Support data and uses only the "Total Students" and adds a multiplier of 2.57 people per residence (single and multi-family) for the faculty/staff housing area.

Stanford Population = (Faculty/Staff Housing Residences x 2.57) + ("Total Students" from Population Report)

Percent Indoor Demand

For each Base Period year, percent indoor demand is calculated by dividing each Wholesale Customer's lowest month of potable production by the Wholesale Customer's average monthly potable production. The two resulting percentages are averaged together. An example equation is provided below, where Y_1 and Y_2 represent the two Base Period years.

$$\% \text{ Indoor Use} = \frac{\frac{\text{Lowest Month Production, } Y_1}{\text{Average Monthly Production, } Y_1} + \frac{\text{Lowest Month Production, } Y_2}{\text{Average Monthly Production, } Y_2}}{2}$$

Percent Seasonal Demand

Percent seasonal demand is calculated as the inverse of percent indoor demand.

$$\text{Percent Seasonal Demand} = 1 - \% \text{ Indoor Demand}$$

Percent Non-Residential Demand

For each Base Period year, percent non-residential demand is calculated by first dividing each Wholesale Customer's potable water consumption from all residential customer categories by the Wholesale Customer's total annual potable production. The resulting percentage is subtracted from one to calculate the inverse and thus captures all non-residential demands including non-revenue water and dedicated irrigation meters². The two resulting percentages from the two Base Period years are averaged together. An example equation is provided below, where Y_1 and Y_2 represent the two Base Period years.

$$\% \text{ NR Use} = \frac{(1 - \frac{\text{Residential Use, } Y_1}{\text{Potable Production, } Y_1}) + (1 - \frac{\text{Residential Use, } Y_2}{\text{Potable Production, } Y_2})}{2}$$

Individual Supply Guarantee (ISG)

Use of ISG in the Tier 2 Plan

Each Wholesale Customer's ISG is used in the Tier 2 Plan calculations with proxies for Hayward, San Jose and Santa Clara, in order to provide inputs for the Tier 2 Allocation Formula. See WSA, Attachment C for a current list of ISG values.

Hayward's de facto ISG (22.1 MGD) is used in place of permanent ISG for the purposes of the Tier 2 Plan calculations. This figure is used in WSA, Attachment D, to determine whether Hayward's increased use requires pro-rata reduction of remaining Wholesale Customers' ISG.

² Prior to FY 22-23, all consumption recorded under the dedicated irrigation sector in the Water Conservation Database is assumed to be non-residential. Starting in FY 22-23, Wholesale Customers were given the option to separate out residential vs. non-residential dedicated irrigation consumption.

San Jose and Santa Clara's temporary and interruptible contract amounts (4.5 MGD each) are used in place of ISG for the purposes of the Tier 2 Plan calculations.

Background on ISG

San Francisco has a perpetual legal obligation and commitment (Supply Assurance) to deliver 184 MGD to the 24 permanent Wholesale Customers collectively. The Supply Assurance is subsequently allocated among the 24 permanent Wholesale Customers through Individual Supply Guarantees (ISG), which represent each Wholesale Customer's share of the 184 MGD Supply Assurance. San Jose and Santa Clara are not included in San Francisco's Supply Assurance obligation; rather each has a temporary and interruptible water supply contract with San Francisco. Through the WSA and its individual contracts with San Jose and Santa Clara, San Francisco has many requirements to plan for water supply development and analyze the sufficiency of water supply to San Jose and Santa Clara. For example, San Francisco must complete a CEQA review and provide at least a 10-year notice of interruption.

Hayward does not have an Individual Supply Guarantee

San Francisco and Hayward entered into a water supply contract on February 9, 1962 (the "1962 contract") which provided that San Francisco would supply Hayward with all water supplemental to water controlled by Hayward, in sufficient quantity to supply the total water needs of Hayward's service area "on a permanent basis." This 1962 contract remains the Individual Water Sales Contract between San Francisco and Hayward. Due to the terms of this ongoing contract, Hayward does not have an ISG. If Hayward's purchases exceed 22.1 MGD for three consecutive years, the remaining 23 Wholesale Customer's ISG will be reduced on a pro rata (WSA, Attachment D).

Currently, the sum of the 23 Wholesale Customers fixed ISG is 161.9 MGD.

184 MGD Supply Assurance - 161.9 MGD = 22.1 MGD water available for Hayward purchases (i.e., Hayward's "de facto" ISG)

Hayward's proxy ISG for the purpose of the Tier 2 Plan is 22.1 MGD.

San Jose and Santa Clara do not have an Individual Supply Guarantee

During the term of the 1984 Settlement Agreement, San Francisco provided water to San Jose and Santa Clara on a temporary and interruptible basis, pursuant to SFPUC Resolution No. 85-0256. The SFPUC has contracted to supply a combined annual average of 9 MGD to San Jose and Santa Clara (4.5 MGD each) through 2028. The 9 MGD allocated to San Jose and Santa Clara is not included in the Supply Assurance. San Francisco will decide whether to make San Jose and Santa Clara permanent customers by December 31, 2028. (WSA, Sec. 4.05)

San Jose and Santa Clara's proxy ISG for the purpose of the Tier 2 Plan is 4.5 MGD each.



July 2024 Model Concept - Efficient Res Allocation + Non-Res Base Allocation + Seasonal Allocation + Base SFPUC Purchases/ISG-Based Allocation - Variable Base Year

Model Set-up/Assumptions		
Allocation Year/Projection Year	FY24-25	
Tier 1 Shortage Allocation (mgd)	114.20	
Base Period SFPUC Purchases (mgd)	134.34	
Overall Reduction from Base Period Required	-15.0%	
SFPUC Maximum Cutback Factor	-22.5%	
SFPUC Minimum Cutback Factor	-5.0%	
Non-Residential Base Allocation %	92.5%	
Step 5 Reserved % of Remaining Tier 1 Allocation (less Step 3 Reserved) after Step 2	50%	
Unreserved % of Remaining Tier 1 Allocation (less Step 3 Reserved and Step 5 Reserved) After Step 2	50%	
Seasonal Allocation %	7.9%	
Step 5 ISG Weighting	33%	
Step 5 Base SFPUC Purchases Weighting	67%	
Residential Efficient Allocation (R-GPCD)	47.0	
Adjustment % for SFPUC Minimum Cutback, if efficient residential allocation is greater than minimum cutback	95%	
Effective Date for Model Run (update for testing only)	12/16/2024	

Instructions:

1. Adjust aqua cells in OVERVIEW tab to adjust model parameters. If there are errors in the inputs, an error message will appear in Columns E-F.
2. View allocation calculations and results in "Tier 2 Allocation" and "Agency Charts" tabs.

Base Years		
Non-Drought Year 1	FY18-19	
Non-Drought Year 2	FY19-20	
Non-Drought Year 3	FY20-21	

Error Message(s) (if applicable)

Calculation Steps for July 2024 Model Concept:	
0. SFPUC Minimum Cutback	a. Calculate Minimum Cutback from Lesser of Base Period SFPUC Purchases and ISG (Lesser of Base Period SFPUC Purchases and ISG × [1+SFPUC Minimum Cutback Factor])
	b. Calculate Efficient Residential Allocation (population × per capita allocation × % SFPUC reliance)
	c. Determine if Minimum Cutback is greater than the Efficient Residential Allocation
	d. If Efficient Residential Allocation is greater than the Minimum Cutback, an agency's cutback may be no less than 5%
1. Efficient Residential Allocation	a. Calculate Efficient Residential Allocation (population × per capita allocation)
	b. Account for % SFPUC Reliance
	c. Provide Efficient Residential Allocation
2. Non-Residential Base Allocation	
	a. Incorporate Estimated % Indoor Use (see glossary for definition and calculation of % Indoor Use)
	b. Incorporate % Non-Residential Use
	c. Calculate Non-Residential Base Allocation (% Indoor Use × % Non-Residential Use × Base Period SFPUC Purchases × Non-Residential Indoor Allocation %)
	d. Add Non-Residential Base Allocation to the Step 1 Allocation
3. Calculate Potential SFPUC Maximum Cutback Need	a. Calculate SFPUC Maximum Cutback (Base Period SFPUC Purchases × [1 + SFPUC Maximum Cutback Factor])
	b. Reserve the sum of the potential SFPUC Maximum Cutback need for Step 5 (Maximum Cutback Reserve)
4. Seasonal Allocation	
	a. Determine % Seasonal Use (1 - % Indoor Use)
	b. Calculate seasonal SFPUC Purchases (Base Period SFPUC Purchases × % Seasonal Use)
	c. Calculate Seasonal Allocation (seasonal SFPUC Purchases × Seasonal Allocation %)
	d. Add the Seasonal Allocation to the Step 2 Allocation
5. Base Period/ISG-Based Allocation	
	a. Calculate weighted average of Base Period SFPUC Purchases and ISG, up to Minimum Cutback
	b. Calculate Weighted Share of total Tier 1 Allocation to Wholesale Customers (agency weighted average Base Period SFPUC Purchases/ISG ÷ total Wholesale Customer weighted average × Tier 1 Allocation)
	c. Calculate the gap between Step 4 allocation and the lesser of 1) weighted share, or 2) Minimum Cutback
	d. Allocate remaining supplies, except Maximum Cutback Reserve, among agencies with a gap, proportionately to gap, up to the Minimum Cutback
	e. Confirm allocation meets Maximum Cutback; allocate water from Maximum Cutback Reserve up to Maximum Cutback
	f. Allocate remaining supplies among agencies with a gap, proportionately to gap, up to the Minimum Cutback



Allocation Year/Projection Year	FY24-25
Most Recent Annual Survey Data Year	FY22-23

No water is allocated in this step
Establishes the upper limit of each agency's final allocation

Relevant Base Period Data							0. Establish SFPUC Minimum Cutback						1. Efficient Residential Allocation					
Agency	Selected Base Year 1	Selected Base Year 2	Base Period SFPUC Purchases (mgd)	Base Period Reliance on SFPUC	ISG (mgd)	Total Potable Production (mgd)	Lesser of Base Period SFPUC Purchases and ISG (mgd)	SFPUC Minimum Cutback (mgd)	SFPUC Maximum Cutback (mgd)	Is efficient residential allocation greater than minimum cutback?	Adjusted SFPUC Minimum Cutback, if efficient residential allocation is greater than	0. Effective SFPUC Minimum Cutback (mgd)	Population	% Potable Demand Reliance on SFPUC	Allocation based on efficient residential indoor use (mgd)	Efficient Residential Allocation	1. Efficient Residential (mgd)	
Alameda CWD	2021	2020	8.63	22%	13.76	39.32	8.63	8.20	6.69	☐		8.20	344,000	22%	16.17	3.55	3.55	
Brisbane	2019	2020	0.65	100%	0.98	0.65	0.65	0.62	0.50	☐		0.62	4,851	100%	0.23	0.23	0.23	
Burlingame	2020	2019	3.45	100%	5.23	3.45	3.45	3.28	2.67	☐		3.28	31,080	100%	1.46	1.46	1.46	
Coastside	2021	2019	1.69	94%	2.18	1.80	1.69	1.61	1.31	☐		1.61	18,890	94%	0.89	0.83	0.83	
CWS - Total	2021	2020	29.23	95%	35.68	30.62	29.23	27.77	22.66	☐		27.77	262,704	95%	12.35	11.78	11.78	
Daly City	2020	2019	3.84	64%	4.29	6.00	3.84	3.64	2.97	☐		3.64	107,000	64%	5.03	3.22	3.22	
East Palo Alto	2020	2019	1.57	100%	3.46	1.57	1.57	1.49	1.21	☐		1.49	29,519	100%	1.39	1.39	1.39	
Estero	2020	2021	4.32	100%	5.90	4.32	4.32	4.10	3.35	☐		4.10	37,443	100%	1.76	1.76	1.76	
Hayward	2021	2019	14.26	100%	22.10	14.26	14.26	13.55	11.06	☐		13.55	159,800	100%	7.51	7.51	7.51	
Hillsborough	2021	2020	2.66	100%	4.09	2.66	2.66	2.53	2.06	☐		2.53	11,592	100%	0.54	0.54	0.54	
Menlo Park	2019	2020	3.09	100%	4.46	3.09	3.09	2.94	2.40	☐		2.94	20,319	100%	0.95	0.95	0.95	
Mid-Peninsula	2020	2021	2.63	100%	3.89	2.63	2.63	2.50	2.04	☐		2.50	30,159	100%	1.42	1.42	1.42	
Millbrae	2019	2020	1.92	100%	3.15	1.92	1.92	1.83	1.49	☐		1.83	20,666	100%	0.97	0.97	0.97	
Milpitas	2020	2021	5.67	67%	9.23	8.49	5.67	5.39	4.40	☐		5.39	81,067	67%	3.81	2.54	2.54	
Mountain View	2021	2020	7.78	87%	12.46	8.90	7.78	7.40	6.03	☐		7.40	81,501	87%	3.83	3.35	3.35	
North Coast	2021	2020	2.39	100%	3.84	2.39	2.39	2.27	1.85	☐		2.27	37,082	100%	1.74	1.74	1.74	
Palo Alto	2021	2020	9.95	100%	16.58	9.95	9.95	9.45	7.71	☐		9.45	68,624	100%	3.23	3.23	3.23	
Purissima Hills	2021	2020	1.82	100%	1.62	1.82	1.62	1.54	1.26	☐		1.54	7,350	100%	0.35	0.35	0.35	
Redwood City	2020	2021	8.62	100%	10.93	8.62	8.62	8.19	6.68	☐		8.19	90,928	100%	4.27	4.27	4.27	
San Bruno	2020	2021	0.93	30%	3.25	3.09	0.93	0.89	0.72	☐		0.89	43,910	30%	2.06	0.62	0.62	
San Jose	2019	2020	4.27	99%	4.50	4.29	4.27	4.05	3.31	☐		4.05	43,036	99%	2.02	2.01	2.01	
Santa Clara	2020	2021	3.25	20%	4.50	16.27	3.25	3.09	2.52	☐		3.09	132,476	20%	6.23	1.24	1.24	
Stanford	2020	2019	1.43	100%	3.03	1.43	1.43	1.36	1.11	☐		1.36	20,000	100%	0.94	0.94	0.94	
Sunnyvale	2021	2020	9.47	54%	12.58	17.68	9.47	8.99	7.34	☐		8.99	156,317	54%	7.35	3.93	3.93	
Westborough	2020	2019	0.80	100%	1.32	0.80	0.80	0.76	0.62	☐		0.76	13,486	100%	0.63	0.63	0.63	
Total			134.34		193.02	196.04	134.14						1,853,800		87.13		60.49	
Allocated																	60.49	
Unallocated																	53.71	
Reserved																	0	



2. Non-Residential Base Allocation					3. SFPUC Maximum Cutback "Reserve"			4. Seasonal Allocation				5. Base SFPUC Purchases/ISG-Based Allocation with Minimum Cutback				
Agency	Estimated % Indoor Use	% Non-Residential Use	Non-Residential Base Allocation (mgd)	2. Non-Residential Base Allocation (mgd)	SFPUC Maximum Cutback (mgd)2	Does Step 2 Allocation Meet SFPUC Maximum Cutback?	SFPUC Maximum Cutback Shortfall (mgd)	% Seasonal Use	Seasonal SFPUC Purchases (mgd)	Seasonal Allocation (mgd)	4. Seasonal Allocation (mgd)	Weighted Average of Base Period SFPUC Purchases (up to ISG) and ISG (mgd)	Weighted Share of Tier 1 Allocation (mgd)	Lesser of Weighted Share and Minimum Cutback Allocation (i.e., Target Allocation)	Target Allocation Based Gap (mgd)	Target Based Allocation 1 (mgd)
Alameda CWD	69%	41%	2.22	5.77	6.69	☐	0.92	31%	2.71	0.22	5.99	10.33	7.68	7.68	1.69	0.31
Brisbane	66%	68%	0.27	0.50	0.50	☐	0.01	34%	0.22	0.02	0.51	0.76	0.56	0.56	0.05	0.01
Burlingame	73%	40%	0.93	2.39	2.67	☐	0.28	27%	0.93	0.07	2.46	4.04	3.00	3.00	0.54	0.10
Coastside	64%	46%	0.47	1.30	1.31	☐	0.01	36%	0.60	0.05	1.35	1.85	1.38	1.38	0.03	0.01
CWS - Total	61%	30%	5.02	16.80	22.66	☐	5.85	39%	11.26	0.89	17.69	31.36	23.32	23.32	5.62	1.05
Daly City	88%	23%	0.73	3.64	2.97	☒	0.00	12%	0.46	0.04	3.64	3.99	2.96	2.96	0.00	0.00
East Palo Alto	79%	18%	0.21	1.49	1.21	☒	0.00	21%	0.33	0.03	1.49	2.19	1.63	1.49	0.00	0.00
Estero	63%	45%	1.13	2.89	3.35	☐	0.46	37%	1.58	0.13	3.01	4.84	3.60	3.60	0.59	0.11
Hayward	72%	45%	4.33	11.85	11.06	☒	0.00	28%	3.95	0.31	12.16	16.85	12.53	12.53	0.37	0.07
Hillsborough	36%	9%	0.08	0.62	2.06	☐	1.44	64%	1.70	0.14	0.76	3.13	2.33	2.33	1.57	0.29
Menlo Park	53%	63%	0.94	1.90	2.40	☐	0.50	47%	1.47	0.12	2.01	3.54	2.63	2.63	0.62	0.12
Mid-Peninsula	68%	27%	0.45	1.87	2.04	☐	0.18	32%	0.86	0.07	1.93	3.05	2.27	2.27	0.33	0.06
Millbrae	76%	36%	0.49	1.46	1.49	☐	0.03	24%	0.46	0.04	1.49	2.33	1.73	1.73	0.24	0.04
Milpitas	78%	51%	2.08	4.62	4.40	☒	0.00	22%	1.23	0.10	4.72	6.85	5.09	5.09	0.37	0.07
Mountain View	66%	43%	2.04	5.39	6.03	☐	0.65	34%	2.64	0.21	5.60	9.33	6.94	6.94	1.34	0.25
North Coast	80%	24%	0.42	2.16	1.85	☒	0.00	20%	0.48	0.04	2.20	2.87	2.13	2.13	0.00	0.00
Palo Alto	61%	38%	2.11	5.34	7.71	☐	2.37	39%	3.90	0.31	5.65	12.14	9.03	9.03	3.38	0.63
Purissima Hills	38%	12%	0.07	0.42	1.26	☐	0.84	62%	1.13	0.09	0.51	1.62	1.21	1.21	0.70	0.13
Redwood City	68%	34%	1.81	6.08	6.68	☐	0.60	32%	2.80	0.22	6.31	9.38	6.98	6.98	0.67	0.13
San Bruno	78%	29%	0.20	0.82	0.72	☒	0.00	22%	0.21	0.02	0.84	1.70	1.26	0.89	0.05	0.01
San Jose	69%	62%	1.68	3.69	3.31	☒	0.00	31%	1.33	0.11	3.79	4.34	3.23	3.23	0.00	0.00
Santa Clara	73%	50%	1.10	2.35	2.52	☐	0.17	27%	0.88	0.07	2.42	3.66	2.72	2.72	0.31	0.06
Stanford	63%	45%	0.38	1.32	1.11	☒	0.00	37%	0.53	0.04	1.36	1.96	1.46	1.36	0.00	0.00
Sunnyvale	69%	42%	2.54	6.48	7.34	☐	0.86	31%	2.98	0.24	6.71	10.49	7.80	7.80	1.09	0.20
Westborough	73%	26%	0.14	0.76	0.62	☒	0.00	27%	0.22	0.02	0.76	0.97	0.72	0.72	0.00	0.00
Total			31.83	91.90	103.98		15.18		44.87	3.56	95.38	153.57	114.20	113.58	19.56	3.64
Allocated				91.90			91.90				95.38					
Unallocated				22.30			22.30				18.82					
Reserved				0			15.18				15.18					

First Iteration of Base Period/ISG-Based Allocation		Maximum Cutback			Second Iteration of Base Period/ISG-Based Allocation			Third Iteration of Base Period/ISG-Based Allocation If all agencies meet their Target Allocation, remaining water is allocated up to Minimum Cutback				Final Allocation (mgd)	Cutback Percentage	Allocation Factor
Agency	First Iteration of Target Based Allocation (mgd)	Does Step 5 Initial Allocation Meet SFPUC Maximum Cutback?	Maximum Cutback (mgd)	Initial Step 5 Allocation with Maximum Cutback (mgd)	Target Allocation Based Gap (mgd)3	Target Based Allocation 2 (mgd)	Second Iteration of Target Based Allocation (mgd)	Equal or Greater than Weighted Share/Minimum Cutback	Target Allocation Based Gap 3 (mgd)	Third Iteration of Target Based Allocation (mgd)	5. Weighted Share/ Maximum Cutback Based Allocation (mgd)			
Alameda CWD	6.30	☐	0.39	6.69	0.99	0.88	7.57	☐	0.11	0.00	7.57	7.57	12.3%	6.6%
Brisbane	0.52	☒	0.00	0.52	0.04	0.04	0.56	☐	0.00	0.00	0.56	0.56	13.8%	0.5%
Burlingame	2.56	☐	0.11	2.67	0.33	0.29	2.97	☐	0.04	0.00	2.97	2.97	14.0%	2.6%
Coastside	1.35	☒	0.00	1.35	0.02	0.02	1.38	☐	0.00	0.00	1.38	1.38	18.8%	1.2%
CWS - Total	18.74	☐	3.91	22.66	0.66	0.59	23.24	☐	0.07	0.00	23.24	23.24	20.5%	20.4%
Daly City	3.64	☒	0.00	3.64	0.00	0.00	3.64	☒	0.00	0.00	3.64	3.64	5.0%	3.2%
East Palo Alto	1.49	☒	0.00	1.49	0.00	0.00	1.49	☒	0.00	0.00	1.49	1.49	5.0%	1.3%
Estero	3.12	☐	0.23	3.35	0.25	0.22	3.57	☐	0.03	0.00	3.57	3.57	17.3%	3.1%
Hayward	12.23	☒	0.00	12.23	0.30	0.27	12.50	☐	0.03	0.00	12.50	12.50	12.4%	10.9%
Hillsborough	1.05	☐	1.01	2.06	0.27	0.24	2.30	☐	0.03	0.00	2.30	2.30	13.6%	2.0%
Menlo Park	2.13	☐	0.27	2.40	0.24	0.21	2.61	☐	0.03	0.00	2.61	2.61	15.7%	2.3%
Mid-Peninsula	2.00	☐	0.05	2.04	0.23	0.20	2.24	☐	0.03	0.00	2.24	2.24	14.9%	2.0%
Millbrae	1.54	☒	0.00	1.54	0.19	0.17	1.71	☐	0.02	0.00	1.71	1.71	11.1%	1.5%
Milpitas	4.79	☒	0.00	4.79	0.30	0.27	5.06	☐	0.03	0.00	5.06	5.06	10.8%	4.4%
Mountain View	5.85	☐	0.19	6.03	0.90	0.80	6.84	☐	0.10	0.00	6.84	6.84	12.2%	6.0%
North Coast	2.20	☒	0.00	2.20	0.00	0.00	2.20	☒	0.00	0.00	2.20	2.20	7.7%	1.9%
Palo Alto	6.28	☐	1.44	7.71	1.31	1.17	8.88	☐	0.15	0.00	8.88	8.88	10.8%	7.8%
Purissima Hills	0.64	☐	0.62	1.26	0.00	0.00	1.26	☒	0.00	0.00	1.26	1.26	30.9%	1.1%
Redwood City	6.43	☐	0.25	6.68	0.29	0.26	6.95	☐	0.03	0.00	6.95	6.95	19.5%	6.1%
San Bruno	0.85	☒	0.00	0.85	0.04	0.04	0.88	☐	0.00	0.00	0.88	0.88	5.5%	0.8%
San Jose	3.79	☒	0.00	3.79	0.00	0.00	3.79	☒	0.00	0.00	3.79	3.79	11.1%	3.3%
Santa Clara	2.47	☐	0.05	2.52	0.20	0.18	2.70	☐	0.02	0.00	2.70	2.70	16.9%	2.4%
Stanford	1.36	☒	0.00	1.36	0.00	0.00	1.36	☒	0.00	0.00	1.36	1.36	5.0%	1.2%
Sunnyvale	6.92	☐	0.42	7.34	0.47	0.41	7.75	☐	0.05	0.00	7.75	7.75	18.1%	6.8%
Westborough	0.76	☒	0.00	0.76	0.00	0.00	0.76	☒	0.00	0.00	0.76	0.76	5.0%	0.7%
Total	99.02		8.92	107.95	7.04	6.25	114.20		0.79	0.00	114.20	114.20		
Allocated	99.02			107.95			114.20				114.20			
Unallocated	0.00			6.25			0.00				0.00			
Reserved	15.18			0.00			0.00				0.00			



Instructions: Copy/paste the table below into the "Historical Saves" tab, columns A through F.						
Agency	Agency	Allocation Year (FY)	Allocation Year (integer)	Final Allocation (mgd)	Cutback Percentage	Allocation Factor
Alameda CWD	Alameda CWD	FY24-25	2025	7.57	12%	7%
Brisbane	Brisbane	FY24-25	2025	0.56	14%	0%
Burlingame	Burlingame	FY24-25	2025	2.97	14%	3%
Coastside	Coastside	FY24-25	2025	1.38	19%	1%
CWS - Total	CWS - Total	FY24-25	2025	23.24	20%	20%
Daly City	Daly City	FY24-25	2025	3.64	5%	3%
East Palo Alto	East Palo Alto	FY24-25	2025	1.49	5%	1%
Estero	Estero	FY24-25	2025	3.57	17%	3%
Hayward	Hayward	FY24-25	2025	12.50	12%	11%
Hillsborough	Hillsborough	FY24-25	2025	2.30	14%	2%
Menlo Park	Menlo Park	FY24-25	2025	2.61	16%	2%
Mid-Peninsula	Mid-Peninsula	FY24-25	2025	2.24	15%	2%
Millbrae	Millbrae	FY24-25	2025	1.71	11%	1%
Milpitas	Milpitas	FY24-25	2025	5.06	11%	4%
Mountain View	Mountain View	FY24-25	2025	6.84	12%	6%
North Coast	North Coast	FY24-25	2025	2.20	8%	2%
Palo Alto	Palo Alto	FY24-25	2025	8.88	11%	8%
Purissima Hills	Purissima Hills	FY24-25	2025	1.26	31%	1%
Redwood City	Redwood City	FY24-25	2025	6.95	19%	6%
San Bruno	San Bruno	FY24-25	2025	0.88	5%	1%
San Jose	San Jose	FY24-25	2025	3.79	11%	3%
Santa Clara	Santa Clara	FY24-25	2025	2.70	17%	2%
Stanford	Stanford	FY24-25	2025	1.36	5%	1%
Sunnyvale	Sunnyvale	FY24-25	2025	7.75	18%	7%
Westborough	Westborough	FY24-25	2025	0.76	5%	1%
Total						
Allocated						
Unallocated						
Reserved						

Instructions: Copy/paste the table below into the "Historical Saves" tab, columns A through F.

Input Category	Value	Allocation Year (FY)	Allocation Year (integer)
Allocation Year/Projection Year	FY24-25	FY24-25	2025
Tier 1 Shortage Allocation (mgd)	114.20	FY24-25	2025
Overall Reduction from Base Period Required	-15%	FY24-25	2025
SFPUC Maximum Cutback Factor	-22%	FY24-25	2025
SFPUC Minimum Cutback Factor	-5%	FY24-25	2025
Non-Residential Base Allocation %	93%	FY24-25	2025
Step 5 Reserved % of Remaining Tier 1 Allocation (less Step	50%	FY24-25	2025
Unreserved % of Remaining Tier 1 Allocation (less Step 3	50%	FY24-25	2025
Seasonal Allocation %	8%	FY24-25	2025
Step 5 ISG Weighting	33%	FY24-25	2025
Step 5 Base SFPUC Purchases Weighting	67%	FY24-25	2025
Residential Efficient Allocation (R-GPCD)	47.0	FY24-25	2025
Adjustment % for SFPUC Minimum Cutback, if efficient	95%	FY24-25	2025

RESOLUTION NO. 2025-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GUADALUPE
VALLEY MUNICIPAL IMPROVEMENT DISTRICT
APPROVING TIER 2 DROUGHT RESPONSE IMPLEMENTATION PLAN PURSUANT TO
SECTION 3.11.C OF THE AMENDED AND RESTATED WATER SUPPLY AGREEMENT**

WHEREAS, The Guadalupe Valley Municipal Improvement District is one of twenty-six (26) agencies in San Mateo, Santa Clara and Alameda Counties (Wholesale Customers) which purchase water from the City and County of San Francisco (San Francisco) pursuant to a Water Supply Agreement entered into in 2009, and recently amended in 2018, 2021 and 2025 (the Agreement or WSA). Collectively these 26 agencies are referred to in the Agreement as Wholesale Customers; and

WHEREAS, Section 3.11 of the Agreement addresses situations when insufficient water is available in the San Francisco Regional Water System (RWS) to meet the full demands of all users. Section 3.11.C provides that during periods of water shortage caused by drought, the San Francisco Public Utilities Commission (SFPUC) will allocate available water between its retail customers and the Wholesale Customers collectively, in accordance with a schedule contained in the Water Shortage Allocation Plan set forth in Attachment H to the Agreement (Tier 1 Plan); and

WHEREAS, Section 3.11.C authorizes the Wholesale Customers to adopt a Drought Allocation Plan, including a methodology for allocating the available water among the individual Wholesale Customers (Tier 2 Plan). The WSA also commits the SFPUC to honor allocations of water unanimously agreed to by all Wholesale Customers or, if unanimous agreement cannot be achieved, water allocations that have been adopted by the Board of Directors of the Bay Area Water Supply and Conservation Agency (BAWSCA). The Agreement also provides that the SFPUC can allocate water supplies as necessary during a water shortage emergency if no agreed upon plan for water allocation has been adopted by the 26 Wholesale Customers or the BAWSCA Board of Directors; and

WHEREAS, Commencing in January 2022, representatives appointed by the managers of each of the Wholesale Customers began meeting monthly to develop a set of principles to serve as guidelines for an equitable allocation methodology, and to develop formulas and procedures, in order to implement those principles. These discussions, and supporting technical analyses, have been conducted with the assistance of BAWSCA; and

WHEREAS, The Tier 2 Plan, attached to this resolution as Exhibit A, has been endorsed by all of the Wholesale Customer representatives who participated in the formulation process and they have each recommended that it be formally adopted by the governing body of their respective agencies; and

WHEREAS, The Tier 2 Plan allocates the collective Wholesale Customer share of RWS supply made available by the SFPUC among each of the 26 Wholesale Customers through December 31, 2034 and is coordinated with the term of the Agreement, and extension and renewal terms.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Guadalupe Valley Municipal Improvement District as follows:

1. The Tier 2 Drought Response Implementation Plan, as attached as Exhibit A (Tier 2 Plan), is approved.

2. This approval is conditioned upon all of the other twenty-five Wholesale Customers approving the Tier 2 Plan, such approvals being evidenced through adoption of similar resolutions or, in the case of private-sector organizations, by other equivalently binding written commitments signed by an executive officer acting within the scope of delegated authority, and all such approvals occurring on or before December 31, 2025.

If such resolutions or binding commitments are not adopted by that date, this resolution will automatically expire and be of no further effect after December 31, 2025, unless it has been extended prior thereto by further action of this Board.

Cliff Lentz, Chair of the Board

* * * *

PASSED AND ADOPTED at a regular meeting of the Guadalupe Valley Municipal Improvement District Board held on the fourth day of September, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Ingrid Padilla, Clerk of the Board

Attachment:

Exhibit A. Tier 2 Drought Response Plan including Example Tier 2 Plan Excel-Based Model



Tier 2 Drought Response Implementation Plan

Drought Shortage Allocation Plan for the Regional Water System Wholesale Customers

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1. Introduction

The Tier 2 Drought Response Implementation Plan (the “Plan” or “Tier 2 Plan”) describes the method for allocating the water made available by the San Francisco Regional Water System (“RWS”) among the Wholesale Customers during shortages caused by Drought. This Plan is adopted pursuant to Section 3.11(C) of the Amended and Restated Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers in Alameda, San Mateo, and Santa Clara Counties (the “WSA”).

2. Relationship to Water Supply Agreement

The WSA includes a Water Shortage Allocation Plan which, among other things, (a) provides for the allocation of available water between Retail Customers (e.g., retail water customers within the City and County of San Francisco) and the Wholesale Customers collectively during system-wide water shortages of 20 percent or less, (b) contemplates the adoption by the Wholesale Customers of this Plan for allocation of the Wholesale Customers share of available water, (c) commits the SFPUC to implement this Plan, (d) provides for banking of unused allocation, and (e) provides for the transfer of both banked water and shortage allocations between and among the Wholesale Customers and commits the SFPUC to implement such transfers. That plan is referred to as the Tier 1 Plan and is included as Attachment H to the WSA.

The Tier 1 Plan also provides the methodology for determining the Overall Average Wholesale Customer Reduction, expressed as a percentage cutback from prior year’s normal SFPUC purchases, and Overall Wholesale Customer Allocation, in million gallons per day (MGD), both of which are used in determining the final Allocation Factor for each Wholesale Customer. The Overall Average Wholesale Customer Reduction is determined by dividing the volume of water available to the Wholesale Customers (the “Overall Wholesale Customer Allocation” or “Tier 1 Allocation”), shown as a share of available water in Section 2 of the Tier 1 Plan, by the prior year’s normal total Wholesale Customers’ RWS purchases and subtracting that value from one.

3. Development Process

Between January 2022 and June 2024, Bay Area Water Supply and Conservation Agency (BAWSCA), supported by Woodard & Curran technical consultants, facilitated negotiations between the Wholesale Customers through a series of meetings, workshops, and workgroups to develop a formula and implementation plan to allocate RWS supplies in the event of shortage caused by a SFPUC declared Drought, as defined in the WSA. These meetings, workshops, and workgroups provided a forum for in-depth discussion of the objectives, mechanics, and policy aspects of the elements of an updated Plan.

The Wholesale Customers began negotiations by reviewing the prior Plan, then discussed and agreed upon four policy principles to lay the foundation for a revised Plan. BAWSCA, with support from Woodard & Curran as the technical consultant team, introduced potential elements of a formula to align with the agreed upon policy principles. In monthly workshops, the Wholesale Customers discussed these options and provided feedback on which elements should be included in the Plan, along with suggested refinements. These workshops, and the discussions, suggestions, and comments expressed by the Wholesale Customers during this process, were the primary forum through which this Plan was developed.

4. Plan Policy Principles

The Wholesale Customers collectively developed four policy principles (the “Policy Principles”) to guide the development and performance of the Tier 2 Plan. The Tier 2 Plan and associated Tier 2 Plan Allocation Model were developed in consideration of these policy principles, with the intent to abide by each policy principle while minimizing conflicts between policy principles. The policy principles are summarized below and implemented in Attachment B, Tier 2 Plan Data Sources and Calculations.

1. **Policy Principle #1** - Provide sufficient water for the basic health and safety needs of customers.
2. **Policy Principle #2** - Minimize economic and other adverse impacts of water shortages on customers and the BAWSCA region.
3. **Policy Principle #3** - Provide predictability of drought allocations through consistent and predetermined rules for calculation, while allowing for flexibility to respond to unforeseen circumstances.
4. **Policy Principle #4** - Recognize benefits of, and avoid disincentives for, water use efficiency and development of alternative water supply projects.

5. Allocation Formula

Guided by the Policy Principles, the Wholesale Customers developed a specific formula for apportioning the Overall Wholesale Customer Allocation among the individual Wholesale Customers. The Tier 2 Allocation Model requires several inputs to calculate each Wholesale Customer's allocation. First, Base Period data are collected to be used as inputs in the Tier 2 formula. Next each Wholesale Customer's allocation is calculated in five steps.

Base Period Calculations

The Base Period in the Tier 2 Plan is defined as the average of each Wholesale Customer's two years with the highest volumes of SFPUC purchases from the previous three non-Drought years. A non-Drought year is defined as a full fiscal year (July 1 through June 30) in which the SFPUC has not declared a water shortage emergency, as defined in the WSA. BAWSCA's Annual Survey, which compiles and publishes data self-reported by the Wholesale Customers, is the primary source for model inputs.

Tier 2 Plan Allocation Formula Inputs

- **Population:** Each Wholesale Customer's population as reported in the most recently published Annual Survey and is not tied to Drought or non-Drought year status.
- **Base Period SFPUC Purchases:** The average of each Wholesale Customer's two years with the highest volumes of SFPUC purchases from the previous three non-Drought years.
- **Base Period Total Potable Water Production:** Total potable production as reported in the Annual Survey.

- **Base Period SFPUC Reliance:** Each Wholesale Customer's Base Period SFPUC Purchases divided by Base Period Total Potable Water Production, expressed as a percentage.
- **Base Period Percent Indoor Demand:** The single lowest month's total potable demand (a proxy for indoor use) divided by the average monthly total potable demand, expressed as a percentage. The resulting percentages are averaged for the two selected Base Period years.
- **Base Period Percent Non-Residential Demand:** Each Wholesale Customer's potable water consumption from the Base Period from all customer categories except residential, divided by the Wholesale Customer's Base Period Total Potable Water Production, expressed as a percentage. The resulting percentages are averaged for the two selected Base Period years.
- **Individual Supply Guarantee (ISG):** Each Wholesale Customer's share of the Supply Assurance, as shown on Attachment C to the WSA, with proxies for Hayward, San Jose, and Santa Clara in order to provide inputs for the Tier 2 Allocation Formula

There are three exceptions to the Base Period Calculations: (1) Coastside County Water District ("Coastside CWD") Base Period SFPUC Purchases and Base Period SFPUC Reliance, (2) Stanford Base Period Percent Indoor Demand, and (3) Stanford Population Calculation.

- (1) Coastside CWD Base Period SFPUC Purchases will be calculated as 94% of its Base Period Total Potable Water Production. Base Period SFPUC Reliance will be fixed at 94%. More information is provided in Attachment B.
- (2) Stanford's Base Period Percent Indoor Demand calculation will exclude demand from the month of December and/or January when the campus is closed and demand is abnormally low.
- (3) Stanford's population is calculated as described in Attachment B.

Furthermore, three Wholesale Customers do not have an ISG and a proxy is used in the Tier 2 Plan: (1) Hayward, (2) San Jose, and (3) Santa Clara. Background on ISG and each ISG proxy is described in Attachment B.

Data sources, methodologies, and equations used to calculate each input are described further in Attachment B.

Step 0: Establish SFPUC Minimum and Maximum Cutback

The Minimum and Maximum Cutback establish the upper and lower bounds for each Wholesale Customer's final allocation.

No water is allocated in this step. Instead, allocations in subsequent steps are limited such that no Wholesale Customer's final allocation is outside the upper and lower bounds (i.e., above the Minimum Cutback or below the Maximum Cutback) established in this step.

Minimum Cutback: Each Wholesale Customer will contribute to meeting the Overall Average Wholesale Customer Reduction by taking a Minimum Cutback from its Base Period SFPUC

Purchases (up to its ISG or proxy). This establishes the upper limit of each Wholesale Customer's potential final allocation. The Minimum Cutback, expressed as a percentage, is equal to 1/3 times the Overall Average Wholesale Customer Reduction, but no less than 5%.

Maximum Cutback: The Maximum Cutback establishes the lower limit of each Wholesale Customer's potential final allocation. The Maximum Cutback, expressed as a percentage, is equal to 1.5 times the Overall Average Wholesale Customer Reduction. The Maximum Cutback is calculated from each Wholesale Customer's Base Period SFPUC Purchases (up to its ISG, or proxy).

Step 1 Override Exception: If a Wholesale Customer's allocation in Step 1 exceeds the upper limit established by the Minimum Cutback at 1/3 times the Overall Average Wholesale Customer Reduction, the Wholesale Customer's Minimum Cutback will be reduced, but the Minimum Cutback will be no less than 5%.

Calculations and an example of the Step 1 Override Exception are provided in Attachment B.

Step 1: Efficient Residential Allocation

Step 1 allocates water on a residential per capita basis, based on the State Indoor Water Use Efficiency Standard¹ and the portion of each Wholesale Customer's water demand met by the RWS.

The per capita efficient residential volume, in gallons, will align with the State Residential Indoor Water Use Efficiency Standard, established as 47 gallons per capita per day (GPCD) through 2029 and 42 GPCD beginning in 2030. This step multiplies the per-capita volume by each Wholesale Customer's Population and Base Period SFPUC Reliance to determine the total amount of supply allocated to each Wholesale Customer in this step.

Step 2: Non-Residential Base Allocation

Step 2 allocates water based on each Wholesale Customer's estimated non-residential indoor/base demand.

To calculate non-residential indoor/base demand, each Wholesale Customer's Base Period SFPUC Purchases are multiplied by:

- Base Period Percent Indoor Demand
- Base Period Percent Non-Residential Demand
- Non-Residential Base Allocation Factor – this is equal to one minus 50% of the Overall Average Wholesale Customer Reduction.
 - For example, in a 20% Overall Average Wholesale Customer Reduction, the Non-Residential Base Allocation Factor will be 90% ($1 - (20\% \div 2)$) of each Wholesale Customer's non-residential indoor/base demand.

¹ SB 1157, signed into law in September 2022, established the standard for efficient indoor residential water use be 47 gallons per capita per day ("GPCD"), lowering to 42 GPCD in 2030.

Step 3: SFPUC Maximum Cutback Reserve

The Maximum Cutback establishes the lower limit for each Wholesale Customer's final allocation. See Step 0 for more information.

No water is allocated in this step. Instead, this step calculates the gap between each Wholesale Customer's allocation after Step 2 and the lower limit of its potential final allocation. This step then reserves the sum of the gap for all Wholesale Customers from the Overall Wholesale Customer Allocation for Step 5. This Maximum Cutback Reserve ensures, after other steps are applied, that sufficient water is available in the final step to provide that each Wholesale Customer's final allocation is equal to, or greater than, the lower limit of its potential allocation established by the Maximum Cutback.

Step 4: Seasonal Allocation

Step 4 allocates water based on estimated seasonal purchases from the RWS.

The inverse of each Wholesale Customer's Base Period Percent Indoor Demand (1 - % Indoor Demand) is used to estimate percent seasonal demand, which is then multiplied by Base Period SFPUC Purchases to estimate each Wholesale Customers' SFPUC seasonal purchases. Each Wholesale Customer's estimated SFPUC seasonal purchases are multiplied by the Seasonal Cutback Factor to establish each Wholesale Customer's Seasonal Allocation.

The Seasonal Cutback Factor is calculated based upon the Overall Wholesale Customer Allocation remaining to be allocated after Step 2. Of the remaining Overall Wholesale Customer Allocation after Step 2 (less the Maximum Cutback Reserve), 50% is allocated through the Seasonal Minimum Allocation Step. The detailed methodology for calculating the Seasonal Cutback Factor is described in Attachment B.

Step 5: SFPUC Purchases and ISG-Based Allocation

Step 5 allocates the water remaining after Step 4 to get agencies as close to the "Target Allocation" as possible. Each Wholesale Customer's Target Allocation is based on a weighted share of two-thirds Base Period SFPUC Purchases and one-third ISG (or proxy) while ensuring each agency's final allocation is between the Minimum and Maximum Cutback limits.

The detailed methodology for calculating the Base Period SFPUC Purchases and ISG weighted allocation is described in Attachment B.

6. Plan Implementation

The Tier 2 Plan applies when, and only when, the SFPUC declares a Drought that has is a system-wide water shortage of 20 percent or less. The Tier 2 Plan applies only to water acquired and distributed by the SFPUC to the Wholesale Customers through the WSA and has no effect on water obtained by a Wholesale Customer from any source other than the SFPUC.

Shortages Greater than 20 Percent

In no way should it be construed that the Wholesale Customers relieve the SFPUC of its obligations established in the Level of Service goals adopted in the Water System Improvement

Program (“WSIP”), including the level of service goal to “meet dry-year delivery needs while limiting drought rationing to a maximum 20 percent system-wide reduction water service during extended droughts” (2023 Amended and Updated LOS Goals and Objectives, SFPUC Resolution No. 23-0210, adopted November 28, 2023, updating the Resolution No. 08-0200, adopted October 30, 2008). Should conditions occur that result in system-wide shortages greater than 20%, the provisions in WSA Section 3.11(C) apply. The Tier 2 Plan calculations may be used during discussions with the SFPUC on how to implement reductions above 20% with the Wholesale Customers and for planning purposes only to estimate potential Wholesale Customer allocations for system-wide shortages greater than 20% (e.g., to inform efforts such as Urban Water Management Plans).

BAWSCA Role in Plan Implementation

In accordance with the WSA, upon the SFPUC’s declaration or reconfirmation of a water shortage emergency, BAWSCA will calculate and provide the SFPUC with each Wholesale Customer’s individual percentage share of the amount of water allocated to the Wholesale Customers collectively.

In the event that shortage conditions change and the SFPUC takes action to declare an increase or decrease to the system-wide shortage level, BAWSCA will recalculate the Tier 2 Plan and submit new Allocation Factors to the SFPUC. When rerunning the Tier 2 calculations, the Base Period will not change to provide predictability (Policy Principle #3). The only inputs that will change are the Overall Wholesale Customer Allocation and population, if a more recent Annual Survey has been published.

If the appropriate base period data, as specified in this Plan, are not available when BAWSCA initially calculates the Tier 2 Allocation Factors, the Base Period may be updated. However, BAWSCA may only provide the SFPUC with updated Allocation Factors if the Commission takes action to declare or reconfirm a shortage condition.

Each year, BAWSCA will provide the Wholesale Customers with a review of the Tier 2 Plan. The annual review will include:

- Calculation of each Wholesale Customer’s Allocation Factor for regional shortages of 10% and 20% for the current Base Period, based upon the most recent published BAWSCA Annual Survey;
- Review of Base Period data used to develop the calculations.

7. Plan Term

The term of the Tier 2 Plan will be the same as the WSA term and may be extended by the written agreement of all the Wholesale Customers. The Tier 2 Plan negotiators chose to coordinate the Plan term with WSA term in order to avoid simultaneous renegotiation of these related agreements. Pursuant to WSA Section 2, the WSA expires on June 30, 2034. In December 2031, the SFPUC may provide written notice to the Wholesale Customers that it is willing to extend the WSA for five years, through June 30, 2039. Between January 1, 2032 and June 30, 2032, any Wholesale Customer may accept the SFPUC’s offer to extend the Term by providing a written notice of extension to the SFPUC. If the WSA is extended, the Tier 2 Plan

shall expire on December 31, 2034, unless extended by the written agreement of all Wholesale Customers. The Wholesale Customers will meet to review and potentially negotiate amendments to the Tier 2 Plan between July 2032 and June 2034.

If the SFPUC is not willing to extend the term of the WSA, or the Wholesale Customers decline the offer to extend the term of the WSA, the term of the Tier 2 Plan shall be automatically extended for two additional years through December 31, 2036 to allow for more time for the Wholesale Customers to meet to review and potentially negotiate amendments to the Tier 2 Plan between July 2034 and June 2036.

Sample schedules described above are provided in the table below.

Date	Extension of WSA with Limited Negotiated Changes	Parties must renegotiate WSA Terms
Dec 2031	SFPUC indicates willingness to extend term of WSA for 5 years	SFPUC indicates willingness to extend term of WSA for 5 years
Jan - Jun 2032	Wholesale Customers <u>accept</u> offer to extend term of WSA	Wholesale Customers <u>decline</u> offer to extend term of WSA
Jul 2032 - Jun 2034	Wholesale Customers meet to review, extend and potentially negotiate amendments to the Tier 2 Plan	SFPUC and Wholesale Customers negotiate amendments to WSA
Jul 2034 – Jun 2036		Wholesale Customers meet to review and potentially negotiate amendments to the Tier 2 Plan

Attachment A: List of Abbreviations and Definitions

Abbreviations

BAWSCA – Bay Area Water Supply and Conservation Agency

GPCD – gallons per capita per day

ISG – Individual Supply Guarantee

MGD – million gallons per day

RWS – San Francisco Regional Water System

SFPUC – San Francisco Public Utilities Commission

WSA – Amended and Restated Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers in Alameda, San Mateo and Santa Clara Counties

WSIP – Water System Improvement Program

Definitions

Allocation Factor – Each Wholesale Customer's portion of the Overall Wholesale Customer Allocation, expressed as a percent.

Base Period – The average of each Wholesale Customer's two years with the highest volumes of SFPUC purchases from the previous three non-Drought years.

BAWSCA Annual Survey – An annual survey of the Wholesale Customers, conducted by BAWSCA, to update key service area information including actual and projections of Wholesale Customer water demand and population.

Drought – “[a] water shortage caused by lack of precipitation, as reflected in resolutions of the Commission calling for voluntary or mandatory water rationing based on evaluation of water stored or otherwise available to the Regional Water System, whether or not the Commission declares a water shortage emergency pursuant to Water Code §§ 350 et seq., as amended from time to time.” (*WSA, Attachment A*)

Individual Supply Guarantee – “[each] Wholesale Customer's share of the Supply Assurance, as shown in Attachment C [to the WSA].” (*WSA, Attachment A*)

Overall Average Wholesale Customer Reduction – The percent cutback from Base Period SFPUC Purchases, calculated by dividing the Overall Wholesale Customer Allocation by the sum of the Wholesale Customer's Base Period SFPUC Purchases.

Overall Wholesale Customer Allocation or Tier 1 Allocation – The volume of water available to the Wholesale Customers from the RWS.

Regional Water System – “[the] water storage, transmission and treatment system operated by the SFPUC in Tuolumne, Stanislaus, San Joaquin, Alameda, Santa Clara, San Mateo and San Francisco counties, including projects constructed under the WSIP, but excluding Direct Retail and Direct Wholesale assets.” (*WSA, Attachment A*)

SFPUC Purchases – For the purposes of the Tier 2 Plan, SFPUC Purchases are defined as the volume of water purchased by and delivered to a Wholesale Customer for use within its service area. SFPUC Purchases specifically exclude (1) **In-Lieu Water**, which is Regional Water System water pursuant to the WSA and the Regional Groundwater Storage and Recovery Project Operating Agreement and (2) **Imputed Sales**, both defined in the WSA, Attachment A.

Supply Assurance – “[the] 184 MGD maximum annual average metered supply of water dedicated by San Francisco to public use in the Wholesale Service Area (not including San Jose and Santa Clara) in the 1984 Agreement and Section 3.01 of this Agreement.” (*WSA, Attachment A*)

Tier 1 Plan or Tier 1 Shortage Plan – “[the] Water Shortage Allocation Plan (Attachment H) adopted by the SFPUC and the Wholesale Customers in conjunction with this Agreement [the WSA] describing the method for allocating water between the SFPUC and the Wholesale Customers collectively for shortages of up to 20% of deliveries from the Regional Water System, as amended from time-to-time.” (*WSA, Attachment A*)

Tier 2 Plan or Tier 2 Drought Response Implementation Plan – The method of apportioning the Tier 1 Allocation among the 26 Wholesale Customers.

Tier 2 Plan Allocation Model – The Excel-based tool used for applying the Tier 2 Plan allocation methodology and determining each Wholesale Customer's Allocation Factor.

Wholesale Customers – “[the] 26 water customers identified in Section 1.02 [of the WSA] that are contracting for purchase of water from San Francisco pursuant to [the WSA].” (*WSA, Attachment A*)

Attachment B: Tier 2 Plan Data Sources and Calculations

BAWSCA Annual Survey

Each year, BAWSCA conducts an annual survey of its members in order to update key BAWSCA service area information including population, current and projected water use, and climatology. BAWSCA begins collecting data in October of each year. The Wholesale Customers submit data through BAWSCA's Water Conservation Database. Between approximately January and March, BAWSCA reviews the Wholesale Customers' submissions for potential errors and works with Wholesale Customers to confirm and finalize the data. The final report is published around March of each year for the fiscal year ending the previous June 30th.

Base Period inputs will use data published in the Annual Surveys from the previous three non-Drought years. Depending on when the SFPUC declares a shortage emergency, the most recent non-Drought year's Annual Survey may not be finalized and published. If the most recent non-Drought year's Annual Survey is not available, the Base Period inputs will use data from the three most recent non-Drought year's published in Annual Surveys.

Base Period

The Tier 2 Plan uses historical SFPUC purchases, total potable water production, monthly potable production, potable consumption by customer category, and population for Steps 0 through 5. These values are established using a historical base period with established water supply and delivery data.

The Base Period for all inputs except population is defined as the average from the highest two years of SFPUC Purchases over the most recent three non-Drought years. The selection of Base Period is unique to each Wholesale Customer. Two example agencies are provided in the table below, where the data associated with the highest two years are highlighted.

Previous Non-Drought Year	Agency A		Agency B	
	SFPUC Purchases	Percent Non-Residential	SFPUC Purchases	Percent Non-Residential
Year 1	2.50	70%	5.90	58%
Year 2	2.75	69%	6.20	56%
Year 3	2.40	67%	6.10	55%
Calculation	$\frac{(2.50 + 2.75)}{2}$	$\frac{(0.70 + 0.69)}{2}$	$\frac{(6.20 + 6.10)}{2}$	$\frac{(0.56 + 0.55)}{2}$
Average of Highest Two Years	2.63	70%	6.15	55.5%

Coastside CWD Special Provisions for Base Period Calculations

Coastside CWD Base Period SFPUC Purchases will be calculated as 94% of its Base Period Total Potable Water Production. Base Period SFPUC Reliance will be fixed at 94%.

Coastside CWD's high variability in SFPUC purchases from year to year, the California Coastal Commission limitations on growth in its service area, and geographical and hydrological isolation set it apart from other Wholesale Customers. Uniquely among the Wholesale Customers, Coastside CWD does not have interties with other Wholesale Customers or agencies. Additionally, it has junior rights on local surface water supplies. To ensure resiliency, Coastside CWD must maximize its use of Denniston Creek in normal years to provide evidence to the State in its ongoing case to perfect its water rights. This results in low RWS purchases in non-drought years, which are the source of each Wholesale Customer's Base Period. The Coastside CWD special provisions for Base Period SFPUC Purchases ensure its dry year reliance on the RWS is reflected in the Tier 2 Plan.

Minimum Cutback Factor

The minimum cutback factor is used to establish the upper limit at or below which each Wholesale Customer's final allocation will be. The minimum cutback factor is equal to 1/3 times the Overall Average Wholesale Customer Reduction, expressed as a percentage. Base Period SFPUC Purchases (up to ISG or proxy) are multiplied by 1 minus the minimum cutback factor. An example equation is provided below.

$$\text{Wholesale Customer final allocation upper limit} = \text{Base Period SFPUC Purchases} \times (1 - (1/3 \times \text{Overall Average Wholesale Customer Reduction}))$$

Step 1 Override Exception

If a Wholesale Customer's allocation in Step 1 (Efficient Residential Allocation) is greater than the upper limit of its potential allocation established by the Minimum Cutback, the Step 1 allocation will override. However, no Wholesale Customer's final cutback will be less than 5%.

For example, in a 20% Overall Average Wholesale Customer Reduction, the Minimum Cutback will be 6.67% ($20\% \times 1/3$). An example Wholesale Customer's calculation is provided below.

Base Period SFPUC Purchases	5.0 MGD
Minimum Cutback Factor	- 6.67%
Upper Limit of Potential Final Allocation	4.67 MGD

Population	101,000
Base Period SFPUC Reliance	100%
Residential Efficient Allocation	47 GPCD
Step 1 Allocation	4.75 MGD

The example agency's final cutback will be 5.1% as calculated below:

$$4.75 \text{ mgd} / 5.0 \text{ mgd} - 1 = -5.1\%$$

Maximum Cutback Factor

The maximum cutback factor is used to establish the lower limit at or above each Wholesale Customer's final allocation. The maximum cutback factor is equal to 1.5 times the Overall Average Wholesale Customer Reduction, expressed as a percentage. Base Period SFPUC

Purchases (up to ISG or proxy) are multiplied by 1 minus the minimum cutback factor. An example equation is provided below.

$$\begin{aligned} & \text{Wholesale Customer final allocation lower limit} \\ &= \text{Base Period SFPUC Purchases} \\ &\times (1 - (1.5 \times \text{Overall Average Wholesale Customer Reduction})) \end{aligned}$$

Efficient Residential Volume

The Tier 2 Plan uses a per-capita volume, in gallons, to calculate each Wholesale Customer's Efficient Residential Allocation (Step 1 of the Allocation Model). The per-capita volume is 47 gallons per capita per day through 2029 and 42 GPCD beginning in 2030, consistent with the State of California Indoor Residential Water Use Standard for 2025 established by SB 1157.

SFPUC Reliance

For agencies with multiple potable water sources, the Tier 2 Plan calculates SFPUC Reliance by dividing each agency's Base Period SFPUC Purchases by Base Period Total Potable Water Production, expressed as a percentage. SFPUC Reliance is used in Step 1 to calculate multi-source agency's Residential Efficient Allocation met by the RWS.

Population

The Tier 2 Plan uses population reported in the most recently published Annual Survey to calculate each Wholesale Customer's Efficient Residential Allocation in Step 1.

BAWSCA reviews data submitted for the Annual Survey and works with agencies to ensure the information is correct before making it public. As part of this annual review, BAWSCA will flag any agencies that have reported population increases greater than 5%. BAWSCA will first confirm with the agency that there are no reporting errors. If the reported data are correct, BAWSCA will include a note to all agencies during the annual review of the Tier 2 Plan.

Stanford University Population Calculation

Stanford has historically reported its population in the BAWSCA Annual Survey using data from the Stanford Office of Institutional Research & Decision Support, which annually documents population based on student enrollment and data from human resources. This number captures all students (undergraduate and graduate), post-docs, faculty, and staff that are employed and work on campus. The population report does not directly capture residential population that is not enrolled or employed (significant others or dependents). However, it would include a daytime population component. Stanford reviewed several population sources and calculation methods including census data. Based on review of the available sources for population information, Stanford proposed, and the BAWSCA agencies agreed, to utilize a formula that captures student and faculty/staff residential population. This new approach would eliminate the inclusion of daytime staff and faculty who do not live on campus.

The formula takes the Office of Institutional Research & Decision Support data and uses only the "Total Students" and adds a multiplier of 2.57 people per residence (single and multi-family) for the faculty/staff housing area.

Stanford Population = (Faculty/Staff Housing Residences x 2.57) + ("Total Students" from Population Report)

Percent Indoor Demand

For each Base Period year, percent indoor demand is calculated by dividing each Wholesale Customer's lowest month of potable production by the Wholesale Customer's average monthly potable production. The two resulting percentages are averaged together. An example equation is provided below, where Y_1 and Y_2 represent the two Base Period years.

$$\% \text{ Indoor Use} = \frac{\frac{\text{Lowest Month Production, } Y_1}{\text{Average Monthly Production, } Y_1} + \frac{\text{Lowest Month Production, } Y_2}{\text{Average Monthly Production, } Y_2}}{2}$$

Percent Seasonal Demand

Percent seasonal demand is calculated as the inverse of percent indoor demand.

$$\text{Percent Seasonal Demand} = 1 - \% \text{ Indoor Demand}$$

Percent Non-Residential Demand

For each Base Period year, percent non-residential demand is calculated by first dividing each Wholesale Customer's potable water consumption from all residential customer categories by the Wholesale Customer's total annual potable production. The resulting percentage is subtracted from one to calculate the inverse and thus captures all non-residential demands including non-revenue water and dedicated irrigation meters². The two resulting percentages from the two Base Period years are averaged together. An example equation is provided below, where Y_1 and Y_2 represent the two Base Period years.

$$\% \text{ NR Use} = \frac{(1 - \frac{\text{Residential Use, } Y_1}{\text{Potable Production, } Y_1}) + (1 - \frac{\text{Residential Use, } Y_2}{\text{Potable Production, } Y_2})}{2}$$

Individual Supply Guarantee (ISG)

Use of ISG in the Tier 2 Plan

Each Wholesale Customer's ISG is used in the Tier 2 Plan calculations with proxies for Hayward, San Jose and Santa Clara, in order to provide inputs for the Tier 2 Allocation Formula. See WSA, Attachment C for a current list of ISG values.

Hayward's de facto ISG (22.1 MGD) is used in place of permanent ISG for the purposes of the Tier 2 Plan calculations. This figure is used in WSA, Attachment D, to determine whether Hayward's increased use requires pro-rata reduction of remaining Wholesale Customers' ISG.

² Prior to FY 22-23, all consumption recorded under the dedicated irrigation sector in the Water Conservation Database is assumed to be non-residential. Starting in FY 22-23, Wholesale Customers were given the option to separate out residential vs. non-residential dedicated irrigation consumption.

San Jose and Santa Clara's temporary and interruptible contract amounts (4.5 MGD each) are used in place of ISG for the purposes of the Tier 2 Plan calculations.

Background on ISG

San Francisco has a perpetual legal obligation and commitment (Supply Assurance) to deliver 184 MGD to the 24 permanent Wholesale Customers collectively. The Supply Assurance is subsequently allocated among the 24 permanent Wholesale Customers through Individual Supply Guarantees (ISG), which represent each Wholesale Customer's share of the 184 MGD Supply Assurance. San Jose and Santa Clara are not included in San Francisco's Supply Assurance obligation; rather each has a temporary and interruptible water supply contract with San Francisco. Through the WSA and its individual contracts with San Jose and Santa Clara, San Francisco has many requirements to plan for water supply development and analyze the sufficiency of water supply to San Jose and Santa Clara. For example, San Francisco must complete a CEQA review and provide at least a 10-year notice of interruption.

Hayward does not have an Individual Supply Guarantee

San Francisco and Hayward entered into a water supply contract on February 9, 1962 (the "1962 contract") which provided that San Francisco would supply Hayward with all water supplemental to water controlled by Hayward, in sufficient quantity to supply the total water needs of Hayward's service area "on a permanent basis." This 1962 contract remains the Individual Water Sales Contract between San Francisco and Hayward. Due to the terms of this ongoing contract, Hayward does not have an ISG. If Hayward's purchases exceed 22.1 MGD for three consecutive years, the remaining 23 Wholesale Customer's ISG will be reduced on a pro rata (WSA, Attachment D).

Currently, the sum of the 23 Wholesale Customers fixed ISG is 161.9 MGD.

184 MGD Supply Assurance - 161.9 MGD = 22.1 MGD water available for Hayward purchases (i.e., Hayward's "de facto" ISG)

Hayward's proxy ISG for the purpose of the Tier 2 Plan is 22.1 MGD.

San Jose and Santa Clara do not have an Individual Supply Guarantee

During the term of the 1984 Settlement Agreement, San Francisco provided water to San Jose and Santa Clara on a temporary and interruptible basis, pursuant to SFPUC Resolution No. 85-0256. The SFPUC has contracted to supply a combined annual average of 9 MGD to San Jose and Santa Clara (4.5 MGD each) through 2028. The 9 MGD allocated to San Jose and Santa Clara is not included in the Supply Assurance. San Francisco will decide whether to make San Jose and Santa Clara permanent customers by December 31, 2028. (WSA, Sec. 4.05)

San Jose and Santa Clara's proxy ISG for the purpose of the Tier 2 Plan is 4.5 MGD each.



July 2024 Model Concept - Efficient Res Allocation + Non-Res Base Allocation + Seasonal Allocation + Base SFPUC Purchases/ISG-Based Allocation - Variable Base Year

Model Set-up/Assumptions	
Allocation Year/Projection Year	FY24-25
Tier 1 Shortage Allocation (mgd)	114.20
Base Period SFPUC Purchases (mgd)	134.34
Overall Reduction from Base Period Required	-15.0%
SFPUC Maximum Cutback Factor	-22.5%
SFPUC Minimum Cutback Factor	-5.0%
Non-Residential Base Allocation %	92.5%
Step 5 Reserved % of Remaining Tier 1 Allocation (less Step 3 Reserved) after Step 2	50%
Unreserved % of Remaining Tier 1 Allocation (less Step 3 Reserved and Step 5 Reserved) After Step 2	50%
Seasonal Allocation %	7.9%
Step 5 ISG Weighting	33%
Step 5 Base SFPUC Purchases Weighting	67%
Residential Efficient Allocation (R-GPCD)	47.0
Adjustment % for SFPUC Minimum Cutback, if efficient residential allocation is greater than minimum cutback	95%
Effective Date for Model Run (update for testing only)	12/16/2024

Instructions:

1. Adjust aqua cells in OVERVIEW tab to adjust model parameters. If there are errors in the inputs, an error message will appear in Columns E-F.
2. View allocation calculations and results in "Tier 2 Allocation" and "Agency Charts" tabs.

Base Years	
Non-Drought Year 1	FY18-19
Non-Drought Year 2	FY19-20
Non-Drought Year 3	FY20-21

Error Message(s) (if applicable)

Calculation Steps for July 2024 Model Concept:	
0. SFPUC Minimum Cutback	a. Calculate Minimum Cutback from Lesser of Base Period SFPUC Purchases and ISG (Lesser of Base Period SFPUC Purchases and ISG × [1+SFPUC Minimum Cutback Factor])
	b. Calculate Efficient Residential Allocation (population × per capita allocation × % SFPUC reliance)
	c. Determine if Minimum Cutback is greater than the Efficient Residential Allocation
	d. If Efficient Residential Allocation is greater than the Minimum Cutback, an agency's cutback may be no less than 5%
1. Efficient Residential Allocation	a. Calculate Efficient Residential Allocation (population × per capita allocation)
	b. Account for % SFPUC Reliance
	c. Provide Efficient Residential Allocation
2. Non-Residential Base Allocation	a. Incorporate Estimated % Indoor Use (see glossary for definition and calculation of % Indoor Use)
	b. Incorporate % Non-Residential Use
	c. Calculate Non-Residential Base Allocation (% Indoor Use × % Non-Residential Use × Base Period SFPUC Purchases × Non-Residential Indoor Allocation %)
	d. Add Non-Residential Base Allocation to the Step 1 Allocation
3. Calculate Potential SFPUC Maximum Cutback Need	a. Calculate SFPUC Maximum Cutback (Base Period SFPUC Purchases × [1 + SFPUC Maximum Cutback Factor])
	b. Reserve the sum of the potential SFPUC Maximum Cutback need for Step 5 (Maximum Cutback Reserve)
4. Seasonal Allocation	a. Determine % Seasonal Use (1 - % Indoor Use)
	b. Calculate seasonal SFPUC Purchases (Base Period SFPUC Purchases × % Seasonal Use)
	c. Calculate Seasonal Allocation (seasonal SFPUC Purchases × Seasonal Allocation %)
	d. Add the Seasonal Allocation to the Step 2 Allocation
5. Base Period/ISG-Based Allocation	a. Calculate weighted average of Base Period SFPUC Purchases and ISG, up to Minimum Cutback
	b. Calculate Weighted Share of total Tier 1 Allocation to Wholesale Customers (agency weighted average Base Period SFPUC Purchases/ISG ÷ total Wholesale Customer weighted average × Tier 1 Allocation)
	c. Calculate the gap between Step 4 allocation and the lesser of 1) weighted share, or 2) Minimum Cutback
	d. Allocate remaining supplies, except Maximum Cutback Reserve, among agencies with a gap, proportionately to gap, up to the Minimum Cutback
	e. Confirm allocation meets Maximum Cutback; allocate water from Maximum Cutback Reserve up to Maximum Cutback
	f. Allocate remaining supplies among agencies with a gap, proportionately to gap, up to the Minimum Cutback



Allocation Year/Projection Year	FY24-25
Most Recent Annual Survey Data Year	FY22-23

No water is allocated in this step
Establishes the upper limit of each agency's final allocation

Relevant Base Period Data							0. Establish SFPUC Minimum Cutback						1. Efficient Residential Allocation					
Agency	Selected Base Year 1	Selected Base Year 2	Base Period SFPUC Purchases (mgd)	Base Period Reliance on SFPUC	ISG (mgd)	Total Potable Production (mgd)	Lesser of Base Period SFPUC Purchases and ISG (mgd)	SFPUC Minimum Cutback (mgd)	SFPUC Maximum Cutback (mgd)	Is efficient residential allocation greater than minimum cutback?	Adjusted SFPUC Minimum Cutback, if efficient residential allocation is greater than	0. Effective SFPUC Minimum Cutback (mgd)	Population	% Potable Demand Reliance on SFPUC	Allocation based on efficient residential indoor use (mgd)	Efficient Residential Allocation	1. Efficient Residential (mgd)	
Alameda CWD	2021	2020	8.63	22%	13.76	39.32	8.63	8.20	6.69	☐		8.20	344,000	22%	16.17	3.55	3.55	
Brisbane	2019	2020	0.65	100%	0.98	0.65	0.65	0.62	0.50	☐		0.62	4,851	100%	0.23	0.23	0.23	
Burlingame	2020	2019	3.45	100%	5.23	3.45	3.45	3.28	2.67	☐		3.28	31,080	100%	1.46	1.46	1.46	
Coastside	2021	2019	1.69	94%	2.18	1.80	1.69	1.61	1.31	☐		1.61	18,890	94%	0.89	0.83	0.83	
CWS - Total	2021	2020	29.23	95%	35.68	30.62	29.23	27.77	22.66	☐		27.77	262,704	95%	12.35	11.78	11.78	
Daly City	2020	2019	3.84	64%	4.29	6.00	3.84	3.64	2.97	☐		3.64	107,000	64%	5.03	3.22	3.22	
East Palo Alto	2020	2019	1.57	100%	3.46	1.57	1.57	1.49	1.21	☐		1.49	29,519	100%	1.39	1.39	1.39	
Estero	2020	2021	4.32	100%	5.90	4.32	4.32	4.10	3.35	☐		4.10	37,443	100%	1.76	1.76	1.76	
Hayward	2021	2019	14.26	100%	22.10	14.26	14.26	13.55	11.06	☐		13.55	159,800	100%	7.51	7.51	7.51	
Hillsborough	2021	2020	2.66	100%	4.09	2.66	2.66	2.53	2.06	☐		2.53	11,592	100%	0.54	0.54	0.54	
Menlo Park	2019	2020	3.09	100%	4.46	3.09	3.09	2.94	2.40	☐		2.94	20,319	100%	0.95	0.95	0.95	
Mid-Peninsula	2020	2021	2.63	100%	3.89	2.63	2.63	2.50	2.04	☐		2.50	30,159	100%	1.42	1.42	1.42	
Millbrae	2019	2020	1.92	100%	3.15	1.92	1.92	1.83	1.49	☐		1.83	20,666	100%	0.97	0.97	0.97	
Milpitas	2020	2021	5.67	67%	9.23	8.49	5.67	5.39	4.40	☐		5.39	81,067	67%	3.81	2.54	2.54	
Mountain View	2021	2020	7.78	87%	12.46	8.90	7.78	7.40	6.03	☐		7.40	81,501	87%	3.83	3.35	3.35	
North Coast	2021	2020	2.39	100%	3.84	2.39	2.39	2.27	1.85	☐		2.27	37,082	100%	1.74	1.74	1.74	
Palo Alto	2021	2020	9.95	100%	16.58	9.95	9.95	9.45	7.71	☐		9.45	68,624	100%	3.23	3.23	3.23	
Purissima Hills	2021	2020	1.82	100%	1.62	1.82	1.62	1.54	1.26	☐		1.54	7,350	100%	0.35	0.35	0.35	
Redwood City	2020	2021	8.62	100%	10.93	8.62	8.62	8.19	6.68	☐		8.19	90,928	100%	4.27	4.27	4.27	
San Bruno	2020	2021	0.93	30%	3.25	3.09	0.93	0.89	0.72	☐		0.89	43,910	30%	2.06	0.62	0.62	
San Jose	2019	2020	4.27	99%	4.50	4.29	4.27	4.05	3.31	☐		4.05	43,036	99%	2.02	2.01	2.01	
Santa Clara	2020	2021	3.25	20%	4.50	16.27	3.25	3.09	2.52	☐		3.09	132,476	20%	6.23	1.24	1.24	
Stanford	2020	2019	1.43	100%	3.03	1.43	1.43	1.36	1.11	☐		1.36	20,000	100%	0.94	0.94	0.94	
Sunnyvale	2021	2020	9.47	54%	12.58	17.68	9.47	8.99	7.34	☐		8.99	156,317	54%	7.35	3.93	3.93	
Westborough	2020	2019	0.80	100%	1.32	0.80	0.80	0.76	0.62	☐		0.76	13,486	100%	0.63	0.63	0.63	
Total			134.34		193.02	196.04	134.14						1,853,800		87.13		60.49	
Allocated																	60.49	
Unallocated																	53.71	
Reserved																	0	



2. Non-Residential Base Allocation					3. SFPUC Maximum Cutback "Reserve"			4. Seasonal Allocation				5. Base SFPUC Purchases/ISG-Based Allocation with Minimum Cutback				
Agency	Estimated % Indoor Use	% Non-Residential Use	Non-Residential Base Allocation (mgd)	2. Non-Residential Base Allocation (mgd)	SFPUC Maximum Cutback (mgd)2	Does Step 2 Allocation Meet SFPUC Maximum Cutback?	SFPUC Maximum Cutback Shortfall (mgd)	% Seasonal Use	Seasonal SFPUC Purchases (mgd)	Seasonal Allocation (mgd)	4. Seasonal Allocation (mgd)	Weighted Average of Base Period SFPUC Purchases (up to ISG) and ISG (mgd)	Weighted Share of Tier 1 Allocation (mgd)	Lesser of Weighted Share and Minimum Cutback Allocation (i.e., Target Allocation)	Target Allocation Based Gap (mgd)	Target Based Allocation 1 (mgd)
Alameda CWD	69%	41%	2.22	5.77	6.69	☐	0.92	31%	2.71	0.22	5.99	10.33	7.68	7.68	1.69	0.31
Brisbane	66%	68%	0.27	0.50	0.50	☐	0.01	34%	0.22	0.02	0.51	0.76	0.56	0.56	0.05	0.01
Burlingame	73%	40%	0.93	2.39	2.67	☐	0.28	27%	0.93	0.07	2.46	4.04	3.00	3.00	0.54	0.10
Coastside	64%	46%	0.47	1.30	1.31	☐	0.01	36%	0.60	0.05	1.35	1.85	1.38	1.38	0.03	0.01
CWS - Total	61%	30%	5.02	16.80	22.66	☐	5.85	39%	11.26	0.89	17.69	31.36	23.32	23.32	5.62	1.05
Daly City	88%	23%	0.73	3.64	2.97	☒	0.00	12%	0.46	0.04	3.64	3.99	2.96	2.96	0.00	0.00
East Palo Alto	79%	18%	0.21	1.49	1.21	☒	0.00	21%	0.33	0.03	1.49	2.19	1.63	1.49	0.00	0.00
Estero	63%	45%	1.13	2.89	3.35	☐	0.46	37%	1.58	0.13	3.01	4.84	3.60	3.60	0.59	0.11
Hayward	72%	45%	4.33	11.85	11.06	☒	0.00	28%	3.95	0.31	12.16	16.85	12.53	12.53	0.37	0.07
Hillsborough	36%	9%	0.08	0.62	2.06	☐	1.44	64%	1.70	0.14	0.76	3.13	2.33	2.33	1.57	0.29
Menlo Park	53%	63%	0.94	1.90	2.40	☐	0.50	47%	1.47	0.12	2.01	3.54	2.63	2.63	0.62	0.12
Mid-Peninsula	68%	27%	0.45	1.87	2.04	☐	0.18	32%	0.86	0.07	1.93	3.05	2.27	2.27	0.33	0.06
Millbrae	76%	36%	0.49	1.46	1.49	☐	0.03	24%	0.46	0.04	1.49	2.33	1.73	1.73	0.24	0.04
Milpitas	78%	51%	2.08	4.62	4.40	☒	0.00	22%	1.23	0.10	4.72	6.85	5.09	5.09	0.37	0.07
Mountain View	66%	43%	2.04	5.39	6.03	☐	0.65	34%	2.64	0.21	5.60	9.33	6.94	6.94	1.34	0.25
North Coast	80%	24%	0.42	2.16	1.85	☒	0.00	20%	0.48	0.04	2.20	2.87	2.13	2.13	0.00	0.00
Palo Alto	61%	38%	2.11	5.34	7.71	☐	2.37	39%	3.90	0.31	5.65	12.14	9.03	9.03	3.38	0.63
Purissima Hills	38%	12%	0.07	0.42	1.26	☐	0.84	62%	1.13	0.09	0.51	1.62	1.21	1.21	0.70	0.13
Redwood City	68%	34%	1.81	6.08	6.68	☐	0.60	32%	2.80	0.22	6.31	9.38	6.98	6.98	0.67	0.13
San Bruno	78%	29%	0.20	0.82	0.72	☒	0.00	22%	0.21	0.02	0.84	1.70	1.26	0.89	0.05	0.01
San Jose	69%	62%	1.68	3.69	3.31	☒	0.00	31%	1.33	0.11	3.79	4.34	3.23	3.23	0.00	0.00
Santa Clara	73%	50%	1.10	2.35	2.52	☐	0.17	27%	0.88	0.07	2.42	3.66	2.72	2.72	0.31	0.06
Stanford	63%	45%	0.38	1.32	1.11	☒	0.00	37%	0.53	0.04	1.36	1.96	1.46	1.36	0.00	0.00
Sunnyvale	69%	42%	2.54	6.48	7.34	☐	0.86	31%	2.98	0.24	6.71	10.49	7.80	7.80	1.09	0.20
Westborough	73%	26%	0.14	0.76	0.62	☒	0.00	27%	0.22	0.02	0.76	0.97	0.72	0.72	0.00	0.00
Total			31.83	91.90	103.98		15.18		44.87	3.56	95.38	153.57	114.20	113.58	19.56	3.64
Allocated				91.90			91.90				95.38					
Unallocated				22.30			22.30				18.82					
Reserved				0			15.18				15.18					

First Iteration of Base Period/ISG-Based Allocation		Maximum Cutback			Second Iteration of Base Period/ISG-Based Allocation			Third Iteration of Base Period/ISG-Based Allocation If all agencies meet their Target Allocation, remaining water is allocated up to Minimum Cutback				Final Allocation (mgd)	Cutback Percentage	Allocation Factor
Agency	First Iteration of Target Based Allocation (mgd)	Does Step 5 Initial Allocation Meet SFPUC Maximum Cutback?	Maximum Cutback (mgd)	Initial Step 5 Allocation with Maximum Cutback (mgd)	Target Allocation Based Gap (mgd)3	Target Based Allocation 2 (mgd)	Second Iteration of Target Based Allocation (mgd)	Equal or Greater than Weighted Share/Minimum Cutback	Target Allocation Based Gap 3 (mgd)	Third Iteration of Target Based Allocation (mgd)	5. Weighted Share/ Maximum Cutback Based Allocation (mgd)			
Alameda CWD	6.30	☐	0.39	6.69	0.99	0.88	7.57	☐	0.11	0.00	7.57	7.57	12.3%	6.6%
Brisbane	0.52	☒	0.00	0.52	0.04	0.04	0.56	☐	0.00	0.00	0.56	0.56	13.8%	0.5%
Burlingame	2.56	☐	0.11	2.67	0.33	0.29	2.97	☐	0.04	0.00	2.97	2.97	14.0%	2.6%
Coastside	1.35	☒	0.00	1.35	0.02	0.02	1.38	☐	0.00	0.00	1.38	1.38	18.8%	1.2%
CWS - Total	18.74	☐	3.91	22.66	0.66	0.59	23.24	☐	0.07	0.00	23.24	23.24	20.5%	20.4%
Daly City	3.64	☒	0.00	3.64	0.00	0.00	3.64	☒	0.00	0.00	3.64	3.64	5.0%	3.2%
East Palo Alto	1.49	☒	0.00	1.49	0.00	0.00	1.49	☒	0.00	0.00	1.49	1.49	5.0%	1.3%
Estero	3.12	☐	0.23	3.35	0.25	0.22	3.57	☐	0.03	0.00	3.57	3.57	17.3%	3.1%
Hayward	12.23	☒	0.00	12.23	0.30	0.27	12.50	☐	0.03	0.00	12.50	12.50	12.4%	10.9%
Hillsborough	1.05	☐	1.01	2.06	0.27	0.24	2.30	☐	0.03	0.00	2.30	2.30	13.6%	2.0%
Menlo Park	2.13	☐	0.27	2.40	0.24	0.21	2.61	☐	0.03	0.00	2.61	2.61	15.7%	2.3%
Mid-Peninsula	2.00	☐	0.05	2.04	0.23	0.20	2.24	☐	0.03	0.00	2.24	2.24	14.9%	2.0%
Millbrae	1.54	☒	0.00	1.54	0.19	0.17	1.71	☐	0.02	0.00	1.71	1.71	11.1%	1.5%
Milpitas	4.79	☒	0.00	4.79	0.30	0.27	5.06	☐	0.03	0.00	5.06	5.06	10.8%	4.4%
Mountain View	5.85	☐	0.19	6.03	0.90	0.80	6.84	☐	0.10	0.00	6.84	6.84	12.2%	6.0%
North Coast	2.20	☒	0.00	2.20	0.00	0.00	2.20	☒	0.00	0.00	2.20	2.20	7.7%	1.9%
Palo Alto	6.28	☐	1.44	7.71	1.31	1.17	8.88	☐	0.15	0.00	8.88	8.88	10.8%	7.8%
Purissima Hills	0.64	☐	0.62	1.26	0.00	0.00	1.26	☒	0.00	0.00	1.26	1.26	30.9%	1.1%
Redwood City	6.43	☐	0.25	6.68	0.29	0.26	6.95	☐	0.03	0.00	6.95	6.95	19.5%	6.1%
San Bruno	0.85	☒	0.00	0.85	0.04	0.04	0.88	☐	0.00	0.00	0.88	0.88	5.5%	0.8%
San Jose	3.79	☒	0.00	3.79	0.00	0.00	3.79	☒	0.00	0.00	3.79	3.79	11.1%	3.3%
Santa Clara	2.47	☐	0.05	2.52	0.20	0.18	2.70	☐	0.02	0.00	2.70	2.70	16.9%	2.4%
Stanford	1.36	☒	0.00	1.36	0.00	0.00	1.36	☒	0.00	0.00	1.36	1.36	5.0%	1.2%
Sunnyvale	6.92	☐	0.42	7.34	0.47	0.41	7.75	☐	0.05	0.00	7.75	7.75	18.1%	6.8%
Westborough	0.76	☒	0.00	0.76	0.00	0.00	0.76	☒	0.00	0.00	0.76	0.76	5.0%	0.7%
Total	99.02		8.92	107.95	7.04	6.25	114.20		0.79	0.00	114.20	114.20		
Allocated	99.02			107.95			114.20				114.20			
Unallocated	0.00			6.25			0.00				0.00			
Reserved	15.18			0.00			0.00				0.00			



Instructions: Copy/paste the table below into the "Historical Saves" tab, columns A through F.						
Agency	Agency	Allocation Year (FY)	Allocation Year (integer)	Final Allocation (mgd)	Cutback Percentage	Allocation Factor
Alameda CWD	Alameda CWD	FY24-25	2025	7.57	12%	7%
Brisbane	Brisbane	FY24-25	2025	0.56	14%	0%
Burlingame	Burlingame	FY24-25	2025	2.97	14%	3%
Coastside	Coastside	FY24-25	2025	1.38	19%	1%
CWS - Total	CWS - Total	FY24-25	2025	23.24	20%	20%
Daly City	Daly City	FY24-25	2025	3.64	5%	3%
East Palo Alto	East Palo Alto	FY24-25	2025	1.49	5%	1%
Estero	Estero	FY24-25	2025	3.57	17%	3%
Hayward	Hayward	FY24-25	2025	12.50	12%	11%
Hillsborough	Hillsborough	FY24-25	2025	2.30	14%	2%
Menlo Park	Menlo Park	FY24-25	2025	2.61	16%	2%
Mid-Peninsula	Mid-Peninsula	FY24-25	2025	2.24	15%	2%
Millbrae	Millbrae	FY24-25	2025	1.71	11%	1%
Milpitas	Milpitas	FY24-25	2025	5.06	11%	4%
Mountain View	Mountain View	FY24-25	2025	6.84	12%	6%
North Coast	North Coast	FY24-25	2025	2.20	8%	2%
Palo Alto	Palo Alto	FY24-25	2025	8.88	11%	8%
Purissima Hills	Purissima Hills	FY24-25	2025	1.26	31%	1%
Redwood City	Redwood City	FY24-25	2025	6.95	19%	6%
San Bruno	San Bruno	FY24-25	2025	0.88	5%	1%
San Jose	San Jose	FY24-25	2025	3.79	11%	3%
Santa Clara	Santa Clara	FY24-25	2025	2.70	17%	2%
Stanford	Stanford	FY24-25	2025	1.36	5%	1%
Sunnyvale	Sunnyvale	FY24-25	2025	7.75	18%	7%
Westborough	Westborough	FY24-25	2025	0.76	5%	1%
Total						
Allocated						
Unallocated						
Reserved						

Instructions: Copy/paste the table below into the "Historical Saves" tab, columns A through F.

Input Category	Value	Allocation Year (FY)	Allocation Year (integer)
Allocation Year/Projection Year	FY24-25	FY24-25	2025
Tier 1 Shortage Allocation (mgd)	114.20	FY24-25	2025
Overall Reduction from Base Period Required	-15%	FY24-25	2025
SFPUC Maximum Cutback Factor	-22%	FY24-25	2025
SFPUC Minimum Cutback Factor	-5%	FY24-25	2025
Non-Residential Base Allocation %	93%	FY24-25	2025
Step 5 Reserved % of Remaining Tier 1 Allocation (less Step	50%	FY24-25	2025
Unreserved % of Remaining Tier 1 Allocation (less Step 3	50%	FY24-25	2025
Seasonal Allocation %	8%	FY24-25	2025
Step 5 ISG Weighting	33%	FY24-25	2025
Step 5 Base SFPUC Purchases Weighting	67%	FY24-25	2025
Residential Efficient Allocation (R-GPCD)	47.0	FY24-25	2025
Adjustment % for SFPUC Minimum Cutback, if efficient	95%	FY24-25	2025

RESOLUTION NO. 2025-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRISBANE
 APPROVING AN AMENDMENT TO THE AMENDED AND RESTATED WATER SUPPLY
 AGREEMENT BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO AND
 WHOLESALE CUSTOMERS IN ALAMEDA COUNTY, SAN MATEO COUNTY, AND SANTA
 CLARA COUNTY**

WHEREAS, water supply agencies in Alameda, San Mateo, and Santa Clara Counties have purchased water from the City and County of San Francisco (San Francisco) for many years; and

WHEREAS, the San Francisco Public Utilities Commission (SFPUC) operates the Regional Water System, which delivers water to communities in Alameda, San Mateo, and Santa Clara Counties, as well as to customers within San Francisco (collectively, “the Parties”); and

WHEREAS, the Parties entered into the “Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and Certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County” in 1984 (1984 Settlement Agreement and Master Water Sales Contract); and

WHEREAS, in April 2003, water supply agencies in Alameda, San Mateo and Santa Clara Counties (collectively referred to as the Wholesale Customers) established the Bay Area Water Supply and Conservation Agency (BAWSCA), as authorized by Water Code Sections 81300 *et seq.*; and

WHEREAS, upon expiration of the 1984 Settlement Agreement and Master Water Sales Contract, the Parties entered into the “Water Supply Agreement between San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County” (Water Supply Agreement or WSA) on July 1, 2009, authorized by SFPUC Resolution No. 09-0069, dated April 28, 2009; and

WHEREAS, in 2017, the Wholesale Customers directed BAWSCA to act as its authorized representative in discussions and negotiations with San Francisco to amend the Water Supply Agreement to address a number of substantive issues and these negotiations

resulted in the Parties' adoption of the Amended and Restated Water Supply Agreement in 2018 authorized by SFPUC Resolution No. 18-0212, dated December 11, 2018; and

WHEREAS, on September 6, 2018, this Council approved the Amended and Restated Water Supply Agreement (2018 WSA); and

WHEREAS, pursuant to WSA Section 3.07, four Wholesale Customers (Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale, collectively, the "Original Minimum Purchase Customers") may purchase water from sources other than the SFPUC, but they are each obligated to purchase a specific minimum annual quantity of water from the SFPUC, referred to as a "Minimum Purchase Requirement;" and

WHEREAS, historically, if a Minimum Purchase Customer does not meet its Minimum Purchase Requirement in a particular fiscal year, it must pay the SFPUC for the difference between its metered water purchases during the fiscal year and its minimum annual purchase quantity set forth in WSA Attachment E; and

WHEREAS, some Original Minimum Purchase Customers pay the SFPUC for water that is not delivered due to either insufficient potable demand within their service area or conservation efforts during drought rationing; and

WHEREAS, as part of the 2018 negotiations, the Wholesale Customers and the SFPUC resolved to work promptly to identify a resolution to this as part of a future contract amendment; and

WHEREAS, in 2019, the Wholesale Customers directed BAWSCA to draft a proposed amendment to the 2018 WSA to provide a procedure for expedited and permanent transfers of minimum annual purchase quantities that safeguards the financial and water supply interests of Wholesale Customers not participating in such transfers and these negotiations resulted in the Parties' adoption of the Amended and Restated Water Supply Agreement in 2021, authorized by SFPUC Resolution No. 21-009, dated January 26, 2021; and

WHEREAS, on May 19, 2022, this Council approved the Amended and Restated Water Supply Agreement (2021 WSA); and

WHEREAS, the 2021 WSA provided a significant, but incomplete solution to address the Original Minimum Purchase Customer's concerns with the minimum purchase quantities through a transfer process; and

WHEREAS, 2021 WSA Section 3.11.C. provides that the SFPUC may reduce the amount of water available to the Wholesale Customers in response to a drought; and

WHEREAS, 2021 WSA Section 3.11.C. provides that the Tier 1 Shortage Plan (Attachment H to the WSA) will be used, during system-wide shortages of 20% or less, to allocate water from the Regional Water System between Retail and Wholesale Customers ; and

WHEREAS, 2021 WSA Section 3.11.C. further provides that the SFPUC will honor allocations of water among the Wholesale Customers (Tier 2 Allocations) unanimously agreed to by all Wholesale Customers or provided by BAWSCA; and

WHEREAS, in 2021, the SFPUC and BAWSCA implemented the Tier 1 and Tier 2 Plans for the first time; and

WHEREAS, throughout 2022 and 2024, the Wholesale Customers convened at least once per month, most often for half-day in-person workshops, to negotiate an update to the method for sharing water made available from the SFPUC during shortages caused by drought (Tier 2 Plan); and

WHEREAS, each Wholesale Customer appointed a lead negotiator to represent the interests of its agency in the negotiations; and

WHEREAS, during the Tier 2 Plan negotiations, the Original Minimum Purchase Customers renewed discussions among the Wholesale Customers to identify a comprehensive and final solution to concerns about the minimum purchase quantities; and

WHEREAS, during the Tier 2 Plan negotiations, the Wholesale Customers identified, and the SFPUC agreed to, changes to the Tier 1 Plan that would facilitate agreement on the updated Tier 2 Plan; and

WHEREAS, in June 2023, following several years of discussions regarding the Minimum Purchase Requirements, the SFPUC proposed amending the 2021 WSA to reset the existing

minimum annual purchase quantities to align with current water consumption trends, while protecting investment in the RWS; and

WHEREAS, in 2024, the SFPUC, the Original Minimum Purchase Customers, and BAWSCA held multiple meetings to identify amendments that would address challenges related to the Minimum Purchase Requirements; and

WHEREAS, once the SFPUC and the Original Minimum Purchase Customers discussed amendments to the Minimum Purchase Requirements, the Original Minimum Purchase Customers presented proposals to the broader Wholesale Customer group to secure their support; and

WHEREAS, in 2024, the Wholesale Customers came to a final agreement on a package that includes an updated Tier 2 Plan, amendments to the minimum purchase quantity requirements, and amendments to the Tier 1 Plan; and

WHEREAS, with its Alternative Water Supply Program, the SFPUC is in the early stages of planning for projects to support the Wholesale and Retail Customers' ability to respond to climate change and address future water supply challenges and vulnerabilities, such as regulatory changes, earthquakes, disasters, emergencies, and increases in population and employment; and

WHEREAS, the Original Minimum Purchase Customers are particularly well-suited to develop local, drought resilient supplies, which improve the reliability of the San Francisco Regional Water System (RWS) for all users; and

WHEREAS, under 2021 WSA Section 3.06.D, the Parties agree that they will diligently apply their best efforts to use both surface water and groundwater sources located within their respective service areas and available recycled water to the maximum feasible extent, taking into account the environmental impacts, the public health effects, and the effects on supply reliability of such use, as well as the cost of developing such sources; and

WHEREAS, each Wholesale Customer recognizes the importance of local water supplies in improving regional water supply reliability and commits to develop and use available local water supplies within their service areas, consistent with Section 3.06.D of the WSA; and

WHEREAS, the City of Mountain View approved a Recycled Water Feasibility Study Update Draft Report on March 22, 2022 with seven staff recommendations, including: (1) working with the City of Palo Alto and the Santa Clara Valley Water District on the first phase of an advanced water purification system to improve recycled water quality, (2) planning and siting a recycled water storage reservoir in the City of Mountain View's North Bayshore Area to improve system performance and reliability, and (3) building-out the recycled water distribution system to serve all of North Bayshore and a portion of NASA Ames; and

WHEREAS, the City of Sunnyvale approved an updated Recycled Water Master Plan on September 24, 2024 and directed staff to look into expanding the recycled water system, which currently includes 22 miles of recycled water pipelines, two recycled water pump stations, and a recycled water storage tank with a 2.5-million-gallon capacity; and

WHEREAS, the City of Milpitas continues to promote the use of recycled water to existing and new customers along the recycled water pipeline within the city, and has committed to developing local groundwater supplies to help meet projected long term water demand; and

WHEREAS, since 1995, the Alameda County Water District has invested over \$300 million in water supply reliability initiatives to enhance local water supplies and reduce its dependence on imported supplies, including water conservation, conjunctive use groundwater management, brackish groundwater desalination, and groundwater banking; and

WHEREAS, as of January 2025, the SFPUC has budgeted \$298.3 million over the next ten years to fund water supply projects; and

WHEREAS, the Parties now desire to approve an amendment to the 2021 WSA to reduce the minimum annual purchase quantities to 80% of average purchases from the most recent four (4) non-drought years and establish a continuing, periodic review of the minimum annual purchase quantities on a 10-year schedule; and

WHEREAS, the amendment will also establish a Rebound Year minimum annual purchase quantity calculation for the first year following a waiver of the Minimum Purchase Requirements; and

WHEREAS, the amendment further provides that Imputed Sales will not apply to an Original Minimum Purchase Customer that does not meet its individual Minimum Purchase Requirements if the collective SFPUC purchases from all Original Minimum Purchase

Customers are equal to or greater than the total collective minimum annual purchase quantity;
and

WHEREAS, the Parties also desire to adopt an amendment to the Tier 1 Plan to provide that excess use charges will not apply to Wholesale Customers that exceed their individual annual shortage allocation if the Wholesale Customers' collective SFPUC purchases are less than the total Tier 1 allocation; and

WHEREAS, the amendment further provides that if the collective Wholesale Customers' SFPUC purchases exceed total Tier 1 allocation, excess use charges will be applied to each Wholesale Customer that exceeded its individual annual allocation, proportional to the collective Wholesale Customer's overuse of the total Tier 1 allocation; and

WHEREAS, the Parties also desire to adopt an amendment to the 2021 WSA to include the following substantive modifications:

- a) update references in Section 2.03.C regarding BAWSCA's authority to amend attachments;
- b) extend the timing of the completion of the WSIP to reflect the currently adopted program completion date (Section 3.09);
- c) correct a reference to a SFPUC resolution number in Section 9.07;
- d) update "Imputed Sales" definition in Attachment A to reference Attachment E;
- e) update "Level of Service Goals and Objectives" definition in Attachment A to reflect updated and expanded Level of Service Goals and Objectives adopted by the SFPUC in November 2023; and

WHEREAS, the SFPUC approved these amendments and authorized the execution of a 2025 Amended and Restated Water Supply Agreement incorporating these amendments on May 13, 2025 pursuant to SFPUC Resolution No. 25-0074; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Brisbane as follows:

1. The revisions included in the attached Exhibit are approved to be incorporated into a revised WSA titled the "2025 Amended and Restated Water Supply Agreement Between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County" dated as of 2025 (2025 Amended and Restated Water Supply Agreement).

2. The Mayor is authorized to execute the 2025 Amended and Restated Water Supply Agreement, when final execution copies are prepared and distributed by BAWSCA.

Cliff Lentz, Mayor

* * * *

PASSED AND ADOPTED at a regular meeting of the Brisbane City Council held on the fourth day of September, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Ingrid Padilla, City Clerk

Attachment:

Exhibit A: Redline and clean excerpts showing changes to Sections 2.03, 3.07, 3.09, 9.07, Attachment A, Attachment E and Attachment H of the Amended and Restated Water Supply Agreement.

3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;
2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or
3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Minimum Annual Purchase Quantities. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. -These Minimum Annual Purchase Quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers (collectively referred to as the Original Minimum Purchase Customers). Pursuant to Section 3.04, certain Wholesale Customers may also be required to purchase Temporary Modified Minimum Annual Purchase Quantities, set out in Attachment E-1, from San Francisco. Attachment E will be updated pursuant to Section 3.04 to reflect any reduction in existing Minimum Annual Purchase Quantities and any addition of new Minimum Annual Purchase Quantities when Temporary Modified Minimum Annual Purchase Quantities expire and are removed from Attachment E-1; Individual Water Sales Contracts between San Francisco and any Wholesale Customers who are participants in a transfer under Section 3.04 will similarly be amended, as necessary.

1. Annual Notice. After the end of each fiscal year, the SFPUC will send a written notice to each Wholesale Customer ~~that is subject to the minimum annual purchase requirements of this section~~ with a Minimum Annual Purchase Quantity, or a Temporary Modified Minimum Annual Purchase Quantity with a copy to BAWSCA. -The notice will include: ~~(1~~

(a) the quantity of water delivered to ~~the~~each of those Wholesale ~~Customer~~Customers individually and all of the Original Minimum Purchase Customers collectively during the previous fiscal year; ~~{~~

~~2~~

(b) each Wholesale Customer's individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable, under Section 3.07.C.2);

~~)-whether or not the Wholesale Customer met its minimum annual purchase requirement under this section; (3~~

(c) whether or not each Wholesale Customer met its individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable);

(d) whether or not the Original Minimum Purchase Customers collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities (as adjusted for a Rebound Year, if applicable);

(e) any Imputed Sales charged to the Wholesale ~~Customer~~Customers; and ~~{4~~

(f) the status of any Temporary Modified Minimum Annual Purchase ~~Quantity~~Quantities of the Wholesale ~~Customer, if applicable.~~Customers.

~~C-2.~~ Waiver and Rebound Year. The minimum annual purchase requirements set out in Attachments E and E-1 will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than ~~its~~their Minimum Annual Purchase ~~Quantity~~Quantities or Temporary Modified Minimum Annual Purchase Quantities, and may be waived during a state of emergency declared by the Governor of California that impacts water supply use or deliveries from the Regional Water System. Once the waiver is no longer in effect, each of the minimum annual purchase requirements set out in Attachments E and E-1 shall be temporarily set, for one full fiscal year (referred to as the Rebound Year), to the midpoint between (1) the Wholesale Customer's actual San Francisco purchases for the final year in which the waiver was in effect, up to a maximum of the Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity, and (2) the Wholesale Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity set out in Attachment E or Attachment E-1, as applicable. Any fiscal year in which a Wholesale Customer meets its Rebound Year-adjusted Temporary Modified Minimum

Annual Purchase Quantity, but not its standard Temporary Modified Minimum Annual Purchase Quantity, will not count as a fiscal year in which the Wholesale Customer has met or exceeded its Temporary Modified Minimum Purchase Quantity for the purposes of Section 3.04.C(4)(a).

D. Minimum Annual Purchase Quantity Reset. As shown on Attachment E, in Fiscal Year 2025-26, the Parties reset the then-existing Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers to 80% of the average San Francisco purchases of each Customer over the four most recent non-drought years preceding Fiscal Year 2024-25, effective for Fiscal Year 2024-25. If the Parties extend the Term of this Agreement beyond June 30, 2034 pursuant to Section 2.02, the Parties will review the Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers again ten years after the Fiscal Year 2025-26 reset. If the Original Minimum Purchase Customers, or San Francisco, want to propose a reset of the Minimum Annual Purchase Quantities for Fiscal Year 2035-36, they will provide written notice on or before June 30, 2034. The Parties will meet and confer promptly to evaluate written reset proposals. By November 30, 2035, if the Parties have come to an agreement, the SFPUC will calculate the revised Minimum Annual Purchase Quantities based on the agreed upon methodology and provide written notice to the Original Minimum Purchase Customers and BAWSCA. The Original Minimum Purchase Customers will have at least 15 business days to review and meet and confer with the SFPUC with any questions or concerns before the revised quantities are finalized. If the Parties are unable to come to an agreement, the then-existing Minimum Annual Purchase Quantities will remain unchanged. Any changes to the Minimum Annual Purchase Quantities under this Section 3.07.D will be reflected in a revised Attachment E approved with the written concurrence of San Francisco and BAWSCA in accordance with Section 2.03.C. The Parties intend to include a continuing, periodic review of the Minimum Annual Purchase Quantities on a ten-year schedule in the successor to this Agreement.

E. Collective Minimum Annual Purchase Quantities Considered Before Application of Imputed Sales. Imputed Sales will not apply to any of the individual Original Minimum Purchase Customers in a particular fiscal year if those Customers have collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities shown in Attachment E (or adjusted for a Rebound Year pursuant to Section 3.07.C.2, if applicable). If the Original Minimum Purchase Customers do not collectively purchase that sum, any Original Minimum Purchase Customer that has not met its standard or Rebound Year-adjusted Minimum Annual Purchase Quantity will be responsible for Imputed Sales proportional to its share of the difference between that sum and the Original Minimum Purchase Customers' total purchases from San Francisco. Examples of this calculation are contained in

[Attachment E-3.](#)

Redline Comparing 2021 Amended and Restated Water Supply Agreement and 2025 Proposed Amendments: Sections 2.03, 3.09, and 9.07, and Attachment A Definitions

2.03. Amendments.

C. Amendments to Attachments. The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
C	Individual Supply Guarantees (amendments reflecting Section 3.04 transfers only)
E	Minimum Annual Purchase Quantities (amendments reflecting Section 3.04 transfers and Section 3.07 resets only)
E-1	Temporary Modified Minimum Annual Purchase Quantities
G	Water Quality Notification and Communications Plan (as may be amended)
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter
R	Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

3.09. Completion of WSIP

San Francisco will complete construction of the physical facilities in the WSIP by ~~December~~June 30, ~~2021~~2032. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted Level of Service Goals and Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-~~0653~~0053 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker

Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

Attachment A - Definitions

“Imputed Sales” apply when a Wholesale Customer does not meet the minimum annual purchase requirements of Section 3.07.C, [as shown on Attachment E and Attachment E-1](#), except in fiscal years in which a waiver of these requirements is in effect. Imputed Sales are calculated as the difference between (1) a Wholesale Customer’s metered water purchases during a fiscal year, from July 1 to June 30, and (2) the larger of (a) or (b) as follows: (a) the Wholesale Customer’s Minimum Annual Purchase Quantity, as specified in Attachment E [and may be adjusted pursuant to Section 3.07.C.2](#), or (b) the Wholesale Customer’s Temporary Modified Minimum Annual Purchase Quantity, as specified in Attachment E-1 [and may be adjusted pursuant to Section 3.07.C.2](#). If a Wholesale Customer has more than one Temporary Modified Minimum Annual Purchase Quantity, the largest quantity is used for calculating Imputed Sales. Imputed Sales are considered wholesale water usage for the purposes of calculating the Proportional Annual Use, and any fees charged for Imputed Sales are considered wholesale revenues.

“Level of Service Goals and Objectives” refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP, [as updated and expanded by the "2023 Amended and Updated Water Enterprise Level of Service Goals and Objectives," adopted by the Commission in Resolution No. 23-0210 dated November 28, 2023](#), and any amendments that may be adopted by the Commission.

ATTACHMENT E

MINIMUM ANNUAL PURCHASE QUANTITIES

(Section 3.07.C)

AGENCY	MINIMUM ANNUAL PURCHASE QUANTITY (IN MGD) ¹
Alameda County Water District	7.648 <u>6.682</u>
City of Milpitas	5.341 <u>4.371</u>
City of Mountain View	8.930 <u>6.047</u>
City of Sunnyvale	8.930 <u>7.412</u>

¹ In Fiscal Year (FY) 2025-26, the then-existing Minimum Annual Purchase Quantities for Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale were reset to 80% of each of those four customers' average San Francisco purchases over the four non-drought years preceding FY 2024-25 (FY 2017-18, FY 2018-19, FY 2019-20, and FY 2020-21), effective FY 2024-25. Prior to this reset, from the effective date of this Agreement (July 1, 2009) through FY 2023-24, those four customers had the following Minimum Annual Purchase Quantities:

1. Alameda County Water District: 7.648 MGD
2. City of Milpitas: 5.341 MGD
3. City of Mountain View: 8.930 MGD
4. City of Sunnyvale: 8.930 MGD

ATTACHMENT H

WATER SHORTAGE ALLOCATION PLAN

This ~~Interim~~ Water Shortage Allocation Plan (“Plan”), also known as the Tier 1 Shortage Plan, describes the method for allocating water between the San Francisco Public Utilities Commission (“SFPUC”), on the one hand, and the Wholesale Customers collectively, on the other, during shortages caused by drought. The Plan also implements a method for allocating water among the individual Wholesale Customers, known as the Tier 2 Drought Response Implementation Plan (“Tier 2 Plan”), which has separately been adopted by the Wholesale Customers and does not include the SFPUC. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to “shortages” and “water shortages” are to be so understood. This Plan was initially adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been incorporated and updated to correspond to the terminology used in the ~~June~~ 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County (“Agreement”), as amended and restated from time to time.

SECTION 1. SHORTAGE CONDITIONS

1.1. Projected Available SFPUC Water Supply. The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

1.2. Projected SFPUC Customer Purchases. The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming ~~year.~~Supply Year (defined as the period from July 1 through June 30).

1.3. Shortage Conditions. The SFPUC will compare the projected available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year ~~(defined as the period from July 1 through June 30).~~ When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

1.3.1 Voluntary Response. If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual ~~shortage~~Tier 1 and Tier 2 allocations as applicable (see Section 2 of this Attachment H) and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

1.3.2 Mandatory Response. If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

Redline Comparing 2021 Amended and Restated Water Supply Agreement and 2025 Proposed Amendments

1.4. Period of Shortage. A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

SECTION 2. SHORTAGE ALLOCATIONS

2.1. Annual [Tier 1](#) Allocations between the SFPUC and the Wholesale Customers. The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

[This Plan refers to the SFPUC's and Wholesale Customers' respective shares of available water so established as the SFPUC's and Wholesale Customers' Tier 1 allocations.](#) The water allocated to the SFPUC shall correspond to the total allocation for all Retail Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

2.2 Annual [Tier 2](#) Allocations among the Wholesale Customers. The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less ([i.e., the Wholesale Customers' Tier 1 allocation](#)) will be apportioned among them based on a methodology, [known as the Tier 2 Plan, that has been separately](#) adopted by all of the Wholesale Customers, [and not the SFPUC](#), as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSCA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSCA will deliver to the SFPUC General Manager a list, signed by the President of BAWSCA's Board of Directors and its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established ([known as Tier 2](#)

Redline Comparing 2021 Amended and Restated Water Supply Agreement and 2025 Proposed Amendments

[allocations](#)) may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The [Tier 2 Plan](#) methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent. The [Tier 1](#) allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 ~~water~~ allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

2.4. Monthly Water Budgets. Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual [Tier 2](#) allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 ~~shortage~~ allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

Redline Comparing 2021 Amended and Restated Water Supply Agreement and 2025 Proposed Amendments

2.5. Transfers of Shortage Allocations. Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

SECTION 3. SHORTAGE WATER BANKING

3.1. Water Bank Accounts. The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

3.2. Bank Account Credits. Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

3.2.1. Maximum Balances. The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

3.3. Account Debits. Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

3.4. Transfers of Banked Water. In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any affect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of

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transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

3.4.1. Transfer Limitations. The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the Agreement.

SECTION 4. WHOLESALE EXCESS USE CHARGES

4.1. Amount of Excess Use Charges. Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

4.2 Monitoring Suburban Water Use. During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) -will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

4.3. Suburban Excess Use Charge Payments. An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

4.4. Tier 1 Family Plan. During periods of mandatory rationing, the SFPUC will not assess excess use charges on any of the Wholesale Customers if the Wholesale Customers' collective cumulative purchases over the course of the Supply Year are less than the Wholesale Customers' Tier 1 allocation, as set forth in Section 2.1. If the Wholesale Customers' collective cumulative purchases exceed the Wholesale Customers' Tier 1 allocation, the SFPUC shall assess excess use charges on each individual Wholesale Customer that exceeded its individual Tier 2 allocation (established in accordance with Section 2.2) over the course of the Supply Year in proportion to each individual Wholesale Customer's share of the collective Wholesale Customers' purchases that exceeded the Wholesale Customers' Tier 1 allocation.

SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN

5.1. Construction of Terms. This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

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5.2. Governing Law. This Plan is made under and shall be governed by the laws of the State of California.

5.3. Effect on Agreement. This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods. The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

5.5. Termination. This Plan shall expire at the end of the Term of the Agreement~~-. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.~~

SECTION 5. ALLOCATION CALENDAR

6.1. Annual Schedule. The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

6.1.1

In All Years	Target Dates
1. SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year	November 1
2. SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year	February
3. SFPUC issues initial estimate of available water supply	February 1
4. SFPUC announces potential first year of drought (if applicable)	February 1
5. SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases	February 1-May 31
6. SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable	March 1
7. SFPUC issues final estimate of available water supply	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
8. SFPUC determines amount of water available to Wholesale Customers collectively	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water

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supply for the coming year.

In Drought Years	Target Dates
9. SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.	April 15-30
10. SFPUC declares the need for a voluntary or mandatory response	April 15-30
11. BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively	April 15- 30
12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule)	April 25—May 10
13. Wholesale Customers submit alternative monthly water budgets (optional)	May 8-May 24
14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30	June 1
15. Monthly water budgets become effective	July 1
16. Excess use charges indicated on monthly Suburban bills	August 1 (of the beginning year) through June 30 (of the succeeding year)
17. Excess use charges paid by Wholesale Customers for prior year	August of the succeeding year

3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;
2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or
3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Minimum Annual Purchase Quantities. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. These Minimum Annual Purchase Quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers (collectively referred to as the Original Minimum Purchase Customers). Pursuant to Section 3.04, certain Wholesale Customers may also be required to purchase Temporary Modified Minimum Annual Purchase Quantities, set out in Attachment E-1, from San Francisco. Attachment E will be updated pursuant to Section 3.04 to reflect any reduction in existing Minimum Annual Purchase Quantities and any addition of new Minimum Annual Purchase Quantities when Temporary Modified Minimum Annual Purchase Quantities expire and are removed from Attachment E-1; Individual Water Sales Contracts between San Francisco and any Wholesale Customers who are participants in a transfer under Section 3.04 will similarly be amended, as necessary.

1. Annual Notice. After the end of each fiscal year, the SFPUC will send a written notice to each Wholesale Customer with a Minimum Annual Purchase Quantity, or a Temporary Modified Minimum Annual Purchase Quantity with a copy to BAWSCA. The notice will include:

- (a) the quantity of water delivered to each of those Wholesale Customers individually and all of the Original Minimum Purchase Customers collectively during the previous fiscal year;
- (b) each Wholesale Customer's individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable, under Section 3.07.C.2);
- (c) whether or not each Wholesale Customer met its individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable);
- (d) whether or not the Original Minimum Purchase Customers collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities (as adjusted for a Rebound Year, if applicable);
- (e) any Imputed Sales charged to the Wholesale Customers; and
- (f) the status of any Temporary Modified Minimum Annual Purchase Quantities of the Wholesale Customers.

2. Waiver and Rebound Year. The minimum annual purchase requirements set out in Attachments E and E-1 will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than their Minimum Annual Purchase Quantities or Temporary Modified Minimum Annual Purchase Quantities, and may be waived during a state of emergency declared by the Governor of California that impacts water supply use or deliveries from the Regional Water System. Once the waiver is no longer in effect, each of the minimum annual purchase requirements set out in Attachments E and E-1 shall be temporarily set, for one full fiscal year (referred to as the Rebound Year), to the midpoint between (1) the Wholesale Customer's actual San Francisco purchases for the final year in which the waiver was in effect, up to a maximum of the Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity, and (2) the Wholesale Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity set out in Attachment E or Attachment E-1, as applicable. Any fiscal year in which a Wholesale Customer meets its Rebound Year-adjusted Temporary Modified Minimum Annual Purchase Quantity, but not its standard Temporary Modified Minimum Annual Purchase Quantity, will not count as a fiscal year in which the Wholesale Customer has met or exceeded its Temporary Modified Minimum Purchase Quantity for the purposes of Section 3.04.C(4)(a).

D. Minimum Annual Purchase Quantity Reset. As shown on Attachment E, in Fiscal

Year 2025-26, the Parties reset the then-existing Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers to 80% of the average San Francisco purchases of each Customer over the four most recent non-drought years preceding Fiscal Year 2024-25, effective for Fiscal Year 2024-25. If the Parties extend the Term of this Agreement beyond June 30, 2034 pursuant to Section 2.02, the Parties will review the Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers again ten years after the Fiscal Year 2025-26 reset. If the Original Minimum Purchase Customers, or San Francisco, want to propose a reset of the Minimum Annual Purchase Quantities for Fiscal Year 2035-36, they will provide written notice on or before June 30, 2034. The Parties will meet and confer promptly to evaluate written reset proposals. By November 30, 2035, if the Parties have come to an agreement, the SFPUC will calculate the revised Minimum Annual Purchase Quantities based on the agreed upon methodology and provide written notice to the Original Minimum Purchase Customers and BAWSCA. The Original Minimum Purchase Customers will have at least 15 business days to review and meet and confer with the SFPUC with any questions or concerns before the revised quantities are finalized. If the Parties are unable to come to an agreement, the then-existing Minimum Annual Purchase Quantities will remain unchanged. Any changes to the Minimum Annual Purchase Quantities under this Section 3.07.D will be reflected in a revised Attachment E approved with the written concurrence of San Francisco and BAWSCA in accordance with Section 2.03.C. The Parties intend to include a continuing, periodic review of the Minimum Annual Purchase Quantities on a ten-year schedule in the successor to this Agreement.

E. Collective Minimum Annual Purchase Quantities Considered Before Application of Imputed Sales. Imputed Sales will not apply to any of the individual Original Minimum Purchase Customers in a particular fiscal year if those Customers have collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities shown in Attachment E (or adjusted for a Rebound Year pursuant to Section 3.07.C.2, if applicable). If the Original Minimum Purchase Customers do not collectively purchase that sum, any Original Minimum Purchase Customer that has not met its standard or Rebound Year-adjusted Minimum Annual Purchase Quantity will be responsible for Imputed Sales proportional to its share of the difference between that sum and the Original Minimum Purchase Customers' total purchases from San Francisco. Examples of this calculation are contained in Attachment E-3.

Proposed 2025 Amended and Restated Water Supply Agreement: Sections 2.03, 3.09, and 9.07, and Attachment A Definitions.

2.03. Amendments.

C. Amendments to Attachments. The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
C	Individual Supply Guarantees (amendments reflecting Section 3.04 transfers only)
E	Minimum Annual Purchase Quantities (amendments reflecting Section 3.04 transfers and Section 3.07 resets only)
E-1	Temporary Modified Minimum Annual Purchase Quantities
G	Water Quality Notification and Communications Plan (as may be amended)
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter
R	Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

3.09. Completion of WSIP

San Francisco will complete construction of the physical facilities in the WSIP by June 30, 2032. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted Level of Service Goals and Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-0053 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker

Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

Attachment A - Definitions

“Imputed Sales” apply when a Wholesale Customer does not meet the minimum annual purchase requirements of Section 3.07.C, as shown on Attachment E and Attachment E-1, except in fiscal years in which a waiver of these requirements is in effect. Imputed Sales are calculated as the difference between (1) a Wholesale Customer’s metered water purchases during a fiscal year, from July 1 to June 30, and (2) the larger of (a) or (b) as follows: (a) the Wholesale Customer’s Minimum Annual Purchase Quantity, as specified in Attachment E and may be adjusted pursuant to Section 3.07.C.2, or (b) the Wholesale Customer’s Temporary Modified Minimum Annual Purchase Quantity, as specified in Attachment E-1 and may be adjusted pursuant to Section 3.07.C.2. If a Wholesale Customer has more than one Temporary Modified Minimum Annual Purchase Quantity, the largest quantity is used for calculating Imputed Sales. Imputed Sales are considered wholesale water usage for the purposes of calculating the Proportional Annual Use, and any fees charged for Imputed Sales are considered wholesale revenues.

“Level of Service Goals and Objectives” refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP, as updated and expanded by the “2023 Amended and Updated Water Enterprise Level of Service Goals and Objectives,” adopted by the Commission in Resolution No. 23-0210 dated November 28, 2023, and any amendments that may be adopted by the Commission.

ATTACHMENT E

MINIMUM ANNUAL PURCHASE QUANTITIES

(Section 3.07.C)

AGENCY	MINIMUM ANNUAL PURCHASE QUANTITY (IN MGD) ¹
Alameda County Water District	6.682
City of Milpitas	4.371
City of Mountain View	6.047
City of Sunnyvale	7.412

¹ In Fiscal Year (FY) 2025-26, the then-existing Minimum Annual Purchase Quantities for Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale were reset to 80% of each of those four customers' average San Francisco purchases over the four non-drought years preceding FY 2024-25 (FY 2017-18, FY 2018-19, FY 2019-20, and FY 2020-21), effective FY 2024-25. Prior to this reset, from the effective date of this Agreement (July 1, 2009) through FY 2023-24, those four customers had the following Minimum Annual Purchase Quantities:

1. Alameda County Water District: 7.648 MGD
2. City of Milpitas: 5.341 MGD
3. City of Mountain View: 8.930 MGD
4. City of Sunnyvale: 8.930 MGD

ATTACHMENT E-3

ATTACHMENT E-3

**Illustrations of Imputed Sales Considering Collective Regional Water System Use
by Original Minimum Purchase Customers Compared to Sum of Minimum Annual
Purchase Quantities Pursuant to Section 3.07.E**

Scenario 1: Collective Purchases Equal to or Greater Than Sum of MAPQs¹ (No Imputed Sales)²

Line #	Wholesale Customer	A	B	C	D	$E = (D[\text{LINE \#}] / D5) \times (B5 - A5)$
		MAPQ	RWS ³ Use (mgd)	RWS Over MAPQ (mgd)	RWS Under MAPQ (mgd)	Proportion of Use Under Total MAPQ (mgd)
1	Alameda County Water District	6.682	7.682	1.00		N/A
2	City of Milpitas	4.371	3.871		-0.50	N/A
3	City of Mountain View	6.047	5.047		-1.00	N/A
4	City of Sunnyvale	7.412	7.912	0.50		N/A
5	Total	24.512	24.512	1.50	-1.50	N/A

Scenario 2: Collective Purchases Less Than Sum of MAPQs (by 1.0 mgd) (Imputed Sales)⁴

Line #	Wholesale Customer	A	B	C	D	$E = (D[\text{LINE \#}] / D5) \times (B5 - A5)$
		MAPQ	RWS Use (mgd)	RWS Over MAPQ (mgd)	RWS Under MAPQ (mgd)	Proportion of Use Under Total MAPQ (mgd)
1	Alameda County Water District	6.682	7.182	0.50		N/A
2	City of Milpitas	4.371	3.871		-0.50	-0.25
3	City of Mountain View	6.047	4.547		-1.50	-0.75
4	City of Sunnyvale	7.412	7.912	0.50		N/A
5	Total	24.512	23.512	1.00	-2.00	-1.0

¹ Minimum Annual Purchase Quantity (MAPQ)² In Scenario 1, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5B) are equal to the sum of their Minimum Annual Purchase Quantities (Line 5A). Therefore, no Imputed Sales are applied to individual Original Minimum Purchase Customers that purchased less than their individual Minimum Annual Purchase Quantities (in this scenario, Milpitas and Mountain View).³ Regional Water System (RWS)⁴ In Scenario 2, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5B) are 1.0 mgd less than the sum of their Minimum Annual Purchase Quantities (Line 5A). Therefore, Imputed Sales are applied proportionally to any individual Original Minimum Purchase Customer that purchased less than its individual Minimum Annual Purchase Quantity (in this scenario, Milpitas and Mountain View), so that customer is responsible for its share of the difference between the sum of all Minimum Annual Purchase Quantities (Line 5A) and the collective amount of RWS use (Line 5B). In this scenario, Mountain View is responsible for 75% and Milpitas is responsible for 25% of the 1.0 mgd difference between Line 5A and Line 5B.

Scenario 3: Collective Purchases Equal to or Greater Than Sum of MAPQs – with Rebound Year-Adjusted MAPQs (No Imputed Sales)⁵

Line #	Wholesale Customer	A	B	C = A - ((A[LINE #] - B[LINE #]) / 2)	D	E	F	G = (F[LINE #] / F5) × (D5 - C5)
		MAPQ	RWS Use in Waiver's Final Year	Rebound Year-Adjusted MAPQ	RWS Use (mgd)	RWS Over Rebound Year- Adjusted MAPQ (mgd)	RWS Under Rebound Year- Adjusted MAPQ (mgd)	Proportion of Use Under Total Rebound Year-Adjusted MAPQ (mgd)
1	Alameda County Water District	6.682	5.682	6.182	7.512	1.33		N/A
2	City of Milpitas	4.371	3.371	3.871	3.591		-0.28	N/A
3	City of Mountain View	6.047	5.047	5.547	4.847		-0.70	N/A
4	City of Sunnyvale	7.412	6.412	6.912	7.782	0.87		N/A
5	Total	24.512	20.512	22.512	23.732	2.20	-0.98	N/A

⁵ In Scenario 3, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5D) are greater than the sum of their Rebound Year-adjusted Minimum Annual Purchase Quantities that are currently in effect pursuant to Section 3.07.C.2 (Line 5C). Therefore, no Imputed Sales are applied to individual Original Minimum Purchase Customers that purchased less than their individual Rebound Year-adjusted Minimum Annual Purchase Quantities (in this scenario, Milpitas and Mountain View).

ATTACHMENT H

WATER SHORTAGE ALLOCATION PLAN

This Water Shortage Allocation Plan (“Plan”), also known as the Tier 1 Shortage Plan, describes the method for allocating water between the San Francisco Public Utilities Commission (“SFPUC”), on the one hand, and the Wholesale Customers collectively, on the other, during shortages caused by drought. The Plan also implements a method for allocating water among the individual Wholesale Customers, known as the Tier 2 Drought Response Implementation Plan (“Tier 2 Plan”), which has separately been adopted by the Wholesale Customers and does not include the SFPUC. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to “shortages” and “water shortages” are to be so understood. This Plan was initially adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been incorporated and updated to correspond to the terminology used in the 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County (“Agreement”), as amended and restated from time to time.

SECTION 1. SHORTAGE CONDITIONS

1.1. Projected Available SFPUC Water Supply. The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

1.2 Projected SFPUC Customer Purchases. The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming Supply Year (defined as the period from July 1 through June 30).

1.3. Shortage Conditions. The SFPUC will compare the projected available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year. When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

1.3.1 Voluntary Response. If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual Tier 1 and Tier 2 allocations as applicable (see Section 2 of this Attachment H) and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

1.3.2 Mandatory Response. If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

1.4. Period of Shortage. A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to

California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

SECTION 2. SHORTAGE ALLOCATIONS

2.1. Annual Tier 1 Allocations between the SFPUC and the Wholesale Customers. The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

This Plan refers to the SFPUC's and Wholesale Customers' respective shares of available water so established as the SFPUC's and Wholesale Customers' Tier 1 allocations. The water allocated to the SFPUC shall correspond to the total allocation for all Retail Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

2.2 Annual Tier 2 Allocations among the Wholesale Customers. The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less (i.e., the Wholesale Customers' Tier 1 allocation) will be apportioned among them based on a methodology, known as the Tier 2 Plan, that has been separately adopted by all of the Wholesale Customers, and not the SFPUC, as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSCA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSCA will deliver to the SFPUC General Manager a list, signed by the President of BAWSCA's Board of Directors and its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established (known as Tier 2 allocations) may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The Tier 2 Plan methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent. The Tier 1 allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

2.4. Monthly Water Budgets. Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual Tier 2 allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

2.5. Transfers of Shortage Allocations. Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the

Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

SECTION 3. SHORTAGE WATER BANKING

3.1. Water Bank Accounts. The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

3.2. Bank Account Credits. Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

3.2.1. Maximum Balances. The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

3.3. Account Debits. Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

3.4. Transfers of Banked Water. In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any affect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

3.4.1. Transfer Limitations. The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the Agreement.

SECTION 4. WHOLESALE EXCESS USE CHARGES

4.1. Amount of Excess Use Charges. Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

4.2 Monitoring Suburban Water Use. During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

4.3. Suburban Excess Use Charge Payments. An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

4.4. Tier 1 Family Plan. During periods of mandatory rationing, the SFPUC will not assess excess use charges on any of the Wholesale Customers if the Wholesale Customers' collective cumulative purchases over the course of the Supply Year are less than the Wholesale Customers' Tier 1 allocation, as set forth in Section 2.1. If the Wholesale Customers' collective cumulative purchases exceed the Wholesale Customers' Tier 1 allocation, the SFPUC shall assess excess use charges on each individual Wholesale Customer that exceeded its individual Tier 2 allocation (established in accordance with Section 2.2) over the course of the Supply Year in proportion to each individual Wholesale Customer's share of the collective Wholesale Customers' purchases that exceeded the Wholesale Customers' Tier 1 allocation.

SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN

5.1. Construction of Terms. This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

5.2. Governing Law. This Plan is made under and shall be governed by the laws of the State of California.

5.3. Effect on Agreement. This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods.

The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

5.5. Termination. This Plan shall expire at the end of the Term of the Agreement. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.

SECTION 6. ALLOCATION CALENDAR

6.1. Annual Schedule. The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

6.1.1

In All Years		Target Dates
1.	SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year	November 1
2.	SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year	February
3.	SFPUC issues initial estimate of available water supply	February 1
4.	SFPUC announces potential first year of drought (if applicable)	February 1
5.	SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases	February 1-May 31
6.	SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable	March 1
7.	SFPUC issues final estimate of available water supply	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
8.	SFPUC determines amount of water available to Wholesale Customers collectively	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
In Drought Years		Target Dates
9.	SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.	April 15-30
10.	SFPUC declares the need for a voluntary or mandatory response	April 15-30
11.	BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively	April 15- 30

- | | |
|---|---|
| 12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule) | April 25—May 10 |
| 13. Wholesale Customers submit alternative monthly water budgets (optional) | May 8-May 24 |
| 14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30 | June 1 |
| 15. Monthly water budgets become effective | July 1 |
| 16. Excess use charges indicated on monthly Suburban bills | August 1 (of the beginning year) through June 30 (of the succeeding year) |
| 17. Excess use charges paid by Wholesale Customers for prior year | August of the succeeding year |

RESOLUTION NO. 2025-__

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GUADALUPE
VALLEY MUNICIPAL IMPROVEMENT DISTRICT
APPROVING AN AMENDMENT TO THE AMENDED AND RESTATED WATER SUPPLY
AGREEMENT BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO AND
WHOLESALE CUSTOMERS IN ALAMEDA COUNTY, SAN MATEO COUNTY, AND SANTA
CLARA COUNTY**

WHEREAS, water supply agencies in Alameda, San Mateo, and Santa Clara Counties have purchased water from the City and County of San Francisco (San Francisco) for many years; and

WHEREAS, the San Francisco Public Utilities Commission (SFPUC) operates the Regional Water System, which delivers water to communities in Alameda, San Mateo, and Santa Clara Counties, as well as to customers within San Francisco (collectively, “the Parties”); and

WHEREAS, the Parties entered into the “Settlement Agreement and Master Water Sales Contract between the City and County of San Francisco and Certain Suburban Purchasers in San Mateo County, Santa Clara County and Alameda County” in 1984 (1984 Settlement Agreement and Master Water Sales Contract); and

WHEREAS, in April 2003, water supply agencies in Alameda, San Mateo and Santa Clara Counties (collectively referred to as the Wholesale Customers) established the Bay Area Water Supply and Conservation Agency (BAWSCA), as authorized by Water Code Sections 81300 *et seq.*; and

WHEREAS, upon expiration of the 1984 Settlement Agreement and Master Water Sales Contract, the Parties entered into the “Water Supply Agreement between San Francisco and Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County” (Water Supply Agreement or WSA) on July 1, 2009, authorized by SFPUC Resolution No. 09-0069, dated April 28, 2009; and

WHEREAS, in 2017, the Wholesale Customers directed BAWSCA to act as its authorized representative in discussions and negotiations with San Francisco to amend the Water Supply Agreement to address a number of substantive issues and these negotiations

resulted in the Parties' adoption of the Amended and Restated Water Supply Agreement in 2018 authorized by SFPUC Resolution No. 18-0212, dated December 11, 2018; and

WHEREAS, on September 6, 2018, this Board approved the Amended and Restated Water Supply Agreement (2018 WSA); and

WHEREAS, pursuant to WSA Section 3.07, four Wholesale Customers (Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale, collectively, the "Original Minimum Purchase Customers") may purchase water from sources other than the SFPUC, but they are each obligated to purchase a specific minimum annual quantity of water from the SFPUC, referred to as a "Minimum Purchase Requirement;" and

WHEREAS, historically, if a Minimum Purchase Customer does not meet its Minimum Purchase Requirement in a particular fiscal year, it must pay the SFPUC for the difference between its metered water purchases during the fiscal year and its minimum annual purchase quantity set forth in WSA Attachment E; and

WHEREAS, some Original Minimum Purchase Customers pay the SFPUC for water that is not delivered due to either insufficient potable demand within their service area or conservation efforts during drought rationing; and

WHEREAS, as part of the 2018 negotiations, the Wholesale Customers and the SFPUC resolved to work promptly to identify a resolution to this as part of a future contract amendment; and

WHEREAS, in 2019, the Wholesale Customers directed BAWSCA to draft a proposed amendment to the 2018 WSA to provide a procedure for expedited and permanent transfers of minimum annual purchase quantities that safeguards the financial and water supply interests of Wholesale Customers not participating in such transfers and these negotiations resulted in the Parties' adoption of the Amended and Restated Water Supply Agreement in 2021, authorized by SFPUC Resolution No. 21-009, dated January 26, 2021; and

WHEREAS, on May 19, 2022, this Board approved the Amended and Restated Water Supply Agreement (2021 WSA); and

WHEREAS, the 2021 WSA provided a significant, but incomplete solution to address the Original Minimum Purchase Customer's concerns with the minimum purchase quantities through a transfer process; and

WHEREAS, 2021 WSA Section 3.11.C. provides that the SFPUC may reduce the amount of water available to the Wholesale Customers in response to a drought; and

WHEREAS, 2021 WSA Section 3.11.C. provides that the Tier 1 Shortage Plan (Attachment H to the WSA) will be used, during system-wide shortages of 20% or less, to allocate water from the Regional Water System between Retail and Wholesale Customers ; and

WHEREAS, 2021 WSA Section 3.11.C. further provides that the SFPUC will honor allocations of water among the Wholesale Customers (Tier 2 Allocations) unanimously agreed to by all Wholesale Customers or provided by BAWSCA; and

WHEREAS, in 2021, the SFPUC and BAWSCA implemented the Tier 1 and Tier 2 Plans for the first time; and

WHEREAS, throughout 2022 and 2024, the Wholesale Customers convened at least once per month, most often for half-day in-person workshops, to negotiate an update to the method for sharing water made available from the SFPUC during shortages caused by drought (Tier 2 Plan); and

WHEREAS, each Wholesale Customer appointed a lead negotiator to represent the interests of its agency in the negotiations; and

WHEREAS, during the Tier 2 Plan negotiations, the Original Minimum Purchase Customers renewed discussions among the Wholesale Customers to identify a comprehensive and final solution to concerns about the minimum purchase quantities; and

WHEREAS, during the Tier 2 Plan negotiations, the Wholesale Customers identified, and the SFPUC agreed to, changes to the Tier 1 Plan that would facilitate agreement on the updated Tier 2 Plan; and

WHEREAS, in June 2023, following several years of discussions regarding the Minimum Purchase Requirements, the SFPUC proposed amending the 2021 WSA to reset the existing

minimum annual purchase quantities to align with current water consumption trends, while protecting investment in the RWS; and

WHEREAS, in 2024, the SFPUC, the Original Minimum Purchase Customers, and BAWSCA held multiple meetings to identify amendments that would address challenges related to the Minimum Purchase Requirements; and

WHEREAS, once the SFPUC and the Original Minimum Purchase Customers discussed amendments to the Minimum Purchase Requirements, the Original Minimum Purchase Customers presented proposals to the broader Wholesale Customer group to secure their support; and

WHEREAS, in 2024, the Wholesale Customers came to a final agreement on a package that includes an updated Tier 2 Plan, amendments to the minimum purchase quantity requirements, and amendments to the Tier 1 Plan; and

WHEREAS, with its Alternative Water Supply Program, the SFPUC is in the early stages of planning for projects to support the Wholesale and Retail Customers' ability to respond to climate change and address future water supply challenges and vulnerabilities, such as regulatory changes, earthquakes, disasters, emergencies, and increases in population and employment; and

WHEREAS, the Original Minimum Purchase Customers are particularly well-suited to develop local, drought resilient supplies, which improve the reliability of the San Francisco Regional Water System (RWS) for all users; and

WHEREAS, under 2021 WSA Section 3.06.D, the Parties agree that they will diligently apply their best efforts to use both surface water and groundwater sources located within their respective service areas and available recycled water to the maximum feasible extent, taking into account the environmental impacts, the public health effects, and the effects on supply reliability of such use, as well as the cost of developing such sources; and

WHEREAS, each Wholesale Customer recognizes the importance of local water supplies in improving regional water supply reliability and commits to develop and use available local water supplies within their service areas, consistent with Section 3.06.D of the WSA; and

WHEREAS, the City of Mountain View approved a Recycled Water Feasibility Study Update Draft Report on March 22, 2022 with seven staff recommendations, including: (1) working with the City of Palo Alto and the Santa Clara Valley Water District on the first phase of an advanced water purification system to improve recycled water quality, (2) planning and siting a recycled water storage reservoir in the City of Mountain View's North Bayshore Area to improve system performance and reliability, and (3) building-out the recycled water distribution system to serve all of North Bayshore and a portion of NASA Ames; and

WHEREAS, the City of Sunnyvale approved an updated Recycled Water Master Plan on September 24, 2024 and directed staff to look into expanding the recycled water system, which currently includes 22 miles of recycled water pipelines, two recycled water pump stations, and a recycled water storage tank with a 2.5-million-gallon capacity; and

WHEREAS, the City of Milpitas continues to promote the use of recycled water to existing and new customers along the recycled water pipeline within the city, and has committed to developing local groundwater supplies to help meet projected long term water demand; and

WHEREAS, since 1995, the Alameda County Water District has invested over \$300 million in water supply reliability initiatives to enhance local water supplies and reduce its dependence on imported supplies, including water conservation, conjunctive use groundwater management, brackish groundwater desalination, and groundwater banking; and

WHEREAS, as of January 2025, the SFPUC has budgeted \$298.3 million over the next ten years to fund water supply projects; and

WHEREAS, the Parties now desire to approve an amendment to the 2021 WSA to reduce the minimum annual purchase quantities to 80% of average purchases from the most recent four (4) non-drought years and establish a continuing, periodic review of the minimum annual purchase quantities on a 10-year schedule; and

WHEREAS, the amendment will also establish a Rebound Year minimum annual purchase quantity calculation for the first year following a waiver of the Minimum Purchase Requirements; and

WHEREAS, the amendment further provides that Imputed Sales will not apply to an Original Minimum Purchase Customer that does not meet its individual Minimum Purchase Requirements if the collective SFPUC purchases from all Original Minimum Purchase

Customers are equal to or greater than the total collective minimum annual purchase quantity;
and

WHEREAS, the Parties also desire to adopt an amendment to the Tier 1 Plan to provide that excess use charges will not apply to Wholesale Customers that exceed their individual annual shortage allocation if the Wholesale Customers' collective SFPUC purchases are less than the total Tier 1 allocation; and

WHEREAS, the amendment further provides that if the collective Wholesale Customers' SFPUC purchases exceed total Tier 1 allocation, excess use charges will be applied to each Wholesale Customer that exceeded its individual annual allocation, proportional to the collective Wholesale Customer's overuse of the total Tier 1 allocation; and

WHEREAS, the Parties also desire to adopt an amendment to the 2021 WSA to include the following substantive modifications:

- a) update references in Section 2.03.C regarding BAWSCA's authority to amend attachments;
- b) extend the timing of the completion of the WSIP to reflect the currently adopted program completion date (Section 3.09);
- c) correct a reference to a SFPUC resolution number in Section 9.07;
- d) update "Imputed Sales" definition in Attachment A to reference Attachment E;
- e) update "Level of Service Goals and Objectives" definition in Attachment A to reflect updated and expanded Level of Service Goals and Objectives adopted by the SFPUC in November 2023; and

WHEREAS, the SFPUC approved these amendments and authorized the execution of a 2025 Amended and Restated Water Supply Agreement incorporating these amendments on May 13, 2025 pursuant to SFPUC Resolution No. 25-0074; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Guadalupe Valley Municipal Improvement District as follows:

1. The revisions included in the attached Exhibit are approved to be incorporated into a revised WSA titled the "2025 Amended and Restated Water Supply Agreement Between the City and County of San Francisco Wholesale Customers in Alameda County, San Mateo County, and Santa Clara County" dated as of 2025 (2025 Amended and Restated Water Supply Agreement).

2. The Chair of the Board is authorized to execute the 2025 Amended and Restated Water Supply Agreement, when final execution copies are prepared and distributed by BAWSCA.

Cliff Lentz, Chair of the Board

* * * *

PASSED AND ADOPTED at a regular meeting of the Guadalupe Valley Municipal Improvement District Board held on the fourth day of September, 2025, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Ingrid Padilla, Clerk of the Board

Attachment:

Exhibit A: Redline and clean excerpts showing changes to Sections 2.03, 3.07, 3.09, 9.07, Attachment A, Attachment E and Attachment H of the Amended and Restated Water Supply Agreement.

3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;
2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or
3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Minimum Annual Purchase Quantities. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. -These Minimum Annual Purchase Quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers (collectively referred to as the Original Minimum Purchase Customers). Pursuant to Section 3.04, certain Wholesale Customers may also be required to purchase Temporary Modified Minimum Annual Purchase Quantities, set out in Attachment E-1, from San Francisco. Attachment E will be updated pursuant to Section 3.04 to reflect any reduction in existing Minimum Annual Purchase Quantities and any addition of new Minimum Annual Purchase Quantities when Temporary Modified Minimum Annual Purchase Quantities expire and are removed from Attachment E-1; Individual Water Sales Contracts between San Francisco and any Wholesale Customers who are participants in a transfer under Section 3.04 will similarly be amended, as necessary.

1. Annual Notice. After the end of each fiscal year, the SFPUC will send a written notice to each Wholesale Customer ~~that is subject to the minimum annual purchase requirements of this section~~ with a Minimum Annual Purchase Quantity, or a Temporary Modified Minimum Annual Purchase Quantity with a copy to BAWSCA. -The notice will include: ~~(1~~

(a) the quantity of water delivered to ~~the~~each of those Wholesale ~~Customer~~Customers individually and all of the Original Minimum Purchase Customers collectively during the previous fiscal year; ~~{~~

~~2~~

(b) each Wholesale Customer's individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable, under Section 3.07.C.2);

~~)-whether or not the Wholesale Customer met its minimum annual purchase requirement under this section; (3~~

(c) whether or not each Wholesale Customer met its individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable);

(d) whether or not the Original Minimum Purchase Customers collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities (as adjusted for a Rebound Year, if applicable);

(e) any Imputed Sales charged to the Wholesale ~~Customer~~Customers; and ~~(4~~

(f) the status of any Temporary Modified Minimum Annual Purchase ~~Quantity~~Quantities of the Wholesale ~~Customer, if applicable.~~Customers.

~~C-2.~~ Waiver and Rebound Year. The minimum annual purchase requirements set out in Attachments E and E-1 will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than ~~its~~their Minimum Annual Purchase ~~Quantity~~Quantities or Temporary Modified Minimum Annual Purchase Quantities, and may be waived during a state of emergency declared by the Governor of California that impacts water supply use or deliveries from the Regional Water System. Once the waiver is no longer in effect, each of the minimum annual purchase requirements set out in Attachments E and E-1 shall be temporarily set, for one full fiscal year (referred to as the Rebound Year), to the midpoint between (1) the Wholesale Customer's actual San Francisco purchases for the final year in which the waiver was in effect, up to a maximum of the Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity, and (2) the Wholesale Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity set out in Attachment E or Attachment E-1, as applicable. Any fiscal year in which a Wholesale Customer meets its Rebound Year-adjusted Temporary Modified Minimum

Annual Purchase Quantity, but not its standard Temporary Modified Minimum Annual Purchase Quantity, will not count as a fiscal year in which the Wholesale Customer has met or exceeded its Temporary Modified Minimum Purchase Quantity for the purposes of Section 3.04.C(4)(a).

D. Minimum Annual Purchase Quantity Reset. As shown on Attachment E, in Fiscal Year 2025-26, the Parties reset the then-existing Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers to 80% of the average San Francisco purchases of each Customer over the four most recent non-drought years preceding Fiscal Year 2024-25, effective for Fiscal Year 2024-25. If the Parties extend the Term of this Agreement beyond June 30, 2034 pursuant to Section 2.02, the Parties will review the Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers again ten years after the Fiscal Year 2025-26 reset. If the Original Minimum Purchase Customers, or San Francisco, want to propose a reset of the Minimum Annual Purchase Quantities for Fiscal Year 2035-36, they will provide written notice on or before June 30, 2034. The Parties will meet and confer promptly to evaluate written reset proposals. By November 30, 2035, if the Parties have come to an agreement, the SFPUC will calculate the revised Minimum Annual Purchase Quantities based on the agreed upon methodology and provide written notice to the Original Minimum Purchase Customers and BAWSCA. The Original Minimum Purchase Customers will have at least 15 business days to review and meet and confer with the SFPUC with any questions or concerns before the revised quantities are finalized. If the Parties are unable to come to an agreement, the then-existing Minimum Annual Purchase Quantities will remain unchanged. Any changes to the Minimum Annual Purchase Quantities under this Section 3.07.D will be reflected in a revised Attachment E approved with the written concurrence of San Francisco and BAWSCA in accordance with Section 2.03.C. The Parties intend to include a continuing, periodic review of the Minimum Annual Purchase Quantities on a ten-year schedule in the successor to this Agreement.

E. Collective Minimum Annual Purchase Quantities Considered Before Application of Imputed Sales. Imputed Sales will not apply to any of the individual Original Minimum Purchase Customers in a particular fiscal year if those Customers have collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities shown in Attachment E (or adjusted for a Rebound Year pursuant to Section 3.07.C.2, if applicable). If the Original Minimum Purchase Customers do not collectively purchase that sum, any Original Minimum Purchase Customer that has not met its standard or Rebound Year-adjusted Minimum Annual Purchase Quantity will be responsible for Imputed Sales proportional to its share of the difference between that sum and the Original Minimum Purchase Customers' total purchases from San Francisco. Examples of this calculation are contained in

[Attachment E-3.](#)

Redline Comparing 2021 Amended and Restated Water Supply Agreement and 2025 Proposed Amendments: Sections 2.03, 3.09, and 9.07, and Attachment A Definitions

2.03. Amendments.

C. Amendments to Attachments. The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
C	Individual Supply Guarantees (amendments reflecting Section 3.04 transfers only)
E	Minimum Annual Purchase Quantities (amendments reflecting Section 3.04 transfers and Section 3.07 resets only)
E-1	Temporary Modified Minimum Annual Purchase Quantities
G	Water Quality Notification and Communications Plan (as may be amended)
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter
R	Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

3.09. Completion of WSIP

San Francisco will complete construction of the physical facilities in the WSIP by ~~December~~June 30, ~~2021~~2032. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted Level of Service Goals and Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-~~0653~~0053 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker

Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

Attachment A - Definitions

“Imputed Sales” apply when a Wholesale Customer does not meet the minimum annual purchase requirements of Section 3.07.C, [as shown on Attachment E and Attachment E-1](#), except in fiscal years in which a waiver of these requirements is in effect. Imputed Sales are calculated as the difference between (1) a Wholesale Customer’s metered water purchases during a fiscal year, from July 1 to June 30, and (2) the larger of (a) or (b) as follows: (a) the Wholesale Customer’s Minimum Annual Purchase Quantity, as specified in Attachment E [and may be adjusted pursuant to Section 3.07.C.2](#), or (b) the Wholesale Customer’s Temporary Modified Minimum Annual Purchase Quantity, as specified in Attachment E-1 [and may be adjusted pursuant to Section 3.07.C.2](#). If a Wholesale Customer has more than one Temporary Modified Minimum Annual Purchase Quantity, the largest quantity is used for calculating Imputed Sales. Imputed Sales are considered wholesale water usage for the purposes of calculating the Proportional Annual Use, and any fees charged for Imputed Sales are considered wholesale revenues.

“Level of Service Goals and Objectives” refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP, [as updated and expanded by the "2023 Amended and Updated Water Enterprise Level of Service Goals and Objectives," adopted by the Commission in Resolution No. 23-0210 dated November 28, 2023](#), and any amendments that may be adopted by the Commission.

ATTACHMENT E

MINIMUM ANNUAL PURCHASE QUANTITIES

(Section 3.07.C)

AGENCY	MINIMUM ANNUAL PURCHASE QUANTITY (IN MGD) ¹
Alameda County Water District	7.648 <u>6.682</u>
City of Milpitas	5.341 <u>4.371</u>
City of Mountain View	8.930 <u>6.047</u>
City of Sunnyvale	8.930 <u>7.412</u>

¹ In Fiscal Year (FY) 2025-26, the then-existing Minimum Annual Purchase Quantities for Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale were reset to 80% of each of those four customers' average San Francisco purchases over the four non-drought years preceding FY 2024-25 (FY 2017-18, FY 2018-19, FY 2019-20, and FY 2020-21), effective FY 2024-25. Prior to this reset, from the effective date of this Agreement (July 1, 2009) through FY 2023-24, those four customers had the following Minimum Annual Purchase Quantities:

1. Alameda County Water District: 7.648 MGD
2. City of Milpitas: 5.341 MGD
3. City of Mountain View: 8.930 MGD
4. City of Sunnyvale: 8.930 MGD

ATTACHMENT H

WATER SHORTAGE ALLOCATION PLAN

This ~~Interim~~ Water Shortage Allocation Plan (“Plan”), also known as the Tier 1 Shortage Plan, describes the method for allocating water between the San Francisco Public Utilities Commission (“SFPUC”), on the one hand, and the Wholesale Customers collectively, on the other, during shortages caused by drought. The Plan also implements a method for allocating water among the individual Wholesale Customers, known as the Tier 2 Drought Response Implementation Plan (“Tier 2 Plan”), which has separately been adopted by the Wholesale Customers and does not include the SFPUC. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to “shortages” and “water shortages” are to be so understood. This Plan was initially adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been incorporated and updated to correspond to the terminology used in the ~~June~~ 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County (“Agreement”), as amended and restated from time to time.

SECTION 1. SHORTAGE CONDITIONS

1.1. Projected Available SFPUC Water Supply. The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

1.2. Projected SFPUC Customer Purchases. The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming ~~year.~~Supply Year (defined as the period from July 1 through June 30).

1.3. Shortage Conditions. The SFPUC will compare the projected available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year ~~(defined as the period from July 1 through June 30).~~ When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

1.3.1 Voluntary Response. If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual ~~shortage~~Tier 1 and Tier 2 allocations as applicable (see Section 2 of this Attachment H) and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

1.3.2 Mandatory Response. If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

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1.4. Period of Shortage. A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

SECTION 2. SHORTAGE ALLOCATIONS

2.1. Annual [Tier 1](#) Allocations between the SFPUC and the Wholesale Customers. The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

[This Plan refers to the SFPUC's and Wholesale Customers' respective shares of available water so established as the SFPUC's and Wholesale Customers' Tier 1 allocations.](#) The water allocated to the SFPUC shall correspond to the total allocation for all Retail Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

2.2 Annual [Tier 2](#) Allocations among the Wholesale Customers. The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less ([i.e., the Wholesale Customers' Tier 1 allocation](#)) will be apportioned among them based on a methodology, [known as the Tier 2 Plan, that has been separately](#) adopted by all of the Wholesale Customers, [and not the SFPUC](#), as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSCA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSCA will deliver to the SFPUC General Manager a list, signed by the President of BAWSCA's Board of Directors and its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established ([known as Tier 2](#)

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[allocations](#)) may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The [Tier 2 Plan](#) methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent. The [Tier 1](#) allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 ~~water~~ allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

2.4. Monthly Water Budgets. Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual [Tier 2](#) allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 ~~shortage~~ allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

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2.5. Transfers of Shortage Allocations. Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

SECTION 3. SHORTAGE WATER BANKING

3.1. Water Bank Accounts. The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

3.2. Bank Account Credits. Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

3.2.1. Maximum Balances. The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

3.3. Account Debits. Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

3.4. Transfers of Banked Water. In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any affect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of

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transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

3.4.1. Transfer Limitations. The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the Agreement.

SECTION 4. WHOLESALE EXCESS USE CHARGES

4.1. Amount of Excess Use Charges. Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

4.2 Monitoring Suburban Water Use. During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) -will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

4.3. Suburban Excess Use Charge Payments. An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

4.4. Tier 1 Family Plan. During periods of mandatory rationing, the SFPUC will not assess excess use charges on any of the Wholesale Customers if the Wholesale Customers' collective cumulative purchases over the course of the Supply Year are less than the Wholesale Customers' Tier 1 allocation, as set forth in Section 2.1. If the Wholesale Customers' collective cumulative purchases exceed the Wholesale Customers' Tier 1 allocation, the SFPUC shall assess excess use charges on each individual Wholesale Customer that exceeded its individual Tier 2 allocation (established in accordance with Section 2.2) over the course of the Supply Year in proportion to each individual Wholesale Customer's share of the collective Wholesale Customers' purchases that exceeded the Wholesale Customers' Tier 1 allocation.

SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN

5.1. Construction of Terms. This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

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5.2. Governing Law. This Plan is made under and shall be governed by the laws of the State of California.

5.3. Effect on Agreement. This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods. The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

5.5. Termination. This Plan shall expire at the end of the Term of the Agreement~~-. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.~~

SECTION 5. ALLOCATION CALENDAR

6.1. Annual Schedule. The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

6.1.1

In All Years	Target Dates
1. SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year	November 1
2. SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year	February
3. SFPUC issues initial estimate of available water supply	February 1
4. SFPUC announces potential first year of drought (if applicable)	February 1
5. SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases	February 1-May 31
6. SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable	March 1
7. SFPUC issues final estimate of available water supply	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
8. SFPUC determines amount of water available to Wholesale Customers collectively	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water

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supply for the coming year.

In Drought Years	Target Dates
9. SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.	April 15-30
10. SFPUC declares the need for a voluntary or mandatory response	April 15-30
11. BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively	April 15- 30
12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule)	April 25—May 10
13. Wholesale Customers submit alternative monthly water budgets (optional)	May 8-May 24
14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30	June 1
15. Monthly water budgets become effective	July 1
16. Excess use charges indicated on monthly Suburban bills	August 1 (of the beginning year) through June 30 (of the succeeding year)
17. Excess use charges paid by Wholesale Customers for prior year	August of the succeeding year

3.07. Restrictions on Purchases of Water from Others; Minimum Annual Purchases

A. Each Wholesale Customer (except for Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale) agrees that it will not contract for, purchase or receive, with or without compensation, directly or indirectly, from any person, corporation, governmental agency or other entity, any water for delivery or use within its service area without the prior written consent of San Francisco.

B. The prohibition in subsection A does not apply to:

1. recycled water;
2. water necessary on an emergency and temporary basis, provided that the Wholesale Customer promptly gives San Francisco notice of the nature of the emergency, the amount of water that has been or is to be purchased, and the expected duration of the emergency; or
3. water in excess of a Wholesale Customer's Individual Supply Guarantee.

C. Minimum Annual Purchase Quantities. Alameda County Water District and the cities of Milpitas, Mountain View and Sunnyvale may purchase water from sources other than San Francisco, provided that San Francisco shall require that each purchase a minimum annual quantity of water from San Francisco. These Minimum Annual Purchase Quantities are set out in Attachment E and shall also be included in the Individual Water Sales Contracts between San Francisco and each of these four Wholesale Customers (collectively referred to as the Original Minimum Purchase Customers). Pursuant to Section 3.04, certain Wholesale Customers may also be required to purchase Temporary Modified Minimum Annual Purchase Quantities, set out in Attachment E-1, from San Francisco. Attachment E will be updated pursuant to Section 3.04 to reflect any reduction in existing Minimum Annual Purchase Quantities and any addition of new Minimum Annual Purchase Quantities when Temporary Modified Minimum Annual Purchase Quantities expire and are removed from Attachment E-1; Individual Water Sales Contracts between San Francisco and any Wholesale Customers who are participants in a transfer under Section 3.04 will similarly be amended, as necessary.

1. Annual Notice. After the end of each fiscal year, the SFPUC will send a written notice to each Wholesale Customer with a Minimum Annual Purchase Quantity, or a Temporary Modified Minimum Annual Purchase Quantity with a copy to BAWSCA. The notice will include:

- (a) the quantity of water delivered to each of those Wholesale Customers individually and all of the Original Minimum Purchase Customers collectively during the previous fiscal year;
- (b) each Wholesale Customer's individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable, under Section 3.07.C.2);
- (c) whether or not each Wholesale Customer met its individual Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity (as adjusted for a Rebound Year, if applicable);
- (d) whether or not the Original Minimum Purchase Customers collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities (as adjusted for a Rebound Year, if applicable);
- (e) any Imputed Sales charged to the Wholesale Customers; and
- (f) the status of any Temporary Modified Minimum Annual Purchase Quantities of the Wholesale Customers.

2. Waiver and Rebound Year. The minimum annual purchase requirements set out in Attachments E and E-1 will be waived during a Drought or other period of water shortage if the water San Francisco makes available to these Wholesale Customers is less than their Minimum Annual Purchase Quantities or Temporary Modified Minimum Annual Purchase Quantities, and may be waived during a state of emergency declared by the Governor of California that impacts water supply use or deliveries from the Regional Water System. Once the waiver is no longer in effect, each of the minimum annual purchase requirements set out in Attachments E and E-1 shall be temporarily set, for one full fiscal year (referred to as the Rebound Year), to the midpoint between (1) the Wholesale Customer's actual San Francisco purchases for the final year in which the waiver was in effect, up to a maximum of the Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity, and (2) the Wholesale Customer's Minimum Annual Purchase Quantity or Temporary Modified Minimum Annual Purchase Quantity set out in Attachment E or Attachment E-1, as applicable. Any fiscal year in which a Wholesale Customer meets its Rebound Year-adjusted Temporary Modified Minimum Annual Purchase Quantity, but not its standard Temporary Modified Minimum Annual Purchase Quantity, will not count as a fiscal year in which the Wholesale Customer has met or exceeded its Temporary Modified Minimum Purchase Quantity for the purposes of Section 3.04.C(4)(a).

D. Minimum Annual Purchase Quantity Reset. As shown on Attachment E, in Fiscal

Year 2025-26, the Parties reset the then-existing Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers to 80% of the average San Francisco purchases of each Customer over the four most recent non-drought years preceding Fiscal Year 2024-25, effective for Fiscal Year 2024-25. If the Parties extend the Term of this Agreement beyond June 30, 2034 pursuant to Section 2.02, the Parties will review the Minimum Annual Purchase Quantities of the Original Minimum Purchase Customers again ten years after the Fiscal Year 2025-26 reset. If the Original Minimum Purchase Customers, or San Francisco, want to propose a reset of the Minimum Annual Purchase Quantities for Fiscal Year 2035-36, they will provide written notice on or before June 30, 2034. The Parties will meet and confer promptly to evaluate written reset proposals. By November 30, 2035, if the Parties have come to an agreement, the SFPUC will calculate the revised Minimum Annual Purchase Quantities based on the agreed upon methodology and provide written notice to the Original Minimum Purchase Customers and BAWSCA. The Original Minimum Purchase Customers will have at least 15 business days to review and meet and confer with the SFPUC with any questions or concerns before the revised quantities are finalized. If the Parties are unable to come to an agreement, the then-existing Minimum Annual Purchase Quantities will remain unchanged. Any changes to the Minimum Annual Purchase Quantities under this Section 3.07.D will be reflected in a revised Attachment E approved with the written concurrence of San Francisco and BAWSCA in accordance with Section 2.03.C. The Parties intend to include a continuing, periodic review of the Minimum Annual Purchase Quantities on a ten-year schedule in the successor to this Agreement.

E. Collective Minimum Annual Purchase Quantities Considered Before Application of Imputed Sales. Imputed Sales will not apply to any of the individual Original Minimum Purchase Customers in a particular fiscal year if those Customers have collectively purchased a volume of water from San Francisco that is equal to or greater than the sum of their four Minimum Annual Purchase Quantities shown in Attachment E (or adjusted for a Rebound Year pursuant to Section 3.07.C.2, if applicable). If the Original Minimum Purchase Customers do not collectively purchase that sum, any Original Minimum Purchase Customer that has not met its standard or Rebound Year-adjusted Minimum Annual Purchase Quantity will be responsible for Imputed Sales proportional to its share of the difference between that sum and the Original Minimum Purchase Customers' total purchases from San Francisco. Examples of this calculation are contained in Attachment E-3.

Proposed 2025 Amended and Restated Water Supply Agreement: Sections 2.03, 3.09, and 9.07, and Attachment A Definitions.

2.03. Amendments.

C. Amendments to Attachments. The following attachments may be amended with the written concurrence of San Francisco and BAWSCA on behalf of the Wholesale Customers:

<u>Attachment</u>	<u>Name</u>
C	Individual Supply Guarantees (amendments reflecting Section 3.04 transfers only)
E	Minimum Annual Purchase Quantities (amendments reflecting Section 3.04 transfers and Section 3.07 resets only)
E-1	Temporary Modified Minimum Annual Purchase Quantities
G	Water Quality Notification and Communications Plan (as may be amended)
J	Water Use Measurement and Tabulation
L-1	Identification of WSIP Projects as Regional/Retail
N-1	Balancing Account/Rate Setting Calculation Table
N-2	Wholesale Revenue Requirement Schedules
N-3	Schedule of Projected Water Sales, Wholesale Revenue Requirement and Wholesale Rates
P	Management Representation Letter
R	Classification of Existing System Assets (subject to Section 5.11)

Amendments to these attachments shall be approved on behalf of San Francisco by the Commission and on behalf of BAWSCA by its Board of Directors, unless the Commission by resolution delegates such authority to the General Manager of the SFPUC or the Board of Directors by resolution delegates such authority to the General Manager/CEO of BAWSCA.

3.09. Completion of WSIP

San Francisco will complete construction of the physical facilities in the WSIP by June 30, 2032. The SFPUC agrees to provide for full public review and comment by local and state interests of any proposed changes that delay previously adopted project completion dates or that delete projects. The SFPUC shall meet and consult with BAWSCA before proposing to the Commission any changes in the scope of WSIP projects which reduce their capacity or ability to achieve adopted Level of Service Goals and Objectives. The SFPUC retains discretion to determine whether to approve the physical facilities in the WSIP until after it completes the CEQA process as set forth in Section 4.07.

9.07. City of Brisbane, Guadalupe Valley Municipal Improvement District, Town of Hillsborough

A. The parties acknowledge that San Francisco has heretofore provided certain quantities of water to the City of Brisbane ("Brisbane"), Guadalupe Valley Municipal Improvement District ("Guadalupe") and the Town of Hillsborough ("Hillsborough") at specified rates or without charge pursuant to obligations arising out of agreements between the predecessors of San Francisco and these parties, which agreements are referred to in judicial orders, resolutions of the SFPUC and/or the 1960 contracts between San Francisco and Brisbane, Guadalupe and Hillsborough. The parties intend to continue those arrangements and accordingly agree as follows:

1. Nothing in this Agreement is intended to alter, amend or modify the terms of SFPUC Resolution No. 74-0053 or the indenture of July 18, 1908 between the Guadalupe Development Company and the Spring Valley Water Company.

2. Nothing in this Agreement is intended to alter, amend or modify the Findings of Fact and Conclusions of Law and Judgment dated May 25, 1961 in that certain action entitled City and County of San Francisco v. Town of Hillsborough in the Superior Court of the State of California in and for the County of Marin, No. 23282, as modified by the Satisfaction of Judgment filed October 23, 1961 and the Compromise and Release between Hillsborough and San Francisco dated August 22, 1961. The rights and obligations of Hillsborough under these documents shall continue as therein set forth.

3. Nothing in this Agreement is intended to affect or prejudice any claims, rights or remedies of Guadalupe or of Crocker Estate Company, a corporation, or of Crocker

Land Company, a corporation, or of San Francisco, or of their successors and assigns, respectively, with respect to or arising out of that certain deed dated May 22, 1884, from Charles Crocker to Spring Valley Water Works, a corporation, recorded on May 24, 1884, in Book 37 of Deeds at page 356, Records of San Mateo County, California, as amended by that certain Deed of Exchange of Easements in Real Property and Agreement for Trade in Connection Therewith, dated July 29, 1954, recorded on August 4, 1954, in Book 2628, at page 298, Official Records of said San Mateo County, or with respect to or arising out of that certain action involving the validity or enforceability of certain provisions of said deed entitled City and County of San Francisco v. Crocker Estate Company, in the Superior Court of the State of California in and for the County of Marin, No. 23281.

Attachment A - Definitions

“Imputed Sales” apply when a Wholesale Customer does not meet the minimum annual purchase requirements of Section 3.07.C, as shown on Attachment E and Attachment E-1, except in fiscal years in which a waiver of these requirements is in effect. Imputed Sales are calculated as the difference between (1) a Wholesale Customer’s metered water purchases during a fiscal year, from July 1 to June 30, and (2) the larger of (a) or (b) as follows: (a) the Wholesale Customer’s Minimum Annual Purchase Quantity, as specified in Attachment E and may be adjusted pursuant to Section 3.07.C.2, or (b) the Wholesale Customer’s Temporary Modified Minimum Annual Purchase Quantity, as specified in Attachment E-1 and may be adjusted pursuant to Section 3.07.C.2. If a Wholesale Customer has more than one Temporary Modified Minimum Annual Purchase Quantity, the largest quantity is used for calculating Imputed Sales. Imputed Sales are considered wholesale water usage for the purposes of calculating the Proportional Annual Use, and any fees charged for Imputed Sales are considered wholesale revenues.

“Level of Service Goals and Objectives” refers to the “Phased WSIP Goals and Objectives” adopted by the Commission in Resolution No. 08-0200 dated October 30, 2008 as part of the approval of the WSIP, as updated and expanded by the “2023 Amended and Updated Water Enterprise Level of Service Goals and Objectives,” adopted by the Commission in Resolution No. 23-0210 dated November 28, 2023, and any amendments that may be adopted by the Commission.

ATTACHMENT E

MINIMUM ANNUAL PURCHASE QUANTITIES

(Section 3.07.C)

AGENCY	MINIMUM ANNUAL PURCHASE QUANTITY (IN MGD) ¹
Alameda County Water District	6.682
City of Milpitas	4.371
City of Mountain View	6.047
City of Sunnyvale	7.412

¹ In Fiscal Year (FY) 2025-26, the then-existing Minimum Annual Purchase Quantities for Alameda County Water District and the Cities of Milpitas, Mountain View, and Sunnyvale were reset to 80% of each of those four customers' average San Francisco purchases over the four non-drought years preceding FY 2024-25 (FY 2017-18, FY 2018-19, FY 2019-20, and FY 2020-21), effective FY 2024-25. Prior to this reset, from the effective date of this Agreement (July 1, 2009) through FY 2023-24, those four customers had the following Minimum Annual Purchase Quantities:

1. Alameda County Water District: 7.648 MGD
2. City of Milpitas: 5.341 MGD
3. City of Mountain View: 8.930 MGD
4. City of Sunnyvale: 8.930 MGD

ATTACHMENT E-3

ATTACHMENT E-3

**Illustrations of Imputed Sales Considering Collective Regional Water System Use
by Original Minimum Purchase Customers Compared to Sum of Minimum Annual
Purchase Quantities Pursuant to Section 3.07.E**

Scenario 1: Collective Purchases Equal to or Greater Than Sum of MAPQs¹ (No Imputed Sales)²

Line #	Wholesale Customer	A	B	C	D	$E = (D[\text{LINE \#}] / D5) \times (B5 - A5)$
		MAPQ	RWS ³ Use (mgd)	RWS Over MAPQ (mgd)	RWS Under MAPQ (mgd)	Proportion of Use Under Total MAPQ (mgd)
1	Alameda County Water District	6.682	7.682	1.00		N/A
2	City of Milpitas	4.371	3.871		-0.50	N/A
3	City of Mountain View	6.047	5.047		-1.00	N/A
4	City of Sunnyvale	7.412	7.912	0.50		N/A
5	Total	24.512	24.512	1.50	-1.50	N/A

Scenario 2: Collective Purchases Less Than Sum of MAPQs (by 1.0 mgd) (Imputed Sales)⁴

Line #	Wholesale Customer	A	B	C	D	$E = (D[\text{LINE \#}] / D5) \times (B5 - A5)$
		MAPQ	RWS Use (mgd)	RWS Over MAPQ (mgd)	RWS Under MAPQ (mgd)	Proportion of Use Under Total MAPQ (mgd)
1	Alameda County Water District	6.682	7.182	0.50		N/A
2	City of Milpitas	4.371	3.871		-0.50	-0.25
3	City of Mountain View	6.047	4.547		-1.50	-0.75
4	City of Sunnyvale	7.412	7.912	0.50		N/A
5	Total	24.512	23.512	1.00	-2.00	-1.0

¹ Minimum Annual Purchase Quantity (MAPQ)² In Scenario 1, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5B) are equal to the sum of their Minimum Annual Purchase Quantities (Line 5A). Therefore, no Imputed Sales are applied to individual Original Minimum Purchase Customers that purchased less than their individual Minimum Annual Purchase Quantities (in this scenario, Milpitas and Mountain View).³ Regional Water System (RWS)⁴ In Scenario 2, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5B) are 1.0 mgd less than the sum of their Minimum Annual Purchase Quantities (Line 5A). Therefore, Imputed Sales are applied proportionally to any individual Original Minimum Purchase Customer that purchased less than its individual Minimum Annual Purchase Quantity (in this scenario, Milpitas and Mountain View), so that customer is responsible for its share of the difference between the sum of all Minimum Annual Purchase Quantities (Line 5A) and the collective amount of RWS use (Line 5B). In this scenario, Mountain View is responsible for 75% and Milpitas is responsible for 25% of the 1.0 mgd difference between Line 5A and Line 5B.

Scenario 3: Collective Purchases Equal to or Greater Than Sum of MAPQs – with Rebound Year-Adjusted MAPQs (No Imputed Sales)⁵

Line #	Wholesale Customer	A	B	C = A - ((A[LINE #] - B[LINE #]) / 2)	D	E	F	G = (F[LINE #] / F5) × (D5 - C5)
		MAPQ	RWS Use in Waiver's Final Year	Rebound Year-Adjusted MAPQ	RWS Use (mgd)	RWS Over Rebound Year- Adjusted MAPQ (mgd)	RWS Under Rebound Year- Adjusted MAPQ (mgd)	Proportion of Use Under Total Rebound Year-Adjusted MAPQ (mgd)
1	Alameda County Water District	6.682	5.682	6.182	7.512	1.33		N/A
2	City of Milpitas	4.371	3.371	3.871	3.591		-0.28	N/A
3	City of Mountain View	6.047	5.047	5.547	4.847		-0.70	N/A
4	City of Sunnyvale	7.412	6.412	6.912	7.782	0.87		N/A
5	Total	24.512	20.512	22.512	23.732	2.20	-0.98	N/A

⁵ In Scenario 3, the Original Minimum Purchase Customers' collective purchases from San Francisco in a particular fiscal year (Line 5D) are greater than the sum of their Rebound Year-adjusted Minimum Annual Purchase Quantities that are currently in effect pursuant to Section 3.07.C.2 (Line 5C). Therefore, no Imputed Sales are applied to individual Original Minimum Purchase Customers that purchased less than their individual Rebound Year-adjusted Minimum Annual Purchase Quantities (in this scenario, Milpitas and Mountain View).

ATTACHMENT H

WATER SHORTAGE ALLOCATION PLAN

This Water Shortage Allocation Plan (“Plan”), also known as the Tier 1 Shortage Plan, describes the method for allocating water between the San Francisco Public Utilities Commission (“SFPUC”), on the one hand, and the Wholesale Customers collectively, on the other, during shortages caused by drought. The Plan also implements a method for allocating water among the individual Wholesale Customers, known as the Tier 2 Drought Response Implementation Plan (“Tier 2 Plan”), which has separately been adopted by the Wholesale Customers and does not include the SFPUC. The Plan includes provisions for transfers, banking, and excess use charges. The Plan applies only when the SFPUC determines that a system-wide water shortage due to drought exists, and all references to “shortages” and “water shortages” are to be so understood. This Plan was initially adopted pursuant to Section 7.03(a) of the 1984 Settlement Agreement and Master Water Sales Contract and has been incorporated and updated to correspond to the terminology used in the 2009 Water Supply Agreement between the City and County of San Francisco and Wholesale Customers in Alameda County, San Mateo County and Santa Clara County (“Agreement”), as amended and restated from time to time.

SECTION 1. SHORTAGE CONDITIONS

1.1. Projected Available SFPUC Water Supply. The SFPUC shall make an annual determination as to whether or not a shortage condition exists. The determination of projected available water supply shall consider, among other things, stored water, projected runoff, water acquired by the SFPUC from non-SFPUC sources, inactive storage, reservoir losses, allowance for carryover storage, and water bank balances, if any, described in Section 3.

1.2 Projected SFPUC Customer Purchases. The SFPUC will utilize purchase data, including volumes of water purchased by the Wholesale Customers and by Retail Customers (as those terms are used in the Agreement) in the year immediately prior to the drought, along with other available relevant information, as a basis for determining projected system-wide water purchases from the SFPUC for the upcoming Supply Year (defined as the period from July 1 through June 30).

1.3. Shortage Conditions. The SFPUC will compare the projected available water supply (Section 1.1) with projected system-wide water purchases (Section 1.2). A shortage condition exists if the SFPUC determines that the projected available water supply is less than projected system-wide water purchases in the upcoming Supply Year. When a shortage condition exists, SFPUC will determine whether voluntary or mandatory actions will be required to reduce purchases of SFPUC water to required levels.

1.3.1 Voluntary Response. If the SFPUC determines that voluntary actions will be sufficient to accomplish the necessary reduction in water use throughout its service area, the SFPUC and the Wholesale Customers will make good faith efforts to reduce their water purchases to stay within their annual Tier 1 and Tier 2 allocations as applicable (see Section 2 of this Attachment H) and associated monthly water use budgets. The SFPUC will not impose excess use charges during periods of voluntary rationing, but may suspend the prospective accumulation of water bank credits, or impose a ceiling on further accumulation of bank credits, consistent with Section 3.2.1 of this Plan.

1.3.2 Mandatory Response. If the SFPUC determines that mandatory actions will be required to accomplish the necessary reduction in water use in the SFPUC service area, the SFPUC may implement excess use charges as set forth in Section 4 of this Plan.

1.4. Period of Shortage. A shortage period commences when the SFPUC determines that a water shortage exists, as set forth in a declaration of water shortage emergency issued by the SFPUC pursuant to

California Water Code Sections 350 et seq. Termination of the water shortage emergency will be declared by resolution of the SFPUC.

SECTION 2. SHORTAGE ALLOCATIONS

2.1. Annual Tier 1 Allocations between the SFPUC and the Wholesale Customers. The annual water supply available during shortages will be allocated between the SFPUC and the collective Wholesale Customers as follows:

Level of System Wide Reduction in Water Use Required	Share of Available Water	
	SFPUC Share	Wholesale Customers Share
5% or less	35.5%	64.5%
6% through 10%	36.0%	64.0%
11% through 15%	37.0%	63.0%
16% through 20%	37.5%	62.5%

This Plan refers to the SFPUC's and Wholesale Customers' respective shares of available water so established as the SFPUC's and Wholesale Customers' Tier 1 allocations. The water allocated to the SFPUC shall correspond to the total allocation for all Retail Customers. In the event that the SFPUC share of the available water supply in the above table results in Retail Customers having a positive allocation (i.e., a supply of additional water rather than a required percentage reduction in water use), the SFPUC's percentage share of the available water supply in the table shall be reduced to eliminate any positive allocation to Retail Customers, with a corresponding increase in the percentage share of the available water supply allocated to the Wholesale Customers. For any level of required reduction in system-wide water use during shortages, the SFPUC shall require Retail Customers to conserve a minimum of 5%, with any resulting reallocated supply credited to storage for inclusion in calculation of projected available water SFPUC water supply in a subsequent year (Section 1.1).

The parties agree to reevaluate the percentages of the available water supply allocated to Retail and Wholesale Customers by May 1, 2028.

2.2 Annual Tier 2 Allocations among the Wholesale Customers. The annual water supply allocated to the Wholesale Customers collectively during system wide shortages of 20 percent or less (i.e., the Wholesale Customers' Tier 1 allocation) will be apportioned among them based on a methodology, known as the Tier 2 Plan, that has been separately adopted by all of the Wholesale Customers, and not the SFPUC, as described in Section 3.11(C) of the Agreement. In any year for which the methodology must be applied, the Bay Area Water Supply and Conservation Agency ("BAWSCA") will calculate each Wholesale Customer's individual percentage share of the amount of water allocated to the Wholesale Customers collectively pursuant to Section 2.1. Following the declaration or reconfirmation of a water shortage emergency by the SFPUC, BAWSCA will deliver to the SFPUC General Manager a list, signed by the President of BAWSCA's Board of Directors and its General Manager, showing each Wholesale Customer together with its percentage share and stating that the list has been prepared in accordance with the methodology adopted by the Wholesale Customers. The SFPUC shall allocate water to each Wholesale Customer, as specified in the list. The shortage allocations so established (known as Tier 2 allocations) may be transferred as provided in Section 2.5 of this Plan. If BAWSCA or all Wholesale Customers do not provide the SFPUC with individual allocations, the SFPUC may make a final allocation decision after first meeting and discussing allocations with BAWSCA and the Wholesale Customers.

The Tier 2 Plan methodology adopted by the Wholesale Customers utilizes the rolling average of each individual Wholesale Customer's purchases from the SFPUC during the three immediately preceding Supply Years. The SFPUC agrees to provide BAWSCA by November 1 of each year a list showing the amount of water purchased by each Wholesale Customer during the immediately preceding Supply Year. The list will be prepared using Customer Service Bureau report MGT440 (or comparable official record in use at the time), adjusted as required for any reporting errors or omissions, and will be transmitted by the SFPUC General Manager or his designee.

2.3. Limited Applicability of Plan to System Wide Shortages Greater Than Twenty Percent. The Tier 1 allocations of water between the SFPUC and the Wholesale Customers collectively, provided for in Section 2.1, apply only to shortages of 20 percent or less. The SFPUC and Wholesale Customers recognize the possibility of a drought occurring which could create system-wide shortages greater than 20 percent despite actions taken by the SFPUC aimed at reducing the probability and severity of water shortages in the SFPUC service area. If the SFPUC determines that a system wide water shortage greater than 20 percent exists, the SFPUC and the Wholesale Customers agree to meet within 10 days and discuss whether a change is required to the allocation set forth in Section 2.1 in order to mitigate undue hardships that might otherwise be experienced by individual Wholesale Customers or Retail Customers. Following these discussions, the Tier 1 allocations set forth in Section 2.1 of this Plan, or a modified version thereof, may be adopted by mutual written consent of the SFPUC and the Wholesale Customers. If the SFPUC and Wholesale Customers meet and cannot agree on an appropriate Tier 1 allocation within 30 days of the SFPUC's determination of water shortage greater than 20 percent, then (1) the provisions of Section 3.11(C) of the Agreement will apply, unless (2) all of the Wholesale Customers direct in writing that a Tier 2 allocation methodology agreed to by them be used to apportion the water to be made available to the Wholesale Customers collectively, in lieu of the provisions of Section 3.11(C).

The provisions of this Plan relating to transfers (in Section 2.5), banking (in Section 3), and excess use charges (in Section 4) shall continue to apply during system-wide shortages greater than 20 percent.

2.4. Monthly Water Budgets. Within 10 days after adopting a declaration of water shortage emergency, the SFPUC will determine the amount of Tier 1 water allocated to the Wholesale Customers collectively pursuant to Section 2.1. The SFPUC General Manager, using the Tier 2 allocation percentages shown on the list delivered by BAWSCA pursuant to Section 2.2, will calculate each Wholesale Customer's individual annual Tier 2 allocation. The SFPUC General Manager, or his designee, will then provide each Wholesale Customer with a proposed schedule of monthly water budgets based on the pattern of monthly water purchases during the Supply Year immediately preceding the declaration of shortage (the "Default Schedule"). Each Wholesale Customer may, within two weeks of receiving its Default Schedule, provide the SFPUC with an alternative monthly water budget that reschedules its annual Tier 2 allocation over the course of the succeeding Supply Year. If a Wholesale Customer does not deliver an alternative monthly water budget to the SFPUC within two weeks of its receipt of the Default Schedule, then its monthly budget for the ensuing Supply Year shall be the Default Schedule proposed by the SFPUC.

Monthly Wholesale Customer water budgets will be derived from annual Tier 2 allocations for purposes of accounting for excess use. Monthly Wholesale Customer water budgets shall be adjusted during the year to account for transfers of shortage allocation under Section 2.5 and transfers of banked water under Section 3.4.

2.5. Transfers of Shortage Allocations. Voluntary transfers of shortage allocations between the SFPUC and any Wholesale Customers, and between any Wholesale Customers, will be permitted using the same procedure as that for transfers of banked water set forth in Section 3.4. The SFPUC and BAWSCA shall be notified of each transfer. Transfers of shortage allocations shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. Transfers of shortage allocations shall be in compliance with Section 3.05 of the

Agreement. The transferring parties will meet with the SFPUC, if requested, to discuss any effect the transfer may have on its operations.

SECTION 3. SHORTAGE WATER BANKING

3.1. Water Bank Accounts. The SFPUC shall create a water bank account for itself and each Wholesale Customer during shortages in conjunction with its resale customer billing process. Bank accounts will account for amounts of water that are either saved or used in excess of the shortage allocation for each agency; the accounts are not used for tracking billings and payments. When a shortage period is in effect (as defined in Section 1.4), the following provisions for bank credits, debits, and transfers shall be in force. A statement of bank balance for each Wholesale Customer will be included with the SFPUC's monthly water bills.

3.2. Bank Account Credits. Each month, monthly purchases will be compared to the monthly budget for that month. Any unused shortage allocation by an agency will be credited to that agency's water bank account. Credits will accumulate during the entire shortage period, subject to potential restrictions imposed pursuant to Section 3.2.1. Credits remaining at the end of the shortage period will be zeroed out; no financial or other credit shall be granted for banked water.

3.2.1. Maximum Balances. The SFPUC may suspend the prospective accumulation of credits in all accounts. Alternatively, the SFPUC may impose a ceiling on further accumulation of credits in water bank balances based on a uniform ratio of the bank balance to the annual water allocation. In making a decision to suspend the prospective accumulation of water bank credits, the SFPUC shall consider the available water supply as set forth in Section 1.1 of this Plan and other reasonable, relevant factors.

3.3. Account Debits. Each month, monthly purchases will be compared to the budget for that month. Purchases in excess of monthly budgets will be debited against an agency's water bank account. Bank debits remaining at the end of the fiscal year will be subject to excess use charges (see Section 4).

3.4. Transfers of Banked Water. In addition to the transfers of shortage allocations provided for in Section 2.5, voluntary transfers of banked water will also be permitted between the SFPUC and any Wholesale Customer, and among the Wholesale Customers. The volume of transferred water will be credited to the transferee's water bank account and debited against the transferor's water bank account. The transferring parties must notify the SFPUC and BAWSCA of each transfer in writing (so that adjustments can be made to bank accounts), and will meet with the SFPUC, if requested, to discuss any affect the transfer may have on SFPUC operations. Transfers of banked water shall be deemed to be an emergency transfer and shall become effective on the third business day after notice of the transfer has been delivered to the SFPUC. If the SFPUC incurs extraordinary costs in implementing transfers, it will give written notice to the transferring parties within ten (10) business days after receipt of notice of the transfer. Extraordinary costs means additional costs directly attributable to accommodating transfers and which are not incurred in non-drought years nor simply as a result of the shortage condition itself. Extraordinary costs shall be calculated in accordance with the procedures in the Agreement and shall be subject to the disclosure and auditing requirements in the Agreement. In the case of transfers between Wholesale Customers, such extraordinary costs shall be considered to be expenses chargeable solely to individual Wholesale Customers and shall be borne equally by the parties to the transfer. In the case of transfers between the SFPUC and a Wholesale Customer, the SFPUC's share of any extraordinary transfer costs shall not be added to the Wholesale Revenue Requirement.

3.4.1. Transfer Limitations. The agency transferring banked water will be allowed to transfer no more than the accumulated balance in its bank. Transfers of estimated prospective banked credits and the "overdrafting" of accounts shall not be permitted. The price of transfer water originally derived from the SFPUC system is to be determined by the transferring parties and is not specified herein. Transfers of banked water shall be in compliance with Section 3.05 of the Agreement.

SECTION 4. WHOLESALE EXCESS USE CHARGES

4.1. Amount of Excess Use Charges. Monthly excess use charges shall be determined by the SFPUC at the time of the declared water shortage consistent with the calendar in Section 6 and in accordance with Section 6.03 of the Agreement. The excess use charges will be in the form of multipliers applied to the rate in effect at the time the excess use occurs. The same excess use charge multipliers shall apply to the Wholesale Customers and all Retail Customers. The excess use charge multipliers apply only to the charges for water delivered at the rate in effect at the time the excess use occurred.

4.2 Monitoring Suburban Water Use. During periods of voluntary rationing, water usage greater than a customer's allocation (as determined in Section 2) will be indicated on each SFPUC monthly water bill. During periods of mandatory rationing, monthly and cumulative water usage greater than a Wholesale Customer's shortage allocation and the associated excess use charges will be indicated on each SFPUC monthly water bill.

4.3. Suburban Excess Use Charge Payments. An annual reconciliation will be made of monthly excess use charges according to the calendar in Section 6. Annual excess use charges will be calculated by comparing total annual purchases for each Wholesale Customer with its annual shortage allocation (as adjusted for transfers of shortage allocations and banked water, if any). Excess use charge payments by those Wholesale Customers with net excess use will be paid according to the calendar in Section 6. The SFPUC may dedicate excess use charges paid by Wholesale Customers toward the purchase of water from the State Drought Water Bank or other willing sellers in order to provide additional water to the Wholesale Customers. Excess use charges paid by the Wholesale Customers constitute Wholesale Customer revenue and shall be included within the SFPUC's annual Wholesale Revenue Requirement calculation.

4.4. Tier 1 Family Plan. During periods of mandatory rationing, the SFPUC will not assess excess use charges on any of the Wholesale Customers if the Wholesale Customers' collective cumulative purchases over the course of the Supply Year are less than the Wholesale Customers' Tier 1 allocation, as set forth in Section 2.1. If the Wholesale Customers' collective cumulative purchases exceed the Wholesale Customers' Tier 1 allocation, the SFPUC shall assess excess use charges on each individual Wholesale Customer that exceeded its individual Tier 2 allocation (established in accordance with Section 2.2) over the course of the Supply Year in proportion to each individual Wholesale Customer's share of the collective Wholesale Customers' purchases that exceeded the Wholesale Customers' Tier 1 allocation.

SECTION 5. GENERAL PROVISIONS GOVERNING WATER SHORTAGE ALLOCATION PLAN

5.1. Construction of Terms. This Plan is for the sole benefit of the parties and shall not be construed as granting rights to any person other than the parties or imposing obligations on a party to any person other than another party.

5.2. Governing Law. This Plan is made under and shall be governed by the laws of the State of California.

5.3. Effect on Agreement. This Plan describes the method for allocating water between the SFPUC and the collective Wholesale Customers during system-wide water shortages of 20 percent or less. This Plan also provides for the SFPUC to allocate water among the Wholesale Customers in accordance with directions provided by the Wholesale Customers through BAWSCA under Section 2.2, and to implement a program by which such allocations may be voluntarily transferred among the Wholesale Customers. The provisions of this Plan are intended to implement Section 3.11(C) of the Agreement and do not affect, change or modify any other section, term or condition of the Agreement.

5.4. Inapplicability of Plan to Allocation of SFPUC System Water During Non-Shortage Periods.

The SFPUC's agreement in this Plan to a respective share of SFPUC system water during years of shortage shall not be construed to provide a basis for the allocation of water between the SFPUC and the Wholesale Customers when no water shortage emergency exists.

5.5. Termination. This Plan shall expire at the end of the Term of the Agreement. The SFPUC and the Wholesale Customers can mutually agree to revise or terminate this Plan prior to that date due to changes in the water delivery capability of the SFPUC system, the acquisition of new water supplies, and other factors affecting the availability of water from the SFPUC system during times of shortage.

SECTION 6. ALLOCATION CALENDAR

6.1. Annual Schedule. The annual schedule for the shortage allocation process is shown below. This schedule may be changed by the SFPUC to facilitate implementation.

6.1.1

In All Years		Target Dates
1.	SFPUC delivers list of annual purchases by each Wholesale Customer during the immediately preceding Supply Year	November 1
2.	SFPUC meets with the Wholesale Customers and presents water supply forecast for the following Supply Year	February
3.	SFPUC issues initial estimate of available water supply	February 1
4.	SFPUC announces potential first year of drought (if applicable)	February 1
5.	SFPUC and Wholesale Customers meet upon request to exchange information concerning water availability and projected system-wide purchases	February 1-May 31
6.	SFPUC issues revised estimate of available water supply, and confirms continued potential shortage conditions, if applicable	March 1
7.	SFPUC issues final estimate of available water supply	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
8.	SFPUC determines amount of water available to Wholesale Customers collectively	April 15 th or sooner if adequate snow course measurement data is available to form a robust estimate on available water supply for the coming year.
In Drought Years		Target Dates
9.	SFPUC formally declares the existence of water shortage emergency (or end of water shortage emergency, if applicable) under Water Code Sections 350 et. seq.	April 15-30
10.	SFPUC declares the need for a voluntary or mandatory response	April 15-30
11.	BAWSCA submits calculation to SFPUC of individual Wholesale Customers' percentage shares of water allocated to Wholesale Customers collectively	April 15- 30

- | | |
|---|---|
| 12. SFPUC determines individual shortage allocations, based on BAWSCA's submittal of individual agency percentage shares to SFPUC, and monthly water budgets (Default Schedule) | April 25—May 10 |
| 13. Wholesale Customers submit alternative monthly water budgets (optional) | May 8-May 24 |
| 14. Final drought shortage allocations are issued for the Supply Year beginning July 1 through June 30 | June 1 |
| 15. Monthly water budgets become effective | July 1 |
| 16. Excess use charges indicated on monthly Suburban bills | August 1 (of the beginning year) through June 30 (of the succeeding year) |
| 17. Excess use charges paid by Wholesale Customers for prior year | August of the succeeding year |



BAWSCA Service Area

“A multicounty agency authorized to plan for and acquire supplemental water supplies, encourage water conservation and use of recycled water on a regional basis.”

[BAWSCA Act, AB2058 (Papan-2002)]

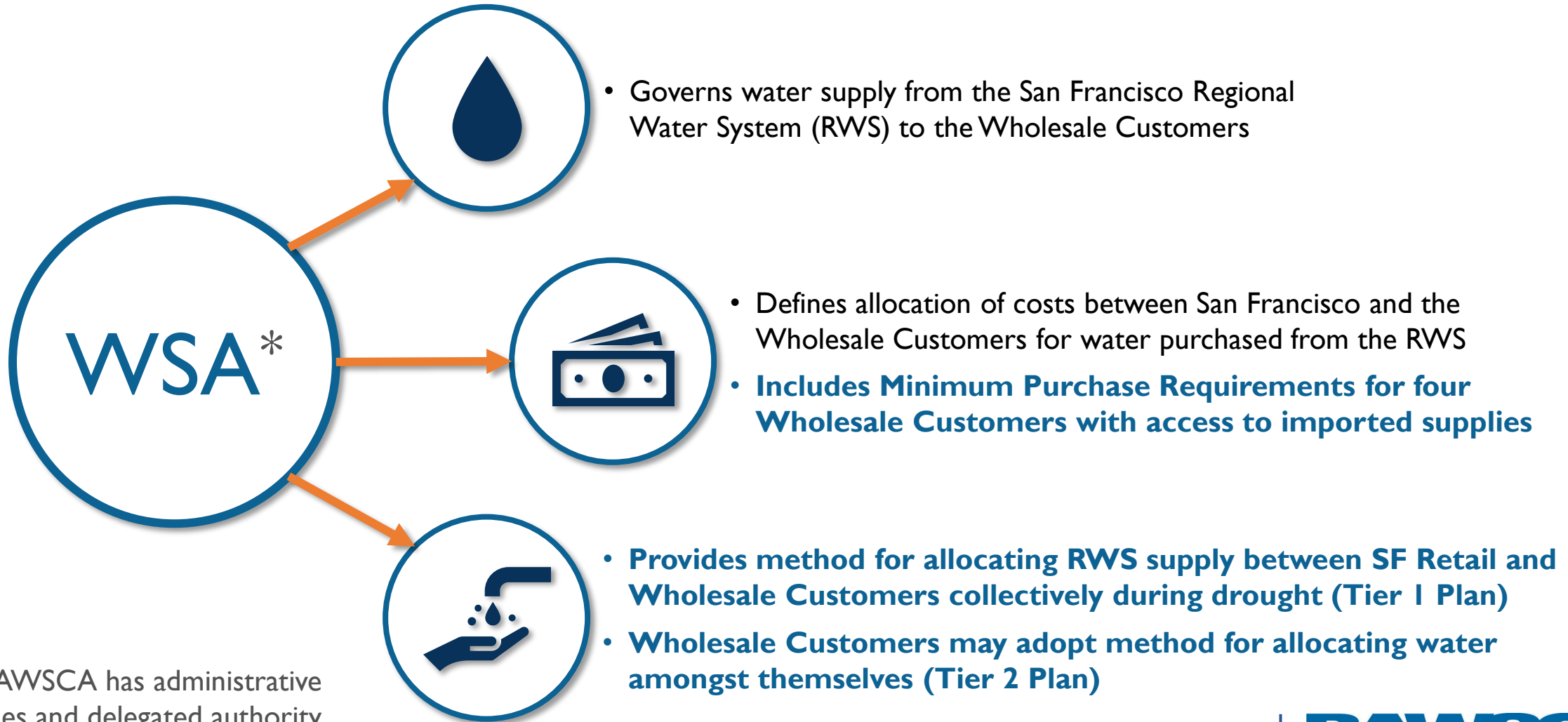
Updated Tier 2 Plan and WSA Amendments Adoption

BAWSCA | Brisbane Mtg
July 15, 2025

Agenda

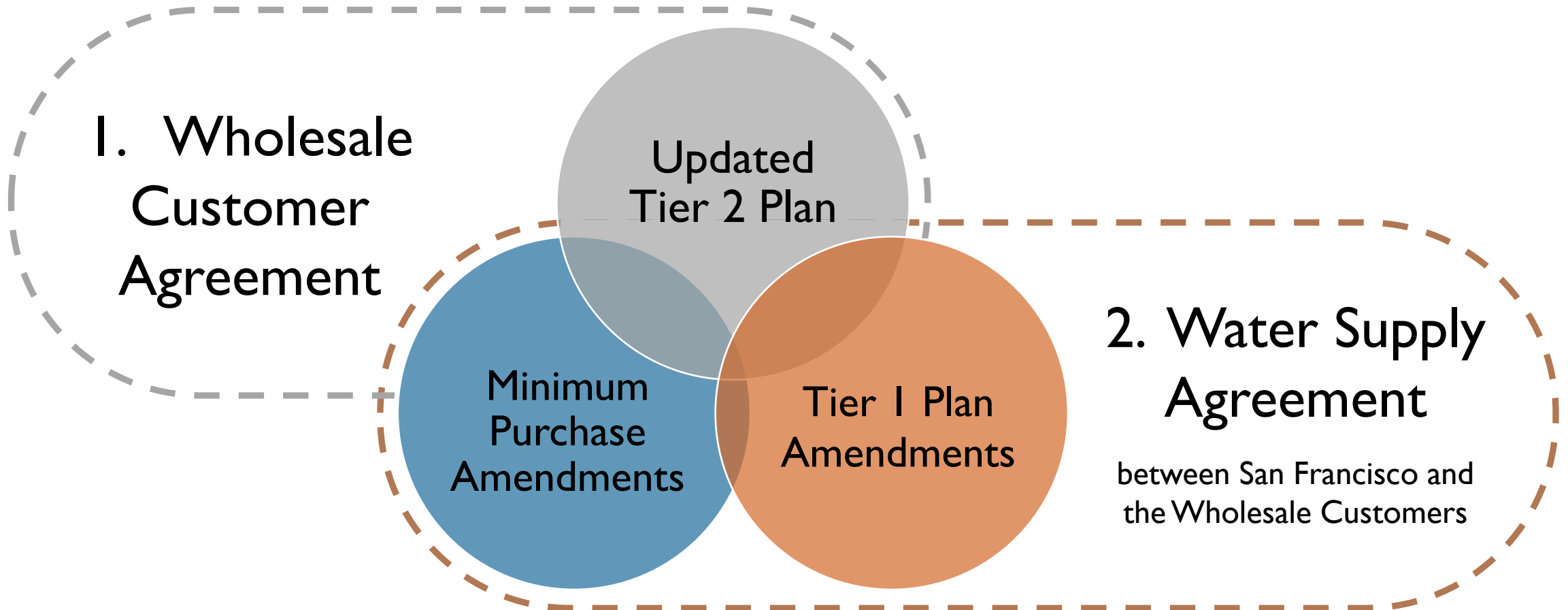
1. Overview of the Water Supply Agreement between San Francisco and the Wholesale Customers (WSA)
2. Review two water supply reliability contract actions
 - a. Updated Tier 2 Drought Response Implementation Plan (Tier 2 Plan)
 - b. WSA amendments

Key Elements of the Water Supply Agreement Between San Francisco and the Wholesale Customers (WSA)



* BAWSCA has administrative
252 es and delegated authority
but is not a party to the contract

Two Important Water Supply Reliability Contract Actions



Shortages on the Regional Water System (RWS) are Governed by Two Plans

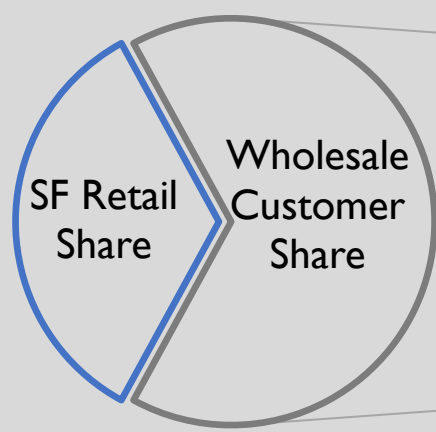
Shortages on the RWS



* Applies during system-wide shortages due to drought of 20% or less

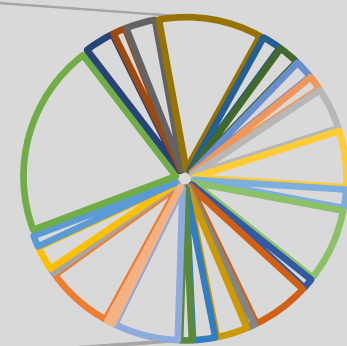
Tier 1 Plan

Method of allocating water from the RWS between:



Tier 2 Plan*

Method of allocating water from the RWS among the Wholesale Customers

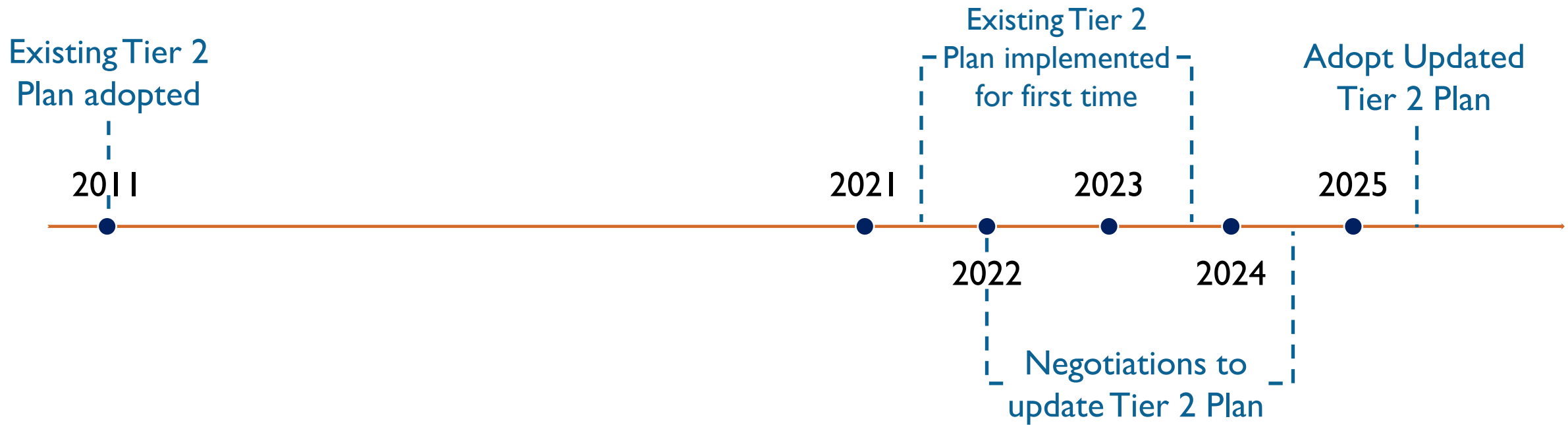


* Agreement among Wholesale Customers, San Francisco not included

Application of the Tier 1 and 2 Plans

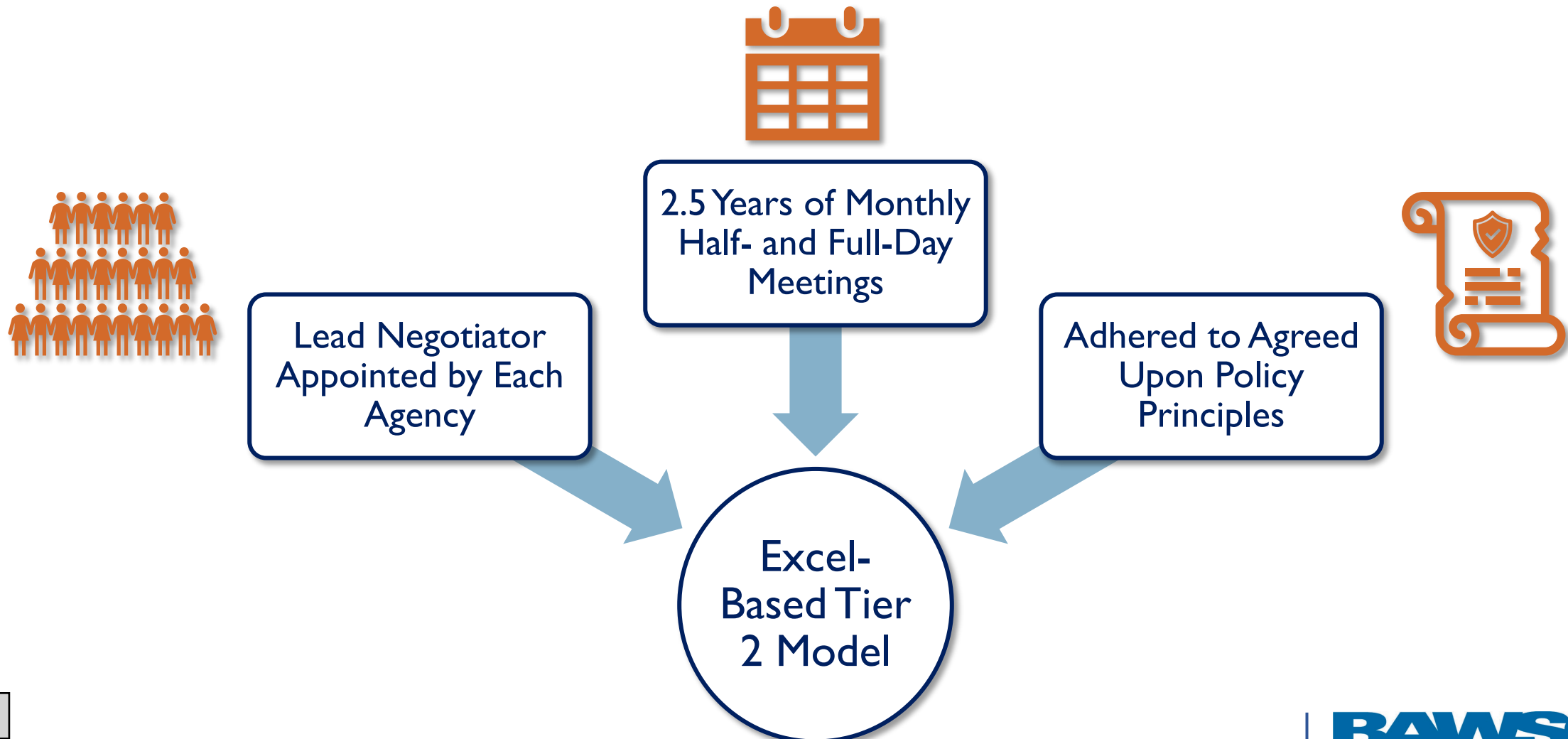
- Apply during system-wide shortages due to drought of 20% or less
- Excess use charges only apply during mandatory shortage emergencies
- Wholesale Customers may transfer shortage allocations and banked water amongst themselves and with San Francisco

Existing Tier 2 Plan Required an Update

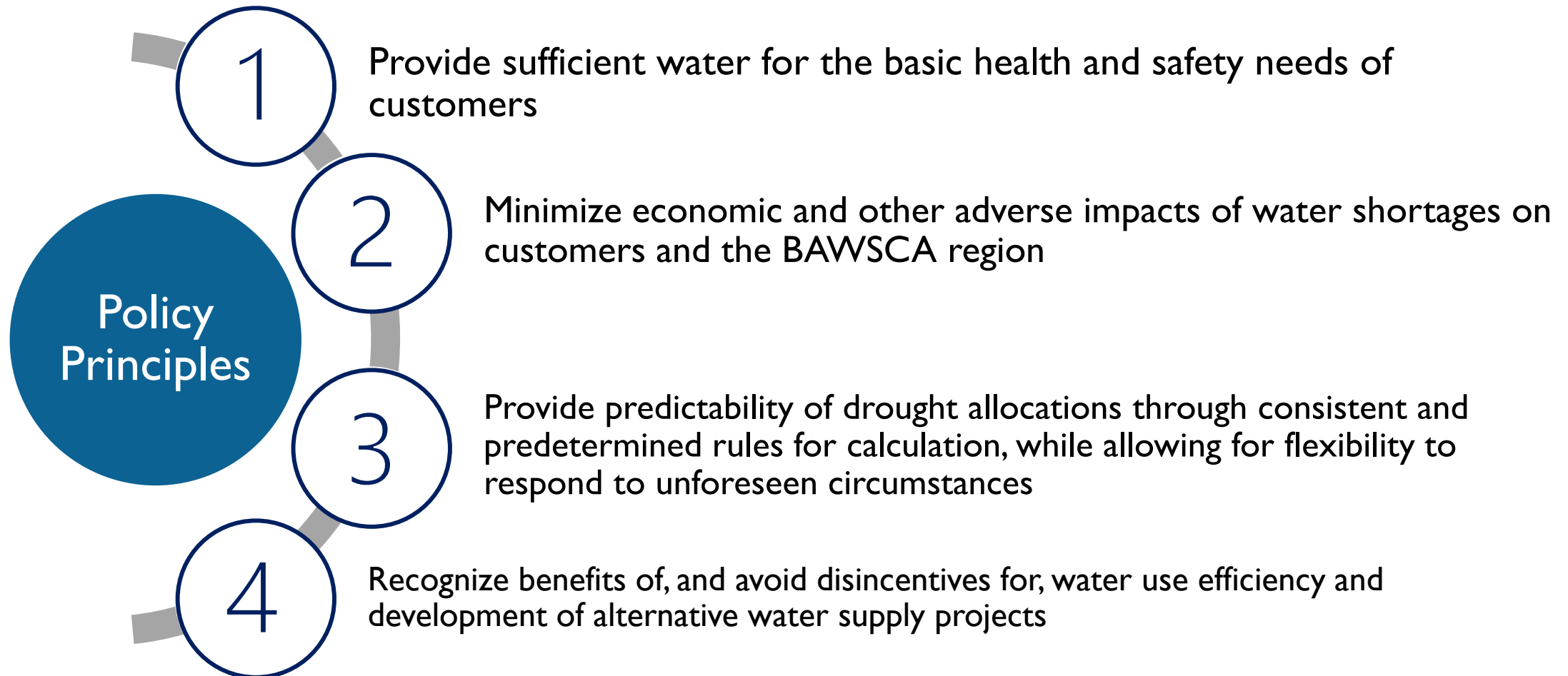


- 2021-23 implementation made clear the Plan no longer operates as originally intended
 - Conditions and overall water use in the region has changed
 - Special rules carved out for certain agencies now may apply to multiple agencies

Agreed Upon Plan Required Engagement from All 26 BAWSCA Member Agencies and 2.5 Years of Negotiation

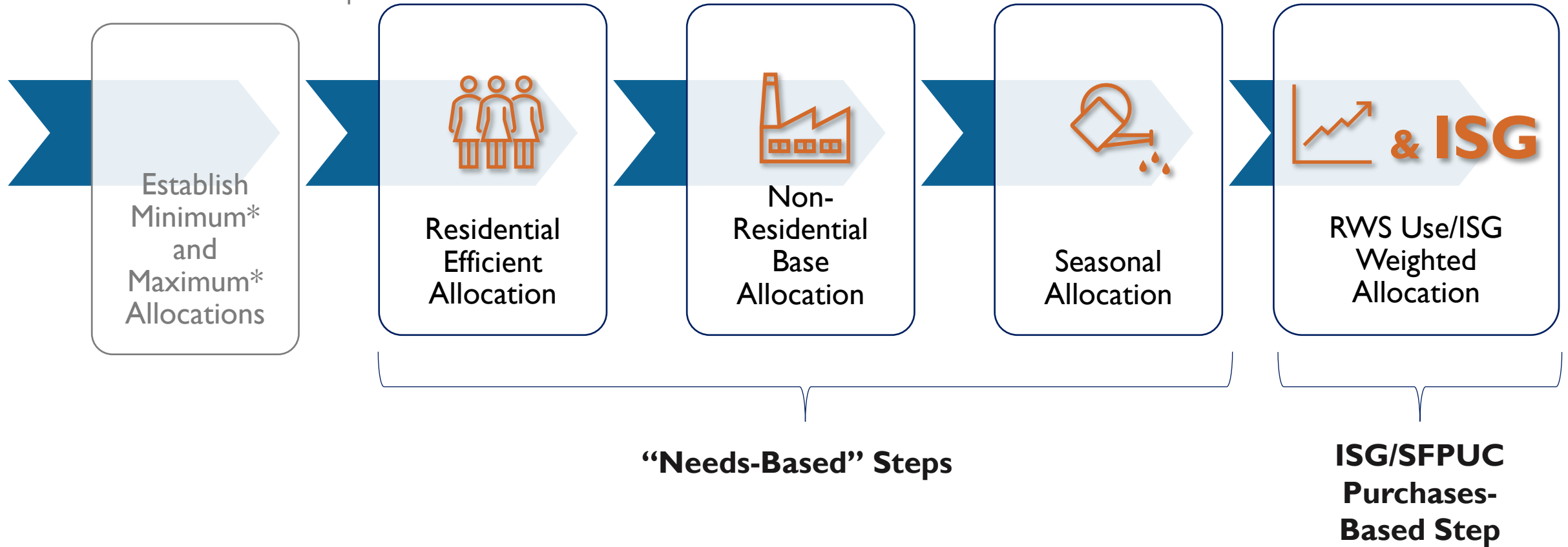


Tier 2 Plan Policy Principles



Tier 2 Plan Allocation Methodology

* No water allocated in these steps

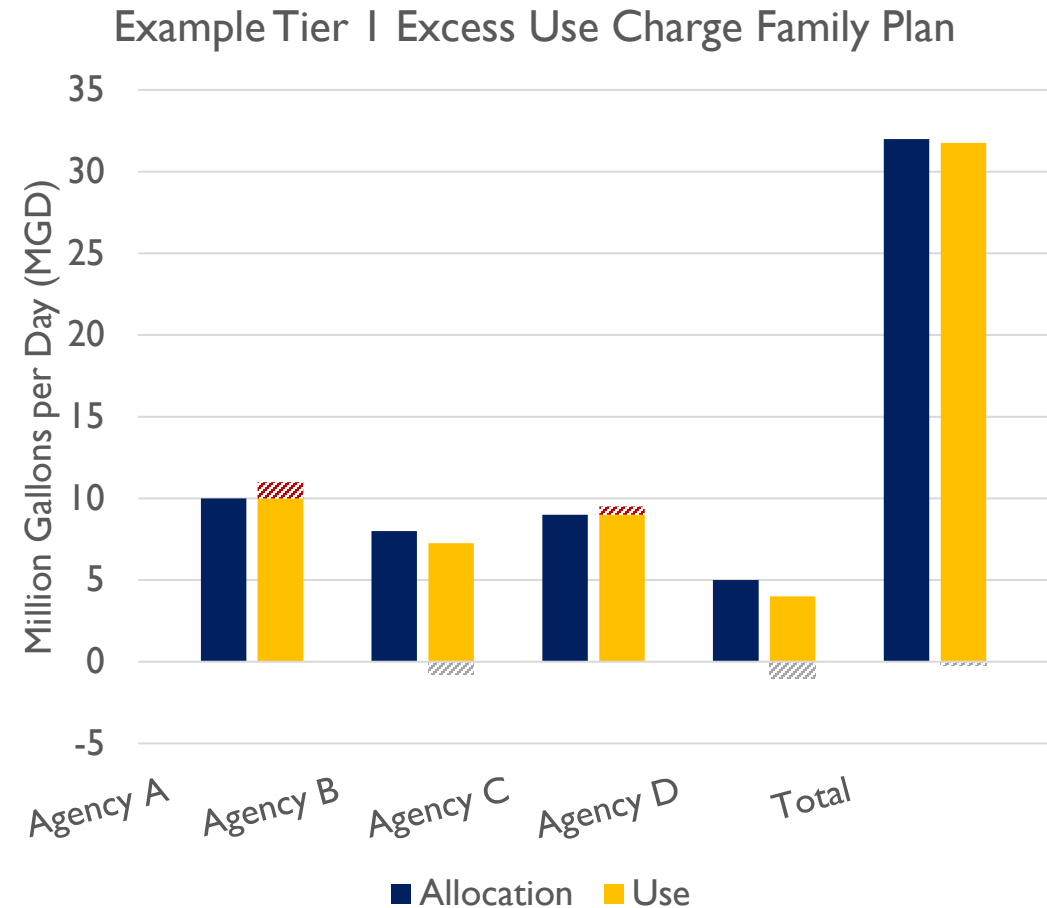


26 Member Agencies Successfully Negotiated an Updated Tier 2 Plan

- Finalizing the updated Tier 2 Plan required concessions from all agencies including an agreement to make changes to:
 - Tier 1 Plan
 - Minimum Purchase Quantities
- Updated Tier 2 Plan must be unanimously adopted by the 26 member agencies' governing bodies
 - Once unanimously adopted, the updated Tier 2 Plan will be used in the event of drought

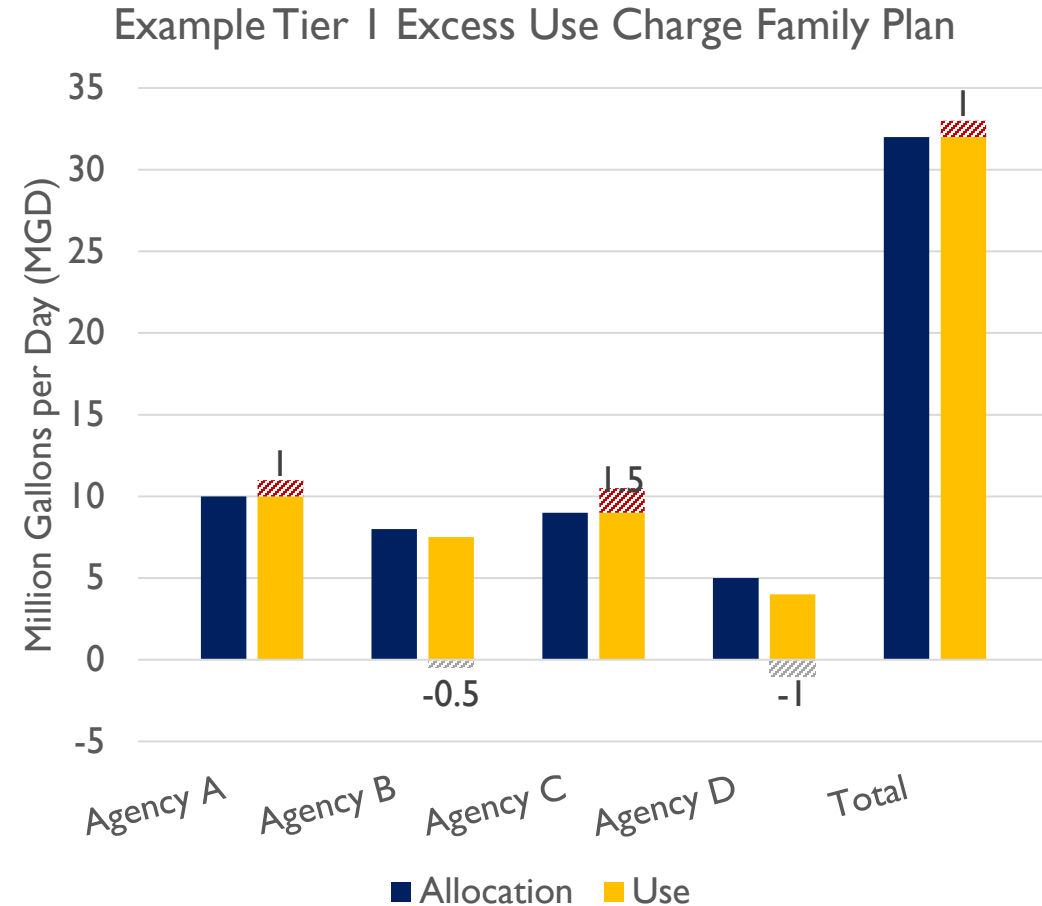
Tier I Plan Amendment Incorporates New Tier I Excess Use Charge Family Plan

- **Existing** - Excess use charges only applied during mandatory rationing conditions
- **New** - No excess use charges applied if collective Wholesale Customer purchases are less than Tier I allocation (*Similar to a cell phone family plan*)



Example of Proportional Excess Use Charge if Wholesale Customers Exceed Tier I Allocation

Agency	Allocation	Use	Over/ Under	Proportional Excess Use
A	10	11	1	0.4
B	8	7.5	-0.5	
C	9	10.5	1.5	0.6
D	5	4	-1	
Total	32	33	1	1



Minimum Purchase Requirements Apply to Four Agencies

- Minimum purchase requirements have been in place since the 1960s
 - Minimum Purchase Quantities (MPQs) lowered in 2009 (15+ years ago)
- Four Wholesale Customers with access to other imported water must purchase a minimum amount of water from the San Francisco Regional Water System (RWS)
 1. Alameda County Water District
 2. City of Milpitas
 3. City of Mountain View
 4. City of Sunnyvale
- Conditions have changed since MPQs were lowered in 2009 and require another reset
 - Overall demand on the RWS is lower
 - RWS is still subject to severe drought
 - San Francisco and all Wholesale Customers want to improve reliability of the RWS
 - Some MPQ agencies are paying for water they cannot use

Minimum Purchase Amendment has Three Simple Elements

1

MPQ Reset

2

Drought Rebound MPQ

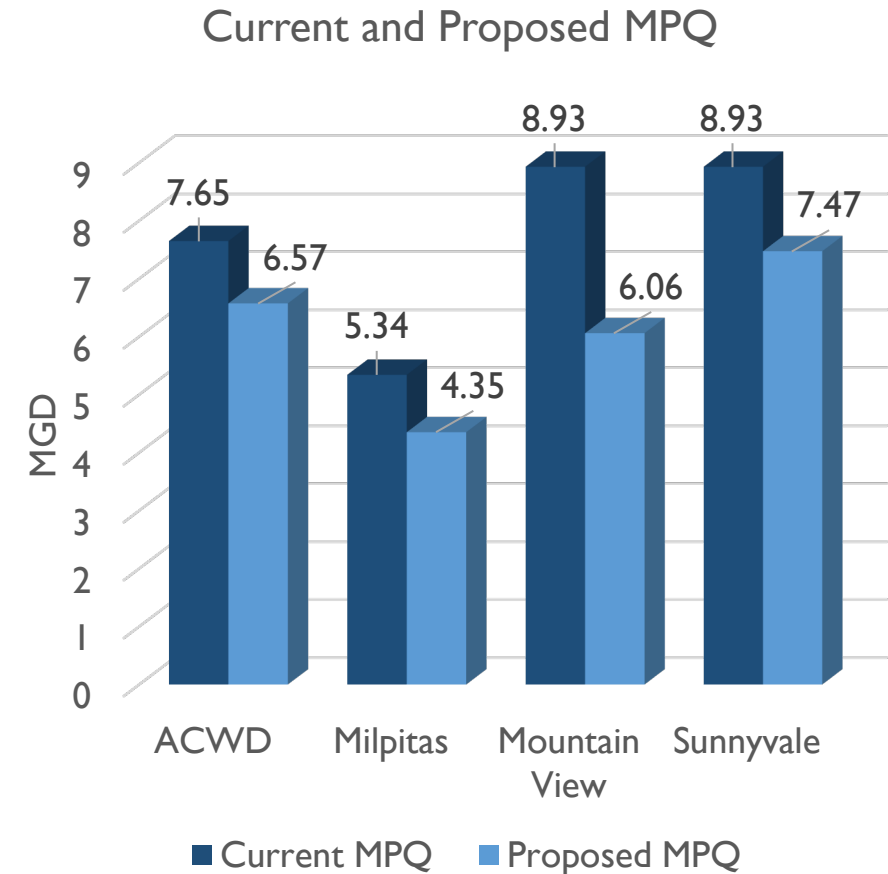
3

MPQ Collective Purchases Family Plan

Element I: Minimum Purchase Quantity Reset

- MPQs reset at 80% of SFPUC use from previous four non-drought years
- 10-year review for possible downward adjustment, if warranted

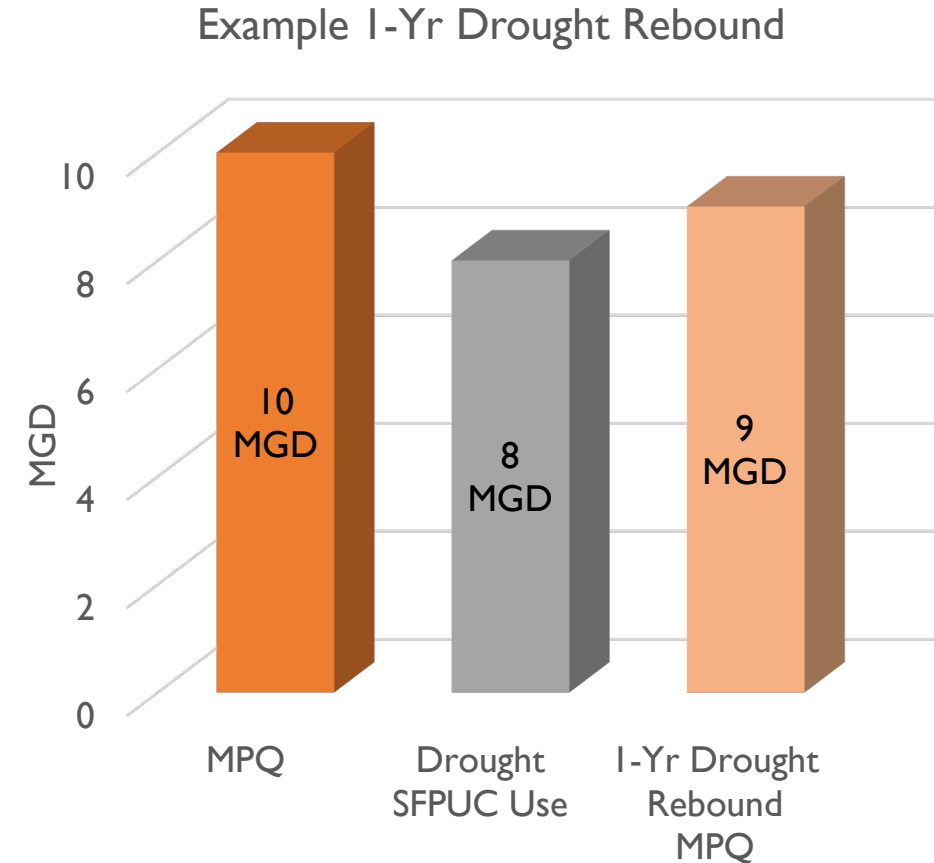
Note: 1984 Contract which set MPQs at 80% to 100% of each agency's 1981 San Francisco purchases



Element 2: Drought Rebound MPQ

- Creates a one-year drought rebound MPQ, which is set at midpoint between actual drought water use and the reset MPQ

Note: *MPQs are waived during drought to not disincentivize water conservation*



Element 3: MPQ Collective Purchases Family Plan

- MPQ Collective Purchases Family Plan
 - If the MPQ agencies collectively achieve the total required MPQ, no agency pays a penalty for not meeting their individual required MPQ
- If not collectively achieved, MPQ agencies pay proportional to their share of under-usage

WSA Amendment Impacts

Cost Analysis

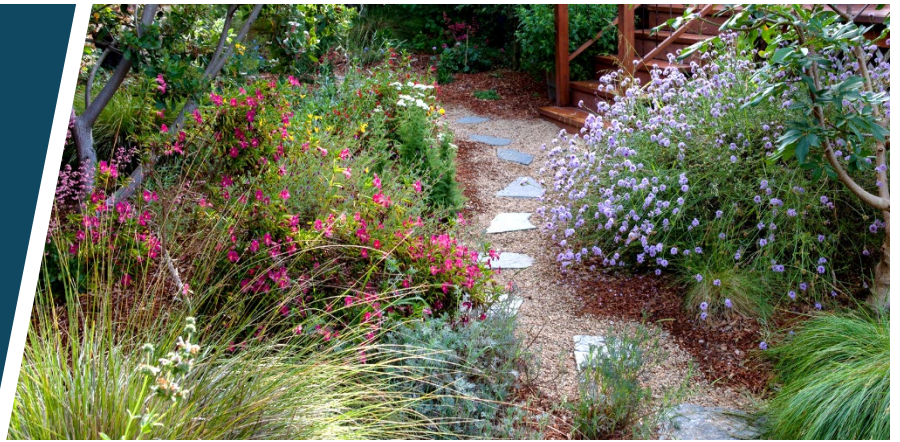
- \$0.007 to \$0.040 per Ccf (0.13% to 0.72%) wholesale and retail customer increase

Benefits Analysis

- Removes a barrier for MPQ agencies to develop drought resistant local supplies and investment in water use efficiency
 - Improves reliability of the RWS
 - Benefits all RWS users
- MPQ agencies are well situated to develop local, drought resistant supplies
 - Large water agency
 - Manage own wastewater
 - Access to groundwater
- Minimizes agencies being charged for unused water

Tier 1 and Tier 2 Drought Allocation Plans

December 2024



Application and Adoption of the Tier 1 and Tier 2 Plans

The Tier 1 and Tier 2 Plans only apply during system-wide water shortages caused by **drought of 20% or less**.

The Tier 1 Plan is contained in the Water Supply Agreement between San Francisco and the Wholesale Customers (WSA).

Changes to the Tier 1 Plan require an amendment to the WSA.

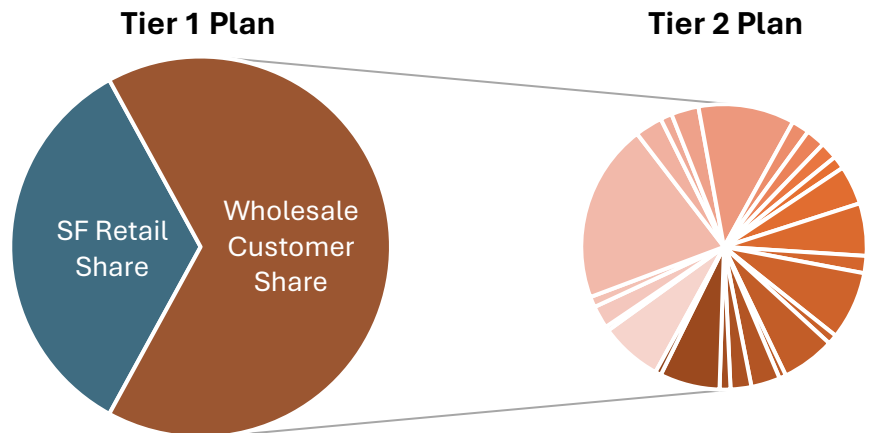
The existing Tier 2 Plan was adopted in 2011 and set to expire in 2018. Since 2018, the BAWSCA Board has annually extended the existing Tier 2 Plan while the Wholesale Customers developed a revised Tier 2 Plan.

The Tier 2 Plan must be unanimously adopted by the 26 Wholesale Customers. Under the WSA, San Francisco must provide allocations of water unanimously agreed to by all Wholesale Customers or adopted by the BAWSCA Board. (WSA Section 3.11.C) If a Tier 2 Plan is not adopted by the BAWSCA Board, San Francisco may make a final allocation decision.

Droughts on the San Francisco Regional Water System (RWS) are governed by two plans:

The **Tier 1 Plan** allocates RWS water between San Francisco retail customers and the Wholesale Customers collectively.

The **Tier 2 Plan** is the method for allocating the Wholesale Customers' share of RWS supply among the 26 Wholesale Customers.



Tier 1 and 2 Plan Implementation

Following declaration of a water shortage emergency by the San Francisco Public Utilities Commission (SFPUC), the SFPUC calculates the Tier 1 allocations. Then BAWSCA calculates each Wholesale Customer's individual allocation by applying the methodology in the Tier 2 Plan.

For the duration of the water shortage emergency, the SFPUC provides monthly reports to Wholesale Customers and BAWSCA, tracking actual water usage against drought allocations and detailing any transfers of shortage allocations or banked water among agencies.

The Tier 1 and Tier 2 Plans were implemented for the first time ever during the 2021-23 drought.

Tier 1 Shortage Allocation Plan Update

The Tier 1 Shortage Allocation Plan (Tier 1 Plan) allocates RWS supplies between San Francisco retail customers and the Wholesale Customers collectively and outlines the administrative process for drought allocations, including timelines, transfers of shortage allocations, and excess use charges.

San Francisco and the Wholesale Customers agreed to amend the Tier 1 Plan to include a new Tier 1 Excess Use Charge Family Plan (described below).

Tier 1 Excess Use Charge Family Plan

Excess use charges are only applied when the collective Wholesale Customer usage exceeds the Tier 1 allocation. If this occurs, excess use charges will be proportionally applied to agencies that exceeded their individual Tier 2 allocations.

Updated Tier 2 Drought Response and Implementation Plan

In early 2022, BAWSCA and Wholesale Customers began negotiating a Tier 2 Drought Response Implementation Plan (Tier 2 Plan) update. Lead negotiators appointed by each agency established four policy principles (listed below). Through mid-2024, the lead negotiators assessed various methods for allocating RWS drought supplies to align with these policy principles until they agreed on a final methodology.

Policy Principles

- #1:** Provide sufficient water for the basic health and safety needs of customers.
- #2:** Minimize economic and other adverse impacts of water shortages on customers and the BAWSCA region.
- #3:** Provide predictability of drought allocations through consistent and predetermined rules for calculation, while allowing for flexibility to respond to unforeseen circumstances.
- #4:** Recognize benefits of, and avoid disincentives for, water use efficiency and development of alternative water supply projects.

Tier 2 Plan Term

The Tier 2 Plan term is coordinated with the term of the WSA to avoid simultaneous renegotiation of these related agreements.

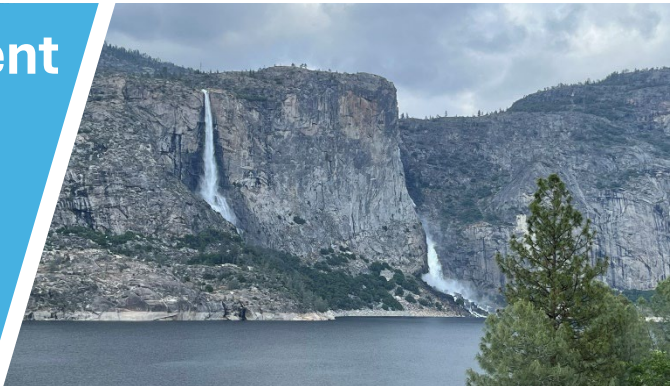
Negotiated Tier 2 Plan Allocation Formula

Allocations are determined using multiple factors:

- **Minimum and Maximum Cutbacks:** Establishes the upper and lower bounds of each Wholesale Customer's final allocation.
- **Residential Per Capita Basis:** Allocates water on a residential per capita basis, based on the portion of each agency's potable water demand met by the RWS.
- **Non-Residential Base Use:** Allocates water based on each agency's estimated non-residential indoor (base) use.
- **Seasonal Purchases:** Allocates water based on estimated seasonal use from the RWS.
- **Base Purchases/Individual Supply Guarantee (ISG) Weighted Share:** Remaining water is allocated based on a weighted share of 2/3 of RWS purchases and 1/3 of ISG.

N. Proposed Water Supply Agreement (WSA) Contract Amendment Regarding the Minimum Purchase Quantity (MPQ)

December 2024



What is the Minimum Purchase Requirement?

As early as the 1960s, four agencies with access to sources of supply not available to either San Francisco or the other Wholesale Customers were required to purchase a “minimum annual quantity of water” from the San Francisco Regional Water System (RWS).

The Minimum Purchase requirement guarantees an ongoing financial stake in the RWS and provides year-to-year financial stability for the RWS.

To encourage water conservation during droughts, MPQs are waived.

Why is the Minimum Purchase Amendment Needed?

The Minimum Purchase Quantities (MPQs) are no longer achieving their intended purpose given today’s conditions.

- Droughts, investments in water use efficiency, and development of local supplies have reduced demand on the RWS.
- The RWS is currently subject to severe drought and the SFPUC is investigating alternatives.
- MPQ agencies are well situated to develop local, drought resilient supplies, which improves reliability of the RWS for all users.
- Current MPQs disincentivize investments in local supplies.

Policy Considerations Driving the Minimum Purchase Amendment

- Acknowledge MPQ agencies' efforts toward permanent conservation and recycled water, while protecting the RWS from supply shifting based on cost.
- Reflect a realistic demand recovery period after droughts.
- Ensure cost impacts are shared between SF Retail and Wholesale Customers.

Proposed Amendment

The proposed amendment has three components:

1. MPQ Reset

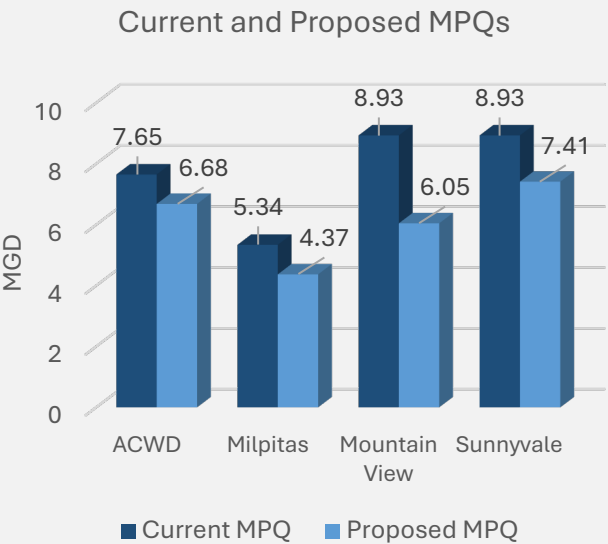
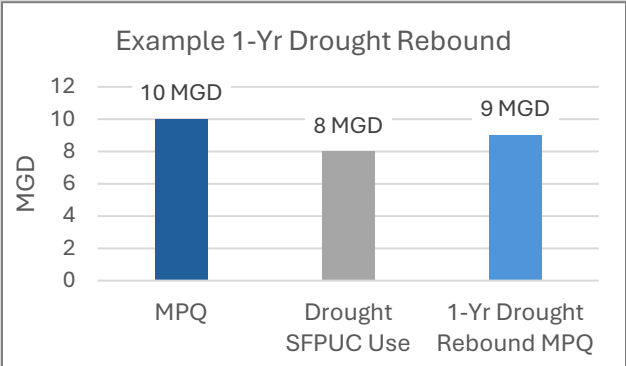
- MPQ reset at 80% of average SFPUC use from previous four non-drought years.
- Review every 10 years.

2. MPQ Family Plan

- Imputed sales will only be applied if the Minimum Purchase Agencies collectively use less than the sum of MPQ.

3. Drought Rebound

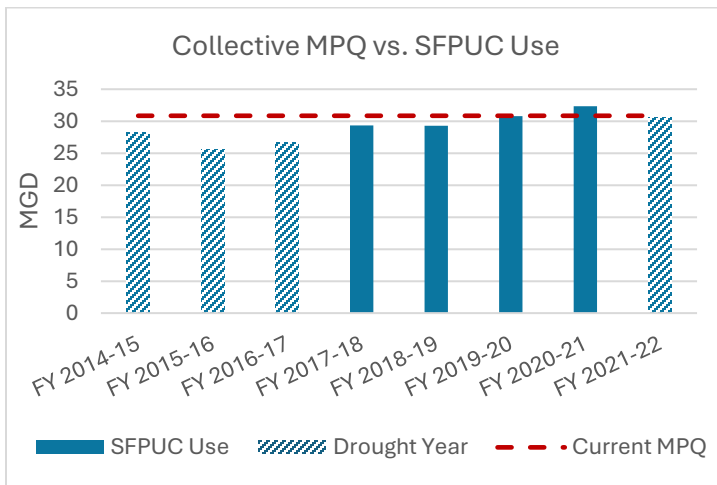
- One-year drought rebound MPQ set at the mid-point between drought use and MPQ.



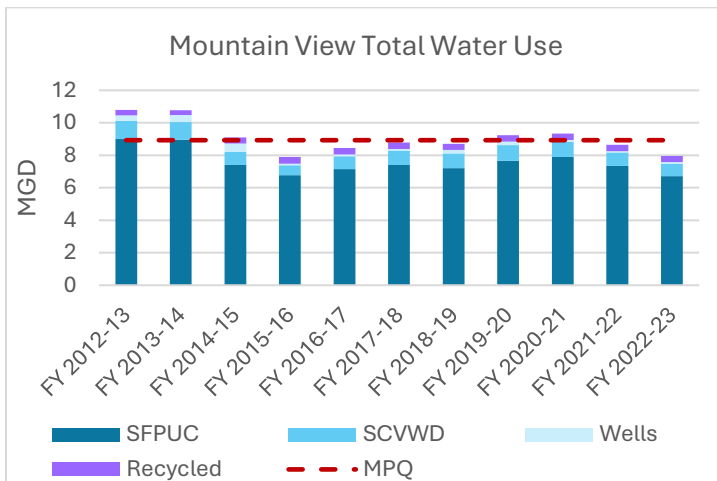
How does the Minimum Purchase Agencies' SFPUC use today compare to MPQs set in the 1980s?

Long-term investments in recycled water and water use efficiency have lowered demand on the RWS. Reductions in water use in response to SFPUC and state mandates for wise water use during droughts often persist for several years after restrictions are lifted. While MPQs are waived during droughts, they are reinstated immediately afterward, even though demand may take several years to rebound to pre-drought levels.

During the four non-drought years between the 2015-17 and the 2021-23 drought, the Minimum Purchase Agencies' collectively RWS purchases were at or below the total MPQ in all but one year.



More specifically, Mountain View's total water use from all potable supplies was below its MPQ in eight of the last 11 years (i.e., Mountain View doesn't have the demand in its service area to use the minimum amount of water it's required to purchase from the RWS).



What are the key Protections for the Wholesale Customer Provided by the Proposed Amendment?

Maintains purpose of the Minimum Purchase requirement:

- Ensures that Minimum Purchase Agencies don't shift purchases away from the RWS.

Improves the reliability of the RWS for all users:

- Allows Minimum Purchase Agencies to develop local supplies, reducing demand on the RWS.
- Extends duration that the 184 MGD Supply Assurance will meet Wholesale Customer demand.
- Cost shared proportionately between San Francisco and Wholesale Customers.

Enhances future stability of the WSA:

- Aligns intent of different sections of the WSA regarding development of local supplies while maintaining financial stability of the RWS.

What are the impacts to the WSA?

Cost Analysis

Given proportional allocation of costs based on purchases from the RWS, future analysis is imprecise (i.e., unit cost of water is based on variables that are hard to predict, such as total purchases).

Based on historical analysis, the cost increase of the amendment, in non-drought years, may be between \$0.007 to \$0.040 per ccf (0.13% to 0.72%). There is no impact in drought years.

Benefits Analysis

Removes barrier for MPQ agencies to develop drought-resistant local supplies, which improves reliability of the RWS and benefits all RWS users.

Ensures agencies are not charged for unused water.

Why is this Minimum Purchase amendment moving forward with the Tier 2 Plan?

The updated Tier 2 Plan imposes higher drought cutbacks on Minimum Purchase Agencies, further reducing RWS use below their MPQs and increasing the risk of paying for unused water once the drought restrictions are lifted. The proposed WSA amendment addresses this issue and other long-standing concerns raised by the Minimum Purchase Agencies.

File Attachments for Item:

O. Receive Report on City of Brisbane Volunteer Initiatives and Provide Direction to Staff



CITY COUNCIL AGENDA REPORT

Meeting Date:

September 4, 2025

From:

Christina Fernandez, Assistant City Manager

Subject:

City of Brisbane Volunteer Initiative

Recommendation

Staff recommends that the City Council receive a report on citywide volunteer initiatives and provide direction to staff on the creation of a comprehensive citywide volunteer initiative.

Background

On March 22, 2025, the City Council discussed and provided staff direction on its top three Council priorities for Fiscal Year 2025-2026. Top priorities included (1) maintaining the Fiscal Health of the City, (2) Improving Existing City Facilities, and (3) emphasizing the creation of a coordinated and comprehensive volunteer initiative.

Existing Volunteer Opportunities

The City has a proud history of an engaged community willing to lend their talents for the greater good. City Manager's office staff requested city departments provide a list of their existing programs as well as potential volunteer opportunities.

Existing opportunities include:

- Invasive Species Removal
- Habitat Restoration
- Coastal Clean Up Days
- Assembling New Resident Packets
- Outreach for various low-income utility programs
- Photography volunteer opportunities
- Adopt-A-Drain Program
- Senior Programs
- Senior Lunches
- Special Event Support
- Youth Sports Coaches
- Leaders in Training
- Community Garden
- Age Friendly Task Force
- Commissions and Committees

The City of Brisbane Volunteerism Survey

In order to better understand the interests of community members and explore the potential expansion of volunteer opportunities, a citywide volunteerism survey was released to the public on August 4, 2025; the survey closed on August 22 and 43 responses were received. The results of the survey show that the majority of residents were aware of volunteer opportunities in the City, many learning of these opportunities through the STAR Newsletter and by word-of-mouth. (Table 1)

4. If yes, how did you hear about it?

25/43 - Multiple choice - choose many - optional

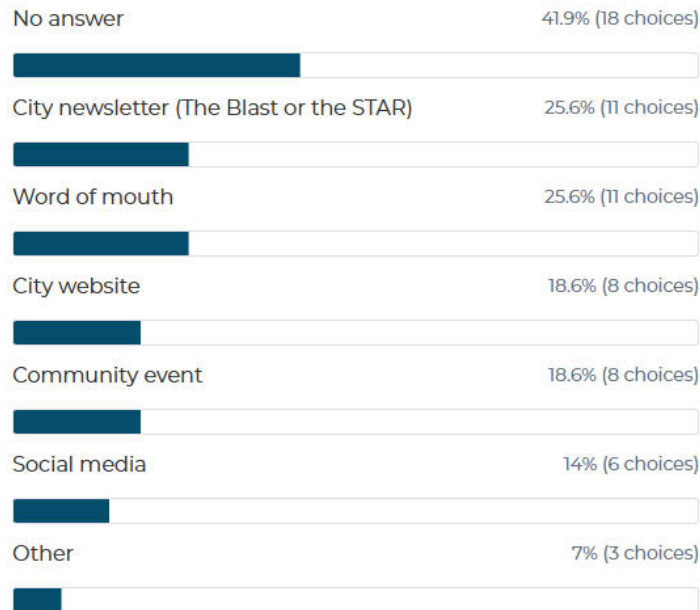


Table 1

Additionally, the majority of responding residents were interested in outdoor activities (46.5%), event-based opportunities (44.2%), or ongoing/regular commitments (27.9%). Approximately 25% were interested in indoor activities and 14% were interest in youth volunteer opportunities. Approximately 18% were undecided on the type of activity. (Table 2)

5. What type of volunteer activities are you interested in?

29/43 - Multiple choice - choose many - optional

Outdoor activities (e.g. park clean-ups, tree planting) 46.5% (20 choices)



One-time or event-based opportunities 44.2% (19 choices)



No answer 32.6% (14 choices)



Ongoing or regular commitments 27.9% (12 choices)



Indoor activities (i.e. office support, event planning) 25.6% (11 choices)



Not sure yet 18.6% (8 choices)



Youth or teen volunteer programs 14% (6 choices)



Other 4.7% (2 choices)



Table 2

Regarding the City's current volunteer opportunities, responding residents were interested in Special Event Support such as Day in the Park or Coastal Cleanups, as well as assistance in (1) Assembling New Resident Packets, (2) Adult Literacy, (3) Habitat Restoration and (4) Removal of Invasive Species. Approximately 23% were interested in participating in City Committees. The top choices are listed below in *Table 3*. For the full list of opportunities, please refer to the full survey results in Attachment 1.

6. The City of Brisbane currently offers a variety of volunteer opportunities. Which of the following would you be interested in?

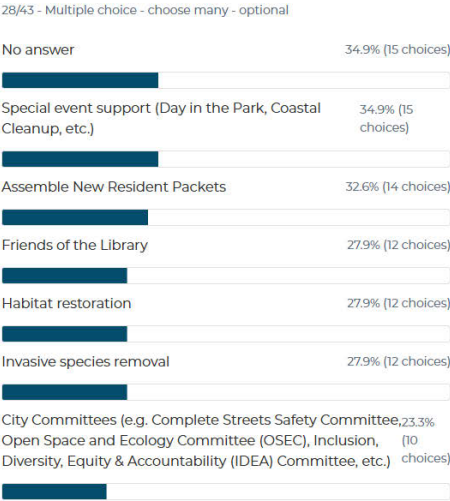


Table 3

When asked if there were other opportunities respondents would like the City to consider offering, respondents were interested in a Fix-It Clinic, Tree Care and Advocacy Program, Expanded stewardship of Open Spaces, School and Afterschool volunteering, and a skills-bank exchange.

Respondents also noted that they would be interested in contributing their talents to the community in the form of providing activities for teens/young adults with disabilities, grant writing, and protecting natural spaces.

Overall, there is strong interest in environmental stewardship, community events, senior support, and practical skill-sharing.

Potential Volunteer Programs

Based on direction provided at the City Council retreat in March, staff worked to identify potential volunteer programs or an expansion of existing programs. Some of these programs will be contingent on city resources and staff capacity. Additionally, some of these potential opportunities have been discussed informally by Council, staff, or committees in the past but have yet to be formally created. The potential programs listed below are categorized according to issue areas of interest as identified in the volunteerism survey.

<i>Beautification</i> • Benches • Plogging • Painting at Community Parking Seating Wall • Flower Planting at Community Park • Painting of concrete benches along the Bay Trail • Public Art Ambassadors	<i>Environmental Stewardship</i> • Ivy Removal • Community Hikes • Crocker Trail Trash Pick Up • Adopt a Planting Strip
<i>Outreach/Community Events</i> • Outreach with Bakfiet Cargo Bike • Public engagement/community outreach (like posting flyers around town) • Administrative support at the Sunrise Room • Distribution of Emergency Preparedness materials via door hangers • Youth Votes Project	<i>Skill-Sharing</i> • Skill bank/Talent Share • Fix-It Clinic • Tech and E-Waste Sorting Help • Staining of wooden benches at Sierra Point

Staff analyzed the citywide survey results and information provided by city departments to put together a workplan for a comprehensive volunteer initiative for Council review and feedback.

Discussion

Staff recommends that the City Council discuss the types of volunteer activities it wishes to include in a comprehensive volunteer program that includes both outward and internal facing tools to ensure a robust volunteer base in Brisbane.

Some of the potential tools include building a repository of volunteers, which would allow departments to have access to a list of known volunteers and their interests. This allows for more targeted outreach to those volunteers for specific events. It also ensures that the City is able to maintain necessary administrative paperwork such as volunteer waivers.

Staff recommends a standardized Volunteer Interest Form for all volunteer activities. This Volunteer Interest Form would include types of volunteer opportunities, days of the week available, preferred times, preferred methods of communication, and talents or skills volunteers may be able to offer.

The interest form would be made available on a dedicated City website specifically for volunteers. The City website is currently undergoing a refresh, and this provides staff the opportunity to create an integrated volunteer webpage which will include the volunteer interest form, available volunteer opportunities, and a volunteer repository to be created.

Staff will utilize the STAR newsletter to provide residents with information about volunteer events, the City's calendar of events, and other relevant information for volunteers like potential trainings.

Pending Council feedback and direction, staff anticipates creating a new dedicated webpage for publication during the unveiling of the new website in the Fall 2025. The creation of the standard volunteer template and interest form will begin in September and be finalized by October, in time for placement on the new webpage.

Concurrently, staff will also begin building a repository of volunteers through a coordinated effort with all city departments. A new volunteer section of the STAR newsletter will take place once the repository is built out and the webpage is live. Staff anticipates capturing the many holiday volunteer opportunities available. Through the use of new project management tools, staff will capture and track volunteer information, providing the City with a repository of volunteers to call upon when needed. Volunteerism may also help in future volunteer recruitment efforts and assist in the management of the volunteer corps.

Conclusion

Based on Council direction at the Council Retreat in March, staff surveyed the public and city departments to better understand existing volunteer opportunities and potential expansion of opportunities in the near future. The proposed workplan is a reflection of that data. Should Council wish to proceed with the workplan as outlined above, City staff will begin working on an expanded volunteer program with new volunteer opportunities, standardizing templates, a repository of volunteers, and a dedicated website.

Fiscal Impact

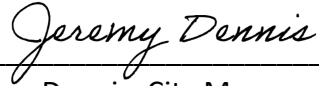
The volunteer initiative has budgeted staff resources. No additional fiscal impacts are known at this time.

Attachments

1. Volunteer Survey



Christina Fernandez, Assistant City Manager



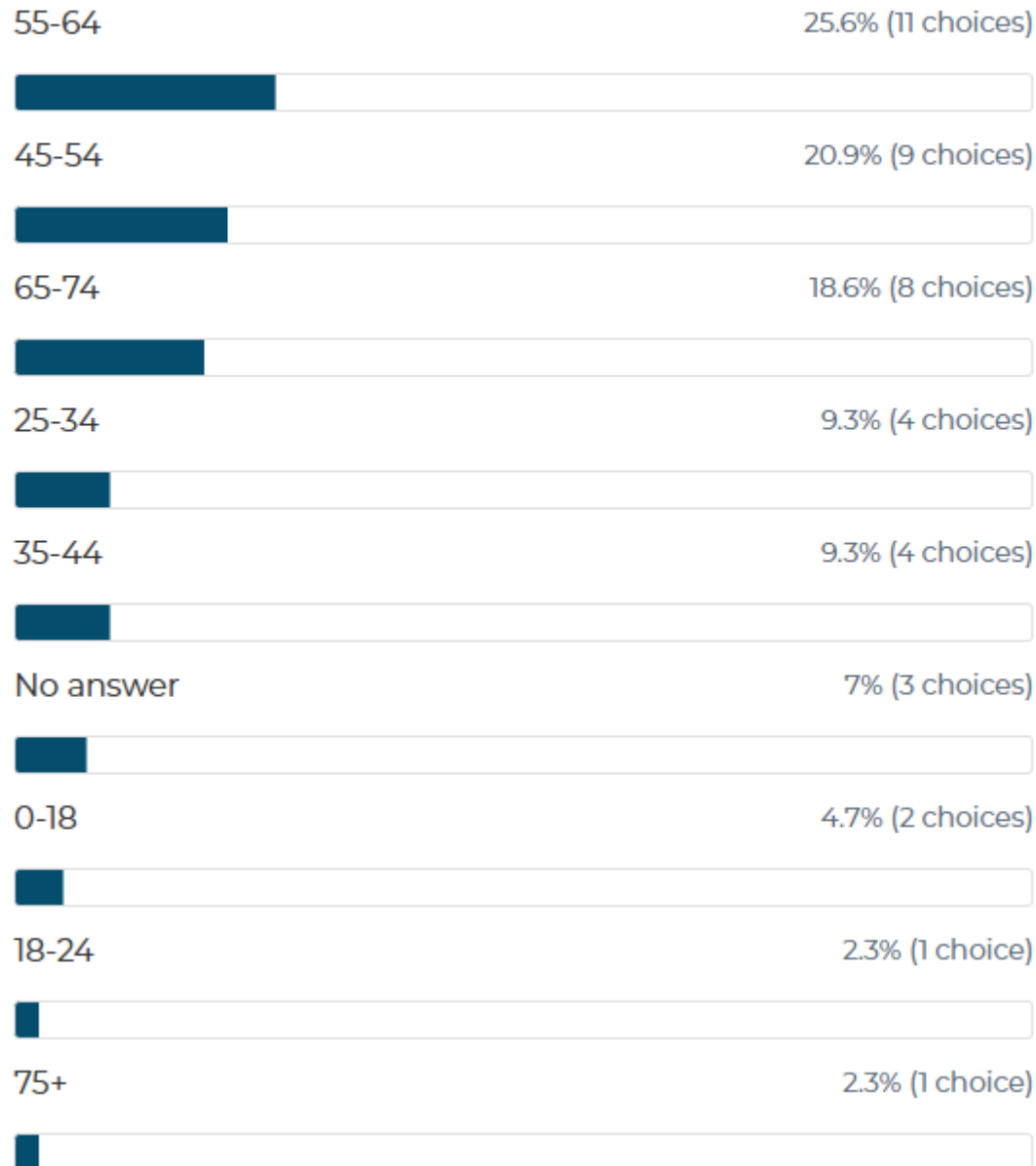
Jeremy Dennis, City Manager

Resident Interest in Volunteerism

August 4, 2025 – August 22, 2025

1. What is your age range?

40/43 - Multiple choice - choose one - optional



2. Are you a resident or a business?

30/43 - Multiple choice - choose one - optional

Resident 65.1% (28 choices)



No answer 32.6% (14 choices)



Both 2.3% (1 choice)



Business 0% (0 choices)



3. Were you aware that you can volunteer with the City of Brisbane?

29/43 - Multiple choice - choose one - optional

Yes 51.2% (22 choices)



No answer 32.6% (14 choices)



No 16.3% (7 choices)



4. If yes, how did you hear about it?

25/43 - Multiple choice - choose many - optional

No answer 41.9% (18 choices)



City newsletter (The Blast or the STAR) 25.6% (11 choices)



Word of mouth 25.6% (11 choices)



City website 18.6% (8 choices)



Community event 18.6% (8 choices)



Social media 14% (6 choices)



Other 7% (3 choices)



Other responses (3)

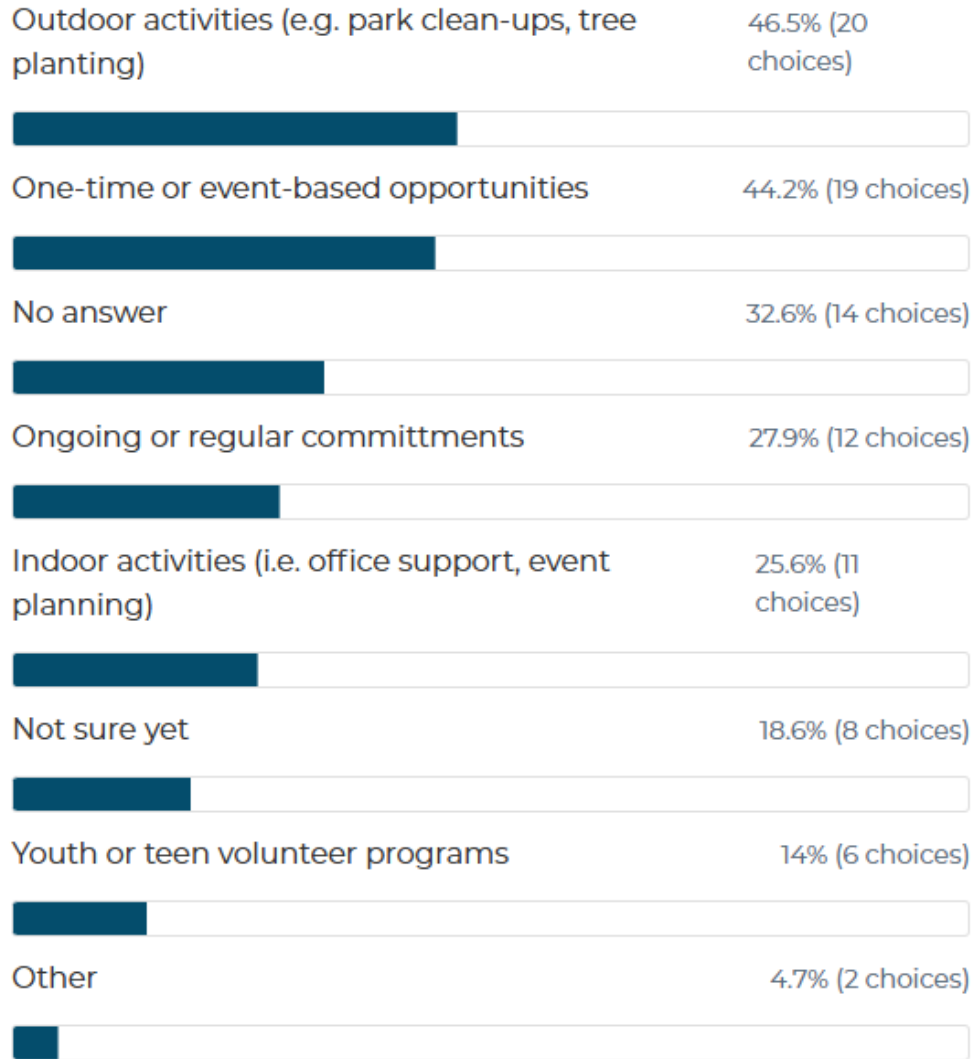
Former employee

Grew up with it.

Referral from a friend.

5. What type of volunteer activities are you interested in?

29/43 - Multiple choice - choose many - optional



Other responses (2)

Just about anything.

Tree health program. Open space advocacy program.

6. The City of Brisbane currently offers a variety of volunteer opportunities. Which of the following would you be interested in?

28/43 - Multiple choice - choose many - optional

No answer 34.9% (15 choices)



Special event support (Day in the Park, Coastal Cleanup, etc.) 34.9% (15 choices)



Assemble New Resident Packets 32.6% (14 choices)



Friends of the Library 27.9% (12 choices)



Habitat restoration 27.9% (12 choices)



Invasive species removal 27.9% (12 choices)



City Committees (e.g. Complete Streets Safety Committee, Open Space and Ecology Committee (OSEC), Inclusion, Diversity, Equity & Accountability (IDEA) Committee, etc.) 23.3% (10 choices)



Making, serving, &/or delivering Senior lunches 23.3% (10 choices)



Brisbane 101 (one-day learning event about the City) 18.6% (8 choices)



CERT (Community Emergency Response Training) 18.6% (8 choices)



Distribution of risk reduction materials for Fire Department 16.3% (7 choices)



Adopt-A-Drain 16.3% (7 choices)



Participating in Age-Friendly Task Force 14% (6 choices)



Senior programs (walking groups, tech support, classes, etc.) 14% (6 choices)



Taking photos of Brisbane for use on website, reports, etc. 11.6% (5 choices)



Leaders in Training (youth volunteers) 9.3% (4 choices)



Community Garden oversight 9.3% (4 choices)



Adult Literacy Tutoring 7% (3 choices)



Youth sport coaching 2.3% (1 choice)



LIRA (Low-Income Rate Assistance) or PG&E CARE Assistance 2.3% (1 choice)



7. Are there any other issue areas or volunteer activities you'd like the City to consider offering? (short-answer text box)

- a Fix-It Clinic where skilled residents can help others fix broken items, or a series of classes where they can teach people how to sew, etc.
- Form a volunteer Tree care and assist program to help people properly care for their trees and promote a healthy tree canopy.
- The city staff may need some assistance.
- Skill bank/exchange
- Contribute to a history of Brisbane
- Expanding volunteer events and stewardship opportunities at city open spaces (especially the Brisbane Acres, Costaños Canyon, Firth Canyon). Invasive plant removal, native planting, pathway and trail maintenance
- Beautification projects and clean up
- School and aftercare
- Recycling, Minimizing Waste, Resource Use

8. In what other ways would you like to contribute your time and talents to the community?

3/43 - Short answer - optional

All responses (3)

Activities that are appropriate for teens / young adults with disabilities

Grant writing

protecting natural spaces

File Attachments for Item:

Q. Countywide Assignments and Subcommittee Reports

i. Report Out on Subcommittee Meetings

ii. Upcoming Subcommittee Meetings



CITY of BRISBANE

Council Subcommittee Update

From July 12th, 2025 to August 29th, 2025

1. Report Out on Subcommittees/Committees

A. Infrastructure, Utilities & Franchise Subcommittee

7/15

Lentz, O'Connell

The subcommittee met with the Bay Area Water Supply & Conservation Agency (BAWSCA) to review the Proposed Updates to Tier 2 Plan and Water Supply Agreement (WSA) Amendments. These revisions will update the existing agreement between San Francisco and its 26 wholesale customer agencies, including Brisbane.

Key Changes:

- Updated Tier 2 Plan methodology for determining each Wholesale Customer's allocation from the Regional Water System during a water shortage emergency.
- A "family plan" approach to supply allocations, which avoids excess use charges for individual agencies if the overall group remains within the collective Tier 1 allocation.
- Modified Minimum Purchase requirements for four Wholesale Customers to better reflect evolving local supply conditions and support regional alternative water supply opportunities.

Why It Matters for Brisbane:

- Provides greater flexibility for Brisbane to meet water use requirements during droughts or mandatory reductions.
- Reduces the risk of penalties or shortfalls by allowing Brisbane to balance usage with other agencies.
- Adjusting minimum purchase requirements for agencies with stronger local supplies helps strengthen the overall reliability of the Regional Water System, benefiting Brisbane and all users.

Next Steps 1: Councilmembers are encouraged to meet with staff for a more detailed briefing on this project before Council review.

Next Steps 2: The Updated Tier 2 Plan and WSA Amendments will be brought to Council in September for consideration and possible adoption.

To view the agenda report and presentation online, please visit:

<https://www.brisbaneca.org/citycouncil/meeting/infrastructure-franchise-utilities-subcommittee-1>

B. Public Art Advisory Committee

7/21

Davis, O'Connell

The committee toured the Bank of America (BoFA) site and the skatepark. For the BoFA, there was discussion regarding art exhibits, makerspace opportunities and other possibilities. For the skatepark, the focus is on the new rock formation on the corner of Park Lane and Old County Road. Currently, the committee is not interested in painting it.

Next Step #1: The BofA site will be on future agendas with other subcommittees/city committees as appropriate for brainstorm sessions.

The Committee discussed opportunities for art at Firth Park, such as a fence or barrier separating the park from Glen Parkway, sculptures, new Firth Park mosaic and the stairway. They also reviewed the draft Request for Proposal for this project.

Next Steps #1: Staff will inquire with Public Works on their estimate of an engineered fence or barrier.

Next Steps #2: Staff to update the Request for Qualifications (RFQ), bring back to PAAC, and then present to Council in the Fall.

The committee continued discussion regarding an artfully designed bench program throughout the City. Aside from bringing art to the community, it would provide opportunities for local artists, increase civic engagement, and contribute to a more vibrant and welcoming streetscape. The Committee decided to focus on refurbishing three existing benches and commissioning three new benches.

Next Steps #1: Staff will identify ten existing benches poised for refurbishment as well as ten prospective locations for new benches and bring it back to the PAAC.

Next Steps #2: Staff will reach out to NINEdotARTS to determine an appropriate budget for this project.

Next Steps #3: Staff will bring back the City's memorial bench policy and donation policy for review.

Meeting Link:

<https://www.brisbaneca.org/bc-artadvisory/meeting/public-art-advisory-committee-meeting-23>

C. Quarry Subcommittee

7/23

Lentz, O'Connell

The subcommittee received an update on the Quarry development from Orchard Partners. They recapped the 2nd Open House and shared the comments and concerns they heard, such as noise and trucks. The developers then discussed their revised plans: building 1 will be a primary data center, which will have minimal traffic, offer well paid jobs, but will require less employees; Building 2 will be a mix of advanced manufacturing and warehousing. The data center they are proposing is on a closed loop cooling, which means that it does not require water and has lower noise.

Orchard Partners will conduct virtual offices hours every 2nd and 4th Wednesday of the month throughout the Fall for the public. They are aiming to submit their revised design permit in August to the City.

Meeting Link: <https://www.brisbaneca.org/citycouncil/meeting/quarry-subcommittee-meeting-1>

D. Sierra Point Parks & Open Space Subcommittee**7/24****Kern, Lentz**

The subcommittee explored options for city owned land in the Sierra point Parkway District that would enhance the open space and public amenities. Willet Moss from CMG and Len Matterman and Summer Bundy from One Shoreline joined the meeting to also discuss opportunities and provide guidance. Matterman discussed the Regional Shoreline Grant received from the State; the grant is a two-year process to develop the shoreline from SSF to Candlestick Point. Moss reviewed the past work provided and the potential to focus on specific areas by creating renderings in relation to Sea Level Rise as well as resolving parking concerns for boaters. One Shoreline and CMG work together on many projects.

Next Steps: Staff, with support from CMG, are reviewing existing recreational opportunities/attributes identified in previous work products on this project to determine their compatibility with the approximately 1.5 acres site. The subcommittee has directed staff to schedule a meeting with the boating community to ensure all feedback has been collected, given thorough consideration and incorporated as possible. The subcommittee will use this combination of effort and data collection to set clear delineation between any work in the upland area (Parcel R) and those projects best overseen by the Sea Level Rise Subcommittee. In addition, the subcommittee will have further future discussions regarding engagement with the broader environmental community, as appropriate.

Meeting Link:

<https://www.brisbaneca.org/citycouncil/meeting/sierra-point-parks-open-space-subcommittee>

E. Communications, Outreach & Engagement Subcommittee**8/6****Mackin, Kern**

The subcommittee reviewed the results of the City's Communications Survey, which was to see how residents access City information, educate them on the various tools available, as well as hear resident feedback on the City's communication efforts. There were 109 respondents, and a summary of the survey responses are on the meeting link below.

The subcommittee then discussed the layout and design of the expanded STAR newsletter. The City Manager's office has decided to move to a 12-page issue to allow for more content for items such as: Commission and Committee's work and current projects, additional City news, and a standing "Seniors Corner". Staff is also retooling the STAR's formatting by featuring 3-column spacing for articles and other styles to allow for better readability and visual breathing room. The subcommittee provided feedback and would like to see a full mock-up in September. The four sample templates may be viewed on the meeting link below.

Next Steps 1: Staff will create a mock-up and bring back to the subcommittee in September.

The subcommittee viewed various city websites designed by CivicPlus and shared initial feedback. Staff also showed a homepage layout and color proposal prepared by CivicPlus for the City. It is anticipated that the new website launch will be in November.

Q. Next Steps 2: Staff will continue to work on the redesign with CivicPlus and meet with the subcommittee in September.

Meeting link:

<https://www.brisbaneca.org/citycouncil/meeting/communication-outreach-engagement-subcommittee>

2. Upcoming Subcommittees:

Communications Subcommittee	9/9 3:30pm	Kern, Mackin
Public Art Advisory Committee	9/15 5:15pm	Davis, O'Connell
Facilities Subcommittee	9/16 3:30pm	Davis, Mackin

3. Proposed Subcommittees:

Does any councilmember wish to propose any items for a subcommittee to discuss?