

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
BOARD OF DIRECTORS MEETING**

**January 18, 2018 – 6:30 p.m.
Oak Room – San Mateo Main Library – San Mateo, CA**

MINUTES

1. Call to Order/Pledge of Allegiance/Roll Call – 6:30 pm

BAWSCA Chair, Al Mendall, called the meeting to order and led the salute to the flag. Nicole Sandkulla called the roll. Fifteen (15) members of the Board were present at roll call, constituting a quorum. Two arrived after roll-call. A list of Directors present (17) and absent (9) is attached.

2. Special Order of Business: Election of Officers for Calendar Year 2018.

Vice Chair Pierce called for nominations for the position of Chair of the BAWSCA Board. Director Larsson nominated Al Mendall for Chair. Director Quigg seconded the nomination. There being no other nominations, nominations were closed by consensus.

The Board unanimously voted to elect Al Mendall as Chair of the Bay Area Water Supply and Conservation Agency Board of Directors for calendar year 2018 to commence at the adjournment of the meeting at which he was elected.

Chair Mendall called for nominations for the position of Vice-Chair. Director Quigg nominated Barbara Pierce as Vice-Chair of the Board, and was seconded by Director Richardson. There being no other nominations, nominations were closed by consensus.

The Board unanimously voted to elect Barbara Pierce as Vice-Chair of the Bay Area Water Supply and Conservation Agency Board of Directors for calendar year 2018 to commence at the adjournment of the meeting at which she was elected.

3. The meeting adjourned at 6:33 pm to convene the San Francisco Bay Area Regional Water System Financing Authority Board of Directors meeting.**4. The meeting reconvened at 6:35 pm**

- 5. Comments by the Chair:** Chair Mendall noted that the agenda includes Board discussions on the budget planning and results to be achieved for FY 2018-19. The CEO will present BAWSCA's priorities that are aligned with its goals of ensuring a reliable supply of high quality water at a fair price for the water customers of BAWSCA's member agencies. The Board's input on the issues, priorities and results to be achieved for FY 2018-19 is critical. Chair Mendall encouraged members of the Board to participate in the discussions.

6. **Board Policy Committee (BPC) Report:** Director Larsson reported the discussions and actions taken by the Board Policy Committee at its meeting on December 13, 2017. They are reflected in the BPC summary report included in the packet.
7. **SFPUC Report:** General Manager, Harlan Kelly reported the SFPUC's efforts with its budget development for FY 2018-19, and its collaboration with BAWSCA on the development of its 10-year CIP.

Steve Ritchie, Assistant General Manager for Water Enterprise, reported on current water supply conditions and water storage.

8. **Public Comments:** There were no public comments:

9. **Consent Calendar:**

Director Quigg made a motion, seconded by Director Pierce, to approve the Minutes of the November 16, 2017 meeting, receive and file the Budget Status Report as of November 30, 2017, the Investment Report as of December 31, 2017, Directors' Reimbursement Report as of November 30 2017, and to approve the proposed FY 2018-19 Bond Surcharges.

The motion carried unanimously.

10. **Action Calendar:**

- A. Mid-Year 2017-18 Work Plan and Budget Review and Management of the General Reserve

Director Keith made a motion, seconded by Director Richardson, that the Board approve the following revisions to the FY 2017-18 Work Plan:

1. **Scope Reduction/Delay:**
 - a. **Postpone development of principles for a new Tier 1 and Tier 2 drought allocation plan pending ongoing legislative activity with anticipated completion in FY 2018-19.**
2. **Scope Modification:**
 - a. **Conduct benchmarking study of the SFPUC's CIP development process instead of evaluating the SFPUC's RWS operational efficiency and cost effectiveness.**

The motion carried unanimously.

11. **Reports:**

Ms. Sandkulla reported on the member agencies' current water use, which remains below the pre-drought year of 2013. A comparison between last year shows an approximate 8% rebound.

Ms. Johnson provided a legislative update on the new State of California "Making Conservation a California Way of Life" requirements, and a report on BAWSCA's "Making Conservation a Way of Life" strategic plan.

Ms. Sandkulla announced that BAWSCA will launch an electronic filing system for FPPC Form 700 FY 2017-18.

12. Closed Session:

The meeting adjourned to Closed Session at 7:38pm.

13. Report from Closed Session:

The meeting reconvened to Open Session at 7:50pm

Legal Counsel Allison Schutte reported that no action was taken during closed session.

14. Budget Planning Session:

Ms. Sandkulla reported that BAWSCA's annual budget development process begins with the assessment of long-term critical issues and major challenges. The long-term perspective identifies the results that need to be achieved and the associated timeline to form the basis of the work plan and budget for the upcoming fiscal year.

The Board was asked to provide input on issues and challenges they would like to be considered in the development of the work plan and operating budget for FY 2018-19.

Comments received from the Board will be addressed by the CEO and presented to the Board Policy Committee for discussion at its February meeting. Feedback from the BPC will be presented at the March Board for discussion. A proposed work plan and budget will be presented to the BPC at its meeting in April, and to the Board in May for adoption.

15. Directors' Discussion: Comments, Questions and Agenda Requests: There were no further comments.

16. Date, Time and Location of Next Meeting: The next meeting is scheduled on March 15, 2018 at 6:30pm, in the Oak Room, of the San Mateo Main Library.

17. Adjournment: The meeting adjourned at 8:14pm.

Respectfully submitted,



Nicole M. Sandkulla
Chief Executive Officer/General Manager

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Attachments: 1) Attendance Roster

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
Board of Directors Meeting
January 18, 2018**Attendance Roster**

Present:

Jay Benton	Town of Hillsborough
Randy Breault	Guadalupe Valley Water District
Tom Chambers	Westborough Water District
Kirsten Keith	City of Menlo Park
Pat Kolstad	City of Santa Clara
Rob Kuta	California Water Service Company
Gustav Larsson	City of Sunnyvale
Al Mendall	City of Hayward
Rosalie O'Mahony	City of Burlingame
Tom Piccolotti	North Coast County Water District
Barbara Pierce	City of Redwood City
Dan Quigg	City of Millbrae
Sepi Richardson	City of Brisbane
Gregg Schmid	City of Palo Alto
Louis Vella	Mid-Peninsula Water District
John Weed	Alameda County Water District
Tom Zigterman	Stanford

Absent:

Robert Anderson	Purissima Hills Water District
Charlie Bronitsky	City of Foster City
Mike Kasperzak	City of Mountain View
Sam Liccardo	City of San Jose
Juslyn Manalo	City of Daly City
Chris Mickelsen	Coastside County Water District
Larry Moody	City of East Palo Alto
Irene O'Connell	City of San Bruno
Rich Tran	City of Milpitas