

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
BOARD POLICY COMMITTEE**

**February 14, 2018 – 1:30 p.m.
BAWSCA Offices – 155 Bovet Rd., San Mateo – 1st Floor Conference Room**

MINUTES

1. **Call to Order:** Committee Chair Gustav Larsson called the meeting to order at 1:33 pm. A list of Committee members who were present (8), absent (1), and other attendees is attached

The Committee took the following actions and discussed the following topics:

2. **Comments by Committee Chair:** Committee Chair Larsson welcomed members of the Committee.

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

4. **Consent Calendar:** Approval of Minutes from the December 13, 2017 meeting.

Director Kasperzak made a motion, seconded by Director Benton, that the minutes of the December 13, 2017 Board Policy Committee meeting be approved.

The motion passed unanimously.

5. **Reports and Discussions:**

- A. **Preliminary Fiscal Year 2018-19 Work Plan and Results to be Achieved:** Ms. Sandkulla stated that the Preliminary work plan and results to be achieved for FY 2018-19 are aligned with BAWSCA's legislated authority, fulfills BAWSCA's goals to ensure a reliable supply of high-quality water at a fair price, and addresses the critical issues identified between now and 2050.

The work plan includes increased activities and staff time to expand BAWSCA's oversight of SFPUC's 10-year CIP and asset management program, implement BAWSCA's Making Conservation a Way of Life Phase 2 Plan, continue the implementation of the Long-Term Reliable Water Supply Strategy (LTRWSS), and expand BAWSCA's Landscape Education Program.

There were fifteen comments received at the January 18th Budget Planning Session held with the Board. Of the 15 comments, three are already being addressed in the current FY 2017-18 work plan.

In particular, the financial workshop scheduled on March 22nd responds to the Board's comment about looking at alternative rate structures that can mitigate financial hardships incurred during times of drought or reduced water use.

Ms. Sandkulla was pleased to report that overall, 13 of the comments received from Board members are already included in the preliminary work plan for FY 2018-19. It was encouraging for staff to hear the board's desire to pursue efforts that had been planned in the next fiscal year.

Ms. Sandkulla went through BAWSCA's planned efforts that specifically respond to the Board members' comments at the January budget planning session.

Efforts include a plan to host a workshop on AMI and innovative conservation technologies to build from the workshop approach that has proven to be highly effective in fostering information-sharing among member agencies and other utilities. BAWSCA will implement programs to assist agencies in meeting anticipated State conservation requirements. BAWSCA will continue dialogue with responsible entities such as Water Now Alliance, as well as with ABAG on issues that relate to BAWSCA's role on regional water supply matters. BAWSCA will continue to strengthen relationships with permitting agencies and encourage regional approaches and guidelines to water supply development efforts such as BAWSCA's pilot water transfer. BAWSCA will maintain its support for SFPUC's emergency planning exercises. BAWSCA will continue implementation of its Long-Term Reliable Water Supply Strategy (Strategy) which is consistent with the "One Water" philosophy. Ms. Sandkulla explained that BAWSCA's Strategy looks at groundwater, recycled water, advanced treated water and surface supplies. While BAWSCA is not taking a direct approach on stormwater, it was analyzed and is a part of BAWSCA's groundwater efforts with San Mateo County.

BAWSCA staff recommend no action in FY 2018-19 in response to 2 comments from the Board.

One is the development of a plan or approach to support regional emergency resiliency. While BAWSCA is not set up to directly address this issue, BAWSCA can help push San Francisco in addressing resiliency for the Regional Water System, and to encourage agencies to have greater involvement in these kinds of efforts. As an example, the SFPUC developed an emergency response plan in 2016 as a result of BAWSCA member agencies' coordinated efforts to call for a thorough investigation of the potential risks of failure of Mountain Tunnel. Additionally, SFPUC has approached BAWSCA to have a seat at its emergency operations center that is activated following emergency situations that impact the regional service area. BAWSCA's role is to help with the communication, as appropriate, with the wholesale customers. This invitation from the SFPUC demonstrates the recognition by both BAWSCA and the SFPUC that effective communication is critical to resiliency.

The second is extending the horizon for BAWSCA's water supply planning studies up to 2050. While BAWSCA is not yet prepared to plan up to 2050 in FY 2018-19, BAWSCA will extend the horizon in FY 2019-20, coinciding with member agency schedules for updating their Urban Water Management Plans, and when there is full understanding of the new State water conservation regulations.

BAWSCA's major tasks in FY 2018-19 are categorized according to BAWSCA's goals of Reliable Water Supply, High Quality Water and Fair Price.

Ms. Sandkulla highlighted the planned efforts for each category.

Under water supply reliability, BAWSCA will continue to monitor the WSIP. BAWSCA anticipates the need to work with the legislature to extend the State oversight of the WSIP. The current projected completion date for the WSIP is May 2021, and the current State oversight expires on January 1, 2022. There is concern with the short

gap between the dates, and the possibility that the completion of the WSIP may extend further given the pressure on several construction projects. BAWSCA's effort with the legislature will be initiated once further information on the WSIP's completion date is available.

BAWSCA will increase its oversight activities on SFPUC's 10-year CIP development, and will initiate an audit of the SFPUC asset management practices for the RWS. This effort supports the Board's interests in knowing the condition of SFPUC's assets as it is a major driving force in their CIP development, project prioritization, and costs. Ms. Sandkulla explained that such an audit was included in the 2009 WSA. Per the WSA, SFPUC must "cooperate", consider findings and recommendations of the audit, and provide written comments on the final report. This effort will utilize outside consultant expertise. An allocation of \$55K will be included in the FY 2018-19 budget for this effort.

BAWSCA's implementation of the Strategy involves major tasks in the workplan to ensure long-term water supply reliability for the member agencies.

In FY 2018-19, BAWSCA will begin Phase 2 of pre-feasibility studies for two purified water projects. One of the projects is the Potable Reuse Exploratory Plan (PREP) with SFPUC, Silicon Valley Clean Water, City of San Mateo, Redwood City and Cal Water. The second project is the potable reuse investigation with SCVWD and SFPUC. Both projects are advanced treated water projects that require further feasibility assessment as the first step to implementation.

BAWSCA has also been participating in the Los Vaqueros Expansion studies. For this project and the two advanced treated water projects, Ms. Sandkulla is proposing a direct cost share from BAWSCA of \$10K for each project in FY 2018-19.

Ms. Sandkulla explained that while BAWSCA is currently participating in the projects with the SFPUC, each agency's interests are separate and distinct. BAWSCA's interest in the projects is for increased dry year supplies. The SFPUC's interests are for additional water supply opportunities to meet their contractual obligations to the wholesale customers, and for the opportunity to make Santa Clara and San Jose permanent customers. Due to those separate and distinct interests, Ms. Sandkulla is proposing a separate cost payment to reflect BAWSCA's and SFPUC's differing objectives.

In response to Director Mendall, Ms. Sandkulla stated that one of the benefits of BAWSCA's work with other agencies on the advanced treated water project is the introduction of potential collaboration between member agencies as well as with other agencies in the region. The Water Management Representatives (WMR) receive reports on the status and process of the projects, and while further collaborative opportunities on specific projects across the region are not yet evident, the information-sharing among the agencies are valuable.

Part of implementing the Strategy is completing the plans for BAWSCA's Pilot Water Transfer which was put on hold during the drought.

Ms. Sandkulla was pleased to report that BAWSCA will be working with the Bay Area Regional Reliability (BARR) agencies to secure BAWSCA's pilot water transfer plan as

part of BARR Phase 2 Water Marketing Strategy project. This opportunity provides BAWSCA grant funds, and more importantly, regional support for its pilot water transfer. Participating agencies include SCVWD, ACWD, SFPUC, CCWD, Zone 7 and others.

The target implementation timeline for the water transfer is the Winter of FY 2019-20, during a scheduled Hetch Hetchy shutdown. Work during FY 2018-19 will focus on finalizing all required agreements needed to implement the water transfer, as well as meeting CEQA requirements which includes finding a seller. The estimated cost in the FY 2018-19 budget for this effort is \$57K.

Efforts to address near-term water supply reliability in FY 2018-19 involve water conservation and drought response activities.

Ms. Sandkulla reported that BAWSCA's "Making Conservation a Way of Life" is an effort to support member agencies in meeting the State's new water use efficient targets and subsequent legislative actions. To align BAWSCA's efforts with the State schedule, tasks have been phased over three fiscal years, beginning with Phase 1 in FY 2017-18, and Phase 2 in FY 2018-19.

Phase 1 assessed agencies' existing data and technical capabilities to meet State requirements. Ms. Sandkulla noted that written in AB 1668 and SB 606, two bills that have not been passed yet, is an extensive process and data intensive effort for meeting State required conservation. Based on the assessment, Phase 1 will develop a plan that identifies the respective roles and responsibilities of BAWSCA and member agencies in obtaining information needed for State compliance. Phase 1 will be completed in June 2018.

Key results for Phase 2 includes an indoor-outdoor water use study, implementation of a new Pilot Regional Commercial/Industrial Water Audit program, a Water Loss Control Subscription Program, and implementation of a Regional Source Meter Testing plan.

Ms. Sandkulla reported that current developments indicate that the bills will likely become a budget trailer bills, which will not go through the regular legislative process. Instead, it will likely show up in May with a very short review period, and with limited opportunity for further input.

Director Benton expressed his concern about addressing issues that may not end up in the legislation.

Ms. Sandkulla stated that the upcoming workshop on February 28th will discuss the need to reshuffle efforts appropriately. However, the Water Loss Control and implementation of a Regional Source Meter Testing Plan are efforts that will need to move forward because they are part of State requirements that have already passed.

Ms. Johnson added that the indoor-outdoor water use study will provide useful information for member agencies whether or not they become a State requirement.

In response to Director Mendall, Ms. Sandkulla stated that efforts and budget allocated for the development of principals for a new Tier 1 and Tier 2 plans were postponed as

a result of the legislation. The Tier 1 plan is the drought allocation between San Francisco and the wholesale customers. The Tier 2 Plan is the drought allocation among the member agencies. Both plans need to be redone, but they must be consistent with the State guidelines about water use. The State regulations are a significant part of the Tier 1 and 2 efforts, and until more information is known, planning for Tiers 1 and 2 will remain on hold.

Ms. Sandkulla stated that implementing Phase 2 of BAWSCA's "Making Conservation a Way of Life" is a major part of the workplan and budget. The Phase 1 results have been beneficial for, and highly supported by, the member agencies. The estimated cost of for Phase 2 efforts is \$187K.

BAWSCA's Landscape Education Program has been offered since 2006 and has been very successful. Development of the program over the years aimed to support BAWSCA's turf replacement program, Lawn Be Gone! Agency participation and water customer attendance in the program significantly increased during the drought.

Growing interests from water customers have led to a proposed expansion of the program to provide online educational videos. Materials will be developed consistent with BAWSCA's programs on outdoor efficiency, and will be provided to member agencies as a core conservation program as opposed to a subscription program. The estimated cost is \$30K.

Ensuring water supply reliability for the region continues with BAWSCA's administration of the 2009 WSA. This part of the work plan includes BAWSCA's efforts on the Tier 1 and Tier 2 plans, and engaging in the SFPUC's development of the WaterMAP.

The WaterMAP is SFPUC's process for looking at the possibilities for making the cities of San Jose and Santa Clara permanent customers of the RWS, and examining what type of water supply projects SFPUC could invest in to fulfill their existing 184 mgd commitment to the wholesale customers. Ms. Sandkulla reported the potential for an extension of the SFPUC's 2018 decision which will involve an amendment to the WSA.

BAWSCA will continue its engagement with the Restore Hetch Hetchy litigation, the State Water Resources Control Board's (SWRCB) proposed Bay Delta Water Quality Control Plan, and the FERC process to protect the member agencies' water supply interests.

Under the category of water quality, BAWSCA will continue to engage with the SFPUC in the Joint Water Quality Committee in which BAWSCA and the SFPUC chairs interchangeably. BAWSCA will remain active in this committee as well as in communicating important water quality information to member agencies.

Under the category of fair price, BAWSCA's administration of the 2009 WSA protects the financial interests of BAWSCA member agencies. Up to four contract amendments are anticipated in FY 2018-19. The amendments are associated with the FY 2010-11 settlement discussions on cost allocations, the Regional Groundwater Conjunctive Use Project, the SFPUC's 2018 decision, and WSIP oversight.

Additionally, BAWSCA will continue the administration of the bonds issued by BAWSCA to prepay capital debt owed to San Francisco.

Director Pierce asked if the workplan includes efforts in addressing rate volatility. Ms. Sandkulla reported that under the administration of the WSA, BAWSCA and the SFPUC are working together in an effort to smooth rates through the balancing account.

At the March Board meeting, the Board will be presented with the preliminary operating budget and considerations for funding the budget. Ms. Sandkulla noted that efforts that impact the operating budget are the critical activities involved in implementing the Strategy. These efforts include the next level of studies for alternative water supply, and analysis of alternatives using the new regional modeling tool. Additionally, BAWSCA's continued level of effort with the Bay Delta Plan Phase 1 (SED) and the FERC process are efforts that will impact the budget.

The CEO will examine the estimated end of year spending to understand its impact on the year end reserve balance and the use of General Reserve to fund the Operating Budget.

Ms. Sandkulla reported that an additional consideration for the operating budget is the reconciliation of the salary for the position of Finance Manager. In July 2017, the Board authorized the position modification of the Senior Administrative Analyst to Finance Manager with a 26% increase in top-step salary. The modification was based upon the significant increase in duties and responsibilities that evolved over the past few years in association with the Wholesale Revenue Requirements, and administration of the bonds, which continue to annually save the member agencies more than BAWSCA's annual budget.

No amendment to the FY 2017-18 budget was recommended at the time the position was modified. The current budget allocation for salaries in FY 2017-18 is not sufficient to pay the salary range of the position. The FY 2018-19 budget development provides the opportunity to reconcile the salary allocation, and will therefore, include a budget allowance to reflect the Board's policy action in July 2017. The CEO will look for opportunities to reduce the net financial impact of this modification.

Committee comments received on the workplan and development of the operating budget will be incorporated in the materials presented to the Board in March. A proposed workplan and operating budget will be presented to the BPC in April, and presented to the Board in May for consideration and adoption.

In response to Director Mendall, Ms. Sandkulla stated that she anticipates a slight increase in the operating budget for FY 2018-19, primarily from the financial investments in water supply developments.

Director Zigterman noted that it would be helpful to have a historical summary, from an FTE perspective, of past years' workload to understand how it has grown, and how today's intensity of work is completed relative to BAWSCA's staffing and current resources.

Director Larsson agreed and noted to include the historical cost of staff.

Director Schmid suggested to provide the allocation of resources for each 12 areas of the workplan and results to be achieved.

Director Pierce suggested having a comprehensive table of the historical trend in annual assessments and use of BAWSCA's general reserve.

In response to Director Benton, Ms. Sandkulla explained that development of the budget begins with the work plan. Discussion of a preliminary workplan with the Committee and the Board is a process that identifies what needs to be accomplished in the next fiscal year and how those results relate to the long-term horizon. The workplan establishes the financial resources needed to achieve the results identified as critical to the BAWSCA member agencies.

Director Mendall noted that it was effective in last year's budget process to identify workplan items that could be deferred for the purpose of reducing the operating budget, if needed.

In response to Director Benton, Ms. Sandkulla explained that while the audit of SFPUC's asset management was included in the 2009 WSA, it is being done in FY 2018-19 for two reasons. BAWSCA was focused in monitoring the SFPUC's implementation of the WSIP to rehabilitate the Regional Water System. Now that the WSIP is nearing completion, BAWSCA can shift its focus on the SFPUC's CIP development. The purpose of the audit is to ensure a robust asset management program that forces the SFPUC to be diligent and consistent in assessing the condition of the regional water system.

Ms. Sandkulla emphasized that the member agencies pay two-thirds of operating the Regional Water System that is comprised of multibillion dollar assets. Part of what prompted the legislation to create BAWSCA, and the reason why the 2009 WSA includes such an audit, was that the SFPUC historically failed to manage the assets that it had been entrusted to manage. BAWSCA cannot let that happen again. Additionally, it dovetails with BAWSCA's efforts on, and the SFPUC's interest in, BAWSCA's "SFPUC Long-Term CIP Comparison Study".

- B. Discussion of Possible Establishment of a New Long-Term Planning Reserve: Ms. Sandkulla reported that BAWSCA reviews the General Reserve Policy regularly. The current Policy guideline provides a 20% - 35% of the operating budget. Historically, the General Reserve has been both the depository for surplus funds at the end of the year, and a repository for funding the budget or a one-time project, when possible. The General Reserve balance at the end of a fiscal year has varied from 7% to 35%. Currently, the General Reserve balance is above 35% of the operating budget. The Board is interested in exploring options for managing the General Reserve and surplus funds.

Ms. Sandkulla explained that BAWSCA forms its operating budget tightly based on very specific activities needed to achieve the fiscal year's workplan. There can sometimes be surplus funds at the end of the year as a result of slow-moving or postponed activities that are unavoidable. Resulting unspent funds are deposited in the General Reserve.

Past uses of the General Reserve have included funding the budget and funding one-time projects in the workplan. In developing the FY 2018-19 workplan, two potential one-time water-supply planning projects were identified.

In FY 2019-20, BAWSCA anticipates completing a new Regional Water Demand Projections Project which has proven to be valuable to the agencies in updating their State required Urban Water Management Plans, and in their long-term internal planning. This is a significant project that entails an intensive process of coordination with the 26 member agencies. The last demand study was completed in 2014 at a cost of \$365,000.

Another potential long-term water supply planning expense is BAWSCA's participation in the Los Vaqueros Expansion project. The project provides a potential dry year water supply opportunity. BAWSCA's current participation involves a cost share of \$10,000 in the FY 2018-19 budget for supplemental environmental work. The next phase, however, will involve permitting and construction which will have a substantial cost. While BAWSCA's next steps of involvement and exact cost responsibility are not yet known, it would be useful to pre-deposit surplus funds from the operating budget into a separate reserve for use on future efforts that have been identified.

Ms. Sandkulla presented two options for managing the General Reserve and surplus funds that were reviewed by Legal Counsel and BAWSCA's Auditor. The first is to amend the current General Reserve policy to include language that provides a guideline for use of surplus funds in excess of the current specific upper limit (35% of the operating budget). The guideline will speak to the intent to create a fund reserve beyond the General Reserve for anticipated long-term planning needs.

The second is to adopt a new policy in addition to the existing General Reserve policy. This policy would be coordinated with the existing General Reserve policy, and would receive surplus funds for the purpose of funding long-term planning needs.

Ms. Sandkulla emphasized that both options must clearly specify its purpose, which is to serve as a pre-deposit for anticipated expenses.

Committee discussions ensued.

Legal counsel, Allison Schutte, stated that having one General Reserve account with clear language that identifies 2 separate buckets, each with distinct purposes, is sufficient. BAWSCA could have 2 separate accounting for each bucket, but technically it will be one account in LAIF. She stated that some jurisdictions feel strongly about keeping funds separate but there is no legal requirement to have 2 separate accounts.

Director Pierce had no preference over the two options, but emphasized 1) the need for clear language that provides the appropriate latitude for going over the maximum guideline specified in the General Reserve policy, and 2) that enough funds are set aside for the specific purpose.

Director Benton commented that optics might trump simplicity. Clearly defining why funds are being set aside is important.

Director Kasperzak noted that unlike a City, BAWSCA's general reserve is there for unexpected needs. He agreed with Director Benton about optics on building a reserve while costs to member agencies remain the same. The Board needs to be conscientious of its budgeting, and noted that if BAWSCA anticipates long-term planning, then BAWSCA should be budgeting for long-term planning in the budgeting process. He would prefer not raising assessments to build a reserve.

Director Pierce noted that the idea is not to grow the reserves, but would be similar to municipalities' capital improvement program that would allow, in BAWSCA's case, a budgeting mechanism for long-term planning that lets BAWSCA look out 5-10 years ahead. She stated that BAWSCA needs to pursue long-term planning opportunities because they benefit the member agencies.

Director Mendall recognized the need for a mechanism to budget for long-term planning, and stated his preference to have a separate fund. In the City of Hayward, there is a single policy that sets the priority for excess funds. He suggested that in BAWSCA's case, excess funds would be deposited into the General Reserve. When the General Reserve has reached its target level, the funds would be deposited into the "Long-Term Planning" reserve which should have a specific dollar amount based on a specific project that can reliably be anticipated in the next 5-years. Under current circumstances, the "Long-Term Planning" reserve would have the Regional Water Demand Project. When that target is reached, the surplus would be subject to the Board's discretion of rolling it into the budget, decreasing the assessments, or dispersing it to the member agencies.

Director Kasperzak concurred and added that this process does not necessarily presume raising assessments to ensure a budget surplus.

Director Schmid stated that long-range planning is essential and should be treated as an important line-item. He supports having a reserve for this purpose that is separate from the General Reserve.

Director Larsson supports tracking the General Reserve separately from the "Long-Term Planning" reserve to show how much is truly available for what purpose.

Further committee discussions ensued on considerations for the CEO in developing the policy, particularly on the Board's discretion in managing the surplus between the General Reserve and the "Long-Term Planning" Reserve, and on the appropriate naming of the "Long-Term Planning" reserve.

The CEO indicated her intent to bring this item back to the Committee at an upcoming meeting for potential action.

6. Reports:

- A. Water Supply Conditions: Ms. Sandkulla reported that the region's water supply conditions continue to be in a good position even though precipitation continues to be dry. The SFPUC's February 1st preliminary water supply forecast indicates that Hetch Hetchy Reservoir will fill, and predicts a 25% chance that the entire system will refill despite low precipitation.

Ms. Sandkulla reported that the reservoirs are doing their job, and water use remains low. As a group, the BAWSCA service area bounced back from the drought by approximately 8%. BAWSCA will continue to monitor water use.

The SFPUC will provide water supply availability report by April 15th. At this time, the SFPUC does not anticipate needing to request demand reductions for retail and wholesale customers.

B. BAWSCA's SFPUC CIP Comparison Study: BAWSCA's Sr. Water Resources Specialist, Andree Johnson, provided an update on BAWSCA's "SFPUC Long-Term CIP Comparison Study" (Study). The Study compares the SFPUC's current capital planning processes with agencies through the State and within the Western United States. This effort is part of the current fiscal year's budget with an allocated cost of \$25,000.

BAWSCA is working with Hilton, Farnkopf, Hobson (HF&H) which is a long-time consultant of BAWSCA and its predecessor agency, BAWUA. HFH is experienced in conducting such studies and has significant institutional knowledge of the Regional Water System and the 2009 WSA. The lead consultant from HFH is John Farnkopf who is a long-time consultant with BAWSCA as well as with some of the agencies participating in the Study.

The Study is consistent with BAWSCA's efforts to increase its involvement in SFPUC's development of its 10-year CIP. The early efforts of the Study focused on 1) refining the goals to ensure that results provided the greatest value, and 2) coordinating participation of the SFPUC and of other agencies to ensure their comfort and willingness to provide information.

One of the refinements to the effort was the change in the name from "Benchmarking Study" to "Comparison Study". Participating agencies felt that the word "benchmarking" implied a quantitative evaluation-ranking system. The word "comparison" best represented the purpose of the study, which is to conduct a comparison to identify best practices and strengths of various approaches to develop recommendations for improvements that the SFPUC, participating agencies, and BAWSCA member agencies can utilize.

Staff work commenced in November 2017 with the outreach to agencies to secure their participation. The consultant work efforts accelerated in February, with a goal of completing the Study by June 30, 2018. The completion may extend into the Summer given the nine agencies in the study that are all outside of the BAWSCA membership.

The level of interest from the agencies to participate in the Study was surprisingly high. Many look forward to the results and are looking to change their CIP development processes in the future.

BAWSCA selected agencies for the Study based on their similarities with the SFPUC in one or more areas including locality in the Bay Area, comparability in size, having both wholesale and retail components, and having both water and power enterprise. While the study will focus only on each agency's water CIP development, BAWSCA wanted to look into other agencies with both the water and power challenges. Lastly, BAWSCA wanted

to include city-operated utilities as they often face unique challenges that special district agencies do not.

The list includes four Northern California agencies (SFPUC, CCWD, EBMUD, SCVWD), three Southern California agencies (Los Angeles Department of Water and Power, Metropolitan Water District of Southern California, Western Municipal Water District), and two out-of-State agencies (Las Vegas Valley Water District, Seattle Public Utilities).

The Study is broken down into three primary tasks, each of which will be documented in the final report. The first task is documentation of the agencies' current CIP processes that will be obtained through a survey and agency interviews. The next task is to compile the comparison summaries which will be reviewed by each of the participating agencies to ensure information accuracy. The third step is the development of findings which will be in two categories; General Best Practices for Capital Planning, and Recommendations Specific to the SFPUC. A draft report will be reviewed by all participants before the final report is released in Summer of 2018.

Director Quigg asked if the SFPUC has concerns with their information being shared with other agencies. Ms. Johnson stated that BAWSCA will be mindful of all the agencies' concerns throughout the process, and will provide all participating the opportunity to review findings and deliverables before they are finalized and made public.

7. **Closed Session:** The meeting adjourned to Closed Session at 3:17pm
8. **Open Session:** The meeting convened to open session at 3:36pm. Legal Counsel, Allison Schutte, reported that no action was taken during Closed Session.
9. **Comments by Committee Members:** There were no further comments from the Committee members.
10. **Adjournment:** The meeting was adjourned at 3:37 pm. The next meeting is April 11, 2018.

Respectfully submitted,



Nicole Sandkulla, CEO/General Manager

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Attachments: 1) Attendance Roster

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY

BOARD POLICY COMMITTEE – February 14, 2018

Roster of Attendees:

Committee Members Present

Gustav Larsson, City of Sunnyvale (Chair)
Tom Zigterman, Stanford (Vice Chair)
Jay Benton, Town of Hillsborough
Mike Kasperzak, City of Mountain View
Al Mendall, City of Hayward (BAWSCA Chair)
Barbara Pierce, City of Redwood City (BAWSCA Vice Chair)
Dan Quigg, City of Millbrae
Gregg Schmid, City of Palo Alto

Committee Members Absent:

Randy Breault, City of Brisbane/GVMID (Immediate Past BAWSCA Chair)

BAWSCA Staff:

Nicole Sandkulla	CEO/General Manager
Adrienne Carr	Sr. Water Resources Specialist
Andree Johnson	Sr. Water Resources Specialist
Christina Tang	Finance Manager
Lourdes Enriquez	Assistant to the Chief Executive Officer
Allison Schutte	Legal Counsel, Hanson Bridgett, LLP
Nathan Metcalf	Legal Counsel, Hanson Bridgett, LLP
Bud Wendell	Management Communications

Public Attendees:

Lisa Bilir	City of Palo Alto
Jan Lee	City of Hayward
Michelle Novotny	San Francisco Public Utilities Commission