

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

**June 15, 2005 – 1 p.m.  
155 Bovet Road, 1<sup>st</sup> Floor Conference Room**

<b>MINUTES</b>
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**1. Call to Order: 1:10 p.m.**

The meeting was called to order by committee Chair, Rosalie O'Mahony at 1:10pm. Five members of the committee were present, constituting a quorum. A list of directors present (5) and absent (2) is attached.

**2. Public Comment:** None.

**3. Reports:**

**A. Comments by Committee Members:** Committee members commented that while public statements on issues such as Chloramine at BAWSCA Board meetings are valuable, the statements should also be directed to the SFPUC.

**B. Comments by the General Manager:** Arthur Jensen requested that Agenda Item #5, Objectives for the General Manager be moved to the August 10<sup>th</sup> meeting of the committee.

**C. Annual Review of BAWSCA Investment Policy Statement:** John Ummel reported that the general manager is required to submit the Statement of Investment Policy to the Board for review and consideration at a public meeting once a year. The last review of the policy took place on February 19, 2004. The policy currently requires no changes and will be presented to the board at its meeting on July 21, 2005.

**4. Action Items:**

**A. Approval of Minutes:**

**M/S/C (Beecham/Kasperzak; Unanimous) that the minutes of the April 13<sup>th</sup> meeting be approved as corrected .**

**B. Results Achieved in FY 04-05:** Mr. Jensen reviewed the work completed on the objectives for FY 04-05, and provided a status report on ongoing efforts. Mr. Jensen reported on a study of SFPUC overhead costs and costs allocation that is nearing completion, the progress of the ad hoc committee in preparing for negotiations of a new master contract, collaborative efforts with San Francisco on the WSIP, and an update of current and future conservation activities.

- C. Results to be Achieved for FY 05-06:** The milestones to be achieved for each of the 9 goals for FY 05-06 were presented by Mr. Jensen and discussed by the committee. Mr. Jensen stated that negotiation of a new contract, getting the regional water system rebuilt, and maintaining BAWSCA's relationship with its allies is critical.

Collaborative efforts with San Francisco on the progress of the WSIP continues with greater access to information and involvement in several key activities.

Mr. Jensen announced that on July 14<sup>th</sup>, the Department of Water Resources (DWR) will hold a public workshop on the proposal to drain Hetch Hetchy. BAWSCA will attend the workshop. To date, BAWSCA has met with DWR staff and provided DWR with a list of issues that should be considered and a copy of the report completed by economist, William Wade. The committee revisited BAWSCA's position to the Hetch Hetchy proposal. Mr. Jensen stated that he will review the situation following the July 14<sup>th</sup> meeting, and identify opportunities to improve the approach and re-assess how and when BAWSCA members might be directly involved.

Intermediate milestones will be reported to the board.

- D. Funding to complete Professional Services by Hilton, Farnkopf and Hobson (HFH):** Mr. Jensen reported that a study on SFPUC's overhead costs by HFH will be completed in FY 05-06, instead of FY 04-05 as originally scheduled due to delays in access to information. Because funds cannot be carried over from one fiscal year to the next, it is recommended that the estimated \$20,000 required to complete the current assignment be taken from the \$40,000 budgeted for HFH in FY 05-06. Should the partial use of these funds limit the work of HFH in FY 05-06, the board may be asked to amend the 05-06 budget at mid-year, using unspent funds transferred to the general reserve as a result from the delay of completing this assignment in FY 04-05. Key tasks for this assignment involves interviews with SFPUC staff, in which were requested to be delayed in the Fall of 2004, and again in the Spring 05. The reason for the requests to delay was that key staff were involved in the recasting of the SFPUC's WSIP. Interviews are scheduled to begin in mid-June 2005.

**M/S/C (Beecham/Kasperzak; Unanimous) to recommend board approval of using a portion of the FY 2005-06 budget for Hilton Farnkopf and Hobson to complete tasks assigned in FY 2004-05.**

- E. Professional Services Contract for Technical Engineering Services:** Mr. Jensen recommended consideration of hiring a group of four individuals with the experience and expertise that can best serve BAWSCA. The committee was presented background information on Tanya Yurovsky, Dale Newkirk, Jean Gardner and Rudy Metzner, and the significance of the SFPUC-related work each has done. Art stated that if the committee concurs with this approach, the board will be asked to authorize the general manager to hire the identified individuals rather than conduct a solicitation for professional services. Art said that the contract for system modeling

expertise may be addressed separately. Legal counsel Ray McDevitt stated the proposed process conformed with all legal requirements.

**M/S/C (Reynolds/Wyckoff; Unanimous) to recommend that the board authorize the general manager to execute contracts with specified individuals for specified technical engineering services.**

5. **Comments:** Director O'Mahony announced that she will be out of the country and will not be able to attend the BAWSCA Board meeting on July 21, 2005.
  
6. **The closed session for the objectives for the general manager's performance** is rescheduled to the August 10<sup>th</sup> meeting of the Board Policy Committee: Mr. Jensen commented .
  
7. **Adjournment:** The meeting was adjourned at 2:40. The next meeting is scheduled for August 10, at 1pm in the first floor conference room of the BAWSCA office building, 155 Bovee Road, San Mateo.

Respectfully submitted,



Arthur R. Jensen, General Manager and Secretary

ARJ/le

Attachments: 1) Attendance Roster

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY  
Board Policy Committee  
February 9, 2005**

**Attendance Roster**

**Committee Members Present:**

Rosalie O'Mahony	City of Burlingame (Chair)
Bern Beecham	City of Palo Alto (Vice-Chair)
Mike Kasperzak	City of Mountain View
Chris Reynolds	Skyline County Water District
Rick Wykoff	Esterro Municipal Improvement District

**Committee Members Absent:**

Roberta Cooper	City of Hayward
Pete Nelson	California Water Service Company

**BAWSCA Staff Members Present:**

Arthur Jensen	General Manager
Nicole Sandkulla	Senior Water Resources Planner
John Ummel	Senior Administrative Analyst
Ray McDevitt	Hanson, Bridgett, Marcus et al.
Bud Wendell	Management Communications

**Guests:**

Girish Balachandran	City of Palo Alto
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