

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

November 21 2013 – 7 p.m.

Foster City Community Building, Foster City CA

MINUTES

1. Call to Order/Pledge of Allegiance/Roll Call – 7:00 pm

BAWSCA Vice-Chair, Randy Breault, called the meeting to order. Nicole Sandkulla called the roll. Nineteen (19) members of the Board were present, constituting a quorum. A list of Directors present (19) and absent (7) is attached.

In honor of Veterans Day and the 238th Birthday of the United States Marine Corps, Vice-Chair Breault asked Strategic Counsel and Marine Corps Veteran, Bud Wendell, to lead the Pledge of Allegiance.

- 2. Comments by the Chair:** Vice-Chair Breault noted that the agenda includes an informational report on the Pilot Water Transfer Program which was an output of the Long-Term Reliable Water Supply Strategy initiated nearly 6 years ago. The information expected from the Pilot program is a significant step for BAWSCA to secure a path toward increased water reliability for the member agencies, independent of San Francisco. Completing the Pilot Water Transfer is critical to BAWSCA's mandate to act regionally to protect the health, safety and economic well-being of nearly 2 million people and a robust economy in 3 counties. Staff is working diligently with multiple external agencies as well as with the City of Hayward towards a recommendation requesting Board action in Spring 2014.

Secondly, Vice-Chair Breault encouraged Board members to take the opportunity to schedule time to meet with Nicole Sandkulla with their respective City Manager and Agency Director. The meeting provides a two-way conversation about BAWSCA's Work Plan and Budget and the regional approaches to water supply. The meeting also fosters the strong relationships between the member agencies and BAWSCA.

Lastly, Vice-Chair Breault welcomed the new members of the BAWSCA staff who bring vast knowledge and experiences valuable to achieving BAWSCA's results. He welcomed Dan Wade who will be replacing Julie Labonte as Director of the WSIP, and recognized Julie Labonte for her leadership in directing the WSIP for 7 years. Vice-Chair Breault expressed his sincere appreciation to Ms. Labonte on behalf of BAWSCA, and congratulated Ms. Labonte for being named Government Civil Engineer of the Year by the American Society of Civil Engineers.

- 3. Board Policy Committee Report:** Committee Chair Rob Guzzetta reported the discussions and actions that took place at the BPC meeting held on October 9, 2013. The Committee voted unanimously to recommend approval of the proposed Board actions for the items on the agenda. Committee discussions are reflected in the summary report provided in the packet.

4. **Public Comments:** Public comments were received from Wynn Grcich, Flouride Action Network, David Steinberger, and Mike Francois.

5. **Consent Calendar:**

Director Richardson made a motion, seconded by Director Kasperzak, to approve the Consent Calendar. The items included approval of the Minutes of the September 19, 2013 Board Meeting, receipt and filing of the Budget Status Report as of September 30, 2013, Annual Audit Reports for BAWSCA and BAWUA for FY 2012-13, Directors' Reimbursement Reports as of September 30, 2013, and Authorization of the CEO/General Manager to negotiate and execute a contract amendment with PG&E for the Washing Machine Rebate Program.

The motion carried unanimously.

6. **Action Calendar:**

A. Receive and File Financial Reports

Director O'Mahony made a motion, seconded by Director Laporte, that the Board receive and file the Quarterly Investment Report as of September 30, 2013 and the Quarterly Bond Status Surcharge Report as of September 30, 2013.

The motion carried unanimously.

B. Proposed FY 2014-15 Bond Surcharges

Director Kasperzak made a motion, seconded by Director Mendall, that the Board approve the proposed Bond Surcharges for FY 2014-15 as presented.

The motion carried unanimously.

C. Annual Review and Consideration of BAWSCA's Statement of Investment Policy

Director Mendall made a motion, seconded by Director Griffith, that the Board approve the current Statement of Investment Policy.

The motion carried unanimously.

D. Appointment of Agency Secretary

Director Guingona made a motion, seconded by Director Keith, that the Board appoint the BAWSCA CEO/General Manager as Secretary of the Board and that these services be provided without compensation and at the pleasure of the Board.

The motion carried unanimously.

7. **SFPUC Report:** SFPUC General Manager Harlan Kelly addressed the Board and provided an update on the Regional Water System's Water Supply and Demand. Despite the dry Fall, Mr. Kelly stated that the SFPUC is cautiously optimistic. BAWSCA and the wholesale customers will be kept informed.

In response to Director Mendall's question, Assistant General Manager of Water Enterprise, Steve Ritchie, explained that if the Regional Water System's reservoirs are

100% full and there is no precipitation, supplies will last for 8 ½ years with additional conservation and rationing. It will take 4 years of normal precipitation to fill the reservoirs back up again.

Mr. Ritchie, provided an update on the effects of the Rim Fire. Overall damage to the city-owned structures and watershed are minimal. There were some damage to the grid power, but staff has been working hard to restore power completely to ensure powerhouses and distribution lines are online in terms of operations of the system.

Mr. Ritchie reported that an appeal is in progress for a proposed Federal Emergency Declaration that was denied by FEMA. Governor Brown sent an executive order directing State level recovery assistance.

Julie Labonte addressed the Board and presented an update of the overall progress of the WSIP. Dan Wade provided an update on the Calaveras Dam Project.

Directors Laporte, O'Mahoney, and Guzzetta expressed their appreciation for Ms. Labonte's leadership which was echoed by Nicole Sandkulla's comments, and the Board members' applause.

8. **Reports:** Staff reports were provided on the Pilot Water Transfer Plan, Mid-Year Budget Review, and the Board Policy Calendar.
9. **Directors' Discussion:** The members of the Board agreed that a letter of appreciation to Julie Labonte be prepared by staff on behalf of the Board.
10. **Date, Time and Location of Next Meeting:** The next meeting is scheduled on January 16, 2014 in the Wind Room, Foster City Community Center.
11. **Adjournment:** The meeting adjourned at 8:51pm.

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****November 21, 2013****Attendance Roster****Present:**

Ruben Abrica	City of East Palo Alto
Robert Anderson	Purissima Hills Water District
Randy Breault	Guadalupe Valley Water District
Charlie Bronitsky	City of Foster City
Tom Chambers	Westborough Water District
Jim Griffith	City of Sunnyvale
Michael Guingona	City of Daly City
Rob Guzzetta	California Water Service Company
Mike Kasperzak	City of Mountain View
Kirsten Keith	City of Menlo Park
Marty Laporte	Stanford
Jerry Marsalli	City of Santa Clara
Al Mendall	City of Hayward
Chris Mickelsen	Coastside County Water District
Rosalie O'Mahony	City of Burlingame
Tom Piccolotti	North Coast County Water District
Dan Quigg	City of Millbrae
Sepi Richardson	City of Brisbane
John Weed	Alameda County Water District

Absent:

Armando Gomez	City of Milpitas
Tom Kasten	Town of Hillsborough
Larry Klein	City of Palo Alto
Irene O'Connell	City of San Bruno
Barbara Pierce	City of Redwood City
Chuck Reed	City of San Jose
Louis Vella	Mid-Peninsula Water District