

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

**July 17, 2014 – 7 p.m.  
Foster City Community Building, Foster City CA**

<b>MINUTES</b>
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**1. Call to Order/Pledge of Allegiance/Roll Call – 7:00 pm**

BAWSCA Chair, Irene O'Connell, called the meeting to order and led the salute to the flag. Nicole Sandkulla called the roll. Eighteen (18) members of the Board were present, constituting a quorum. A list of Directors present (18) and absent (8) is attached.

**2. Comments by the Chair:**

Chair O'Connell emphasized the severe drought the entire state of California is experiencing and the immediate need for the region to reduce its water use further and immediately. She called on the BAWSCA Board members to increase their leadership for water conservation and stated that the water saved today will be water available later, should the drought continue to next year.

The SFPUC will provide a report on the current status of the region's water supply situation. The CEO will report on BAWSCA's efforts to support the member agencies in achieving the 10% voluntary water use reduction.

As part of the Federal Energy Regulatory Commission (FERC) process, San Francisco conducted a study on the economic impacts of water shortages in the region. BAWSCA supports the SFPUC's study which provides critical information for the FERC process, as well as essential components to BAWSCA's discussions and possible actions to implement water management projects.

Chair O'Connell informed the Board of the passing of former BAWSCA Chair and Assembly Member, Ira Ruskin.

On behalf of Cheryl Ruskin, Ira Ruskin's wife, Director Pierce accepted a statement by BAWSCA honoring the late Ira Ruskin. Director Pierce expressed Cheryl Ruskin's appreciation for the recognition, and delivered a message from Cheryl Ruskin.

**3. Board Policy Committee (BPC) Report:** On behalf of BPC Chair, Al Mendall, Ms. Sandkulla reported the discussions and actions taken by the Board Policy Committee at its meeting on June 11, 2014.

The Committee voted unanimously to recommend board approval of the recommended Board actions, including adoption of the Bay Area Regional Reliability Principles, and appointment of Nicole Sandkulla as the General Manager and Secretary of the RFA. The Committee discussions on Water Supply, Pilot Water Transfer Plan, Long-Term Reliable Water Supply Strategy, Wholesale Revenue Requirement for FY 2011-12, SFPUC's WSIP, and Legislation are reflected in the Summary Report.

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

5. **Consent Calendar:**

Chair O'Connell pulled Item #5E, Bay Area Regional Reliability Principles, out of consent for public comment.

Ms. Sandkulla noted that there are corrections to the Budget Status Report and that the corrections are reflected in the revised report provided to each member of the board.

**Director Vella made a motion, seconded by Director Keith, to approve the May 15, 2014 Minutes, receive and file the Budget Status Report as of May 31, 2014, the Investment Report as of June 30, 2014, and the Directors' Reimbursement Report as of June 30, 2014, and appoint Nicole Sandkulla as General Manager and Secretary of the RFA Board.**

**The motion carried unanimously.**

Public Comments on Item #5E were received from Spreck Rosekrans.

**Director Richardson made a motion, seconded by Director Klein, that the Board adopt the Bay Area Regional Reliability Principles.**

**The motion carried unanimously.**

6. **The meeting adjourned at 7:25pm to convene the San Francisco Bay Area Regional Water System Financing Authority Board of Directors meeting.**

7. **The meeting reconvened at 7:27pm.**

8. **Action Calendar:**

A. Process and Schedule for CEO/General Manager Annual Performance Evaluation

Chair O'Connell presented an updated procedure and draft evaluation form for the CEO's FY 2013-14 performance review for the Board's input and consideration.

The CEO's performance report for FY 13-14 and the evaluation form will be distributed to each Board member by July 23<sup>rd</sup>.

**Director O'Mahony made a motion, seconded by Director Vella, that the Board use the evaluation form for the CEO/GM performance evaluation.**

**The motion carried unanimously.**

9. **SFPUC Report:**

SFPUC Assistant General Manager, Steve Ritchie, addressed the BAWSCA Board on behalf of SFPUC General Manager, Harlan Kelly.

Mr. Ritchie reported the regional water system's current water supply conditions and San Francisco's action relative to the drought.

Mr. Ritchie also reported on the Groundwater Storage and Recovery Project, and the SFPUC's efforts with the Mountain Tunnel,

**10. Reports:**

The Board discussed the staff reports on the findings of SFPUC's Study of the Socioeconomic Impacts of Water Shortages, the results of FY 11-12 Wholesale Revenue Requirement review, BAWSCA's efforts associated with the current water supply conditions, the Pilot Water Transfer Plan, the Regional Water Demand and Conservation Projections Project, and SB 1345.

**11. Closed Session:**

The meeting adjourned to Closed Session at 8:25pm.

**12. Reconvene and Report from Closed Session:**

The meeting reconvened to Open Session at 9:25pm. Chair O'Connell reported that no action was taken during Closed Session.

**13. Directors' Discussion:**

Director Breault reported that the State Water Resources Control Board and the Local Regional Water Quality Control Board are considering regulations on discharge of potable water from systems. He stated that this will be a challenge for non-municipal agencies that, unlike cities, are not covered under an MS4 permit. Director Breault reported that the proposed statewide drinking water systems discharge permit package requires a numeric limit of chlorine discharges. This limitation can result to agencies having to conduct a significant amount of laboratory testing, which can be costly.

Because BAWSCA is a strong advocacy organization for its member agencies, Director Breault raised the question of whether this issue is something BAWSCA can take a position on. Since the Board only meets bi-monthly, he suggested that the Board may consider forming a leadership group that could analyze such an issue, without affecting the adopted work plan and budget for the fiscal year, to determine the appropriate actions needed prior to the scheduled Board meetings.

He proposed that the BPC discuss the matter in detail and bring its recommendation to the Board in September.

In response to Director Pierce about how often these kinds of issues come up, and how much of a load it puts on the organization, Ms. Sandkulla stated that similar matters such as the water bond and ABAG come up once or twice a year.

Director Keith supported further discussion of the matter.

Director Vella stated that having a mechanism in place is important regardless of how often issues come up.

Chair O'Connell directed staff to put the item on the August BPC agenda, and report back to the Board in September.

In response to Director Richardson's request, staff will make the electronic files related to the drought outreach campaign available to the Board and member agencies for their use.

**14. Date, Time and Location of Next Meeting:** The next meeting is scheduled on September 18, 2014 in the Wind Room, Foster City Community Center.

**15. Adjournment:** The meeting adjourned at 9:38pm.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Nicole M. Sandkulla". The signature is fluid and cursive, with the first name "Nicole" being more prominent.

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**  
**July 17, 2014**

**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
Rob Guzzetta	California Water Service Company
Tom Kasten	Town of Hillsborough
Kirsten Keith	City of Menlo Park
Larry Klein	City of Palo Alto
Marty Laporte	Stanford
Gustav Larsson	City of Sunnyvale
Irene O'Connell	City of San Bruno
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
Louis Vella	Mid-Peninsula Water District

**Absent:**

Armando Gomez	City of Milpitas
Michael Guingona	City of Daly City
Mike Kasperzak	City of Mountain View
Jerry Marsalli	City of Santa Clara
Al Mendall	City of Hayward
Chris Mickelsen	Coastside County Water District
Chuck Reed	City of San Jose
John Weed	Alameda County Water District