

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

**September 18, 2014 – 7 p.m.
Foster City Community Building, Foster City CA**

MINUTES

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. Nineteen (19) members of the Board were present, constituting a quorum. A list of Directors present (19) and absent (7) is attached.

2. Comments by the Chair:

Chair O'Connell reported that the action calendar before the Board includes the re-appointment of Mr. Jensen as Special Counsel to the CEO/General Manager. Mr. Jensen's re-appointment is to provide assistance related to specific work with San Francisco on the implementation of the Water Supply Agreement. The Board Policy Committee voted unanimously to recommend Board approval of the re-appointment.

At the Chair's request, a report will be presented to the Board by SFPUC's Program Director for the Water System Improvement Program, Mr. Dan Wade, and representatives from GEI consultants, on the results of GEI's independent review of the pre-construction investigations and design of the Calaveras Dam Replacement Project. The investigation was performed by the SFPUC after major differing site conditions were experienced at the project which resulted to changes in design, cost increases and schedule delays. Chair O'Connell stated that it is important to BAWSCA, on behalf of its member agencies and their water customers, to understand the results of the independent review.

Lastly, Chair O'Connell reported that she appointed an ad-hoc sub-committee comprised of herself, Vice-Chair Breault, Directors Guzzetta, Kasten, and Piccolotti, and the CEO/General Manager, to review and provide input on the item raised by Vice-Chair Breault at the July Board meeting regarding how BAWSCA takes a position on a public issue that might affect its constituents. The sub-committee will examine the appropriate process and will report back to the BPC and the Board.

3. Board Policy Committee (BPC) Report: On behalf of Committee Vice-Chair Bronitsky, Ms. Sandkulla reported the discussions and actions taken by the Board Policy Committee at its meeting on August 13, 2014.

As stated by the Chair, the Committee voted unanimously to recommend Board approval of the proposed action to re-appoint Mr. Jensen as Special Counsel to the CEO/General Manager for the remainder of FY 2014-15. The committee discussions on water supply conditions and the Long-Term Reliable Water Supply Strategy are recorded in the summary report included in the packet.

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

5. **Consent Calendar:**

Director Kasperzak made a motion, seconded by Director Chambers, to approve the July 17, 2014 Minutes, receive and file the Pre-Audit Budget Status Report as of June 30, 2014, and the Surcharge Collection Status Report as of June 30, 2014.

The motion carried unanimously.

6. **Action Calendar:**

- A. Resolution Approving Temporary Re-appointment of Arthur Jensen as Special Counsel to the CEO/General Manager, with Compensation Consistent with the Salary Schedule for the CEO/General Manager Position.

Director Pierce made a motion, seconded by Director Laporte, that the Board adopt the resolution approving the re-appointment of Arthur Jensen to the temporary position of Special Counsel to the CEO/General Manager, and making associated findings in support of such an appointment.

The motion carried unanimously.

7. **SFPUC Report:**

SFPUC General Manager, Harlan Kelly, talked about the findings of the National Economic and Labor Impacts of Water Utilities Survey and how water infrastructure projects have contributed to regional economies. He reported that SFPUC partnered with water agencies across the nation in an effort to elevate the significance of water infrastructure so that it receives the same government support roads and energy receives. The SFPUC brought its efforts to the White House Counsel on Economic Quality to discuss key points including low-cost financing. Mr. Kelly welcomed members of the Board and their agencies to participate in a series open houses the SFPUC is holding to engage the service area in raising the visibility of the water industry.

SFPUC Program Director, Dan Wade, reported on the progress of major projects in the WSIP, including the Peninsula Pipeline Seismic Upgrade, Crystal Springs/San Andreas Transmission Upgrade, and the Groundwater Storage and Recovery Project. He reported that the WSIP celebrated its 10-year milestone which was held at Sutro Reservoir. He added that a staff transition plan has been developed to ensure that efficient allocation of resources is in place as projects approach completion.

Mr. Wade introduced Steve Verigan from GEI consultants, who addressed the BAWSCA Board on the independent review of the pre-construction investigations and design of the Calaveras Dam Replacement Project.

Mr. Briggs, SFPUC Water Supply and Treatment Division Manager, reported on the current water supply conditions, the system storage capacity, and the outlook for 2015. He reported that the target water use reduction of 10% requested by the SFPUC will be carried

through the remainder of 2014. He emphasized that policy, including the State policy, will be dictated by hydrology.

In response to Board Member questions, Mr. Kelly stated that San Francisco will defend its water rights.

8. Reports:

The Board discussed the staff reports on the Long-Term Water Supply Strategy, the WSIP Groundwater Storage and Recovery Project, the Regional Drought Campaign, and SB 1345.

9. Closed Session:

The meeting adjourned to Closed Session at 8:40pm.

10. Reconvene and Report from Closed Session:

The meeting reconvened to Open Session at 9:25pm.

Chair O'Connell reported that no reportable action was taken during Closed Session for Item 9A.

For Item 9B, Chair O'Connell reported that the Public Employee Performance Evaluation for the CEO/General Manager was discussed and accepted.

Director Richardson made a motion, seconded by Director Mendall, to approve the recommended contract amendment to the CEO/General Manager's Employment Contract. The motion carried unanimously.

11. Directors' Discussion:

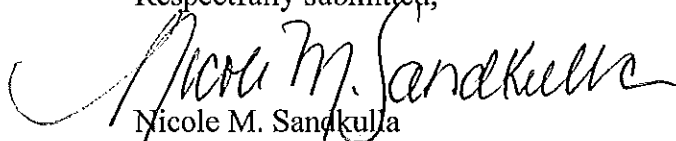
Director Weed encouraged members of the Board, who have not signed up to attend the Regional Water System Tour at Hetch Hetchy, to do so.

Ms. Sandkulla announced that two spots are available in the September 24th – 25th Tour.

12. Date, Time and Location of Next Meeting: The next meeting is scheduled on November 20, 2014 in the Wind Room, Foster City Community Center.

13. Adjournment: The meeting adjourned at 9:35pm.

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
September 18, 2014

Attendance Roster

Present:

Robert Anderson	Purissima Hills Water District
Randy Breault	Guadalupe Valley Water District
Tom Chambers	Westborough Water District
Michael Guingona	City of Daly City
Rob Guzzetta	California Water Service Company
Mike Kasperzak	City of Mountain View
Tom Kasten	Town of Hillsborough
Kirsten Keith	City of Menlo Park
Marty Laporte	Stanford
Gustav Larsson	City of Sunnyvale
Jerry Marsalli	City of Santa Clara
Al Mendall	City of Hayward
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
Sepi Richardson	City of Brisbane
Louis Vella	Mid-Peninsula Water District
John Weed	Alameda County Water District

Absent:

Ruben Abrica	City of East Palo Alto
Charlie Bronitsky	City of Foster City
Armando Gomez	City of Milpitas
Larry Klein	City of Palo Alto
Chris Mickelsen	Coastside County Water District
Dan Quigg	City of Millbrae
Chuck Reed	City of San Jose