

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

**May 18, 2017 – 6:30 p.m.  
Oak Room, San Mateo Public Library, San Mateo CA**

<b>MINUTES</b>
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**1. Call to Order/Pledge of Allegiance/Roll Call – 6:30 pm**

BAWSCA Chair, Al Mendall, called the meeting to order and led the salute to the flag. CEO/General Manager, Nicole Sandkulla, called the roll. Fifteen (15) members of the Board were present at roll call, constituting a quorum. Two arrived after roll-call. A list of Directors present (17) and absent (9) is attached.

**2. Comments by the Chair:**

Chair Mendall noted that the CEO/General Manager will present the proposed FY 2017-18 Work Plan and Operating Budget which has an aggressive plan to ensure long-term water reliability including studies for advanced water recycling projects, partnerships for groundwater, and a pilot water transfer.

On March 17<sup>th</sup>, BAWSCA submitted written comments on SWRCB's draft Substitute Environmental Document (SED), which states that BAWSCA supports the objective of the Bay Delta Plan, but cannot support the details of the proposed plan for the Tuolumne River. BAWSCA stated its support for the alternative that the SFPUC proposed as part of its comments to the State.

Chair Mendall stated BAWSCA's sincere hope that a negotiated voluntary settlement can be reached to resolve the issue.

**3. Board Policy Committee (BPC) Report:** Committee Chair, Gustav Larsson reported the discussions by the Committee at its meeting on April 12, 2017. They are reflected in the BPC summary report included in the packet.**4. Public Comments:** Public Comments were made by Dave Warner, Palo Alto resident, and Spreck Rosekrans, Executive Director of Restore Hetch Hetchy.**5. Consent Calendar:**

**Director Richardson made a motion, seconded by Director Kasperzak, to approve the Minutes of the March 16, 2017 meeting, receive and file the Budget Status Report, Investment Report, Bond Surcharge Collection Report, and Directors' Reimbursement Report as of March 31, 2017.**

**The motion carried unanimously.**

**6. SFPUC Report:** SFPUC Deputy General Manager and Chief Operating Officer, Michael Carlin, addressed the Board on behalf of Harlan Kelly who was unable to attend the meeting.

**7. Closed Session:**

The meeting adjourned to Closed Session at 6:49pm, and reconvened to Open Session at 7:30pm.

Legal Counsel, Allison Schutte, reported that there was no action taken during Closed Session.

**8. Action Calendar:****A. Amendment to Hanson Bridgett Professional Services Contract: .**

**Director Keith made a motion, seconded by Director Richardson, to authorize the CEO/General Manager to amend the professional services contract with Hanson Bridgett by \$75,000 for a total not to exceed amount of \$726,000.**

**The motion carried unanimously.**

**B. Proposed Fiscal Year 2017-18 Work Plan and Results to be Achieved: .**

**Director Kasperzak made a motion, seconded by Director Benton, to:**

- 1. Approve the Proposed FY 2017-18 Work Plan and Results to be Achieved;**
- 2. Approve the Proposed Operating Budget of \$3,704,572; and,**
- 3. Approve the recommended funding plan of a 3% assessment increase (\$3,543,957) and a transfer of \$160,615 from the General Reserve.**

**The motion carried unanimously.**

**C. Approval of Professional Services Contracts for FY 2017-18:**

**Director Kasperzak made a motion, seconded by Director O'Mahony, to approve the twenty-one contracts, subject to legal counsel's review, for legal, engineering, financial, strategic and water conservation services needing to be in place by July 1, 2017.**

**The motion carried unanimously.**

**D. Consultant Selection to Develop Independent Regional Water System and Supply Modeling Tool.**

**Director Keith made a motion, seconded by Director Kasperzak to authorize the CEO/GM to Negotiate and Execute a Contract with Hazen and Sawyer, subject to legal counsel's final review, up to an amount not to exceed \$135,000, for development of the Regional Water System and Supply Modeling Tool.**

**The motion carried unanimously.**

**9. Reports:**

There were no further discussions on the items included in the CEO letter, Board Policy Calendar, or Correspondence Packet.

**10. Directors' Discussion: Comments, Questions and Agenda Requests:** Director Kasperzak reported that a press release was issued stating that on May 23<sup>rd</sup>, the Mountain View Council will consider transferring 1mgd of its water rights to the City of East Palo Alto in exchange for a one-time payment of \$5 M. The City of Mountain View has consistently been under its minimum purchase requirement from the SFPUC, and has been paying for water it does not use.

Ms. Sandkulla clarified that the City of Mountain View's minimum requirement will remain the same, and the 1 mgd is a permanent transfer from Mountain View to East Palo Alto.

East Palo Alto Mayor, Larry Moody, stated his optimism that the Mountain View City Council will favor the recommendation. He thanked BAWSCA for supporting East Palo Alto in addressing the systemic issue that has impacted East Palo Alto like no other City in the Bay Area. He also thanked Director Kasperzak and Menlo Park Mayor, Kirsten Keith, for their support and collaborative efforts, following conversations that started at the 2016 Water Now Alliance conference, that established a relationship and fostered clear dialogs between the cities.

The relationship has brought East Palo Alto closer to implementing necessary development of its community. Mayor Moody stated that East Palo Alto wants to be a part of the growth and activities of the region, and the water transfer provides that opportunity to build schools, housing and a retail zone where East Palo Alto residents, as well as neighboring residents, can spend their disposable dollars.

He hopes to continue the conversation of finding a way to transfer unused water directly to the City of East Palo Alto, where it can be utilized.

Director Richardson reported that at the April 2017 Water Now Alliance Summit in Boulder, Colorado, Mike Kasperzak was honored with the first ever Water Now Alliance Leadership Award for his efforts. Director Richardson noted that Water Now Alliance is a great agency, and that the 2017 summit was one of the most informative meetings she has attended.

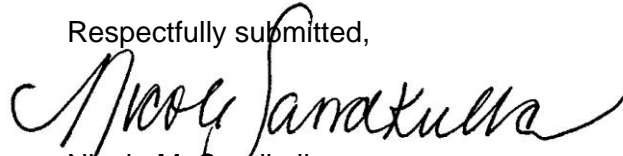
Director Mendall announced that Director Guzzetta will end his 11 years of service on the BAWSCA Board when his term expires on June 30, 2017. Director Guzzetta's wealth of experience, deep understanding of water issues, calm and professional demeanor was valuable to BAWSCA. As an engineer, he provided balance and expertise in BAWSCA's mix of elected officials and industry professionals. He will be missed.

Director Guzzetta expressed his appreciation for the Chair's kind words and for the opportunity to work with BAWSCA on one of the most unique water systems. It was a privilege to be on the BAWSCA Board alongside the fine people it is comprised of. He thanked the elected officials for allowing a non-elected person into the group to contribute. He will keep in touch.

**11. Date, Time and Location of Next Meeting:** The next meeting is scheduled on July 20, 2017 at the new time of 6:30pm, in the Oak Room, of the San Mateo Main Library.

**12. Adjournment:** The meeting adjourned at 8:20pm.

Respectfully submitted,



Nicole M. Sandkulla  
Chief Executive Officer/General Manager

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Attachments: 1) Attendance Roster

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**Board of Directors Meeting**  
**May 18, 2017**

**Attendance Roster**

Present:

Robert Anderson	Purissima Hills Water District
Jay Benton	Town of Hillsborough
Tom Chambers	Westborough Water District
Rob Guzzetta	California Water Service Company
Mike Kasperzak	City of Mountain View
Kirsten Keith	City of Menlo Park
Gustav Larsson	City of Sunnyvale
Juslyn Manalo	City of Daly City
Al Mendall	City of Hayward
Larry Moody	City of East Palo Alto
Rosalie O'Mahony	City of Burlingame
Tom Piccolotti	North Coast County Water District
Barbara Pierce	City of Redwood City
Sepi Richardson	City of Brisbane
Gregg Schmid	City of Palo Alto
Louis Vella	Mid-Peninsula Water District
Tom Zigterman	Stanford

Absent:

Randy Breault	Guadalupe Valley Water District
Charlie Bronitsky	City of Foster City
Pat Kolstad	City of Santa Clara
Sam Liccardo	City of San Jose
Chris Mickelsen	Coastside County Water District
Irene O'Connell	City of San Bruno
Dan Quigg	City of Millbrae
Rich Tran	City of Milpitas
John Weed	Alameda County Water District