

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
BOARD OF DIRECTORS MEETING****May 20, 2021 – 6:30 p.m.**

DUE TO COVID-19, THIS MEETING WAS CONDUCTED AS A TELECONFERENCE PURSUANT TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20, WHICH SUSPEND CERTAIN REQUIREMENTS OF THE RALPH M. BROWN ACT. MEMBERS OF THE BOARD, BAWSCA STAFF, AND OF THE PUBLIC COULD NOT ATTEND THIS MEETING IN PERSON.

MINUTES

1. Call to Order/Pledge of Allegiance/Roll Call – 6:34 pm following introductory instructions for conducting the meeting virtually through Zoom.

BAWSCA Chair, Gustav Larsson, called the meeting to order. Nicole Sandkulla called the roll. Twenty-one (21) members of the Board were present at roll call. One member arrived after roll call. A list of Directors present (22), absent (4) is attached.

2. Comments by the Chair:

Chair Larsson welcomed the members of the Board. He noted that the agenda includes the Board's adoption of the workplan and operating budget, as well as the professional services contracts needed for FY 2021-22. On behalf of the Board, he expressed appreciation for the CEO and her staff for developing a funding plan that includes a single digit assessment increase that funds the workplan, maintains the General Reserve within Board guidelines, and continue to save money for our member agencies.

Chair Larsson also emphasized the immeasurable importance of the TRVA and BAWSCA efforts to advocate for an analysis of it by the State Board as an alternative to the adopted Bay Delta Plan.

3. Board Policy Committee Report:

Committee Chair Zigterman reported that the Committee met on April 14th and voted unanimously to recommend Board approval of the items included under the consent calendar; the amendments to the professional service agreements with Legal Counsel and Strategic Counsel; and the renewal of the office lease.

The Committee also voted to recommend Board approval of the proposed FY 2021-22 Workplan and Operating Budget as well as the actions needed to support the potential refunding of BAWSCA's 2013A Bond series.

4. Public Comments on Items Not on the Agenda:

Public comments were made by Carol Steinfeld, Dave Warner, and Peter Drekmeier.

5. SFPUC Report:

SFPUC Assistant General Manager Steve Ritchie reported on current water supply conditions and storage levels to date. Mr. Sandler, CFO and AGM of Business Services, provided an update on SFPUC's wholesale rate projections as it relates to the Wholesale Revenue Requirement (WRR) and Balancing Account process.

Comments and questions were taken from members of the Board.

Public comments were received from Peter Drekmeier.

6. Consent Calendar:

Director Wood made a motion, seconded by Director Hamilton, to approve the Minutes of the March 18, 2021 meeting; receive and file the Budget Status Report, the Bond Surcharge Collection, Account Balance and Payment Report, Investment Report, and Directors' Reimbursement Report as of March 31, 2021; and approve the 2nd amendment to Hanson Bridgett's FY 2020-21 Professional Services contract, the amendment to Strategic Counsel's FY 2020-21 Professional Services contract, and the renewal of the Office Lease.

The motion carried by roll call vote.

7. Report and Discussion:

- A. Potential Refunding of BAWSCA's Revenue Bond Series 2013A – Actions Needed to Proceed: Ms. Tang presented information to support the Board actions needed under agenda Item #8B-5, #8B-8, and #8B-9 to proceed with the preliminary work required for the potential refunding of BAWSCA's 2013A Bond series in FY 2021-22.

Comments and questions were taken from members of the Board.

8. Action Calendar:

- A. Approval of Proposed Fiscal Year 2021-22 Work Plan, Results to be Achieved, and Operating Budget.

Ms. Sandkulla presented this item. Comments and questions were taken from members of the Board.

Public comments were made by Peter Drekmeier.

Director Benton made a motion, seconded by Director Jordan, that the Board approve the:

- 1. Proposed FY 2021-22 Work Plan and Results to be Achieved;**
- 2. Proposed Operating Budget of \$4,783,794;**
- 3. Proposed funding plan of 5% assessment increase, a transfer of \$281,676 from the General Reserve, a transfer of \$331,000 from the Balancing Account, and use of \$300,000 in excess Stabilization Funds for funding the Operating Budget; and**
- 4. Authorization of a request for a transfer of \$331,000 from the Balancing Account to BAWSCA in accordance with BAWSCA's Balancing Account Policy, Resolution #2020-02.**

The motion carried by roll call vote.

Director Mueller abstained.

B. Approval of Professional Services Contracts for Fiscal Year 2021-22.

Ms. Sandkulla presented this item. Comments and questions were taken from members of the Board.

There were no comments from members of the public.

Director Benton made a motion, seconded by Director Kuta, that the Board approve the twenty-three (23) contracts, subject to legal counsel's review, for legal, engineering, financial, strategic and water conservation services needing to be in place by July 1, 2021.

The motion carried unanimously by roll call vote.

9. CEO Reports:

- A. Water Supply and Use Update: Ms. Sandkulla reported that the BAWSCA service area's total potable water use in February 2021 was 16% less than in pre-drought February 2013. She noted that increase in water use during the months of December, January and February, when it would otherwise be wet, is an indicator of dry conditions. BAWSCA will continue to monitor the trends with SFPUC as the water year continues.
- B. FERC/Bay Delta Plan Update: Regarding FERC, Ms. Sandkulla reported that BAWSCA and the SFPUC separately filed petitions with the SWRCB for reconsideration of its Water Quality Certification for the Don Pedro FERC relicensing. BAWSCA will remain engaged with the SFPUC and the Districts as FERC matters develop in 2021. On May 14, San Francisco filed suit against the State Board related to the Certification. San Francisco's action is appropriate and consistent with the WSA and its obligations to the Wholesale Customers. Regarding the Bay Delta Plan, Ms. Sandkulla reported that BAWSCA continues its efforts on having the Tuolumne River Voluntary Agreement (TRVA) analyzed by the State Board as an alternative to the adopted Bay Delta Plan. BAWSCA is engaging local elected officials with a goal of reaching out to the Governor to urge his continued leadership role for voluntary agreements.

Public Comments were made by Peter Drekmeier.

Prior to adjourning to Closed Session:

Director Mendall made a motion seconded by Director Vella, to extend the meeting until 10pm.

The motion carried by roll call vote.

10. Closed Session: The meeting adjourned to Closed Session at 8:50pm

11. Report After Closed Session: Closed Session ended at 9:51pm. Legal Counsel, Allison Schutte, convened Open Session and reported that no action was taken during Closed Session.

12. Directors' Discussion: Comments, Questions and Agenda Requests:

Director Cormack requested a forum for discussion of the SFPUC Climate Change Study.

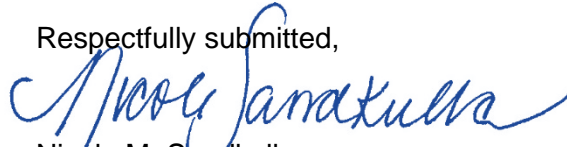
Director Kuta asked if BAWSCA is in compliance with Conflict of Interest and AB 1234 requirements.

Ms. Sandkulla reported that BAWSCA is in compliance with requirements of the Fair Political Practices Commission (FPPC).

13. Date, Time and Location of Next Meeting: The next meeting is scheduled on July 15, 2021 at 6:30pm. The meeting is expected to be in the same virtual format.

14. Adjournment: The meeting adjourned at 9:57pm.

Respectfully submitted,



Nicole M. Sandkulla

Chief Executive Officer/General Manager

NMS/le

Attachments: 1) Attendance Roster

Bay Area Water Supply and Conservation Agency

Board of Directors Meeting Attendance Roster

Director	Agency	May 20, 2021	Mar. 18, 2021	Jan. 21, 2021	Nov. 19, 2020	Sept. 17, 2020	July 16, 2020
Benton, Jay	Hillsborough	✓	✓	✓	✓	✓	✓
Breault, Randy	Guadalupe		✓		✓	✓	✓
Chambers, Tom	Westborough	✓	✓	✓	✓	✓	✓
Cormack, Alison	Palo Alto	✓	✓	✓	✓	✓	✓
Hamilton, Tom	San Bruno	✓	✓	vacant	✓*		✓*
Hardy, Karen	Santa Clara	✓	✓	vacant	✓*	✓*	✓*
Hindi, Sam	Foster City	✓	✓	✓		✓	✓
Jordan, Steve	Purissima	✓	✓	✓	✓	✓	✓
Keighran, Ann	Burlingame	✓	✓	✓*	✓*	✓*	✓*
Kuta, Rob	Cal Water	✓	✓	✓	✓	✓	✓
Larsson, Gustav	Sunnyvale	✓	✓	✓	✓	✓	✓
Liccardo, Sam	San Jose						
Manalo, Juslyn	Daly City	✓	✓	✓	✓	✓	✓
Matchak, Lisa	Mountain View	✓	✓	✓	✓	✓	✓
Mendall, Al	Hayward	✓	✓	✓	✓	✓	✓
Mickelsen, Chris	Coastside	✓	✓	✓	✓	✓	✓
Montano, Carmen	Milpitas	✓	✓	✓	✓		✓
Moody, Larry	East Palo Alto		✓	✓	✓	✓	✓
Mueller, Ray	Menlo Park	✓	✓	✓		✓*	✓*
Piccolotti, Tom	North Coast						✓
Pierce, Barbara	Redwood City	✓	✓	✓	✓	✓	✓
Quigg, Dan	Millbrae	✓	✓	✓	✓	✓	✓
Vella, Lou	Mid-Peninsula	✓	✓	✓	✓	✓	✓
Weed, John	ACWD	✓	✓	✓	✓	✓	✓
Wood, Sepi	Brisbane	✓	✓	✓	✓	✓	✓
Zigterman, Tom	Stanford	✓	✓	✓	✓	✓	✓

✓ : Present

* : Predecessor