

**BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
BOARD OF DIRECTORS MEETING****January 15, 2026 – 6:30 p.m.****MINUTES****1. Call to Order/Pledge of Allegiance/Roll Call – 6:33 pm.**

BAWSCA Chair, Tom Chambers, called the meeting to order. CEO/General Manager Tom Smegal called the roll. Twenty-four (24) members of the Board were present at roll call with one member participating via teleconference in accordance with the traditional Brown Act Rule. One member arrived after roll call. A list of Directors present (25) and absent (1) is attached.

2. Special Order of Business – Election of Officers for Calendar Year 2025

Chair Chambers called for nominations for the position of Chair of the BAWSCA Board. Director Hardy nominated Louis Vella for Chair. Director Pierce seconded the nomination. Director Vella accepted.

There being no further nominations, the nominations were closed by consensus.

By roll call vote, the Board elected Louis Vella as Chair of the Bay Area Water Supply and Conservation Agency Board of Directors for calendar year 2026, to commence at the adjournment of the meeting at which he was elected.

Chair Chambers called for nominations for the position of Vice-Chair. Director Ragsdale nominated Karen Hardy for Vice Chair. Director Schneider seconded the nomination. Director Hardy accepted.

There being no other nominations, the nominations were closed by consensus.

By roll call vote, the Board elected Karen Hardy as Vice-Chair of the Bay Area Water Supply and Conservation Agency Board of Directors for calendar year 2026 to commence at the adjournment of the meeting at which she was elected.

Public comments were provided by Dave Warner.

3. The meeting adjourned at 6:41 pm to convene the San Francisco Bay Area Regional Water System Financing Authority Board of Directors Meeting.**4. The meeting reconvened at 6:50 pm****5. Comments by the Chair:**

Chair Chambers noted that Closed Session will be removed from the agenda as there was no need for it. Items for the Board included consideration of an additional payment to CalPERS to reduce BAWSCA's unfunded pension liability, a mid-year report on the current fiscal year's workplan, budget and General Reserve balance,

and a planning session for the development of BAWSCA's FY 2026-27 workplan and budget.

Chair Chambers congratulated Louis Vella for being elected as Chair of the Board for calendar year 2026. He commented that in his 2-years as Board Chair, he was disappointed to see Nicole Sandkulla leave BAWSCA but is very pleased to have Tom Smegal as BAWSCA's new CEO/General Manager. BAWSCA is in good hands with CEO Smegal's extensive financial and executive management experience with CalWater. He thanked BAWSCA staff as well as the Board for leading the agency's successes that were accomplished because of the member agencies' collaborative efforts to ensure a reliable supply of high-quality water at a fair price for the BAWSCA region. He believes that the member agencies' unity is what makes BAWSCA effective in finding regional solutions.

6. **Board Policy Committee Report:** Board Policy Committee Chair Karen Hardy reported that the Committee met on December 10, 2025 where it voted unanimously to recommend Board of approval of the proposed FY 2026-27 Bond Surcharges. The Committee was presented with the results of the 2025 Regional Water Demand and Conservation Study, and options for making an additional one-time payment to CalPERS to reduce BAWSCA's unfunded pension liability. The committee reached consensus to recommend Board consideration of a funding approach to make an additional payment to CalPERS. Details of the Committee's robust discussion are reflected in the meeting summary included in the agenda packet.

7. **Public Comments on Items Not on the Agenda:**

There were no public comments.

8. **SFPUC Report:** Alison Kastama, SFPUC's Liaison to BAWSCA, provided a water supply conditions update stating that the Regional Water System's (RWS) storage and the State's reservoirs are in good condition given the precipitation to date. She also reported on the SFPUC's Budget Process and 10-Year Capital Improvement Plan (CIP) highlighting the schedule as well as the status of major projects included in the proposed Hetch Hetchy CIP and Water Enterprise CIP.

Comments and questions were received from members of the Board.

Public comments were provided by Dave Warner, Peter Drekmeier, and Mark Shahinian.

9. **Consent Calendar:**

Director Nash noted a correction on the attendance log of the November 20, 2025 Board meeting minutes indicating that she was in attendance and did not teleconference. Director Showalter noted that she participated by teleconference.

With the noted corrections on the Minutes, Director Breault made a motion, seconded by Director Manalo, that the Board approve the Minutes of the November 20, 2025 Meeting; Receive and File the Budget Status Report as of November 30, 2025, Investment Report, Directors' Reimbursement Report, and Employees' Reimbursement Report as of December 31, 2025; Receive and File the Bond Surcharge Collection, Account Balance, and

Payment Report as of September 30, 2025; and Approve the Proposed FY 2026-27 Bond Surcharges.**The motion passed by roll call vote with one abstention.**

There were no comments or questions from members of the Board or from members of the public.

10. Action Calendar:

Director Mehlinger made a motion, seconded by Director Weed, that the Board approve Option #3 as the funding approach, out of the three options presented, which authorizes a one-time additional payment of \$300,000 to CalPERS to reduce BAWSCA's unfunded pension liability.

The motion carried by a roll call vote of 15:10.**11. Reports and Discussions:**

Finance Manager, Christina Tang, reported on BAWSCA's Pension Liability Funded Status and OPEB Liability Funded Status:

Sr. Water Resources Specialist, Danielle McPherson, reported on the 2025 Regional Water Demand and Conservation Study.

The Chair called for a motion to extend the meeting to 9:30pm.

Director Hamilton made a motion, seconded by Director Mehlinger, to extend the meeting to 9:30pm as recommended by the Chair.

The motion passed unanimously by roll call vote.

CEO/General Manager Smegal presented the findings of the FY 2025-26 Mid-Year Work Plan, Budget and General Reserve Review.

Questions and comments were received from members of the Board.

Public comments were received from Peter Drekmeier, Mark Shahinian and Dave Warner.

12. Discussion Item: Fiscal Year 2025-26 work plan and budget planning session:

A table was presented to the Board showing the identified short-, mid-, and long-term challenges that should be considered by BAWSCA between now and 2065. As part of the planning session, Board members provided comments and feedback to the CEO regarding potential work effort, outreach focus, or topics of interest for his consideration in developing the work plan and budget for FY 2026-27.

Public comments were received from Dave Warner and Peter Drekmeier.

13. CEO Reports:

The Board received reports on BAWSCA's Consultant Billing Rate Market Comparison, Bay Delta Plan and FERC Process, BAWSCA's review of SFPUC's 10-Year CIP and budget process, and an update on legislative matters that impact BAWSCA.

Public comments were provided by Stephen Rainaldi, Vice Mayor for City of Millbrae.

14. Closed Session: No Closed Session was held.

15. Report from Closed Session: N/A.

16. Additional Time for Public Comments (Time Permitting):

The meeting duration did not permit additional time for public comments .

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

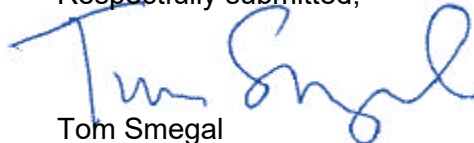
Director Ragsdale thanked Chair Chambers for his diligence and guidance of the Board as Chair for the past 2 years.

Director Schneider requested the Board Policy Committee's consideration of looking into SFPUC projects that are within a member agencies' jurisdictions and the potential impacts those projects have on that agency and its residents.

18. Date, Time and Location of Next Meeting: The next meeting is scheduled on March 19, 2026 at 6:30pm in the Burlingame Community Center.

19. Adjournment: The meeting adjourned at 9:18pm.

Respectfully submitted,



Tom Smegal
CEO/General Manager

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Attachments: 1) Roll Call & Voting Log
2) Attendance Roster

Roll Call & Voting Log - BAWSCA

Meeting Date: 15-Jan-26

								Weighted Voting ⁽²⁾	
Agency	Director	Present/ Absent	Item #2 Election of Chair Nominee	Item #2 Election of VChair Nominee	Item #9 Consent	Item #10 Additional Discretionary Payment (ADP)	Extend the Meeting to 9:20pm	Weighted "Yes" Votes	Weighted "No" Votes
Hayward	Andrews, Angela	y	y	y	y	y	y		
Brisbane	Breault, Randy	y	y	y	y	y	y		
Guadalupe	Breault, Randy	y	y	y	y	y	y		
Westborough	Chambers, Tom	y	y	y	y	n	y		
San Jose	Cohen, David	y	y	y	y	y	y		
CalWater	Duncan, Darin	y	y	y	y	y	y		
San Bruno	Hamilton, Tom	y	y	y	y	y	y		
Santa Clara	Hardy, Karen	y	y	y	y	y	y		
Purissima	Jordan, Steve	tele y	tele y	tele y	tele y	tele n	tele y		
Foster City	Kiesel, Art	y	y	y	y	n	y		
East Palo Alto	Lincoln, Webster	y	a	a	y	n	y		
Daly City	Manalo, Juslyn	y	y	y	y	y	y		
Sunnyvale	Mehlinger, Richard	y	y	y	y	y	y		
Coastside	Mickelsen, Chris	y	y	y	y	y	y		
Milpitas	Montano, Carmen	a	a	a	a	a	a		
Menlo Park	Nash, Betsy	y	y	y	y	n	y		
North Coast	Picolotti, Tom	y	y	y	y	y	y		
Redwood City	Pierce, Barbara	y	y	y	y	n	y		
Hillsborough	Ragsdale, Leslie	y	y	y	y	y	y		
Millbrae	Schneider, Ann	y	y	y	y	y	y		
Mountain View	Showalter, Pat	y	y	y	y	y	y		
Burlingame	Stevenson, Peter	y	y	y	y	n	a		
Palo Alto	Stone, Greer	y	y	y	y	n	y		
Mid-Peninsula	Vella, Louis	y	y	y	y	n	y		
ACWD	Weed, John	y	y	y	y	y	y		
Stanford	Zigterman, Tom	y	y	y	a	n	y		

Vote Tally

							Weighted Vote Summary	
	25	24	24	24	15	24	"Yes"	"No"
Yes (y)								
No (n)					10			
Absent (0)	1	2	2	1	1	2		
Abstain (a)				1				
Item Carries by Simple Vote?								
Item Carries by Weighted Vote?								

(1) Under simple voting, item carries if it receives an affirmative vote of a majority of the total membership (15 votes)

(2) Under weighted voting, item carries if it receives the affirmative vote of directors representing both

- a) A majority of the members present and voting, and
- b) a majority of the number of votes represented by directors present

Bay Area Water Supply and Conservation Agency

Board of Directors Meeting Attendance Roster

Director	Agency	Jan. 15, 2026	Nov. 20, 2025	Sept. 18, 2025	July 17, 2025	May 15, 2025	Mar. 20, 2025
Andrews, Angela	Hayward	✓	✓	✓	✓	✓	✓
Breault, Randy	Guadalupe	✓	✓	✓		✓	✓
Breault, Randy	Brisbane	✓	✓	✓		✓	✓
Chambers, Tom	Westborough	✓	✓	✓	✓	✓	✓
Cohen, David	San Jose	✓		✓			✓
Duncan, Darin	Cal Water	✓	✓	✓	✓	✓	✓
Hamilton, Tom	San Bruno	✓	✓		✓	✓	✓
Hardy, Karen	Santa Clara	✓	☎	✓		✓	✓
Jordan, Steve	Purissima	☎	✓	☎	✓	✓	✓
Kiesel, Art	Foster City	✓	✓	✓	✓	✓	✓
Lincoln, Webster	East Palo Alto	✓	✓	✓		✓	✓
Manalo, Juslyn	Daly City	✓	✓		✓		✓
Mehlinger, Richard	Sunnyvale	✓	✓		✓	✓	
Mickelsen, Chris	Coastside	✓	✓	✓	✓	✓	✓
Montano, Carmen	Milpitas		✓	✓	✓	✓	✓
Nash, Betsy	Menlo Park	✓	✓	✓	✓	✓	✓
Piccolotti, Tom	North Coast	✓	✓	✓	✓		✓
Pierce, Barbara	Redwood City	✓	✓	✓	✓	✓	☎
Ragsdale, Leslie	Hillsborough	✓	✓	✓	✓	☎	✓
Schneider, Ann	Millbrae	✓	✓	✓	✓	✓	✓
Showalter, Patricia	Mountain View	✓	☎	✓	☎	✓	✓
Stevenson, Peter	Burlingame	✓	✓		✓	✓	✓
Stone, Greer	Palo Alto	✓	✓	✓	✓	✓	✓
Vella, Louis	Mid-Peninsula	✓	✓	☎	✓	✓	✓
Weed, John	ACWD	✓	☎	✓	✓	✓	✓
Zigterman, Tom	Stanford	✓		✓	✓	✓	✓

✓ : Present

* : Predecessor

☎ : Teleconference