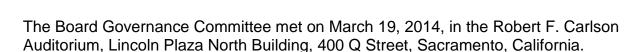


MEETING MINUTES March 19, 2014



The meeting was called to order at 8:02 a.m. and the following members were present:

Rob Feckner, Chair Priya Mathur, Vice Chair Michael Bilbrey George Diehr JJ Jelincic Henry Jones Bill Slaton

Other Board Member(s) present:

Grant Boyken for Bill Lockyer
Terrance McGuire for John Chiang

AGENDA ITEM 2 – EXECUTIVE REPORT

Gina Ratto, Interim General Counsel presented the oral report to the Committee as an information item.

AGENDA ITEM 3 – CONSENT ITEMS

On **MOTION** by Michael Bilbrey, **SECONDED** and **CARRIED**, that the following action consent items be approved as presented. The motion passed.

a. Approval of February 2014 Board Governance Committee Meeting Minutes

AGENDA ITEM 4 – CONSENT ITEMS

The Committee accepted the following information consent items:

a. Annual Calendar Review

b. Draft Agenda for May 2014 Board Governance Committee meeting

AGENDA ITEM 5 – FACILITATOR FOR THE BOARD'S 2014 SELF-ASSESSMENT-COMMITTEE INTERVIEWS AND RECOMMENDATION FOR BOARD AWARD OF LETTER OF ENGAGEMENT

Gina Ratto, Interim General Counsel, presented this item. The Committee conducted interviews, scored and ranked the two finalists. The consulting firm with the highest cumulative score, Hewitt EnnisKnupp was selected to facilitate the Board's assessment process. The Committee directed Staff to begin negotiations with Hewitt EnnisKnupp. If negotiations are unsuccessful, Staff will begin negotiations with Veaco Group, the next highest finalist.

On **MOTION** by Michael Bilbrey, **SECONDED** and **CARRIED**, the Committee recommends that the Board award a letter of engagement to Hewitt EnnisKnupp and direct Staff to begin contract negotiations.

AGENDA ITEM 6 – REVIEW OF THE BOARD GOVERNANCE COMMITTEE DELEGATION

Gina Ratto, Interim General Counsel, presented this item and proposed a change to the Board Governance Committee Delegation for the Board's consideration and approval at the April Board meeting.

On **MOTION** by JJ Jelincic, **SECONDED** and **CARRIED**, the Committee recommends that the Board consider and approve at its April Board meeting the proposed change, adding (C) 13 to the Board Governance Committee Delegation Resolution.

AGENDA ITEM 7 – REVISION TO BOARD GOERNANCE POLICY – ENSURING AN ETHICAL ENVIRONMENT

Kathleen Webb, Chief Officer, Risk and Compliance, presented this item and recommends; 1) amending the Board Governance Policy to remove the certification provision and replace it with a provision that addresses the Board's commitment to support an environment that is free of undue influence and requires a policy that will serve to guide the organization; and 2) the Board not require certification from the calendar year of 2012 and 2013.

On **MOTION** by Priya Mathur, **SECONDED** and **CARRIED**, the Committee recommends that the Board approve the proposed amendments to the Board Governance Policy.

AGENDA ITEM 7 - BOARD EDUCATION POLICY

Gina Ratto, Interim General Counsel, presented this item and provided the Committee with a second reading of the Board Education Policy.

recommends that the Board approve the second reading of the Board Education Policy.
AGENDA ITEM 8 – PUBLIC COMMENT
There was no public comment.
The meeting of the Board Governance Committee was adjourned at 9:31 a.m.
Date:

GINA RATTO

Interim General Counsel