



Santa Clara Valley Water District Board of Directors Meeting

District Headquarters Board Room
5700 Almaden Expressway
San Jose, CA 95118

***AMENDED/APPEDED 10:00 A.M. CLOSED SESSION AND 1:00 P.M. REGULAR MEETING AGENDA**

**Tuesday, December 12, 2017
10:00 AM**

***ITEMS AMENDED AND/OR APPEDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

DISTRICT BOARD OF DIRECTORS

John L. Varela, Chair - District 1
Richard Santos, Vice Chair - District 3
Barbara Keegan - District 2
Linda J. LeZotte - District 4
Nai Hsueh - District 5
Tony Estremera - District 6
Gary Kremen - District 7

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

NORMA CAMACHO
Chief Executive Officer

MICHELE L. KING, CMC
Clerk of the Board
(408) 265-2600
Fax (408) 266-0271
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown

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**Santa Clara Valley Water District
Board of Directors**

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Tuesday, December 12, 2017

10:00 AM

District Headquarters Board Room

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME CERTAIN:

***10:00 AM**

Notice to the Public: The Board of Directors meets in Closed Session in accordance with the Ralph M. Brown Act. Following the conclusion of Closed Session discussion, the Board will return for the remaining items on the regular meeting agenda.

2.1. CLOSED SESSION

[17-0850](#)

CONFERENCE WITH LEGAL COUNSEL - LIABILITY CLAIMS

Government Code Section 54956.9(e)(3)

Receipt of Claims

Claimants: Thomas Wingers, Kera Prum, Hoang Pham, Mong Van Fousek

Claim against: District

2.2. CLOSED SESSION

[17-0836](#)

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)

Silicon Valley Foundation for a Better Environment v. SCVWD and California Department of Fish and Wildlife

Santa Clara County Superior Court, Case No. 17CV31886

*2.3. CLOSED SESSION

[17-0761](#)

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: Norma Camacho, Anil Comelo, Michael Baratz, Laura Harbert, Dania Torres Wong, Esq.

Employee Organizations: Employees Association, Engineers Society, Professional Managers Association

1:00 PM

2.4. District Counsel Report.

2.5. Pledge of Allegiance/National Anthem.

2.6. Orders of the Day.

A. *Approximate Discussion Time (Board); and*

B. *Adjustments to the Order of Agenda Items.*

2.7. Time Open for Public Comment on any Item not on the Agenda.

Notice to the public: This item is reserved for persons desiring to address the Board on any matter not on this agenda. Members of the public who wish to address the Board on any item not listed on the agenda should complete a Speaker Card and present it to the Clerk of the Board. The Board Chair will call individuals to the podium in turn. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Board action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board may take action on any item of business appearing on the posted agenda.

2.8. Water Resources Management Degree Program at Gavilan College in
Gilroy, California.

[17-0753](#)

Recommendation: Receive information on the Water Resources Management Degree Program at Gavilan College and the District's partnership in support of the program.

Manager: Nina Hawk, 408-630-2736

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 10 Minutes

- 2.9. Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017, Independent Auditor's Reports, and Auditing Services Contract One-Year Extension. [17-0847](#)

Recommendation: Accept the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017 and other Independent Auditor's Reports, and approve one-year extension of current audit services contract.

Manager: Darin Taylor, 408-630-2208

Attachments: [Attachment 1: Independent Auditor's Opinion Letter](#)
[Attachment 2: Comprehensive Annual Financial Report](#)
[Attachment 3: CEO Compliance with Compensation and Benefits](#)
[Attachment 4: Appropriations Limit Calculation](#)
[Attachment 5: GAS Opinion Letter](#)
[Attachment 6: Revenue Bond Covenants](#)
[Attachment 7: Treasurers' Report](#)

Est. Staff Time: 10 Minutes

3:00 PM

- *2.10 Winter Preparedness Briefing. [17-0717](#)

Recommendation: Receive information on the Santa Clara Valley Water District's preparedness for winter operations.

Manager: Anil Comelo, 408- 630-2470

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: *30 Minutes

3. **CONSENT CALENDAR: (3.1 - *3.7) (Est. Time: 5 Minutes)**

Notice to the public: There is no separate discussion of individual consent calendar items. Recommended actions are voted on in one motion. If an item is approved on the consent vote, the specific action recommended by staff is adopted. Items listed in this section of the agenda are considered to be routine by the Board, or delegated to the Board Appointed Officers (BAOs) yet required by law or contract to be Board approved (EL-7.10). Any item may be removed for separate consideration at the request of a Board member. Whenever a resolution is on the consent calendar, a roll call vote will be taken on the entire calendar. Members of the public wishing to address the Board on any consent items should complete a Speaker Card and present it to the Clerk of the Board.

3.1. Renew the Wells Fargo Bank Sanctions Through September 27, 2018. [17-0731](#)

- Recommendation: A. Receive updates on the State Treasurer's Office sanctions against Wells Fargo Bank; and
- B. Approve the extension of District sanctions against Wells Fargo Bank through September 27, 2018, and provide direction to staff as necessary.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Debt Policy](#)
[Attachment 2: State Treasurer Letter](#)
[Attachment 3: Treasurer Sanctions Fact Sheet](#)

3.2. Amendment No. 2 to Grant Agreement No. A3710R, with City of Gilroy for the Ronan Channel Interim Trail Project (Gilroy) (District 1). [17-0735](#)

- Recommendation: A. Approve Amendment No. 2 to the Grant Agreement A3710R between the Santa Clara Valley Water District and the City of Gilroy; and
- B. Authorize the Chief Executive Officer to execute Amendment No. 2 to the Agreement.

Manager: Rick Callender, (408) 630-2017

Attachments: [Attachment 1: Amendment No. 2](#)
[Attachment 2: Amendment No. 1](#)
[Attachment 3: Agreement A3710R](#)

3.3. Board of Directors' Quarterly Expense Report for the Quarter Ending September 30, 2017. [17-0764](#)

- Recommendation: A. Review the Board of Directors' Quarterly Expense Report for the Quarter Ending September 30, 2017; and
- B. Approve the report, if the reimbursements comply with Board Policy.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Quarterly Expense Report](#)

- 3.4. Amendment to Purchase Order No. 29651 with FISHBIO for Fish Monitoring Devices, Resulting in a Total Not-to-Exceed Amount of \$273,283. [17-0747](#)

Recommendation: Authorize the CEO to increase the maximum purchase order amount for FISHBIO by \$46,920 for a total amount, not to exceed \$273,283 to enable the installation of three Vaki fish monitoring systems.

Manager: Vincent Gin, 408-630-2633.

Attachments: [Attachment 1: Original Purchase Order](#)
[Attachment 2: Amendment](#)

- 3.5. Claim by Great Oaks Water Company Against the Santa Clara Valley Water District for Refund of Groundwater Production Charges. [17-0791](#)

Recommendation: Deny the claim.

Manager: Stan Yamamoto, 408-630-2755

Attachments: [Attachment 1: Claim](#)
[Attachment 2: Notice of Rejection of Claim](#)

- 3.6. Claim of Mary Rea, et al. [17-0811](#)

Recommendation: Deny the Claim of Mary Rea, et al.

Manager: Stan Yamamoto, 408-630-2755

Attachments: [Attachment 1: Claim](#)

- *3.7. CEO Bulletins for the Weeks of November 24-30, and December 1-7, 2017. [17-0854](#)

Recommendation: Accept the CEO Bulletins.

Manager: Norma Camacho, 408-630-2084

Attachments: [Attachment 1: 113017 CEO Bulletin](#)
[*Attachment 2: 120717 CEO Bulletin](#)

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

- 4.1. Providing Notice of Time and Place of Public Hearing for the Santa Clara Valley Water District Board of Directors to Consider Directors' Compensation for Calendar year 2018, Pursuant to Chapter 2, Division 10 of the California Water Code. [17-0793](#)

Recommendation: A. Set a time and place for a public hearing for the Board of Directors to consider Directors' compensation for calendar year 2018, pursuant to Chapter 2, Division 10 of the California Water Code, for 6:00 p.m. on January 23, 2018, at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California; and

B. Direct the Clerk of the Board to publish notice of public hearing in a newspaper of general circulation within the county.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: Public Hearing Notice](#)

Est. Staff Time: 5 Minutes

- 4.2. Amend Fiscal Year (FY) 2017-2018 District Investment Policy to Incorporate Socially Responsible Investment (SRI) Objectives. [17-0841](#)

Recommendation: Approve the Amended FY 2017-2018 District Investment Policy to incorporate socially responsible investment objectives.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Amended Investment Policy \(Redlined\)](#)
[Attachment 2: Investment Evaluation Scorecard](#)
[Attachment 3: Environmental, Social, and Governance Factors](#)
[Attachment 4: Local Agency Investment Practices](#)
[Attachment 5: Corporate SRI Evaluation Summary](#)

Est. Staff Time: 10 Minutes

- *4.3. THIS ITEM REMOVED FROM AGENDA.

- 4.4. Santa Clara Valley Water Commission's Recommendation and Associated Staff Analysis from the Commission's October 25, 2017, Meeting. [17-0798](#)

Recommendation: Consider and act on the recommendations by the Santa Clara Valley Water Commission, encouraging the Board to target and concentrate its potable and non-potable water reuse education and outreach efforts on the youth.

Manager: Nina Hawk, (408) 630-2736

Est. Staff Time: 10 Minutes

- 4.5. Board Committee Reports.

5. WATER UTILITY ENTERPRISE:

- 5.1. Reduction of Construction Contract Retention for the Wolfe Road Recycled Water Facilities Project, JMB Construction, Inc., Contractor, Project No. 91244001, Contract No. C0607 (Sunnyvale) (District 5). [17-0782](#)

Recommendation: Authorize reducing the current construction contract retention of ten percent (10%) to five percent (5%), consistent with the minimum amount required by the California Public Contract Code.

Manager: Katherine Oven, 408-630-3126

Est. Staff Time: 5 Minutes

- *5.2. Expedited Purified Water Program - Program Status Updates and Implementation Next Steps. [17-0815](#)

Recommendation:

- A. Receive and discuss Expedited Purified Water Program updates;
- B. Consider staff's recommendation to proceed with Indirect Potable Reuse to Los Gatos Ponds; and
- C. Provide input on next steps for the Expedited Purified Water Program's implementation process, including proceeding with procurement and initiating environmental assessment and permitting.

Manager: Katherine Oven, 408-630-3126

Attachments: [Attachment 1: Draft Executive Summary: Purified Water Program](#)
[Attachment 2: PowerPoint](#)
[*Handout 5.2-A, Kiewit](#)

Est. Staff Time: 10 Minutes

- *5.3. Update on the Condition of the Almaden Valley Pipeline Inspection and Rehabilitation Project (San Jose, Los Gatos, Unincorporated Santa Clara County) (Districts 4 and 7) and Determination that the Condition of the Almaden Valley Pipeline Continues to Constitute an Emergency. [17-0863](#)

- Recommendation: A. Receive an update on the Almaden Valley Pipeline Inspection and Rehabilitation Project; and
- B. Determine by a four-fifths vote of the Board, that there is a need to continue the emergency action declared by the Chief Executive Officer (CEO) on December 5, 2017, pursuant to California Public Contract Code §22050, to repair the Almaden Valley Pipeline (San Jose, Los Gatos, Unincorporated Santa Clara County) (Districts 4 and 7).

Manager: Christopher Hakes, 408-630-3796

Attachments: [Attachment 1: Emergency Declaration Almaden Valley Pipeline M](#)

Est. Staff Time: 10 Minutes

6. WATERSHEDS: NONE.

7. EXTERNAL AFFAIRS:

- *7.1. Update on the Office of Civic Engagement and Formation of Board Advisory Youth Commission. [17-0696](#)

- Recommendation: A. Receive information and updates on Office of Civic Engagement;
- B. Approve the formation of a Santa Clara Valley Water District Youth Commission; and
- C. Adopt the Resolution PROVIDING FOR AND DEFINING THE STRUCTURE AND FUNCTION OF ADVISORY COMMITTEES TO THE SANTA CLARA VALLEY WATER DISTRICT BOARD OF DIRECTORS AND REPEALING RESOLUTION 15-28.

Manager: Rick Callender, 408-630-2017

Attachments: [Attachment 1: PowerPoint](#)
[Attachment 2: Resolution](#)

Est. Staff Time: *15 Minutes

- 7.2. Update on a District Branding Initiative. [17-0777](#)

Recommendation: Provide feedback on the proposed plan for developing a branding initiative for the District.

Manager: Rick Callender, 408-630-2017

Est. Staff Time: 10 Minutes

- 7.3. Recommended Positions on Federal Legislation: HR 3916 (Calvert) - [17-0787](#)
Federally Integrated Species Health (FISH) Act; HR 3912 (Walorski) -
Move America Act of 2017; and HR 1971 (Smucker) and S 692 (Fischer)
Water Infrastructure Flexibility Act.

- Recommendation: A. Adopt a position of "Support" on: HR 3916 (Calvert) -
Federally Integrated Species Health (FISH) Act;
- B. Adopt a position of "Support" on: HR 3912 (Walorski) -
Move America Act of 2017; and
- C. Adopt a position of "Support" on: HR 1971 (Smucker)
and S 692 (Fischer) - Water Infrastructure Flexibility Act.

Manager: Rachael Gibson, 408-630-2884

Est. Staff Time: 10 Minutes

8. CHIEF EXECUTIVE OFFICER:

- 8.1. Fiscal Year 2018-19 Budget Process Overview and Financial Liability [17-0779](#)
Discussion.

Recommendation: Receive and discuss the Fiscal Year 2018-19 overview of the District's Budget Development Process and financial liability status.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 15 Minutes

- 8.2. Chief Executive Officer Report.

9. ADMINISTRATION: NONE.

10. DISTRICT COUNSEL:

10.1. Application for Leave to File Late Claim for Claim of Thomas Wingens/4355 Monterey Rd., LLC.

[17-0776](#)

Recommendation: Deny the application to file a late claim.

Manager: Stan Yamamoto, 408-630-2755

Attachments: [Attachment 1: Claim](#)

[Attachment 2: Late Claim Addressed to Risk Management](#)

[Attachment 3: Late Claim Addressed to Clerk of the Board](#)

Est. Staff Time: 5 Minutes

11. ADJOURN:

11.1. Board Member Reports/Announcements.

11.2. Clerk Review and Clarification of Board Requests.

11.3. Adjourn to Special Meeting at 10:00 a.m., on December 19, 2017, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.