



BOARD OF DIRECTORS MEETING

MINUTES

**SPECIAL CLOSED SESSION BOARD MEETING
FRIDAY, FEBRUARY 20, 2026
11:00 AM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER/ROLL CALL:

A Special Closed Session Meeting of the Santa Clara Valley Water District (Valley Water) Board of Directors was called to order at 11:00 a.m. in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference.

1.1. Roll Call.

Board members in attendance were Shiloh Ballard, Jim Beall, Nai Hsueh, Richard P. Santos, and Tony Estremera, with Tony Estremera, Chairperson, presiding, constituting a quorum of the Board.

Directors Rebecca Eisenberg and John L. Varela arrived as noted below.

Staff members in attendance were Candice Kwok-Smith, Clerk, Board of Directors, and Senior Assistant District Counsel Linda Mason, represented District Counsel Carlos Orellana.

2. 11:00 AM - CLOSED SESSION:

Chairperson Estremera confirmed that the Board would adjourn to Closed Session to consider Items 2.1 and 2.2.

Linda Mason reported that in regard to Item 2.2, the facts and circumstances giving rise to the Closed Session Item include various allegations of harassment, discrimination, abusive conduct, and retaliation.

Directors Eisenberg and Varela arrived.

Carlos Orellana, District Counsel, entered the Closed Session via teleconference.

2.1. CLOSED SESSION
PUBLIC EMPLOYEE DISCIPLINE
Pursuant to Government Code Section 54957(b)(1)

- 2.2. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant Exposure to Litigation
Government Code Section 54956.9(d)(2)
Number of cases: multiple

- 2.3. District Counsel Report on Closed Session.

Carlos Orellana reported that in regard to Items 2.1 and 2.2, the Board met in Closed Session with all members participating and took the following actions:

With respect to Item 2.1, on a motion by Vice Chair Santos, seconded by Director Varela, and a vote of 6 to 1 with Director Eisenberg dissenting, the board accepted the resignation of CEO Enrico Callender, effective March 1, 2026, and a retirement date effective March 1, 2027.

With respect to Item 2.1, on a motion by Vice Chair Santos, seconded by Director Varela, and a vote of 6 to 1 with Director Eisenberg dissenting, the board approved an issuance of a public statement to be read by Chair Estremera and to be posted on Valley Water's website.

With respect to Items 2.1 and 2.2, on a motion by Vice Chair Santos and seconded by Director Varela, and a vote of 6 to 1 with Director Eisenberg dissenting, the board approved a separation and release agreement with Mr. Callender, the material terms of which will be summarized by Chair Estremera, and a copy of which will be available upon request.

Chairperson Estremera stated that the material terms of the separation are as follows: Mr. Callender will resign effective March 1, 2026. Mr. Callender will remain employed as a special advisor to the Board for a period of one (1) year, during which time he will continue to receive his current salary and benefits. Valley Water will reimburse Mr. Callender for attorneys' fees in the amount of \$65,000.00 to be paid directly to his attorney, Lori Costanzo. Mr. Callender may retain his Valley Water email address but will no longer identify himself as CEO. Any assignments as special advisor will be at the discretion of the Chair. Mr. Callender may not contact staff or come to Valley Water facilities without prior approval of the Chair. The Board will terminate the agreement for breach or for dissatisfaction with Mr. Callender's service upon notice and an opportunity to cure. In exchange, Mr. Callender provides a general release of all claims against Valley Water and its employees, officers, directors, and attorneys except for claims against Director Rebecca Eisenberg for which she may be personally liable. Mr. Callender must reaffirm these releases at the conclusion of his term as special advisor. Valley Water will continue to defend and indemnify Mr. Callender from claims arising from his employment with Valley Water as allowed by law and conditioned on the releases just described. A copy of this agreement will be available upon request.

Chairperson Estremera read the statement that Valley Water is releasing on this matter. This is the only statement that the Chair will be making: Valley Water CEO Rick Callender has announced his resignation as CEO after more than three decades of dedicated public service to the residents of Santa Clara County. Callender joined Valley Water in 1995 as a consultant and, in 1996, Callender was hired to establish and build the agency's Local and Regional Government

Relations Program. On May 26, 2020, he became Valley Water's first African American CEO, and the only African American CEO of a major water and flood protection agency in the nation, following his appointment by the Board of Directors.

"As CEO, Rick Callender led Valley Water through extraordinary operational and fiscal pressures—including the COVID-19 pandemic, inflationary constraints, and complex regulatory demands—while continuing to deliver measurable results for the community," said Board Chair Tony Estremera. "His tenure is defined by integrity, transparency, and mission-driven leadership focused on safe, reliable water and responsible stewardship of our resources. At no time was Mr. Callender disciplined or forced to resign/retire due to any reported investigations."

"When I was appointed CEO, I understood the responsibility that came with that trust," said Callender. "I worked every day to lead with integrity, equity, transparency, and a relentless focus on outcomes for the community. I'm proud of the foundation we've strengthened, and I leave knowing Valley Water is positioned to keep delivering for the people we serve. I am very proud of the things that the staff and I accomplished over the past 30 years. I couldn't have been successful without them! I grew up in this community, and I'm honored to be able to serve my community."

Under Callender's leadership, Valley Water advanced major infrastructure and community-protection priorities, including significant progress on the Anderson Dam rebuild, completion of Phase 1 of the Coyote Creek Flood Protection Project, and securing \$80 million in federal funding for the final phase of the Upper Llagas Flood Protection Project in Morgan Hill. Valley Water also strengthened its fiscal and operational independence, including a major rebranding of the Santa Clara Valley Water District as Valley Water and separating budgetary oversight from the County of Santa Clara, rendering Valley Water an independent Special District. It's also due to Callender's leadership that Valley Water recognizes both Juneteenth and the Lunar New Year, as well as numerous initiatives that recognize racial equity, diversity and inclusion which have often been ignored in the water and environmental industry.

Callender's career has been marked by proven success in identifying, securing, and deploying critical resources for the region. Over the course of his career, he helped obtain more than \$1.5 billion in state and federal funding—supporting flood protection, resilience initiatives, conservation, reliability programs, and capital improvements. His leadership also helped deliver key voter-approved investments, including the successful passage of three ballot measures, most notably 2020 Measure S, which reinforced long-term fiscal sustainability for residents and ratepayers.

Callender's resignation as CEO will be effective March 1, 2026. Following his resignation, the Board of Directors has voted to retain his services for 12 months as a Senior Advisor to the Board of Directors to support strategic priorities and help ensure Valley Water remains competitive locally, statewide, and nationally.

3. ADJOURN:

Chairperson Estremera adjourned the meeting at 1:37 p.m. Chairperson Estremera adjourned the meeting in memory of Mr. Kurt Van Dyke, Mr. Peter Van Dyke's brother. The Board will convene for the next Closed Session and Regular meeting beginning at 11:00 a.m. on Tuesday, February 24, 2026, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.

Candice Kwok-Smith
Clerk, Board of Directors

Approved:

Date: March 10, 2026