



BOARD OF DIRECTORS MEETING

# MINUTES

**CLOSED SESSION AND REGULAR MEETING  
TUESDAY, JUNE 26, 2018  
4:00 PM**

(Paragraph numbers coincide with agenda item numbers)

**1. CALL TO ORDER:**

A Closed Session and Regular Meeting of the Santa Clara Valley Water District Board of Directors was called to order in the District Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, at 4:00 p.m.

1.1. Roll Call.

Board members in attendance were Nai Hsueh, Gary Kremen, Linda J. LeZotte, Richard Santos, and John L. Varela, constituting a quorum of the Board.

Directors Estremera and Keegan arrived as noted below.

Staff members in attendance were N. Camacho, Chief Executive Officer (CEO), S. Yamamoto, District Counsel, M. King, Clerk/Board of Directors, J. Aranda, K. Arends, R. Callender, A. Comelo, A. Fulcher, R. Gibson, C. Hakes, G. Hall, N. Hawk, N. Nguyen, K. Oven, S. Tikekar, and T. Yoke. Deputy Operating Officer V. Gin represented Chief Operating Officer M. Richardson.

Chairperson Santos confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1 and 2.2.

Directors Estremera and Keegan arrived.

**2. TIME CERTAIN:**

**4:00 PM**

2.1. CLOSED SESSION  
CONFERENCE WITH LEGAL COUNSEL  
Government Code 54956.9 (e) (3)  
Receipt of Claims Against District  
Unrepresented Claimants: All unrepresented claimants related to the Coyote Creek flood, February 2017; names of claimants on file with the Clerk of the Board

2.2. CLOSED SESSION  
CONFERENCE WITH LEGAL COUNSEL  
Existing Litigation  
Government Code 54956.9 (d) (1)  
Jean Marie White v. SCVWD  
Santa Clara County Superior Court, 18CV321601

Upon return to Open Session, the same Board members and staff were present.

**6:00 PM**

2.3. District Counsel Report.

Mr. Stan Yamamoto, District Counsel, reported that in regards to Items 2.1 and 2.2, the Board met in Closed Session with all members present, including Directors Estremera and Keegan, and gave direction to staff.

2.4. Pledge of Allegiance/National Anthem.

Mr. Rick Callender, Chief of External Affairs, led all present in reciting the Pledge of Allegiance.

2.5. Orders of the Day.

Chairperson Santos confirmed that there were no changes to the Orders of the Day.

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

Chairperson Santos declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

2.7. Memorandum of Understanding and Option Agreement for the Proposed Pacheco Reservoir Expansion Project. (Previously Item 5.1)

Recommendation:

- A. Consider and approve a Memorandum of Understanding agreement by and between the Santa Clara Valley Water District, Pacheco Pass Water District, and San Benito County Water District substantially in the same form as the agreement attached to this agenda memorandum as Attachment 2 (MOU Agreement);
- B. Consider and approve the Option Agreement for Purchase of Real Property between the Santa Clara Valley Water District and Pacheco Pass Water District substantially in the same form as the agreement attached to this agenda memorandum as agreement Attachment 3 (Option Agreement); and

C. Authorize the Chief Executive Officer, or her designee, to execute the MOU Agreement and Option Agreement that are substantially in the same form as those agreements that were approved by the District Board.

Mr. Jeff Cattaneo, General Manager, County of San Benito, discussed the proposed Pacheco Reservoir Expansion Project and urged the Board to support the project.

Mr. Rick Ortega, General Manager, Grassland Water District, expressed support for the Pacheco Reservoir Project, summarized his agency's responsibilities and benefits that would be derived from the project, and invited the Board to tour the wetlands area.

Mr. Garth Hall, Deputy Operating Officer, reviewed the information on this item per the attached Board Agenda Memo, and per the information contained in Attachment 4.

Mr. Hall recommended the District's signature block in Supplemental Attachment 2, Page 7, be revised to allow the Chair to execute the Option Agreement upon Board approval; explained that Pacheco Pass Water District (PPWD) had received an incorrect version of the Option Agreement and would execute a corrected version at an upcoming PPWD Board Meeting; and suggested that Recommendation C be revised to authorize the Chair to Execute the MOU and the Option Agreement, after PPWD's approval of a corrected version.

**Motion:** Approve Recommendation A, approving a Memorandum of Understanding agreement by and between the Santa Clara Valley Water District, Pacheco Pass Water District, and San Benito County Water District substantially in the same form as the agreement attached to this agenda memorandum as Attachment 2.

**Move to Approve:** Gary Kremen  
**Second:** Tony Estremera  
**Yea:** Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela  
**Nays:** None  
**Abstains:** None  
**Recuses:** None  
**Absent:** None  
**Summary:** 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

**Motion:** Approve Recommendation B, approving the Option Agreement for Purchase of Real Property between the Santa Clara Valley Water District and Pacheco Pass Water District substantially in the same form as the agreement attached to this agenda memorandum as agreement Attachment 3.

Move to Approve:	Gary Kremen
Second:	Tony Estremera
Yea:	Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.
Motion:	Direct staff to work with PPWD to provide a corrected Option Agreement; authorize the Chair to execute the MOU in substantially the same form as the agreement in Supplemental Attachment 1; and authorize the Chair to execute the Option Agreement substantially in the same form as the agreement in Supplemental Attachment 2, after PPWD Board approval of a corrected version.
Move to Approve:	Gary Kremen
Second:	Tony Estremera
Yea:	Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Board requested that staff include recreation opportunities, trails, and native plant species in the Pacheco Reservoir Expansion Project.

Director LeZotte requested staff schedule a tour of Pacheco Reservoir for the Board members, as well as regular periodic tours for the public (Board Member Request No. R-18-0012).

### 3. CONSENT CALENDAR:

The Board considered Consent Calendar Items 3.1 through 3.6, under one motion.

The Clerk of the Board has noted that Item 3.1 should read “*Amendment No. 3 to Agreement No. A3914M~~b~~*,” and Recommendation A should read “*Approve Amendment No. 3 to Agreement No. A3914M~~b~~*.”

- 3.1. Amendment No. 3 to Agreement No. A3914M, with Our City Forest, for the Lawn Conversion Program, Project No. 91151001, Extending the Term to June 30, 2019, and Adding \$110,000 Additional Funding for a Not-to-Exceed Amount of \$450,000.

Recommendation: A. Approve Amendment No. 3 to Agreement No. A3914M, with Our City Forest for the Lawn Conversion Program, Extending the Term to June 30, 2019, and Adding \$110,000 Additional Funding for an amount not-to-exceed \$450,000; and  
B. Authorize the Chief Executive Officer to execute Amendment No. 3.

3.2. Amendment No. 3 to Standard Consultant Agreement No. A3983F, with Carpi & Clay, Inc., for Washington D.C. Representation Services, Administrative Agencies, and Executive Branch Focus, for an Amount Not-to-Exceed \$327,600.

Recommendation: Approve Amendment No. 3 to Standard Consultant Agreement No. A3983F, with Carpi & Clay, Inc., for Washington D.C. Representation Services, Administrative Agencies, and Executive Branch Focus, for an amount not-to-exceed \$327,600.

3.3. San Francisquito Creek Joint Powers Authority Budget for the Fiscal Year 2018-2019, and District Fiscal Year 2018-2019 Financial Contribution of \$185,000.

Recommendation: A. Approve the San Francisquito Creek Joint Powers Authority Fiscal Year 2018-2019 Operating Budget; and  
B. Authorize the District's Fiscal Year 2018-2019 financial contribution to the San Francisquito Creek Joint Powers Authority in the amount of \$185,000.

3.4. Notice of Completion of Contract and Acceptance of Work for the Installation of Cathodic Protection Rectifiers and Deep-Well Anodes on the Pacheco Conduit, Farwest Corrosion Control Company, Contractor, Project No. 91214010, Contract No. C0623 (Santa Clara County).

Recommendation: A. Approve an increase of \$30,882 to the construction contract contingency sum for the Installation of Cathodic Protection Rectifiers and Deep-Well Anodes on the Pacheco Conduit Project;  
B. Accept the work as complete; and  
C. Direct the Clerk of the Board to sign the Notice of Completion of Contract and Acceptance of Work and submit for recording to the Santa Clara County Clerk-Recorder.

3.5. Revision to 2018 Board Committee Appointment - Santa Clara County Emergency Operations Area Council.

Recommendation: Approve the revised Board Committee Appointments for the Santa Clara County Emergency Operations Area Council.

3.6. CEO Bulletins for the Weeks of June 8-14 and 15-21, 2018.

Recommendation: Accept the CEO Bulletins.

Motion: Approve Consent Calendar Items 3.1 through 3.6, under one motion, as follows: approve and authorize the CEO to execute Amendment No. 3 to Agreement No. A3914M, with Our City Forest for the Lawn Conversion Program, extending the term to June 30, 2019, and adding \$110,000 additional funding for an amount not-to-exceed \$450,000, as contained in Item 3.1; approve Amendment No. 3 to Standard Consultant Agreement No. A3983F, with Carpi & Clay, Inc., for Washington D.C. representation services, administrative agencies, and executive branch focus, for an amount not-to-exceed \$327,600, as contained in Item 3.2; approve the San Francisquito Creek Joint Powers Authority (SFCJPA) Fiscal Year 2018-2019 Operating Budget, and authorize the District's Fiscal Year 2018-2019 financial contribution to the SFCJPA in the amount of \$185,000, as contained in Item 3.3; approve an increase of \$30,882 to the construction contract contingency sum for the Installation of Cathodic Protection Rectifiers and Deep-Well Anodes on the Pacheco Conduit Project, accept the work as complete, and direct the Clerk of the Board to sign the Notice of Completion of Contract and Acceptance of Work and submit for recording to the Santa Clara County Clerk-Recorder, as contained in Item 3.4; approve the revised Board Committee Appointments for the Santa Clara County Emergency Operations Area Council, as contained in Item 3.5; and accept the CEO Bulletins, as contained in Item 3.6.

Move to Approve: John L. Varela  
Second: Tony Estremera  
Yea: Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela  
Nay: None  
Abstain: None  
Recuse: None  
Absent: None  
Summary: 7 Yea; 0 Nay; 0 Abstain; 0 Absent.

**REGULAR AGENDA:**

**4. BOARD OF DIRECTORS:**

4.1. Summary Overview and Outcomes from the June 8, 2018 Special Board Leadership Study.

Recommendation: A. Receive overview of the June 8, 2018 Special Board Leadership Study;

- B. Review the outcomes identified as possible solutions that the Board directed staff to further research for feasibility in relation to the following sub-topics:
  - i. Current and potential future demands on Watersheds Stream Stewardship Property Tax Revenue;
  - ii. Meeting District Commitments with the Safe, Clean Water Special Tax Revenue; and
  - iii. Affordability of Water Charges; and
- C. Provide any additional direction to staff, as necessary.

Ms. Jessica Collins, Program Administrator, reviewed the information on this item, per the attached Board Agenda Memo, and per the information contained in Attachment 1.

Director LeZotte requested that staff correct Attachment 1, Slide 6, to highlight the conversion of the \$2 million deficit to a \$12 million contingency fund.

The Board provided several corrections and clarifications to the June 8, 2018, Leadership Study Outcome Summary table contained in Attachment 2, and Director Hsueh confirmed she would work with staff to bring revisions back to the Board.

**4.2. Fiscal Year 2018 Board Policy Planning and Performance Monitoring Calendars.**

Recommendation: Review, discuss, and revise the Fiscal Year 2018 Board Policy Planning and Performance Monitoring Calendars.

Ms. Michele King, Clerk/Board of Directors, reviewed the information on this item, per the attached Board Agenda Memo.

The Board noted the information, without formal action.

**4.3. Board Committee Reports.**

The Board noted the attached June 26, 2018 Water Storage Exploratory Committee and May 29, 2018, Diversity and Inclusion Ad Hoc Committee Reports, without formal action.

Director Keegan requested staff schedule a meeting of the Board Audit Committee.

**5. WATER UTILITY ENTERPRISE:**

The Board noted that Item 5.1 was moved to Item 2.7.

**6. WATERSHEDS:**

None.

## 7. EXTERNAL AFFAIRS:

Ms. Mita Prakash, Program Administrator, reviewed the information on Items 7.1 and 7.2, per the attached Board Agenda Memos.

7.1 Recommended Positions on State Legislation: AB 3014 (Quirk) Brake Friction Materials: Copper Limits: High Performance Road and Track Capable Vehicle Exemption; SB 1263 (Portantino) Ocean Protection Council: Statewide Microplastics Strategy; SCR 139 (Monning) No Straw November; and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

Recommendation:

- A. Adopt a position of "Oppose" on: AB 3014 (Quirk) Brake Friction Materials: Copper Limits: High Performance Road and Track Capable Vehicle Exemption;
- B. Adopt a position of "Support" on: SB 1263 (Portantino) Ocean Protection Council: Statewide Microplastics Strategy; and
- C. Adopt a position of "Support" on: SCR 139 (Monning) No Straw November; and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

Move to Adopt:	Tony Estremera
Second:	Barbara Keegan
Yea:	Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yea; 0 Nays; 0 Abstains; 0 Absent.

7.2 Recommended Positions on Federal Legislation: S 2563 (Flake) - The Water Supply Infrastructure and Drought Resilience Act of 2018; S 2727 (Gillibrand) - Protecting Infrastructure and Promoting the Economy Act (the "PIPE Act"); and HR 5596 (Carbajal) - Water Infrastructure Resiliency and Sustainability Act of 2018.

Recommendation:

- A. Adopt a position of "Support and Amend" on: S 2563 (Flake) - The Water Supply Infrastructure and Drought Resilience Act of 2018;
- B. Adopt a position of "Support" on: S 2727 (Gillibrand) - Protecting Infrastructure and Promoting the Economy Act or the "PIPE Act"; and
- C. Adopt a position of "Support" on HR 5596 (Carbajal) - Water Infrastructure Resiliency and Sustainability Act of 2018.

Move to Adopt: Tony Estremera  
Second: John L. Varela  
Yea: Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela  
Nays: None  
Abstains: None  
Recuses: None  
Absent: None  
Summary: 7 Yea; 0 Nays; 0 Abstains; 0 Absent.

## **8. CHIEF EXECUTIVE OFFICER:**

### **8.1. Resolution Establishing Appropriations Limit for Fiscal Year 2018-19.**

Recommendation: A. Select the cost-of-living factor to establish the Santa Clara Valley Water District's Appropriations Limit; and  
B. Adopt the Resolution ESTABLISHING APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018-19.

Mr. Marcelo Penha, Budget Manager, reviewed the information on this item, per the attached Board Agenda Memo.

Motion: Adopt Resolution No. 18-45, ESTABLISHING APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018-19, by roll call vote.

Move to Adopt: Nai Hsueh  
Second: Gary Kremen  
Yea: Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela  
Nays: None  
Abstains: None  
Recuses: None  
Absent: None  
Summary: 7 Yea; 0 Nays; 0 Abstains; 0 Absent.

Chairperson Santos moved the agenda to Item 9.1.

## **9. ADMINISTRATION:**

### **9.1. Budget Adjustment in the Amount of \$500,000 to the Fiscal Year 2018 Budget of the Facility Management - Small Capital Improvement Program, Project No. 60204016.**

Recommendation: A. Approve a Budget Adjustment to reduce the Fiscal Year 2018 Palo Alto Flood Basin Tide Gate Improvement Project funds by \$500,000 to a total adjusted budget of \$758,820;

- B. Increase the Fiscal Year 2018 Facility Management Small Capital Improvement Project funds by \$500,000 to a total adjusted budget of \$3,767,295; and
- C. Approve the carry-over of \$500,000 to Fiscal Year 2019 if funds cannot be encumbered by the Fiscal Year 2018 deadline of June 30, 2018.

Move to Approve: John L. Varela  
Second: Tony Estremera  
Yea: Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela  
Nays: None  
Abstains: None  
Recuses: None  
Absent: None  
Summary: 7 Yea; 0 Nays; 0 Abstains; 0 Absent.

Chairperson Santos returned the agenda to Item 8.2.

#### 8.2. CEO and Chiefs' Report.

Mr. Vincent Gin, Acting Chief Operating Officer, reported on a public auction where an excess District property was sold in the amount of \$665,000; and informed the Board that the Stream Maintenance Program season had begun June 18, and that staff would provide regular reports to the Board.

Mr. Michael Cook, Information Technology Manager, provided an update on data center upgrades.

Director Kremen expressed concern for District email outage during the upgrade period, and Chairperson Santos requested that staff notify all Board members in advance, by telephone, when future outages are scheduled.

Mr. Anil Comelo, Acting Chief Administrative Officer, reported that a Request for Proposals process had been completed for an assessment of the District's current security system.

Director Keegan requested that staff provide the Board with information on the last major District-wide security assessment, and a schedule for the upcoming assessment (Board Member Request No. R-18-0013).

Mr. Callender reported on various activities of the Offices of Communications, Civic Engagement, and Government Relations.

Chairperson Santos noted his plans to attend a La Raza Roundtable meeting on June 29, 2018.

#### 10. DISTRICT COUNSEL:

None.

**11. ADJOURN:**

11.1. Board Member Reports/Announcements.

Director Varela reported participating in a panel discussion with Overseas Volunteers for a Better India, and discussed the possibilities of the District hosting an international Water Summit.

Director Hsueh reported attending Landscape Committee and Youth Commission meetings, the District's Association of Black Employees' Employee Resource Group (ERG) Jazz on Juneteenth diversity event, the Rinconada Water Treatment Plant Open House, and various meetings with staff.

Director Estremera reported attending Doheny Neighborhood Association, Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) Ad Hoc Committee, and Regional Water Quality Control Board meetings; a California WaterFix meeting, and a Delta Conveyance Design and Construction Joint Powers Authority (DCA) briefing.

Director Kremen reported attending the aforementioned DCA briefing, meetings with State legislators, a San Luis and Delta Mendota Water Authority Workshop, and a Climate Leaders dinner meeting.

Director Keegan reported attending the aforementioned Jazz on Juneteenth diversity event, California WaterFix and Youth Commission meetings, DCA briefing, and meetings with State Legislators; and reported attending the District's PRIDE (Lesbian, Gay, Bisexual, Transgender/Straight Alliance) ERG June Pride diversity event.

Director LeZotte reported attending the aforementioned FAHCE meeting, a Water Conservation and Demand Management Committee meeting, and a meeting on the District Act.

Chairperson Santos reported attending the aforementioned meeting on the District Act; Silicon Valley Leadership Group and San Francisco Bay Shoreline Project meetings; and a meeting with Santa Clara County District 5 Supervisor Joe Simitian.

11.2. Proposed Future Board Member Agenda Items.

None.

11.3. Clerk Review and Clarification of Board Requests.

None.

- 11.4. Adjourn to 4:00 p.m. Special Closed Session Meeting, on June 27, 2018, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Chairperson Santos adjourned the meeting at 7:35 p.m., in memory of fallen Long Beach Firefighter, Captain Dave Rosa, and in honor of the peace officer present at the meeting, to the 4:00 p.m. Special Closed Session Meeting, on June 27, 2018, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Michele L. King, CMC  
Clerk/Board of Directors

Approved:

Date: August 14, 2018