



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, DECEMBER 10, 2024
10:00 AM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER/ROLL CALL:

A Closed Session and Regular Meeting of the Santa Clara Valley Water District (Valley Water) Board of Directors was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference at 10:00 a.m.

1.1. Roll Call.

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

Staff members in attendance were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, M. King, Clerk, Board of Directors, A. Alfaro, E. Aryee, A. Baker, L. Bankosh, M. Bilski, J. Bourgeois, R. Chan, A Garcia, R. Gibson, V. Gin, A. Gschwind, C. Hakes, C. Kwok-Smith, A. Lee, M. Lugo, R. McCarter, P. McElroy, T. Ndah, D. Rocha, K. Struve, D. Taylor, B. Yerrapotu, and T. Yoke.

2. 10:00 AM - CLOSED SESSION:

Chairperson Hsueh confirmed that the Board would adjourn to Closed Session to consider Items 2.1, 2.2, 2.3, 2.4, and 2.5. Carlos Orellana reported that in regard to Item 2.2, the existing facts and circumstances that might give rise to litigation are the County of Santa Clara's requests for changes to the Anderson Dam Seismic Retrofit Project.

2.1. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL

Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8 Setting Negotiation Parameters for Price and Terms of Payment for Purchase, Sale, or Exchange of Property Interest in APNs 728-34-020, 728-34-021, 728-35-001, 729-36-001, 678-02-031, 678-02-034, 725-06-008, 729-46-001, 725-08-001, 725-06-008, 725-05-002, and 725-04-003 Agency Negotiators: Rick Callender, Rita Chan, Ryan McCarter, John Bourgeois
Negotiating Parties: County of Santa Clara

- 2.2. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2) One Potential Case
- 2.3. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL
Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4)
One Potential Case
- 2.4. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL
Anticipated Litigation - Significant Exposure to Litigation Government Code Section 54956.9(d)(2) (Stanford University Claims for Refund of Groundwater Charges) One Potential Case
- 2.5. CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)(1)
Title: CEO and District Counsel
- 2.6. District Counsel Report on Closed Session.

Upon return from Closed Session, the same Board members and staff, were present.

Carlos Orellana reported that in regard to Items 2.1, 2.2, 2.3 and 2.4, the Board met in Closed Session with all members participating and gave direction to staff.

Chairperson Hsueh reported that in regard to Item 2.5, the Board met in Closed Session with all members participating and took no reportable action.

3. 1:00 PM - TIME CERTAIN:

- 3.1. Pledge of Allegiance/National Anthem.

Aaron Baker, Chief Operating Officer, led all present in reciting the Pledge of Allegiance.

- 3.2. Orders of the Day.

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

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

Chairperson Hsueh declared time open for public comment on any Item not on the agenda.

Salam Baqleh, Employees Association Vice President, reiterated the public comment made by Abdul Johnson at the November 26, 2024, Santa Clara Valley Water Districts Board of Directors meeting.

Katja Irvin, Sierra Club Loma Prieta Chapter Chairperson, expressed appreciation and commended Director Barbara Keegan for representing District 2 during her tenure, and welcomed Director Shiloh Ballard to the Board.

- 3.4. Administer Ceremonial Oaths of Office to Directors Elected at the November 2024 Election.

Michele King, Clerk, Board of Directors, administered the ceremonial Oaths of Office for District 2, Shiloh Ballard; District 5, Nai Hsueh; and District 3, Richard Santos.

REGULAR AGENDA:

4. CONSENT CALENDAR: (4.1 - 4.8)

The Board considered Consent Calendar Items 4.1 through 4.8 under one motion.

- 4.1. Adopt a Resolution Expressing Appreciation to the Honorable Dan McCorquodale for his Dedicated Years of Public Service to Santa Clara County and the State of California.

Recommendation: Adopt the Resolution EXPRESSING APPRECIATION TO DAN MCCORQUODALE for his dedicated years of public service to Santa Clara County, the State of California, and his distinguished career.

- 4.2. Adopt a Resolution Expressing Appreciation to the Honorable Dave Pine for his Dedicated Years of Public Service to the People of San Mateo County, the San Francisco Bay Area, and the State of California.

Recommendation: Adopt the Resolution EXPRESSING APPRECIATION TO DAVE PINE San Mateo County Supervisor for his dedicated years of public service to the San Francisco Bay Area, the State of California, and his distinguished career.

- 4.3. Adopt a Resolution Declaring Santa Clara Valley Water District's 2025 Monthly Cultural Observances.

Recommendation: Adopt a Resolution DECLARING SANTA CLARA VALLEY WATER DISTRICT'S 2025 CULTURALLY SIGNIFICANT OBSERVANCES MONTHLY CALENDAR.

- 4.4. Approve the Re-Appointment of Committee Members for an Additional Two-Year Term to the Environmental and Water Resources Committee.

Recommendation: Consider and approve the re-appointment of committee members for an additional two-year term to the Environmental and Water Resources Committee.

- 4.5. Approve the Re-Appointment of Committee Members for an Additional Two-Year Term to the Agricultural Water Advisory Committee.

Recommendation: Consider and approve the re-appointment of committee members for an additional two-year term to the Agricultural Water Advisory Committee.

- 4.6. Approve Agreement No. A5283X with Google, LLC. for the West Channel Enhancement Project Completion and Google Conveyance and Santa Clara Valley Water District Acceptance of the Specified Project Improvements for a Portion of Santa Clara Valley Water District's Sunnyvale East and Sunnyvale West Channels Flood Protection Project, Project No. 26074002 (Sunnyvale, District 3).

Recommendation: Approve Agreement No. A5283X with Google, LLC. for the West Channel Enhancement Project Completion and Google Conveyance and Santa Clara Valley Water District Acceptance of the Specified Project Improvements for a portion of Santa Clara Valley Water District's Sunnyvale East and Sunnyvale West Channels Flood Protection Project, Project No. 26074002.

- 4.7. Accept the CEO Bulletin for the Weeks of November 22, 2024, through December 5, 2024.

Recommendation: Accept the CEO Bulletin.

- 4.8. Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 4.1 through 4.8, under one motion, as follows: adopt Resolution No. 24-51 EXPRESSING APPRECIATION TO THE HONORABLE DAN MCCORQUODALE, by roll call vote, as contained in Item 4.1; adopt Resolution No. 24-52 EXPRESSING APPRECIATION TO THE HONORABLE DAVE PINE, by roll call vote, as contained in Item 4.2; adopt Resolution No. 24-53 DECLARING SANTA CLARA VALLEY WATER DISTRICT'S 2025 CULTURALLY SIGNIFICANT OBSERVANCES MONTHLY CALENDAR, by roll call vote as contained in Item 4.3; approve the Re-Appointment of Committee members for an additional two-year term to the Environmental and Water Resources Committee, as contained in Item 4.4; approve the re-appointment of committee members for an additional two-year term to the Agricultural Water Advisory Committee, as contained in Item 4.5; approve Agreement No. A5283X with Google, LLC. for the West Channel Enhancement Project Completion and Google Conveyance and Santa Clara Valley Water District Acceptance of the Specified Project Improvements for a portion of Santa Clara Valley Water District's Sunnyvale East and Sunnyvale West Channels Flood Protection Project, Project No. 26074002, as

contained in Item 4.6; accept the CEO Bulletin, as contained in Item 4.7; and approve the minutes, as contained in Item 4.8.

Move to Approve: Richard Santos
Second: Tony Estremera
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

5. BOARD OF DIRECTORS:

- 5.1. Receive an Update on the Development of Santa Clara Valley Water District's Water Supply Master Plan 2050; and Approve the August 28, 2024, Recycled Water Committee Recommendation to set Potable Reuse Goal of 24,000 Acre-Feet per Year by 2035 and a Long-Term Vision to Maximize Water Reuse in the County up to 32,000 Acre-Feet per Year.

Recommendation:

- A. Receive an update on the development of Santa Clara Valley Water District's Water Supply Master Plan 2050 and provide feedback;
- B. Consider and approve the August 28, 2024, recommendation of the Recycled Water Committee to set a potable reuse goal of 24,000 acre-feet per year by 2035, as well as a long-term vision to maximize water reuse in the County up to 32,000 acre-feet per year in the Water Supply Master Plan 2050, including additional potable and non-potable reuse, desalination, stormwater capture, and other alternative water sources; and
- C. Provide additional feedback and direction on refined adaptive management framework.

Kirsten Struve, Assistant Officer, reviewed the information on this Item, per the attached Board Agenda Memo, and per the information contained in Attachment 3.

Katja Irvin expressed urgency regarding the importance of recycled potable and non-potable water.

Motion: The Board approved Recommendation B with the long-term vision to maximize water reuse in the County at 32,000 acre-feet per year in the Water Supply Master Plan 2050.

Move to Approve: Jim Beall
Second: Tony Estremera
Yeas: Shiloh Ballard, Jim Beall, Tony Estremera, Richard Santos,
John L. Varela, Nai Hsueh
Nays: Rebecca Eisenberg
Abstains: None
Recuses: None
Absent: None
Summary: 6 Yeas; 1 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

- 5.2. Set a new Salary Range for the Clerk of the Board Classification Effective January 4, 2025, and Adopt Resolutions Providing for the Appointment and Compensation of the Interim Clerk of the Board.

Recommendation: A. Approve a new salary range of \$244,121.51 to \$307,926.00 for the Clerk of the Board classification effective January 4, 2025;
B. Adopt a Resolution APPOINTING AND PROVIDING FOR THE COMPENSATION OF THE INTERIM CLERK OF THE BOARD, for January 4, 2025, through February 28, 2025; and
C. Adopt a Resolution APPOINTING AND PROVIDING FOR THE COMPENSATION OF THE INTERIM CLERK OF THE BOARD, for March 1, 2025, through April 30, 2025.

The Board considered Item 5.2 without a staff presentation.

Move to Adopt: Tony Estremera
Second: John L. Varela
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

- 5.3. Board Committee Reports.

The Board reviewed the information on the October 30, 2024, and December 13, 2024, Recycled Water Committee meeting summaries and agendas contained in Handouts 5.3-A and 5.3-B, respectively, and noted the information without formal action. Copies of the Handouts were distributed to the Board and made available to the public.

Director Varela left the meeting and returned as noted below.

- 5.4. Consider the October 31, 2024, Board Policy and Monitoring Committee Recommendation to Adopt the Proposed Changes to Board Governance Policy: Governance Process 6 (GP-6).

Recommendation: Consider the recommendation resulting from the October 31, 2024, Board Policy and Monitoring Committee to:

- A. Adopt the Proposed Changes to Board Governance Policy: Governance Process 6 (GP-6); and
- B. Provide feedback and recommendations to staff as necessary.

Brian Hopper, Senior Assistant District Counsel, reviewed the information on this Item, per the attached Board Agenda Memo, and per the information contained in Attachment 2.

Move to Adopt: Richard Santos
Second: Tony Estremera
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: John Varela
Summary: 7 Yeas; 0 Nays; 0 Abstains; 1 Absent.

The Yeas have it, and the motion passed.

Director Varela returned to the meeting.

6. WATER UTILITY ENTERPRISE:

- 6.1. Approve Staff's Recommendation to Support Dissolution of the Los Vaqueros Expansion Joint Powers Authority.

Recommendation: A. Receive an Update on the Los Vaqueros Reservoir Expansion Project;
B. Consider and Approve Staff's recommendation to support dissolution of the Los Vaqueros Expansion Joint Powers Authority; and
C. Provide direction to Santa Clara Valley Water District's Los Vaqueros Expansion Joint Powers Authority representative

Katherine Maher, Senior Engineer, reviewed the information on this Item, per the attached Board Agenda Memo, and per the information contained in Attachment 2.

Peter Van Dyke, Loma Prieta Resource Conservation District President, expressed concern over the perceived insurmountable regulations around building the Pacheco Reservoir and requested the Board re-evaluate other expansion projects.

Move to Approve: Richard Santos
Second: Tony Estremera
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

- 6.2. Receive Report of Bids, Ratify Addenda, Approve the Contingency Fund, and Award the Construction Contract to Con-Quest Contractors, Inc., for the West Pipeline Inspection and Rehabilitation Project - Phase 1, as Part of the 10-Year Pipeline Inspection and Rehabilitation Project, Project No. 95084002, Contract No. C0705 (Town of Los Gatos, City of Campbell, City of Saratoga, City of Cupertino, City of Los Altos, and City of Santa Clara, Districts 4, 5, and 7).

Recommendation: A. Ratify Addenda No. 1,2, and 3 to the contract documents for the West Pipeline Inspection and Rehabilitation Project - Phase 1;
B. Award the Construction Contract to ConQuest Contractors, Inc., located in Burlingame, California in the sum of \$12,488,800; and
C. Approve a contingency of 10% in the amount of \$1,248,880 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

Emmanuel Aryee, Deputy Operating Officer, reviewed the information on this Item, per the attached Board Agenda Memo.

Move to Approve: John L. Varela
Second: Richard Santos
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

7. WATERSHEDS:

- 7.1. Approve Agreement No. A5240A with Dudek, and Agreement No. A5241A with Wood Rodgers, Inc. for Technical Support Services for Watershed Capital

Projects, PlanetBids File No. VW0428, for a Combined Total Not-to-Exceed fee of \$1,000,000.

- Recommendation:
- A. Approve Agreement No. A5240A with Dudek for technical support services for Watershed Capital Projects, PlanetBids File No. VW0428, for a not-to-exceed fee of \$500,000; and
 - B. Approve Agreement No. A5241A with Wood Rodgers, Inc. for technical support services for Watershed Capital Projects, PlanetBids File No. VW0428, for a not-to-exceed fee of \$500,000.

Bhavanni Yerrapotu, Deputy Operating Officer, reviewed the information on this Item, per the attached Board Agenda Memo.

Move to Approve: Richard Santos
Second: Tony Estremera
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

8. ASSISTANT CHIEF EXECUTIVE OFFICER:

- 8.1. Approve Amendment No. 2 to Agreement No. A4504A with Kayuga Solution, Inc. to Provide On-Call Asset Management Services, CAS File No. 5175, Increasing the Not-to-Exceed fee by \$300,000 for a Revised Total Not-to-Exceed fee of \$1,400,000.

Recommendation: Approve Amendment No. 2 to the Standard On-Call Consultant Agreement A4504A, with Kayuga Solution, Inc. to provide on-call asset management services, CAS File No. 5175, increasing the not-to-exceed fee by \$300,000 for a revised total of not-to-exceed fee of \$1,400,000.

Elizabeth Mercado, Senior Engineer, reviewed the information on this Item, per the attached Board Agenda Memo.

Move to Approve: John L. Varela
Second: Richard Santos
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

9. EXTERNAL AFFAIRS:

9.1. Approve Recommended 2025 Legislative Policy Proposals and Guiding Principles.

Recommendation: Approve recommended 2025 Legislative Policy Proposals and Guiding Principles for the first year of the two-year session in both the California State Legislature and the 119th Congress; and for local and regional legislative efforts.

Marta Lugo, Deputy Administrative Officer, reviewed the information on this Item, per the attached Board Agenda Memo, and per the information contained in Attachment 2.

Move to Adopt: John L. Varela
Second: Richard Santos
Yeas: Shiloh Ballard, Jim Beall, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: Rebecca Eisenberg
Abstains: None
Recuses: None
Absent: None
Summary: 6 Yeas; 1 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

10. CHIEF EXECUTIVE OFFICER:

10.1 CEO and Chiefs' Reports.

The Board reviewed the information on the November 2024, Office of Government Relations Summary, and the November 2024, Office of Civic Engagement Monthly Update contained in Handouts 10.1-A and 10.1-B, respectively, and noted the information without formal action. Copies of the Handouts were distributed to the Board and made available to the public.

11. ADMINISTRATION:

11.1. Approve a Budget Adjustment, Receive Report of Bids, Ratify Addenda, Approve the Contingency Fund and Award of Construction Contract to Swinerton Builders in the sum of \$2,194,000.29 for the Security Upgrades and Enhancements

Project, Project No. 60204022, Contract No. C0713 for Coyote Pumping Plant (Morgan Hill, District 1), Santa Teresa Water Treatment Plant (San Jose, District 7), Winfield Complex (San Jose, District 4), Headquarters Corporate Yard (San Jose, District 4), and Silicon Valley Advanced Water Purification Center (San Jose, District 3).

- Recommendation:
- A. Approve a Fiscal Year 2025 budget adjustment in the amount of \$4,287,130 for the Security Upgrades and Enhancements Project (Project);
 - B. Ratify Addenda Nos. 1 and 2 to the contract documents for the Project;
 - C. Award the construction Contract to Swinerton Builders, located in Santa Clara, California, in the sum of \$2,194,000.29, which includes Supplemental Work identified in Addenda No. 2; and
 - D. Approve a contingency sum of \$329,100 and authorize Chief Executive Officer or designee to approve individual change orders up to the designated amount.

Tony Ndah, Deputy Administrative Officer, reviewed the information on this Item, per the attached Board Agenda Memo.

Move to Approve: Richard Santos
Second: Jim Beall
Yeas: Shiloh Ballard, Jim Beall, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: Rebecca Eisenberg
Abstains: None
Recuses: None
Absent: None
Summary: 6 Yeas; 1 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

12. DISTRICT COUNSEL:

None.

13. BOARD POLICY PLANNING CALENDAR/PROPOSED FUTURE BOARD AGENDA ITEMS:

13.1. Review the Fiscal Year 2024-2025 Board Policy Planning Calendar.

Recommendation: Review the Fiscal Year 2024-2025 Board Policy Planning Calendar.

The Board noted the information, without formal action.

13.2. Election of Board Chairperson and Vice Chairperson for Calendar Year 2025.

Recommendation: Nominate and elect a new Chairperson and Vice Chairperson for Calendar Year 2025.

Motion: Elect Tony Estremera as Chairperson and Richard Santos as Vice Chairperson for Calendar Year 2025.

Move to Approve: John L. Varela
Second: Richard Santos

Substitute Motion: Elect Richard Santos as Chairperson for Calendar Year 2025.

Move to Approve: Rebecca Eisenberg

The motion failed for lack of a second.

Chairperson Hsueh returned to the original motion.

Motion: Elect Tony Estremera as Chairperson and Richard Santos as Vice Chairperson for Calendar Year 2025.

Move to Approve: John L. Varela
Second: Richard Santos
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:

Director Estremera reported attending a Board Policy and Monitoring Committee (BPMC) meeting; and various meetings with staff.

Chairperson Hsueh reported attending the aforementioned BPMC meeting; a Landscape Committee meeting; and various meetings with staff.

Vice Chair Santos reported attending the aforementioned Landscape Committee meeting; and various meetings with staff.

Director Beall reported attending a Local Agency Formation Commission meeting; and gave a presentation for Waterpalooza.

15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:

None.

16. ADJOURN:

16.1 Adjourn to the 11:00 a.m. Special meeting on December 17, 2024, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.

Chairperson Hsueh adjourned the meeting at 4:22 p.m., to the 11:00 a.m. Special meeting on December 17, 2024, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date:

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