



BOARD OF DIRECTORS MEETING

# MINUTES

**CLOSED SESSION AND REGULAR AGENDA**

**TUESDAY, JUNE 10, 2025**

**11:00 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 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, John L. Varela, and Richard P. Santos, Vice Chairperson presiding.

Chairperson Estremera and Director Rebecca Eisenberg arrived as noted below.

Staff members in attendance were Melanie Richardson, Interim Chief Executive Officer; Carlos Orellana, District Counsel; Candice Kwok-Smith, Clerk, Board of Directors; E. Aryee, A. Baker, L. Bankosh, M. Bilski, J. Bourgeois, J. Codianne, A Garcia, R. Gibson, V. Gin, A. Gschwind, C. Hakes, B. Hopper, C. Lawson, A. Lee, M. Lugo, R. McCarter, P. McElroy, T. Ndah, L. Penilla, R. Ruiz, K. Struve, D. Taylor, and T. Yoke.

**2. 11:00 AM - CLOSED SESSION:**

Vice Chairperson Santos confirmed that the Board would adjourn to Closed Session to consider Items 2.1, 2.2, and 2.3.

Chairperson Tony Estremera arrived and assumed the duties of Chairperson for the remainder of the Board meeting, and Director Eisenberg arrived.

**2.1. CLOSED SESSION**  
**CONFERENCE WITH LEGAL COUNSEL, PENDING LITIGATION**  
(Significant Exposure to Litigation)  
Pursuant to Government Code Section 54956.9(d)(2)  
Claims of Stanford University for Refund of Groundwater Production Charges

**2.2. CLOSED SESSION**  
**CONFERENCE WITH LABOR NEGOTIATORS**  
Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: M. Richardson, T. Yoke, P. McElroy,  
A. Lee, E. Meeks, J. Carlos Orellana, B. Hopper, E. Kreisberg  
Employee Organizations: Employees Association, Engineers Society,  
Professional Managers Association  
Unrepresented Employees: All Valley Water Unclassified Positions

- 2.3. CLOSED SESSION  
PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Pursuant to Government Code Section 54957(b)(1)  
Title: District Counsel

- 2.4. District Counsel Report on Closed Session.

Carlos Orellana, District Counsel, reported that in regard to Item 2.1, the Board met in Closed Session with all members participating, including Chairperson Estremera and Director Eisenberg, and gave direction to staff; in regard to Item 2.2, the Board met in Closed Session with all members participating, including Chairperson Estremera and Director Eisenberg, and deferred the Item to the June 24, 2025, meeting.

Chairperson Estremera reported that in regard to Item 2.3, the Board met in Closed Session with all members participating, including Chairperson Estremera and Director Eisenberg, and took no reportable action.

**3. 1:00 PM - TIME CERTAIN:**

- 3.1. Pledge of Allegiance/National Anthem.

Director Ballard led all present in reciting the Pledge of Allegiance.

- 3.2. Orders of the Day.

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

- 3.4. Receive Information and Provide Feedback on Valley Water's Draft Water Supply Master Plan 2050.

Recommendation: Provide feedback on Valley Water's Draft Water Supply Master Plan 2050.

Kirsten Struve, Assistant Officer, reviewed the information on this Item, per the attached Board Agenda Memo and per the information contained in Attachment 2.

Peter Van Dyke, chairperson of the Agricultural Water Advisory Committee, recommended that Valley Water lobby the state to implement a policy requiring developers to install recycled water infrastructure in new buildings.

Mike Covina, on behalf of Soluri Meserve, Stop Pacheco Dam Coalition, noted the proposal requires partners due to high cost while being presented as a wholly locally controlled option.

Pat Burt, City of Palo Alto Councilmember, expressed a shared interest in discussing how to manage the recycled water supply.

Katja Irvin, Loma Prieta Sierra Club, recommended that the chart on slide 16 be corrected to reflect the Pacheco project without partners and requested a future agenda item to discuss the assumption that 35% of the costs will be funded through partnerships that currently do not exist.

The Board noted the information without formal action.

## **REGULAR AGENDA:**

### **4. CONSENT CALENDAR: (4.1 - 4.8)**

Chairperson Estremera removed Item 4.3 from the Consent Calendar for individual consideration, and the Board considered Consent Calendar Items 4.1, 4.2, and 4.4 through 4.8 under one motion.

#### **4.1. Adopt a Resolution Establishing Appropriations Limit for Fiscal Year 2025-26.**

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 2025-26.

#### **4.2. Adopt a Resolution Providing for the Extension of the Appointment and Compensation of the Interim Chief Executive Officer.**

Recommendation:   Adopt the Resolution PROVIDING AN EXTENSION OF THE APPOINTMENT AND COMPENSATION OF MELANIE RICHARDSON, THE INTERIM CHIEF EXECUTIVE OFFICER, FOR UP TO AN ADDITIONAL NINE-MONTHS EFFECTIVE AUGUST 4, 2025.

#### **4.4. Approve Appointment for a Two-Year Term to the Environmental and Water Resources Committee.**

Recommendation:   Consider and approve appointment for a two-year term to the Environmental and Water Resources Committee.

#### **4.5. Approve the Board of Directors' Quarterly Expense Report for the Quarter Ending December 31, 2024.**

Recommendation:   A. Review the Board of Directors' Quarterly Expense Report for the quarter ending December 31, 2024; and  
                              B. Approve the Report if the reimbursements comply with Board Policy.

- 4.6. Accept the Work as Complete and Direct the Clerk to File the Notice of Completion of Contract and Acceptance of Work for the Upper Llagas Creek Flood Protection Project, Phase 1 Completion of Milestone 3, Three-Year Mitigation Planting Establishment and Maintenance, Graniterock Company, Contractor, Project No. 26174052, Contract No. C0645 (Morgan Hill, Gilroy, Santa Clara County Unincorporated Area, Including San Martin, District 1).

Recommendation:     A. Accept the work on the Upper Llagas Creek Flood Protection Project Phase 1, completion of Milestone 3, Three-Year Mitigation Planting Establishment and Maintenance, Project No. 26174052, Contract No. C0645 as complete; and  
                              B. 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.

- 4.7. Accept the CEO Bulletin for the Weeks of May 23 through June 5, 2025.

Recommendation:     Accept the CEO Bulletin.

- 4.8. Approval of Minutes.

Recommendation:     Approve the minutes.

Motion:                Approve Consent Calendar Items 4.1, 4.2, and 4.4 through 4.8, under one motion, as follows: adopt Resolution No. 2025-46, ESTABLISHING APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-26, and Resolution No. 2025-47, PROVIDING FOR THE EXTENSION OF THE APPOINTMENT AND COMPENSATION OF THE INTERIM CHIEF EXECUTIVE OFFICER, by roll call vote, as contained in Items 4.1 and 4.2, respectively; approve appointment for a two-year term to the Environmental and Water Resources Committee, as contained in Item 4.4; approve the Board of Directors' Quarterly Expense Report for the quarter ending December 31, 2024, as contained in Item 4.5; accept the work as complete and direct the Clerk to file the Notice of Completion of Contract and Acceptance of Work for the Upper Llagas Creek Flood Protection Project, Phase 1 Completion of Milestone 3, three-year mitigation planting establishment and maintenance, Graniterock Company, Contractor, Project No. 26174052, Contract No. C0645 (Morgan Hill, Gilroy, Santa Clara County Unincorporated Area, Including San Martin, District 1), 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: 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.

Chairperson Estremera moved the agenda to Item 4.3.

- 4.3. Approve Amendment No. 3 to Agreement A4648G with Carpi & Clay, Inc, for Washington, D.C. Representation Services Administrative Agencies and Executive Branch Focus 2022, Increasing the Fee by \$192,000 for a Total Revised Not-to-Exceed Fee of \$768,000 and Extending the Agreement Term to June 30, 2026.

Recommendation: Approve Amendment No. 3 to Agreement A4648G with Carpi & Clay, Inc, for Washington, D.C. Representation Services Administrative Agencies and Executive Branch Focus 2022, increase the fee by \$192,000 for a total revised not-to-exceed-fee of \$768,000, extend the Agreement term, and incorporate administrative changes.

The Board considered Item 4.3 without a staff presentation.

Move to Approve: Richard Santos  
Second: Nai Hsueh  
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.

Chairperson Estremera returned the agenda to Item 5.1.

## 5. BOARD OF DIRECTORS:

- 5.1. Adopt a Resolution Placing in Nomination of Director John L. Varela for the Position of Vice Chair of the Association of California Water Agencies Region 5 Board.

Recommendation: Adopt the Resolution PLACING IN NOMINATION OF DIRECTOR JOHN L. VARELA FOR THE POSITION OF VICE CHAIR FOR THE ASSOCIATION OF CALIFORNIA WATER AGENCIES REGION 5 BOARD.

The Board considered Item 5.1 without a staff presentation.

Chairperson Estremera declared time open for public comment. No one was present who wished to speak.

Motion: Adopt Resolution No. 2025-49, PLACING IN NOMINATION OF DIRECTOR JOHN L. VARELA FOR THE POSITION OF VICE CHAIR FOR THE ASSOCIATION OF CALIFORNIA WATER AGENCIES REGION 5 BOARD, by roll call vote.

Move to Adopt: Nai Hsueh  
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.

- 5.2. Receive Information and Provide Direction on Safe, Clean Water and Natural Flood Protection Program Proposed Process Improvements.

Recommendation: Receive information and provide direction on staff's proposed process improvements for the implementation of the Safe, Clean Water and Natural Flood Protection Program.

Luz Penilla, Assistant Officer, reviewed the information on this Item, per the attached Board Agenda Memo and per the information contained in Attachment 1.

Pat Burt, of undisclosed residency, expressed gratitude to for timely response to concerns, and recommended Valley Water codify established communication with effected agencies, Board deliberation on reallocation include a staff analysis on how the original program commitments and anticipated community benefits will be affected by the reallocation, and any mitigation strategies developed to address identified impacts.

Peter Van Dyke, of undisclosed residency, recommended the densely populated areas be the primary focus of flood control, and that Valley Water consider partnering with other agencies to mitigate the loss of indigenous species along the riparian corridor.

The Board noted the information and took no formal action.

### 5.3. Board Committee Reports.

The Board reviewed the information on the April 21, 2025, Environmental Water Recycling Committee, January 27, 2025, May 5, 2025, Water Supply Demand Management Committee, and May 19, 2025, Recycled Water Committee meeting summaries contained in Handouts 5.3-A and 5.3-D, respectively, and noted the information without formal action. Copies of the Handouts were distributed to the Board and made available to the public.

### 5.4. Consider the May 19, 2025, Recycled Water Committee Recommendation to Authorize the Chief Executive Officer to Negotiate and Execute the Option Agreement for First Amendment to Ground Lease and Property Use Agreement Among Valley Water, the City of San Jose, and the City of Santa Clara and the Draft Amended Agreements Between Valley Water and the City of San Jose to Develop a Direct Potable Reuse Demonstration Facility.

- Recommendation: Consider recommendations from the May 19, 2025, Recycled Water Committee meeting to:
- A. Authorize the Chief Executive Officer to negotiate and execute the Option Agreement and amend agreements necessary for the DPR Demonstration Facility;
  - B. Authorize the Chief Executive Officer to Negotiate and Execute the Option Agreement for First Amendment to Ground Lease and Property Use Agreement among Valley Water, the City of San Jose, and the City of Santa Clara in substantially the same form as the attached draft;
  - C. Authorize the Chief Executive Officer to Negotiate and Execute First Amendment to Ground Lease and Property Use Agreement for the Advanced Water Treatment Facility between the City of San Jose, City of Santa Clara, and Valley Water in substantially the same form as the attached draft and upon satisfaction of the conditions to exercise the option;
  - D. Authorize the Chief Executive Officer to Negotiate and Execute First Amendment to Recycled Water Facilities and Programs Integration Agreement between Valley Water and the City of San Jose in substantially the same form as the attached draft; and
  - E. Authorize the Chief Executive Officer to Negotiate and Execute Amended and Restated Agreement for Operation and Maintenance of the Silicon Valley Advanced Water Purification Center between Valley Water and the City of San Jose in substantially the same form as the attached draft.

The Board considered Item 5.4 without a staff presentation.

Chair Estremera requested that staff share with the Board the recent survey results on purified water. (Board Member Request No. R-25-0005).

Move to Authorize: Richard Santos  
Second: Nai Hsueh  
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.

## **6. WATER UTILITY ENTERPRISE:**

- 6.1. Approve Amendment No. 1 to Agreement No. A4751A with Ghirardelli Associates, Inc. for Construction Management Services for the Federal Energy Regulatory Commission Order Compliance Project Coyote Creek Flood Management Measures Project, Project No. 91864007, and the Coyote Creek Flood Protection Project, Project No. 26174043, Increasing the Fee by \$11,262,693, for a Total Revised Fee of \$16,855,256 (San Jose, Districts 2, 3 and 6).

Recommendation: Approve Amendment No. 1 to Agreement No. A4751A with Ghirardelli Associates, Inc. for Construction Management Services for the Federal Energy Regulatory Commission Order Compliance Project Coyote Creek Flood Management Measures Project, Project No. 91864007, and the Coyote Creek Flood Protection Project, Project No. 26174043, increasing the fee by \$11,262,693, for a total revised fee of \$16,855,256.

The Board considered Item 6.1 without a staff presentation.

Move to Approve: Richard Santos  
Second: Jim Beall  
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:**

None.



**8. ASSISTANT CHIEF EXECUTIVE OFFICER:**

**8.1. Receive an Update on the Anderson Dam Tunnel Project.**

Recommendation: Receive an Update on the Anderson Dam Tunnel Project.

Ryan McCarter, Deputy Officer, reviewed the information on this Item, per the attached Board Agenda Memo and per the information contained in Attachment 1.

Director Estremera requested staff to prepare a letter for the Chair's signature to the CCWD Board Expressing Interest in Partnerships on Water Storage (R-25-0006).

The Board noted the information and took no formal action.

**9. EXTERNAL AFFAIRS:**

None.

**10. CHIEF EXECUTIVE OFFICER:**

**10.1. CEO and Chiefs' Reports.**

Chris Hakes informed the Board that the Creekside Neighbor Rebate Program launched on May 30, 2025.

Rachael Gibson, Chief of External Affairs, reviewed the attached Office of Civic Engagement Monthly Update, identified as Handout 10.1-A, Office of Government Relations Summary, identified as Handout 10.1-B, respectively herein. Copies of the Handouts were distributed to the Board and made available to the public.

**11. ADMINISTRATION:**

None.

**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.

Candice Kwok-Smith, Clerk, Board of Directors, reviewed the information on this item, per the attached Board Agenda Memo and per the information contained in Attachment 1.

**14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:**

Director Varela reported attending a San Luis Delta-Mendota Water Authority, South County Regional Wastewater Authority, and Santa Clara County Farm Bureau meetings; a Board Policy and Monitoring Committee (BPMC) meeting; and a special City of Morgan Hill Fire Preparedness and Water Supply meeting.

Director Ballard reported attending the Guadalupe Park Conservancy's Annual "Window on the River Park" fundraising event; Landscape and Recycled Water Committee meetings; met with the City of San Jose Councilmembers Sudhanshu "Suds" Jain, Carl Eugene Salas, and Sergio Jimenez; the Valley Water Live Town Hall 2025; and various meetings with staff.

Vice Chairperson Santos reported attending a Sunnyvale Unhoused meeting; a Berryessa Citizens Advisory Council meeting; a meeting with Santa Clara County Board of Supervisor Betty Duong; and various meetings with staff.

Director Beall reported attending a District 10 Youth Leadership Coalition presentation; the Campbell Veterans Memorial Foundation ceremony; and various meetings with staff.

Chairperson Estremera reported attending the aforementioned BPMC meeting and a Capital Improvement Program Committee meeting; and various meetings with staff.

**15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:**

Candice Kwok-Smith read the new Board Member Requests into the record.

**16. ADJOURN:**

Chairperson Estremera adjourned the meeting at 3:55pm in recognition of PRIDE Month, Caribbean American Heritage Month, and Immigrant and Portuguese American Heritage Month, and announced a Dia de Portugal Festival on Saturday, June 14, 2025. The Board will convene for the next Closed Session and Regular Meeting at 11:00 a.m. on Tuesday, June 24, 2025, 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: July 8, 2025