



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, MAY 28, 2024
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 in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference at 11:00 a.m.

1.1. Roll Call.

Board members in attendance were Tony Estremera, Barbara F. Keegan, John L. Varela, and Richard P. Santos, Vice Chairperson presiding, constituting a quorum of the Board.

Chairperson Nai Hsueh was excused from attending; and Directors Jim Beall and Rebecca Eisenberg arrived as noted below.

During Chairperson Hsueh's absence, the meeting was facilitated by Vice Chairperson Santos.

Staff members in attendance were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, M. King, Clerk, Board of Directors, E. Aryee, A. Baker, A. Beaman, L. Bankosh, M. Bilski, S. Bogale, J. Bourgeois, R. Chan, J. Codianne, R. Gibson, A. Gordon, C. Hakes, B. Hopper, C. Lawson, A. Lee, M. Lugo, R. McCarter, P. McElroy, T. Ndah, L. Orta, L. Penilla, K. Struve, D. Taylor, G. Williams, B. Yerrapotu, and T. Yoke.

2. 11:00 AM - CLOSED SESSION:

Vice Chairperson Santos confirmed that Item 2.2 was removed from the agenda and that the Board would adjourn to Closed Session to consider Item 2.1.

2.1. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION
Pursuant to Government Code Section 54956.9(d)(4) Eight Potential Cases

2.2. (*Item Removed From the Agenda) CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION
Pursuant to Government Code Section 54956.9(d)(4) One Potential Case

2.3. District Counsel Report on Closed Session.

Upon return from Closed Session, the same Board members, including Directors Beall and Eisenberg, and staff were present.

Carlos Orellana, District Counsel, reported that in regard to Item 2.1, the Board met in Closed Session with all members participating, including Director Beall and excluding Director Eisenberg and Chairperson Hsueh, and gave direction to staff. The actions, the defendants, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry, unless to do so would jeopardize the agency's ability to effectuate service of process on one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.

3. 1:00 PM - TIME CERTAIN:

3.1. Pledge of Allegiance/National Anthem.

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

3.2. Orders of the Day.

Vice Chairperson Santos 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.

Vice Chairperson Santos requested that the video played at the opening of the May 23, 2024, Town Hall meeting be played for the Board and the public.

Vice Chairperson Santos declared time open for public comment on any subject not on the agenda.

Ideen Seyed, Los Altos Hills resident, expressed frustration regarding the perceived safety hazard on Adobe Lane where the Adobe Creek Bypass pipe runs through the street, and requested that the Board provide an update on what steps have been taken to resolve the issue and all documents related to the Adobe Creek bypass pipe and structure.

REGULAR AGENDA:

4. CONSENT CALENDAR

The Board considered Consent Calendar Items 4.1 through 4.7 under one motion.

4.1. Adopt a Resolution Adopting Employee Salary Schedule Effective June 24, 2024, the beginning of Pay Period 14 of Fiscal Year 2025.

Recommendation: Adopt the Resolution ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE PAY PERIOD 14 OF FISCAL YEAR 2025.

- 4.2. Adopt a Resolution to Commence 7% Employer-Paid Member Contributions for Classic Tier 2 Employees.

Recommendation: Adopt A RESOLUTION TO COMMENCE 7% EMPLOYER-PAID MEMBER CONTRIBUTIONS FOR CLASSIC TIER 2 EMPLOYEES.

- 4.3. Adopt Recommended Positions on Federal Legislation: H.R. 7990 (Napolitano) - Large-Scale Water Recycling Reauthorization and Investment Act of 2024; H.R. 8032 (Sorensen) - Low-Income Household Water Assistance Program Establishment Act; H.R. 4247 (Harder) - Flood Prevention and Snowpack Management Act; And Other Legislation That May Require Consideration by the Board.

Recommendation: A. Adopt a Position of "Support" on H.R. 7990 (Napolitano) - Large-Scale Water Recycling Reauthorization and Investment Act of 2024;
B. Adopt a Position of "Support and Amend" on H.R. 8032 (Sorensen) - Low-Income Household Water Assistance Program Establishment Act; and
C. Adopt a Position of "Support and Amend" on H.R. 4247 (Harder) - Flood Prevention and Snowpack Management Act.

- 4.4. Adopt Recommended Positions on State Legislation: AB 2302 (Addis & Laird) Local Agency Open Meeting Teleconferencing, AB 2661 (Soria) Westlands Water District Solar Generation, and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

Recommendation: A. Adopt a position of "Support" on: AB 2302 (Addis & Laird) Local Agency Open Meeting Teleconferencing; and
B. Adopt a position of "Support" on: AB 2661 (Soria) Westlands Water District Solar Generation.

- 4.5. Authorize Acquisition of a Real Property Interest from Fred Wiehe and Suzanne Brenner, for the Federal Energy Regulatory Commission Order Compliance Project Coyote Creek Flood Management Measures Project, Project No. 91864007, APN 472-31-040, Real Estate File Nos. 4021-319 and 4021-405 for the Price of \$290,000 (San Jose, District 2).

Recommendation: A. Authorize the Chief Executive Officer to execute a Right of Way Agreement between Fred Wiehe and Suzanne Brenner and the Santa Clara Valley Water District, for acquisition of a permanent easement and a temporary construction easement on APN 472-31-040, located at 654 S. 16th Street, San Jose, CA, for the price of \$290,000, based upon the terms and conditions as set forth in the Agreement;
B. Authorize the Chief Executive Officer to accept the Easement Deed (4021-319) from Fred Wiehe and Suzanne Brenner; and
C. Authorize the Chief Executive Officer to accept the Temporary Construction Easement Deed (4021-405) from Fred Wiehe and Suzanne Brenner.

4.6. Accept the CEO Bulletin for the Weeks of May 10 - 23, 2024.

Recommendation: Accept the CEO Bulletin.

4.7. Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 4.1 through 4.7, under one motion, as follows: adopt Resolution No. 24-34 ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE PAY PERIOD 14 OF FISCAL YEAR 2025, by roll call vote, as contained in Item 4.1; adopt Resolution No. 24-35 TO COMMENCE 7% EMPLOYER-PAID MEMBER CONTRIBUTIONS FOR CLASSIC TIER 2 EMPLOYEES, by roll call vote, as contained in Item 4.2; adopt a position of "support" on H.R. 7990 (Napolitano) - Large-Scale Water Recycling Reauthorization and Investment Act of 2024, adopt a position of "support and amend" on H.R. 8032 (Sorensen) - Low-Income Household Water Assistance Program Establishment Act, and adopt a position of "support and amend" on H.R. 4247 (Harder) - Flood Prevention and Snowpack Management Act, as contained in Item 4.3; adopt a position of "support" on: AB 2302 (Addis & Laird) Local Agency Open Meeting Teleconferencing, and adopt a position of "support" on: AB 2661 (Soria) Westlands Water District Solar Generation, as contained in Item 4.4; authorize the Chief Executive Officer to execute a Right of Way Agreement between Fred Wiehe and Suzanne Brenner and the Santa Clara Valley Water District, for acquisition of a permanent easement and a temporary construction easement on APN 472-31-040, located at 654 S. 16th Street, San Jose, CA, for the price of \$290,000, based upon the terms and conditions as set forth in the agreement, authorize the Chief Executive Officer to accept the Easement Deed (4021-319), and authorize the Chief Executive Officer to accept the Temporary Construction Easement Deed (4021-405), as contained in Item 4.5; accept the CEO bulletin, as contained in Item 4.6; and approve the minutes, as contained in Item 4.7.

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

The Yeas have it, and the motion passed.

5. BOARD OF DIRECTORS:

- 5.1. Consider the March 20, 2024, Board Audit Committee Recommendation to Approve the Proposed Amendments to Board Audit Committee Audit Charter, and Provide Further Direction as Needed.

Recommendation: Consider recommendations resulting from the March 20, 2024, Board Audit Committee meeting to:
A. Approve the proposed amendments to the Board Audit Committee Audit Charter; and
B. Provide further guidance as needed.

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 Approve: Tony Estremera
Second: John L. Varela
Yeas: Jim Beall, Rebecca Eisenberg, Tony Estremera, Barbara F. Keegan, Richard P. Santos, John L. Varela
Nays: None
Abstains: None
Recuses: None
Absent: Nai Hsueh
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

The Yeas have it, and the motion passed.

- 5.2. Board Committee Reports.

The Board reviewed the information on the January 11, 2024, Diversity and Inclusion Ad Hoc Committee; March 27, 2024, Recycled Water Committee; April 12, 2024, Board Audit Committee; April 22, 2024, Water Supply and Demand Management Committee; May 13, 2024, Stream Planning and Operations Committee; and April 29, 2024, Joint Recycled Water Policy Advisory Committee meeting summaries and agendas contained in Handouts 5.2-A through 5.2-F, respectively, and noted the information without formal action. Copies of the Handouts were distributed to the Board and made available to the public.

6. WATER UTILITY ENTERPRISE:

None.

7. WATERSHEDS:

None.

8. ASSISTANT CHIEF EXECUTIVE OFFICER:

- 8.1. Authorize the Chief Executive Officer to Execute Contract Change Order No. 35 to the Anderson Dam Tunnel Project, Project No. 91864006, Contract No. C0663, Relating to the Coyote Creek Modifications - North Channel, (Morgan Hill, District 1).

Recommendation: Authorize the Chief Executive Officer to Execute Contract Change Order No. 35 up to the Amount of \$10,500,000 for Coyote Creek Modifications - North Channel, for the Anderson Dam Tunnel Project.

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

Move to Authorize: Tony Estremera
Second: John L. Varela
Yeas: Jim Beall, Rebecca Eisenberg, Tony Estremera, Barbara F. Keegan, Richard P. Santos, John L. Varela
Nays: None
Abstains: None
Recuses: None
Absent: Nai Hsueh
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

The Yeas have it, and the motion passed.

9. EXTERNAL AFFAIRS:

- 9.1. Review and Approve the Grants Redesign Project Recommendations to Update and Improve the Administration of the Safe, Clean Water Grants and Partnerships Program.

Recommendation: Review and approve the Grants Redesign Project recommendations to update and improve the administration of the Safe, Clean Water Grants and Partnerships Program through the following:

- A. Authorize the following update for all grant types:
 - 1. Continue with the current insurance requirements and required documentation, and allow the grantee's insurance costs to be eligible for reimbursement (staff recommendation); or
 - 2. Remove the current insurance requirements and supporting documentation, and rely on the indemnification clause in the agreement;
- B. Authorize the following updates for the Mini-Grant Program:
 - 1. Raise the mini-grant threshold from \$5,000 to \$10,000 per project;
 - 2. Eliminate the match funding requirement;
- C. Authorize the following updates for the Standard Grant Program:

1. Adopt the Grants Redesign Project criteria framework, project eligibility, and applicant eligibility, and direct staff to replace the existing standard grant criteria based on the new framework;
 2. Delegate authority to the CEO or CEO designee to streamline the agreement terms corresponding with the framework categories;
 3. Set minimum and maximum funding amounts per category;
 4. Fund projects at the full amount requested, eliminating partial funding awards and eliminating the current grant funding allocation matrix;
 5. Reduce or eliminate match funding requirements:
 - a. No match funding required for Education and Planning categories;
 - b. 15% match funding required for Program and Implementation categories;
 6. Require grantees to identify a separate CEQA lead agency for Implementation projects at the time of application;
 7. Release standard grants on an annual grant cycle and alternate grant categories each year;
 8. Delegate authority to the CEO or CEO designee to authorize amendments and budget adjustments that do not impact the total award amount approved by the Board; and
- D. Delegate authority to the Board Policy and Monitoring Committee for periodic review of the grants administration and to implement improvements as needed related to the project criteria framework, agreement terms, and grant cycles.

Kristen Yasukawa, Community Benefits Manager, reviewed the information on this Item, per the attached Board Agenda Memo, and per the information contained in Supplemental Attachment 1.

Catherine Liu, CP Mentorship Executive Director, expressed appreciation for the Board reviewing staff recommendations to update and improve the administration of the Safe, Clean Water Grants and Partnerships Program.

Jessica Love, Arabella Advisors Director, answered questions from the Board.

Sophie Olson-Egnyled, Ignited Grant Writer, expressed support regarding the staff recommended changes to the Insurance requirements.

Motion: Approve the Grants Redesign Project recommendations to update and improve the administration of the Safe, Clean Water Grants and Partnerships Program through the following:

- A. Authorize the following update for all grant types:
 - 1. Continue with the current insurance requirements and required documentation, and allow the grantee's insurance costs to be eligible for reimbursement (staff recommendation)
- B. Authorize the following updates for the Mini-Grant Program:
 - 1. Raise the mini-grant threshold from \$5,000 to \$10,000 per project;
 - 2. Eliminate the match funding requirement;
- C. Authorize the following updates for the Standard Grant Program:
 - 1. Adopt the Grants Redesign Project criteria framework, project eligibility, and applicant eligibility, and direct staff to replace the existing standard grant criteria based on the new framework;
 - 2. Delegate authority to the CEO or CEO designee to streamline the agreement terms corresponding with the framework categories;
 - 3. Set minimum and maximum funding amounts per category;
 - 4. Fund projects at the full amount requested, eliminating partial funding awards and eliminating the current grant funding allocation matrix;
 - 5. Reduce or eliminate match funding requirements:
 - a. No match funding required for Education and Planning categories;
 - b. 15% match funding required for Program and Implementation categories;
 - 6. Require grantees to identify a separate CEQA lead agency for Implementation projects at the time of application;
 - 7. Release standard grants on an annual grant cycle and alternate grant categories each year;
 - 8. Delegate authority to the CEO or CEO designee to authorize amendments and budget adjustments that do not impact the total award amount approved by the Board; and
- D. Delegate authority to the Board Policy and Monitoring Committee for periodic review of the grants administration and to implement improvements as needed related to the project criteria framework, agreement terms, and grant cycles.

Move to Authorize: Tony Estremera
 Second: Jim Beall
 Yeas: Jim Beall, Rebecca Eisenberg, Tony Estremera, Barbara F. Keegan, Richard P. Santos, John L. Varela
 Nays: None
 Abstains: None
 Recuses: None

Absent: Nai Hsueh
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

The Yeas have it, and the motion passed.

10. CHIEF EXECUTIVE OFFICER:

10.1. CEO and Chiefs' Reports.

Marta Lugo, Acting Chief of External Affairs, reviewed the attached Office of Communications Activities, identified as Handout 10.1-A; and reviewed the attached Racial Equity, Diversity and Inclusion Summary, identified as Handout 10.1-B. 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 2023-2024 Board Policy Planning Calendar.

Recommendation: Review the Fiscal Year 2023-2024 Board Policy Planning Calendar.

The Board noted the information, without formal action.

14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:

Director Beall reported attending National River Cleanup Day and participated in staff's presentation to the City of Campbell's City Council.

Director Estremera reported attending a Board Policy and Monitoring (BPMC), Capital Improvement Program (CIP), and Recycled Water Committee meetings; and a Delta Conveyance Authority (DCA) meeting.

Director Varela reported attending an Environmental Creek Cleanup Committee meeting.

Director Keegan reported attending a Board Audit (BAC) Committee meeting; and a Santa Clara Valley Habitat Implementation Board meeting.

15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:

None.

16. ADJOURN:

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

Vice Chairperson Santos adjourned the meeting at 2:22 p.m., to the 11:00 a.m. Closed Session and 1:00 p.m. Regular Meeting on June 11, 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: