



Santa Clara Valley Water District Board of Directors Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: <https://valleywater.zoom.us/j/84454515597>

***AMENDED/APPENDED CLOSED SESSION AND REGULAR MEETING AGENDA**

**Tuesday, January 27, 2026
11:00 AM**

***ITEMS AMENDED AND/OR APPENDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

DISTRICT BOARD OF DIRECTORS

Tony Estremera, Chair-District 6
Richard P. Santos, Vice Chair-District 3
John L. Varela-District 1
Shiloh Ballard-District 2
Jim Beall-District 4
Nai Hsueh-District 5
Rebecca Eisenberg-District 7

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available to the public through the legislative body agenda web page at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 630-2277.

MELANIE RICHARDSON
Interim Chief Executive Officer

CANDICE KWOK-SMITH
Clerk, Board of the Directors
(408) 630-3193
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

Santa Clara Valley Water District
Board of Directors

***AMENDED/APPENDED
AGENDA**

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*****IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS*****

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as hybrid meetings, conducted in-person as well as by telecommunication, and are compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while maintaining transparency and public access, members of the public have the option to participate via teleconference/video conference or attend in person. To participate in the meeting via teleconference/video conference, please refer to the meeting link located at the top of the agenda. If attending in-person, you are required to comply with Ordinance 22-03 - AN ORDINANCE OF THE SANTA CLARA VALLEY WATER DISTRICT SPECIFYING RULES OF DECORUM FOR PARTICIPATION IN BOARD AND COMMITTEE MEETINGS located at <https://s3.us-west-2.amazonaws.com/valleywater.org.if-us-west-2/f2-live/s3fs-public/Ord.pdf>

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee during public comment or on any item listed on the agenda, may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify yourself in order to speak, at the time the item is called. Speakers will be acknowledged by the Board/Committee Chair in the order that requests are received and granted speaking access to address the Board. Written comments on any item on the agenda may be submitted to clerkoftheboard@valleywater.org or board@valleywater.org.

- Members of the Public may test their connection to Zoom Meetings at: <https://zoom.us/test>
- Members of the Public are encouraged to review our overview on joining Valley Water Board Meetings at: <https://www.youtube.com/watch?v=TojJpYCxXm0>

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board's office at (408) 630-2277, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq., and has not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes, or other obligations. Any projections, plans, or other forward-looking statements included in the information on this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities

disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at [h t t p s : / / e m m a . m s r b . o r g / a n d https://www.valleywater.org/how-we-operate/financebudget/investor-relations](http://www.valleywater.org/how-we-operate/financebudget/investor-relations), respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:

<https://valleywater.zoom.us/j/84454515597>

Meeting ID: 844 5451 5597

Join by Phone:

1 (669) 900-9128, 84454515597#

1. CALL TO ORDER/ROLL CALL:

1.1. Roll Call.

2. 11:00 AM - CLOSED SESSION:

Notice to the Public: The Board of Directors meets in Closed Session in accordance with the Ralph M. Brown Act. Following the conclusion of Closed Session discussion, the Board will return for the remaining items on the regular meeting agenda.

2.1. CLOSED SESSION 26-0140
CONFERENCE WITH LEGAL COUNSEL, INITIATION OF LITIGATION
Pursuant to Government Code Section 54956.9(d)(4)
15 potential cases

*2.2. CLOSED SESSION 26-0141
PUBLIC EMPLOYEE DISCIPLINE
Pursuant to Government Code Section 54957(b)(1)

*2.3. CLOSED SESSION 26-0168
CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION
Pursuant to Government Code Section 54956.9(d)(2)
Number of cases: multiple

*2.4. District Counsel Report on Closed Session. (*Previously Listed as Item 2.2)

3. 1:00 PM - TIME CERTAIN:

3.1. Pledge of Allegiance/National Anthem.

3.2. Orders of the Day.

- A. Approximate Discussion Time (Board); and*
- B. Adjustments to the Order of Agenda Items.*

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

Notice to the public: Members of the public who wish to address the Board/Committee on matters not listed on the agenda may do so by completing a Speaker Card and submitting it to the Clerk, or by using the “Raise Hand” feature within the Zoom meeting application to request recognition. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and, when recognized, will be granted speaking access to address the Board/Committee.

Public comments shall be limited to three (3) minutes per speaker, or such other time as determined by the Chair. State law does not permit the Board/Committee to take action on, or engage in extended discussion of, any item not appearing on the posted agenda, except as otherwise authorized under applicable law. If Board/Committee action is requested, the matter may be scheduled for consideration at a future meeting.

All public comments requiring a response will be referred to staff for a written reply. The Board/Committee may take action on any item of business appearing on the posted agenda.

3.4. Receive an Update on the Pure Water Silicon Valley Project and Adopt a Resolution Authorizing the Execution and Delivery of Agreement Relating to the Proposed San Jose Purified Water Project and Certain Acts in Connection Therewith.

[26-0117](#)

Recommendation: Receive an update on the Pure Water Silicon Valley Project and Adopt the Resolution AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENT RELATING TO THE PROPOSED SAN JOSE PURIFIED WATER PROJECT AND CERTAIN ACTS IN CONNECTION THEREWITH.

Manager: Kirsten Struve, 408-630-3138

Attachments: [Attachment 1: Resolution](#)

Est. Staff Time: 5 Minutes.

3.5. Receive and Discuss the Overview of the Santa Clara Valley Water District's Fiscal Year 2026-27 First Pass Biennial Budget.

[25-1060](#)

Recommendation: Receive and discuss the overview of the Santa Clara Valley Water District's Fiscal Year 2026-27 First Pass Biennial Budget.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 20 Minutes.

3.6. Conduct a Public Hearing to Consider Adopting a Resolution of Necessity Relating to the Acquisition of Real Property Interests from San Jose Unified School District, Necessary to Complete the Coyote Creek Flood Protection Project, Project No. 26174043, APNs 472-33-007 and 472-33-010, Real Estate File Nos. 4021-354 and 4021-467 (San Jose, District 2). [26-0074](#)

Recommendation:

- A. Open and conduct a Public Hearing to consider adoption of a Resolution of Necessity relating to the acquisition of real property interests from San Jose Unified School District, necessary to complete the Coyote Creek Flood Protection Project, Project No. 26174043;
- B. Close the Public Hearing; and
- C. Adopt the Resolution DETERMINING AND DECLARING THE PUBLIC NECESSITY FOR THE ACQUISITION OF CERTAIN REAL PROPERTY OR INTERESTS IN REAL PROPERTY BY EMINENT DOMAIN FOR THE COYOTE CREEK FLOOD PROTECTION PROJECT (PROJECT NO. 26174043) (CODE OF CIVIL PROCEDURE SECTIONS 1245.220, et seq.), by a two-thirds vote.

Manager: Bhavani Yerrapotu, 408-630-2735

Attachments: [Attachment A: Gov. Code § 84308](#)

[Attachment 1: Resolution](#)

[Attachment 2: Notice of Intent](#)

[Attachment 3: PowerPoint](#)

[Handout 3.6-A: Letter from SJUSD](#)

Est. Staff Time: 20 Minutes.

REGULAR AGENDA:

4. CONSENT CALENDAR: (4.1 - *4.4) (Est. Time: 5 Minutes)

Notice to the public: There is no separate discussion of individual consent calendar items. Recommended actions are voted on in one motion. If an item is approved on the consent vote, the specific action recommended by staff is adopted. Items listed in this section of the agenda are considered to be routine by the Board, or delegated to the Board Appointed Officers (BAOs) yet required by law or contract to be Board approved (EL-7.10). Any item may be removed for separate consideration at the request of a Board member. Whenever a resolution is on the consent calendar, a roll call vote will be taken on the entire calendar. Members of the public wishing to address the Board on any consent items may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify themselves to speak.

4.1. Adopt a Resolution Setting Time and Date of Public Hearing on the Final Mitigated Negative Declaration and Engineer's Report for the Vasona [25-1029](#)

Pump Station Upgrade Project, Project No. 92264001 (Los Gatos, District 7).

Recommendation: Adopt the Resolution SETTING TIME AND DATE OF PUBLIC HEARING ON THE FINAL MITIGATED NEGATIVE DECLARATION AND ENGINEER'S REPORT FOR THE VASONA PUMP STATION UPGRADE PROJECT, to occur on February 10, 2026, at 1:00 p.m., at the Boardroom at Santa Clara Valley Water District, Headquarters Building, 5700 Almaden Expressway, San Jose, CA.

Manager: Emmanuel Aryee, 408-630-3074

Attachments: [Attachment 1: Resolution](#)

[Attachment 2: Engineer's Report](#)

[Attachment 3: Notice Public Hearing](#)

4.2. Adopt Recommended Positions on Federal Legislation: H.R. 6422 (Stauber) - American Water Stewardship Act; And Other Legislation That May Require Consideration by the Board. [25-1051](#)

Recommendation: Adopt a Position of "Support" on H.R. 6422 (Stauber) - American Water Stewardship Act.

Manager: Marta Lugo, 408-630-2237

4.3. Approve a Sole Source Designation, Adopt Plans and Specifications, and Authorize Advertisement for Bids for the East Pipeline Inspection and Rehabilitation Project, Project No. 95084004, Contract No. C0718, (San Jose, Districts 1, 3, and 6). [25-1077](#)

Recommendation:

- A. Find that the East Pipeline Inspection and Rehabilitation Project is substantially complex and, therefore, requires construction contract retention of ten percent (10%);
- B. Find that certain Supervisory Control and Data Acquisition (SCADA) instrumentation components, as specified in the Plans and Specifications, should be designated as specific brand or trade name products. Public Contract Code Section 3400(c)(2);
- C. Adopt the Plans and Specifications and Authorize Advertisement for Bids for Construction of the East Pipeline Inspection and Rehabilitation Project, per the Notice to Bidders; and
- D. Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

Manager: Emmanuel Aryee, 408-630-3074

Attachments: [Attachment 1: Notice to Bidders](#)
[Attachment 2: Project Delivery Process Chart](#)
[Attachment 3: Map](#)

*4.4. Accept the CEO Bulletin for the Weeks of January 9 - 22, 2026. [26-0142](#)

Recommendation: Accept the CEO Bulletin.

Manager: Melanie Richardson, 408-630-2017
Attachments: [Attachment 1: 012226 CEO Bulletin](#)

5. BOARD OF DIRECTORS:

5.1. Authorize the Chief Executive Officer to Execute the Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with Peninsula Open Space Trust; Approve a Budget Adjustment in the Amount of \$3,950,000 to the Fiscal Year 2026 Budget of the Safe, Clean Water and Natural Flood Protection Program's Project D7 Conservation of Habitat Lands, Project No. 26072008; and Authorize Transfer of \$3,950,000 of Project No. 26072008 Funds to the Peninsula Open Space Trust for Acquisition of Sargent Ranch. [25-1070](#)

Recommendation:

- A. Authorize the Chief Executive Officer to execute the Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with the Peninsula Open Space Trust for the Safe, Clean Water and Natural Flood Protection (Safe, Clean Water) Program's Project D7: Partnerships for the Conservation of Habitat Lands, Project No. 26072008, in the amount of \$3,950,000;
- B. Approve the budget adjustment in the amount of \$3,950,000 from Fund 26 Operating and Capital Reserves to the Fiscal Year 2026 Budget of the Safe, Clean Water Project D7 Partnerships for the Conservation of Habitat Lands, Project No. 26072008, to fully fund the Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with the Peninsula Open Space Trust; and
- C. Authorize the transfer of funds in the amount of \$3,950,000 to the Peninsula Open Space Trust to support the acquisition of Sargent Ranch, consistent with the Safe, Clean Water Project D7 Funding Criteria.

Manager: Lisa Bankosh, 408-630-2618

Attachments: [Attachment A: Gov Code § 84308](#)

[Attachment 1: Property Location](#)

[Attachment 2: Grant Agreement](#)

[Attachment 3: CEQA NOE](#)

[Attachment 4: PowerPoint](#)

Est. Staff Time: 10 Minutes.

*5.2. Board Committee Reports.

[26-0138](#)

Attachments: [*Handout 5.2-A: 12192025 BAC Summary](#)

[*Handout 5.2-B: 01282026 SCVWD WC Agenda](#)

[*Handout 5.2-C: 01282026 YC Agenda](#)

[*Handout 5.2-D: 01292026 SCWIMC Agenda](#)

Est. Staff Time: 5 Minutes.

6. WATER UTILITY ENTERPRISE:

7. WATERSHEDS:

8. ASSISTANT CHIEF EXECUTIVE OFFICER:

9. EXTERNAL AFFAIRS:

10. CHIEF EXECUTIVE OFFICER:

*10.1 CEO and Chiefs' Reports.

[26-0139](#)

Attachments: [*Handout 10.1-A: OC Activities](#)

Est. Staff Time: 5 Minutes.

11. ADMINISTRATION:

12. DISTRICT COUNSEL:

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

*13.1 Review the Fiscal Year 2026 Board Policy Planning Calendar.

[26-0144](#)

Recommendation: Review the Fiscal Year 2026 Board Policy Planning Calendar.

Manager: Candice Kwok-Smith, 408-630-3139

Attachments: [*Attachment 1: FY 2026 Board Policy Planning Calendar](#)

Est. Staff Time: 5 Minutes.

- 14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:**
- 15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:**
- 16. ADJOURN:**
 - 16.1 The Board will convene for the next Regular meeting at 1:00 p.m. on Tuesday, February 10, 2026, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.



Santa Clara Valley Water District

File No.: 26-0140

Agenda Date: 1/27/2026

Item No.: 2.1.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL, INITIATION OF LITIGATION

Pursuant to Government Code Section 54956.9(d)(4)

15 potential cases



Santa Clara Valley Water District

File No.: 26-0141

Agenda Date: 1/27/2026
Item No.: *2.2.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

PUBLIC EMPLOYEE DISCIPLINE

Pursuant to Government Code Section 54957(b)(1)



Santa Clara Valley Water District

File No.: 26-0168

Agenda Date: 1/27/2026
Item No.: *2.3.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL, ANTIPLICATED LITIGATION

Pursuant to Government Code Section 54956.9(d)(2)

Number of cases: multiple



Santa Clara Valley Water District

File No.: 26-0117

Agenda Date: 1/27/2026

Item No.: 3.4.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive an Update on the Pure Water Silicon Valley Project and Adopt a Resolution Authorizing the Execution and Delivery of Agreement Relating to the Proposed San Jose Purified Water Project and Certain Acts in Connection Therewith.

RECOMMENDATION:

Receive an update on the Pure Water Silicon Valley Project and Adopt the Resolution AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENT RELATING TO THE PROPOSED SAN JOSE PURIFIED WATER PROJECT AND CERTAIN ACTS IN CONNECTION THEREWITH.

SUMMARY:

Background

Santa Clara Valley Water District (Valley Water) is currently working towards a Direct Potable Reuse (DPR) facility on San José-Santa Clara Regional Wastewater Facility (RWF) property adjacent to the Silicon Valley Advanced Water Purification Center (SVAWPC). Ahead of that full-scale DPR project, Valley Water will develop a DPR pilot facility and learning center (DPR Demonstration Facility) on an expanded footprint consisting of property on and adjacent to the existing site being leased from the City of San José. The Pure Water Silicon Valley (PWSV), also known as the San José Purified Water Project (SJPWP), has been added to Valley Water's Capital Improvement Program and rate projections (the "Project").

Using source water provided by the RWF, Valley Water intends to deliver up to 24,000 acre-feet per year (AFY) of purified water from the PWSV to its customers. Valley Water's customers include both public and private retailers. Since Valley Water's PWSV will rely on source water from the RWF, the City of San José asked questions relating to any impact of the PWSV's operation on the tax-exempt status of the debt issued for the RWF. Valley Water has concerns related to the cost implications if tax-exempt financing cannot be utilized for the Project. To address these concerns, staff collaborated with bond/tax counsel, as well as the City of San José, to develop a strategy to resolve the tax issues through a Private Letter Ruling Request (PLR) with the Internal Revenue Service (IRS). Generally, PLRs are written statements issued to taxpayers that interpret and apply tax laws to a set of facts presented by the taxpayer. PLRs can be used when a taxpayer wants confirmation that a

prospective transaction is unlikely to result in a tax law violation.

The delivery of water will likely occur by blending purified water with raw water and distributing it, along with the raw water, to treatment plants and for groundwater recharge, however, the purified water could also be served to customers directly. Valley Water staff have made significant progress in 2025 on the PWSV project, including:

- Developing an option agreement and amended institutional agreements to allow the demonstration facility to be developed. The option agreement was approved by the Board and the councils of the cities of San José and Santa Clara in June 2025 and is currently being executed.
- Release of a Request for Proposal (RFP) for design services for the demonstration facility/learning center.
- Continued development of an Exclusive Negotiation Agreement with the City of San José to reserve land for the future full-scale facility.
- Continued development of a charter to provide a framework for agreements for the full-scale facility.
- Initiated development of a grant-funded feasibility study to make the Project eligible for future construction grant funding.
- Continued negotiations with the State's Division of Drinking Water to develop a regulatory roadmap for permitting the full-scale facility through the development of needed validation studies for the demonstration facility, and successful completion of one Independent Advisory Panel.
- Establishment of a Technical Advisory Group (TAG) for the learning center.

In May 2025, the Valley Water Board of Directors authorized the issuance of water system revenue bonds to finance certain costs associated with Phase 1 of the PWSV in an amount not to exceed \$100 million (Revenue Bonds) and submit a PLR request to the IRS to address the tax issues for the project.

In June 2025, Valley Water submitted the PLR request to the IRS, which was prepared by Valley Water's bond/tax counsel, and incorporated input from the City of San José. The IRS requested additional clarifications in the subsequent months of 2025, and staff worked diligently to respond promptly.

As part of the PLR process, in January 2026, Valley Water received a request from the IRS to provide a Board Resolution confirming that Valley Water will comply with the covenants described in the Resolution (Attachment 1) as one requirement for the bonds, if issued, to be tax-exempt. Board approval of the Resolution is required by the IRS before it will issue the final PLR to Valley Water. Approval of the Resolution does not obligate Valley Water to issue bonds for the Project, the timing of which will be determined by the Project's planning and design process.

ENVIRONMENTAL JUSTICE IMPACT:

There is no environmental justice impacts associated with this item. This action is unlikely to or will

not result in disproportionate impacts on any specific communities relative to the general population from the implementation of this item.

FINANCIAL IMPACT:

Staff anticipate material cost savings associated with issuing tax-exempt bonds to finance the Project. Based on market conditions as of January 6, 2026, staff anticipate interest cost savings of \$30.6 million for every \$100 million of Bonds issued to finance the Project, compared to issuing taxable bonds, over the life of the bonds. The actual cost savings will vary depending on market conditions and the amount financed at the time of each future bond issuance for the Project.

CEQA:

Section 15378 of the California Environmental Quality Act (“CEQA”) Guidelines defines a “project” as the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. This recommended action falls under Section 15378 (b) and consists of the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment; therefore, it does not constitute a project under CEQA.

While Valley Water has not yet completed its review and approval in accordance with CEQA for the Project, adoption of this Resolution to authorize execution of the agreements and documents referred to in this Resolution and implementation of actions necessary to accomplish the intention of this Resolution do not commit Valley Water to a definite course of action with regard to the Project and do not limit Valley Water in exercising any discretion following CEQA review of the Project, including (i) considering other feasible alternatives and mitigation measures to avoid or minimize project impacts, (ii) making modifications deemed necessary to reduce project impacts, or (iii) determining not to proceed with one or more component of the Project. The Project and all related components will undergo a separate CEQA review.

ATTACHMENTS:

Attachment 1: Resolution

UNCLASSIFIED MANAGER:

Kirsten Struve, 408-630-3138

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 2026-

**AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENT RELATING
TO THE PROPOSED SAN JOSE PURIFIED WATER PROJECT
AND CERTAIN ACTS IN CONNECTION THEREWITH**

WHEREAS, the Santa Clara Valley Water District ("Valley Water"), is a water supply and flood protection special district duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

WHEREAS, on May 16, 2025, the Board of Directors of Valley Water (the "Board") adopted Resolution No. 2025-30 authorizing the issuance of revenue bonds to finance certain costs of the San Jose Water Purification Project (Phase I), which is the initial phase of the San Jose Purified Water Project (the "Project"); and

WHEREAS, the Internal Revenue Service has indicated that one requirement for bonds issued for the Project (the "Bonds") to be obligations the interest on which is excluded from gross income for federal income tax purposes, is for Valley Water to comply with certain covenants set forth in the "Agreement With Respect to the Usage of the San Jose Purified Water Project" on file with Valley Water (the "Agreement") the form of which is attached hereto as Exhibit A; and

WHEREAS, the Board desires to approve the form of the Agreement and authorize the execution and delivery thereof if the Bonds are issued.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby find, determine, declare, and resolve as follows:

Section 1. Approval of Form of Agreement. The Agreement, in the form on file with Valley Water and attached hereto, is hereby approved. If the Bonds are issued, each of the Chief Executive Officer (or any acting or interim of such position, the "Chief Executive Officer"), the Chief Financial Officer, and the Clerk of the Board or the designee of each of the foregoing (each an "Authorized Officer" and together the "Authorized Officers") is individually authorized and directed to execute and deliver the Agreement in the form hereby approved with any ministerial insertions or changes necessary to effectuate the purpose of the Agreement. Valley Water does hereby agree to comply with such Agreement terms if the Bonds are issued.

Section 2. Other Actions. The Authorized Officers and such other officers and staff of Valley Water are authorized and directed, acting singly, to do any and all things and to execute and deliver any and all documents which such officers may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions in connection therewith previously taken by such officers and staff are hereby ratified and confirmed.

Section 3. Effect. This Resolution shall take effect immediately.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by
the following vote on January 27, 2026:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMERA
Chair, Board of Directors

ATTEST

CANDICE KWOK-SMITH
Clerk, Board of Directors

Affix Seal Here

I hereby certify that the foregoing is a full, true and correct copy of the original thereof on file in my office.

DATED: January 27, 2026

CANDICE KWOK-SMITH
Clerk, Board of Directors

EXHIBIT A

COVERSHEET

AGREEMENT WITH RESPECT TO THE USAGE OF THE SAN JOSÉ PURIFIED WATER PROJECT

No. of Pages: 3

Exhibit Attachments: None

EXHIBIT A

AGREEMENT WITH RESPECT TO THE USAGE OF THE SAN JOSÉ PURIFIED WATER PROJECT

Whereas, this agreement (the “Agreement”), dated as of _____, 2026, is by and between the Santa Clara Valley Water District (“Valley Water”) and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), with respect to the \$ _____ Santa Clara Valley Water District Water System Revenue Bonds, Series 2025C (the “Bonds”);

Whereas, Valley Water is utilizing proceeds of the Bonds to construct and equip the San José Purified Water Project (the “SJPWP”);

Whereas, purified water (“Purified Water”) from the SJPWP is expected to be utilized in Valley Water’s direct potable reuse program;

Whereas, state and local governmental units (“Governmental Entities”) and private companies, investor owned utilities, or mutual water companies (“Private Entities”) purchase water from Valley Water under certain contracts (“Contracts”) to provide water to consumers in Santa Clara County (the “County”); and

Whereas, Valley Water utilizes water to replenish or recharge the County groundwater basin (“Groundwater Recharge”);

Now, therefore, Valley Water hereby covenants to and agrees for the benefit of the Trustee and Bond holders as follows:

1. Valley Water shall comply with Section XX of [Agreement] with the Trustee. Section XX is attached hereto as Attachment A.
2. The terms of all Contracts by the District are consistent with and will be consistent with this Agreement and, therefore, each sale of water by Valley Water is restricted by the terms of this Agreement.
3. To ensure compliance with the restrictions herein, during the Measurement Period, Valley Water will provide annual reports to the Trustee describing the amount of Purified Water produced by the SJPWP and the amount of Purified Water so utilized under (A), (B), or (C) of the

Available Output Restriction (as defined and shown in Attachment A hereto). Such reports will be provided to Bond holders upon request at the expense of Valley Water.

SANTA CLARA VALLEY WATER DISTRICT

By:_____

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION

By:_____

ATTACHMENT A

Absent a force majeure event or other event beyond the control of Valley Water, from the later of the date the Bonds are issued and the placed in service date of the SJPWP through the latest maturity date of the Bonds without regard to any optional redemption dates (the “Measurement Period”), Valley Water will ensure that the aggregate amount of Purified Water produced by the SJPWP is equal to or less than the aggregate amount during the Measurement Period of (A) Purified Water both commingled with other water in a Valley Water treatment plant or other Valley Water facility and sold to a Governmental Entity, (B) Purified Water, not commingled in a Valley Water treatment plant or other Valley Water facility, sold directly to (i) a Governmental Entity, or (ii) a member of the public under a generally applicable rate scale, and (C) Purified Water utilized by Valley Water for Groundwater Recharge (the “Available Output Restriction”).

For purposes of the Available Output Restriction, Purified Water will only be taken into account as utilized under (A), (B), or (C) above if it is physically possible to so deliver and use such water based upon the physical flow of water. The amount of any Purified Water that is used for Groundwater Recharge under (C) of the Available Output Restriction and is subsequently pumped by Valley Water will be reduced for purposes of compliance with the Available Output Restriction by the amount of such Purified Water so pumped and delivered to the Private Entities; provided, such pumped Purified Water may be flowed and so utilized by Valley Water in accordance with the restrictions of (A) or (B) above of the Available Output Restriction.

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Santa Clara Valley Water District

File No.: 25-1060

Agenda Date: 1/27/2026

Item No.: 3.5.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Receive and Discuss the Overview of the Santa Clara Valley Water District's Fiscal Year 2026-27 First Pass Biennial Budget.

RECOMMENDATION:

Receive and discuss the overview of the Santa Clara Valley Water District's Fiscal Year 2026-27 First Pass Biennial Budget.

SUMMARY:

The Santa Clara Valley Water District (Valley Water) develops the rolling biennial budget to allocate the public's funds that are necessary to provide Silicon Valley with safe, clean water for a healthy life, environment, and economy. The development of Valley Water's budget is accomplished in an open transparent process providing opportunity for Board and public input. This report presents the first pass budget update and schedule for development of the final Fiscal Year (FY) 2026-27 Biennial Budget. The process includes over nine (9) open session discussions, and the online budget simulation tool, providing the Board and public significant opportunity for input. In addition to the Board open sessions, Board Advisory committees have opportunities for input during the development of the Budget. The Board has scheduled Budget work study sessions on April 29 and 30. The process is scheduled to conclude with the adoption of the budget on May 12, 2026.

Valley Water's financial planning and budget development processes are governed by the District Act, Section 13 for taxation and Section 20 for adoption of the budget. In addition, state and federal laws require annual examinations of financial records. Board Governance Policies EL-4 guide financial management, planning, budgeting, and ongoing financial activities.

ENVIRONMENTAL JUSTICE IMPACT:

Valley Water acknowledges that disadvantaged communities have historically been disproportionately impacted by the effects of drought and flooding. Since 2021, Valley Water has partnered with Sacred Heart Community Service (SHCS) to provide a Low-income Residential Water Rate Assistance Program, and staff plans to propose continued funding for the program as part of the FY 27 budget process. The development of Valley Water's budget is accomplished in an open

transparent process providing opportunity for public input into the decision-making process. To ensure meaningful awareness of Valley Water's budget and engagement in the decision-making process, public hearings are noticed in county newspapers in various languages, including English, Spanish, Chinese, and Vietnamese. The FY27 budget process includes over nine (9) open session discussions providing the public significant opportunity for input.

FINANCIAL IMPACT:

There is no financial impact related to this agenda. It is presented for information only.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably, foreseeable indirect physical changes in the environment.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068

FY2026-27 First Pass Biennial Budget

January 27, 2026

Topics

- **Budget Schedule Update**
- **Revenue Assumptions**
- **Salaries and Benefits Assumptions**
- **Districtwide Outlays**
- **Next Steps**

Budget Schedule Update

- **Operating and Capital Budget**
 - ➡ • January 27, 2026 – 1st Pass Budget Update
 - March 10, 2026 – 2nd Pass Budget Update
 - April 29 and 30, 2026 – Budget Work Study Session
- **Groundwater Production Charge (GWP)**
 - ✓ January 13, 2026 – Preliminary GWP Analysis
 - April 14 to 28, 2026 – GWP Public Hearings
- **Capital Improvement Program (CIP)**
 - ✓ January 13, 2026 – Preliminary CIP
 - March 10, 2026 – Draft CIP
 - April 28 and 29, 2026 – CIP Public Hearings
- **Operating and Capital Budget, GWP, and CIP**
 - May 12, 2026 – Board Adoption

Revenue Assumptions

- **Water Charges - FY27: \$466.4M & FY28: \$515.6M**
- **Preliminary Annual M&I Groundwater Production Charge Increases:**
 - North County Zone W-2, 9.1% in FY27 & FY28
 - South County Zone W-5, 6.4%
 - South County Zone W-7, 8.6%
 - South County Zone W-8, 8.0%
- **Water usage projection - FY27: 221.5K AF & FY28: 224K AF**
 - Assume an increase of 2.5K AF vs FY26
- **1% Ad-valorem Property Tax - FY27: \$162.9M & FY28: \$165.7M**
 - Assessment roll grows 3% per Santa Clara county assessor's report as of 11/11/2025
- **SCW Special Parcel Tax - FY27: \$56.3M & FY28: \$57.5M**
 - 2% increase per year
 - Bay Area CPI could be greater than 2% for purpose of FY27

1st Pass – Revenue

Revenue (\$ in millions)	FY25		FY27		FY28		FY27 vs FY26	FY28 vs FY27
	Actuals	Adopted	1st Pass	1st Pass				
Water Charges	\$ 382.0	\$ 423.3	\$ 466.4	\$ 515.6	\$ 43.1	\$ 49.2		
1% Ad-valorem Property Tax	154.4	157.6	162.9	165.7	5.3	2.8		
SCW Special Parcel Tax	53.2	55.1	56.3	57.5	1.2	1.2		
State Water Project Tax	29.6	28.0	31.0	31.0	3.0	-		
Benefit Assessment	6.8	6.9	6.9	6.9	-	-		
Capital Reimbursements	13.8	56.3	61.1	16.4	4.8	(44.7)		
Interest Income & Other	59.0	18.6	20.0	13.2	1.4	(6.8)		
Total Revenue	\$ 698.9	\$ 745.9	\$ 804.6	\$ 806.4	\$ 58.8	\$ 1.7		

Salaries & Benefit Assumptions

Salaries - FY27: \$158.6M & FY28: \$164.3M

- Salary budget includes funding for 876 regular positions, 4 limited-term positions
- 3% COLA and step increases for eligible positions per prior MOUs; second pass proposed budget will include newly ratified MOUs
- FY27 budget assumes lower salary savings rate of 2% due to position freeze

Benefits - FY27: \$99.9M & FY28: \$106.0M

- Retirement Contributions: includes CalPERS required employer contribution and deferred compensation, plus \$3.0M redirect from OPEB funding and additional 2% of salaries (\$3.1M) employer contributions towards CalPERS unfunded liability
- Group Insurance for Active Employees: assumes 15% annual increase for medical plan and 3% annual increase for Dental and Vision plan
- Group Insurance for Retirees assumes no material increase for medical plan

1st Pass Salaries & Benefits

Salary and Benefits (\$ in millions)	FY25 Actuals	FY26 Adopted	FY27 1st Pass	FY28 1st Pass	FY27 vs FY26	FY28 vs FY27
Salaries						
Salaries - Regular Employees	\$ 138.8	\$ 150.3	\$ 154.9	\$ 160.7	\$ 4.6	\$ 5.8
Overtime and Special Pays	6.5	5.4	6.2	6.2	0.8	-
Salary Savings		(2.5)	(2.6)	(2.7)	(0.1)	(0.1)
Total Salaries	145.3	153.2	158.6	164.3	5.4	5.7
Benefits						
Fed & State Taxes & Benefits	2.1	2.2	2.3	2.4	0.1	0.1
Retirement Contributions	46.4	51.0	52.8	55.3	1.8	2.5
Group Insurance - Active Employees	22.3	28.1	29.5	32.6	1.4	3.1
Health Insurance - Retired Employees	16.9	15.0	15.3	15.7	0.3	0.4
Total Benefits	87.7	96.3	99.9	106.0	3.6	6.1
Total Salary & Benefits	\$ 233.0	\$ 249.6	\$ 258.4	\$ 270.3	\$ 8.8	\$ 11.9
Regular Positions	921	876	876	876	-	-

1st Pass – Districtwide Outlays

Budget by Category (\$ in millions)	FY25	FY26	FY27	FY28	FY27 vs	FY28 vs
	Actuals	Adopted	1st Pass	1st Pass	FY26	FY27
Operations	\$ 456.7	\$ 528.7	\$ 538.3	\$ 563.4	\$ 9.6	\$ 25.1
Operating Projects	28.5	6.2	8.1	8.1	1.9	-
Debt Service	86.0	116.9	131.3	161.2	14.4	29.9
Total Operating Outlays	571.2	651.8	677.7	732.7	25.9	55.0
Capital Outlays	387.2	427.9	732.9	651.7	305.0	(81.2)
Total Gross Outlays	958.4	1,079.7	1,410.6	1,384.4	330.9	(26.2)
Intra-District Reimbursements*	(121.3)	(131.7)	(128.6)	(142.5)	3.1	(13.9)
Net Total Outlays	\$ 837.1	\$ 948.0	\$ 1,282.0	\$ 1,241.9	\$ 334.0	\$ (40.1)

* Intra-District reimbursements represent cost recovery for support services such as human resources and information technology, etc.

SCVWD Finances Organized by “Fund”

Water Utility Enterprise

Accounts for activities to ensure a reliable water supply (as the principal water wholesaler for the County)

Safe Clean Water (SCW)

Accounts for a program approved by voters in November 2020

Watershed & Stream Stewardship

Accounts for flood protection and watershed management activities

Administration (General, Fleet, Risk, Information Technology Funds)

Accounts for administrative and strategic support services that are provided to other funds (Legal, HR, Fleet, IT, etc...)

1st Pass—Operations Expenditures by Fund

Operations & Operating Budget (\$ in millions)	FY25		FY26		FY27		FY28		FY27 vs FY26		FY28 vs FY27	
	Actuals	Adopted	1st Pass	1st Pass								
General Fund	\$ 77.3	\$ 90.9	\$ 96.8	\$ 97.9	\$ 5.9	\$ 1.1						
Watershed Stream Stewardship Fund	82.3	95.1	98.3	105.1	3.2	6.8						
Safe, Clean Water Fund	23.0	27.7	29.8	30.5	2.1	0.7						
Water Enterprise Fund	257.6	269.6	267.3	280.0	(2.3)	12.7						
Fleet Management Fund	5.3	6.6	6.6	7.1	-	0.5						
Risk Management Fund	9.1	12.1	12.7	13.4	0.6	0.7						
Information Technology Fund	30.6	32.9	34.7	37.6	1.8	2.9						
Total	\$ 485.2	\$ 534.9	\$ 546.4	\$ 571.5	\$ 11.3	\$ 25.4						

Note: This table reflects gross figures that have not been adjusted for intra-district reimbursements

1st Pass – Capital Outlays by Fund

Capital Outlays (\$ in millions)	FY25	FY26	FY27	FY28	FY27 vs FY26	FY28 vs FY27
	Actuals	Adopted	1st Pass	1st Pass		
General Fund	\$ 9.8	\$ 13.3	\$ 13.3	\$ 4.2	\$ -	\$ (9.1)
Watershed Stream Stewardship Fund	15.0	31.3	11.1	58.3	(20.2)	47.2
Safe, Clean Water Fund	84.2	65.7	199.1	160.0	133.4	(39.1)
Water Enterprise Fund	268.6	312.0	492.6	409.4	180.6	(83.2)
Fleet Management Fund	3.2	2.0	3.4	4.7	1.4	1.3
Information Technology Fund	6.3	3.6	13.3	15.0	9.7	1.7
Total	\$ 387.2	\$ 427.9	\$ 732.9	\$ 651.7	\$ 305.0	\$ (81.2)

Note: 1st Pass Budget is based on preliminary FY27-31 Five-Year CIP

Next Steps

- **Operating and Capital Budget**
 - March 10, 2026 – 2nd Pass Budget Update
 - April 29 and 30, 2026 – Budget Work Study Session
- **Groundwater Production Charge (GWP)**
 - April 14 to 28, 2026 – GWP Public Hearings
- **Capital Improvement Program (CIP)**
 - March 10, 2026 – Draft CIP
 - April 28 to 29, 2026 – CIP Public Hearings
- **Operating and Capital Budget, GWP, and CIP**
 - May 12, 2026 – Board Adoption

Appendix

1st Pass and Actuals – Revenue

Revenue (\$ in millions)	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY27 vs	FY28 vs
	Actuals	Adopted	1st Pass	1st Pass	FY26	FY27						
Water Charges	\$ 227.7	\$ 266.9	\$ 289.8	\$ 272.4	\$ 268.1	\$ 320.6	\$ 382.0	\$ 423.3	\$ 466.4	\$ 515.6	\$ 43.1	\$ 49.2
1% Ad-valorem Property Tax	107.8	110.6	117.3	127.3	138.8	146.1	154.4	157.6	162.9	165.7	5.3	2.8
SCW Special Parcel Tax	44.1	46.1	46.1	47.0	49.5	52.2	53.2	55.1	56.3	57.5	1.2	1.2
State Water Project Tax	22.3	21.8	21.4	30.1	28.9	28.1	29.6	28.0	31.0	31.0	3.0	-
Benefit Assessment	14.7	13.4	12.4	13.4	13.2	6.9	6.8	6.9	6.9	6.9	-	-
Capital Reimbursements	26.7	33.8	19.9	21.4	35.2	10.0	13.8	56.3	61.1	16.4	4.8	(44.7)
Interest Income & Other	22.0	23.9	17.7	20.4	27.7	47.2	59.0	18.6	20.0	13.2	1.4	(6.8)
Total Revenue	\$ 465.3	\$ 516.5	\$ 524.6	\$ 532.0	\$ 561.4	\$ 611.0	\$ 698.9	\$ 745.9	\$ 804.6	\$ 806.4	\$ 58.8	\$ 1.7

1st Pass and Actuals – Salaries & Benefits

Salary and Benefits (\$ in millions)	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 Adopted	FY27 1st Pass	FY28 1st Pass	FY27 vs FY26	FY28 vs FY27
Salaries												
Salaries - Regular Employees	\$ 96.8	\$ 103.6	\$ 116.5	\$ 128.3	\$ 130.5	\$ 135.3	\$ 138.8	\$ 150.3	\$ 154.9	\$ 160.7	\$ 4.6	\$ 5.8
Overtime and Special Pays	3.3	4.3	4.3	5.8	6.2	6.3	6.5	5.4	6.2	6.2	0.8	-
Salary Savings	-	-	-	-	-	-	-	(2.5)	(2.6)	(2.7)	(0.1)	(0.1)
Total Salaries	100.1	107.9	120.8	134.1	136.7	141.6	145.3	153.2	158.6	164.3	5.4	5.7
Benefits												
Fed & State Taxes & Benefits	1.4	1.6	1.8	1.9	2.0	2.1	2.1	2.2	2.3	2.4	0.1	0.1
Retirement Contributions	26.6	29.4	32.8	36.7	42.1	43.7	46.4	51.0	52.8	55.3	1.8	2.5
Group Insurance - Active Employees	13.7	14.0	14.5	15.1	16.0	17.6	22.3	28.1	29.5	32.6	1.4	3.1
Health Insurance - Retired Employees	10.2	10.8	11.0	12.1	13.9	14.6	16.9	15.0	15.3	15.7	0.3	0.4
Total Benefits	51.9	55.8	60.1	65.8	74.0	78.0	87.7	96.3	99.9	106.0	3.6	6.1
Total Salary & Benefits	\$ 152.0	\$ 163.7	\$ 180.9	\$ 199.9	\$ 210.7	\$ 219.6	\$ 233.0	\$ 249.6	\$ 258.4	\$ 270.3	\$ 8.8	\$ 11.9
Regular Positions	824	859	859	893	909	919	921	876	876	876	-	-

1st Pass and Actuals – Districtwide Outlays

Budget by Category (\$ in millions)	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 Adopted	FY27 1st Pass	FY28 1st Pass	FY27 vs FY26	FY28 vs FY27
Operations	\$ 304.0	\$ 308.2	\$ 366.7	\$ 414.2	\$ 417.0	\$ 423.7	\$ 456.7	\$ 528.7	\$ 538.3	\$ 563.4	\$ 9.6	\$ 25.1
Operating Projects	6.6	11.8	3.6	8.5	4.6	9.5	28.5	6.2	8.1	8.1	1.9	-
Debt Service	42.6	46.3	51.4	58.1	65.1	75.0	86.0	116.9	131.3	161.2	14.4	29.9
Total Operating Outlays	353.2	366.3	421.7	480.8	486.7	508.2	571.2	651.8	677.7	732.7	25.9	55.0
Capital Outlays	175.4	234.9	284.2	372.7	414.1	389.7	387.2	427.9	732.9	651.7	305.0	(81.2)
Total Gross Outlays	528.6	601.2	705.9	853.5	900.8	897.9	958.4	1,079.7	1,410.6	1,384.4	330.9	(26.2)
Intra-District Reimbursements*	(72.0)	(77.9)	(87.4)	(97.3)	(107.2)	(116.8)	(121.3)	(131.7)	(128.6)	(142.5)	3.1	(13.9)
Net Total Outlays	\$ 456.6	\$ 523.3	\$ 618.5	\$ 756.2	\$ 793.6	\$ 781.1	\$ 837.1	\$ 948.0	\$ 1,282.0	\$ 1,241.9	\$ 334.0	\$ (40.1)

* Intra-District reimbursements represent cost recovery for support services such as human resources and information technology, etc.

1st Pass and Actuals – Operations Expenditures by Fund

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Operations & Operating Budget (\$ in millions)	FY19		FY20		FY21		FY22		FY23		FY24		FY25		FY26		FY27		FY28		FY27 vs		FY28 vs		
	Actuals		Actuals		Actuals		Actuals		Actuals		Actuals		Actuals		Adopted	1st Pass		1st Pass		FY26		FY27		FY26	
General Fund	\$ 51.6		\$ 58.6		\$ 68.0		\$ 74.3		\$ 74.8		\$ 77.3		\$ 77.3		\$ 90.9	\$ 96.8		\$ 97.9		\$ 5.9		\$ 1.1			
Watershed Stream Stewardship Fund	53.4		51.7		59.2		62.5		69.3		75.4		82.3		95.1	98.3		105.1		3.2		6.8			
Safe, Clean Water Fund	16.3		20.5		14.9		16.2		19.2		25.6		23.0		27.7	29.8		30.5		2.1		0.7			
Water Enterprise Fund	164.9		165.3		197.6		235.3		224.0		213.6		257.6		269.6	267.3		280.0		(2.3)		12.7			
Fleet Management Fund	4.4		3.8		3.9		3.8		5.0		5.2		5.3		6.6	6.6		7.1		-		0.5			
Risk Management Fund	6.0		6.1		6.8		9.5		6.8		9.9		9.1		12.1	12.7		13.4		0.6		0.7			
Information Technology Fund	14.0		14.0		19.9		21.1		22.4		26.2		30.6		32.9	34.7		37.6		1.8		2.9			
Total	\$ 310.6		\$ 320.0		\$ 370.3		\$ 422.7		\$ 421.5		\$ 433.2		\$ 485.2		\$ 534.9	\$ 546.4		\$ 571.5		\$ 11.3		\$ 25.4			

Note: This table reflects gross figures that have not been adjusted for intra-district reimbursements

1st Pass and Actuals – Capital Outlays by Fund

Capital Outlays (\$ in millions)	FY19		FY20		FY21		FY22		FY23		FY24		FY25		FY26		FY27		FY28		FY27 vs FY26		FY28 vs FY27	
	Actuals		Actuals		Actuals		Actuals		Actuals		Actuals		Actuals		Actuals	Adopted	1st Pass	1st Pass						
General Fund	\$ 2.7		\$ 1.5		\$ 3.3		\$ 3.2		\$ 4.2		\$ 2.6		\$ 9.8		\$ 13.3		\$ 13.3		\$ 4.2		\$ -		\$ (9.1)	
Watershed Stream Stewardship Fund	27.6		19.0		63.5		66.2		44.5		26.3		15.0		31.3		11.1		58.3		(20.2)		47.2	
Safe, Clean Water Fund	41.6		70.9		71.7		52.8		46.6		45.8		84.2		65.7		199.1		160.0		133.4		(39.1)	
Water Enterprise Fund	97.9		132.2		136.0		238.0		311.9		307.5		268.6		312.0		492.6		409.4		180.6		(83.2)	
Fleet Management Fund	1.8		1.9		2.5		2.8		2.2		0.8		3.2		2.0		3.4		4.7		1.4		1.3	
Information Technology Fund	3.8		9.4		7.2		9.7		4.7		6.7		6.3		3.6		13.3		15.0		9.7		1.7	
Total	\$ 175.4		\$ 234.9		\$ 284.2		\$ 372.7		\$ 414.1		\$ 389.7		\$ 387.2		\$ 427.9		\$ 732.9		\$ 651.7		\$ 305.0		\$ (81.2)	

Note: 1st Pass Budget is based on preliminary FY27-31 Five-Year CIP

Major Capital Project Appropriations for FY 27 and FY 28

Capital Outlays (\$ in millions)	Fund	FY25	FY26	FY27	FY28	FY27 + FY28	FY27 vs	FY28 vs
		Actuals	Adopted	1st Pass	1st Pass	Combined	FY26	FY27
Anderson Dam Seismic Retrofit	WU	\$25.0	\$24.2	\$157.4	\$169.1	\$326.4	\$133.2	\$11.7
RWTP Reliability Improvement	WU	74.7	120.8	112.5	62.6	175.1	(8.3)	(49.9)
Coyote Creek, Montague-Tully	SCW	10.4	21.7	80.9	79.7	160.6	59.3	(1.3)
Sunnyvale East & West Channel	SCW	4.2	0.0	45.2	54.0	99.2	45.2	8.9
PWTP Residuals Management	WU	2.4	15.8	34.4	41.2	75.5	18.6	6.8
Almaden Valley Pipeline	WU	2.2	3.1	44.4	11.5	55.8	41.2	(32.9)
Llagas Creek Phase 2B Construction	SCW	52.6	26.5	48.4	0.1	48.5	21.9	(48.3)
Pure Water Silicon Valley	WU	5.4	7.4	16.3	30.4	46.6	8.9	14.1
San Francisco Bay Shoreline	WSS	0.9	4.8	4.1	27.3	31.4	(0.7)	23.2
San Felipe Division Capital	WU	12.4	12.8	13.3	11.9	25.1	0.5	(1.4)
Almaden Calero Canal Rehab	WU	0.4	0.7	19.3	1.1	20.3	18.6	(18.2)
ERP Replacement Project	IT	0.0	0.0	8.3	11.6	19.9	8.3	3.3
Watersheds Asset Rehabilitatio	WSS	8.2	16.6	2.1	16.3	18.4	(14.5)	14.2
Calero Dam SeisRetrofit Des&Con	WU	3.1	6.3	5.2	12.3	17.6	(1.1)	7.1
WU Capital Prog Admin Support	WU	6.6	8.0	7.8	8.6	16.4	(0.2)	0.7
Small Caps, Water Treatment	WU	3.3	11.2	9.0	6.9	15.9	(2.2)	(2.1)
Anderson Dam Tunnel Project	WU	42.7	42.7	13.2	0.0	13.2	(29.5)	(13.2)
East Pipeline Inspection and Rehabilitation Prc	WU	0.0	2.0	11.5	1.0	12.5	9.5	(10.5)
Small Caps, San Felipe R1	WU	0.3	2.3	5.2	5.2	10.4	2.9	0.0
Guadalupe Dam SeisRtf Des&Con	WU	1.0	4.0	5.2	5.1	10.3	1.2	(0.1)
Total		\$255.6	\$330.8	\$643.5	\$555.8	\$1,199.2	\$312.6	(87.7)

Note: 1st Pass Budget is based on preliminary FY27-31 Five-Year CIP



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Santa Clara Valley Water District

File No.: 26-0074

Agenda Date: 1/27/2026

Item No.: 3.6.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Conduct a Public Hearing to Consider Adopting a Resolution of Necessity Relating to the Acquisition of Real Property Interests from San Jose Unified School District, Necessary to Complete the Coyote Creek Flood Protection Project, Project No. 26174043, APNs 472-33-007 and 472-33-010, Real Estate File Nos. 4021-354 and 4021-467 (San Jose, District 2).

RECOMMENDATION:

- A. Open and conduct a Public Hearing to consider adoption of a Resolution of Necessity relating to the acquisition of real property interests from San Jose Unified School District, necessary to complete the Coyote Creek Flood Protection Project, Project No. 26174043;
- B. Close the Public Hearing; and
- C. Adopt the Resolution DETERMINING AND DECLARING THE PUBLIC NECESSITY FOR THE ACQUISITION OF CERTAIN REAL PROPERTY OR INTERESTS IN REAL PROPERTY BY EMINENT DOMAIN FOR THE COYOTE CREEK FLOOD PROTECTION PROJECT (PROJECT NO. 26174043) (CODE OF CIVIL PROCEDURE SECTIONS 1245.220, et seq.), by a two-thirds vote.

SUMMARY:

The Santa Clara Valley Water District (Valley Water) is undertaking the Coyote Creek Flood Protection Project (CCFPP or Project) to provide flood protection against a flood event equivalent to the February 2017 flood or approximately a 20-year flood event. The CCFPP is approximately nine (9) miles long and located within the City of San Jose. The Project is part of the Safe, Clean Water and Natural Flood Program that voters renewed in November 2020.

To implement the flood protection elements of the CCFPP, Valley Water must acquire both permanent easements and temporary construction easements (Property Interests) over portions of the following properties owned by San Jose Unified School District (School District): APNs 472-33-007 and 472-33-010 in San Jose, California (the School District Property), which properties are on the grounds of Selma Olinger Elementary School.

Valley Water staff recommends proceeding with the acquisition of the Property Interests through eminent domain to meet the Project objectives and schedule. However, staff will continue to

negotiate a purchase of the Property Interests during these proceedings.

BACKGROUND

The CCFPP's primary objective is to provide protection from floods up to the level that occurred on February 21, 2017, equivalent to a flood level with a 5% risk of occurring in any given year (also referred to as a 20-year event), along Coyote Creek, between Montague Expressway and Tully Road, in San Jose. The CCFPP involves construction of multiple floodwalls, passive barriers and earthen berms along a nine (9) mile stretch of Coyote Creek.

Following a February 2020 order from the Federal Energy Regulatory Commission (FERC) regarding Anderson Dam, the original Coyote Creek Flood Protection Project was split into two projects to accommodate construction of a new outlet tunnel at Anderson Dam. As a result, Valley Water accelerated the design and construction of an initial project, the Coyote Creek Flood Management Measures Project (CCFMMP), representing 40% of the original Coyote Creek Flood Protection Project, so the creek can handle the potential release of higher flows from the larger outlet tunnel from the Anderson Dam Tunnel Project. The Valley Water Board of Directors (Board) awarded the CCFMMP construction contract in May 2023 and accepted the work as completed in June 2025.

Construction of the remaining components of the original CCFPP, the current CCFPP, is planned for completion before the Anderson Dam Seismic Retrofit Project (ADSRP) Stage 2 Diversion is operational (estimated in 2028). In total, the Project includes constructing approximately 17,060 feet of improvements along the 9-mile stretch of Coyote Creek from Montague Expressway to Tully Road. The Project will result in flood risk reduction benefits to homes, businesses, schools, and transportation infrastructure, including disadvantaged communities along Coyote Creek.

Acquisition of Property Interests

To construct the flood protection features of the CCFPP, Valley Water must acquire the Property Interests as more particularly described and depicted in Attachment 1 to the proposed Resolution of Necessity (RON), Exhibits A and B, which consist of a permanent easement and temporary construction easements.

Beginning in 2019 and throughout the planning phase of the Project, outreach and community engagement activities were organized, including 10 public meetings, to gather input from the community and stakeholders and to incorporate their input and comments into the development of the Project. Valley Water analyzed numerous Project alternatives in accordance with its Natural Flood Protection guidelines, a decision-making framework that balances public safety with environmental stewardship and community benefits. Additionally, during the Project design phase, Valley Water staff organized more than 20 public meetings to keep the community and stakeholders apprised of the project elements and progress.

Staff met in person or virtually with the School District on March 13, April 18, May 1, and October 2, 2024, to discuss specific design details of the Project. In response to feedback from School District, the part of the proposed floodwall protecting the Selma Olinder Elementary School was modified to be a passive barrier (a type of floodwall that raises automatically as water rises but is otherwise flush

with the ground) to minimize impacts to school operations and enhance safety. All flood protection elements are located so that they do not impact the School District's existing structures/uses and allow for access and use of the existing school facilities post-construction. School District staff and students will continue to have access to the ball field during recess and other recreational purposes, except for a small portion of it being used as a staging area, during construction. However, there will be no impacts to any other school facilities, including buildings.

Valley Water has made good faith attempts to negotiate a voluntary acquisition from the School District. An offer was made to School District on June 16, 2025, by certified mail, for the Property Interests and School District confirmed receipt of the offer. Valley Water and School District communicated by email on August 11, 2025, to discuss their expected response to the Valley Water offer. On August 21, 2025, the School District provided a new draft purchase agreement containing numerous conditions and terms that required discussion.

Over the next 30 days, staff attempted to communicate with the School District by phone (September 3, 2025) and e-mail (September 16, 2025) requesting an update regarding the offer and to discuss issues surrounding the School District's revisions to a draft version of the purchase agreement. Receiving no response from the School District, and in order, to keep the Project on schedule, on September 11, 2025, Valley Water initiated the preliminary steps necessary before commencing eminent domain proceedings. Resolution of Necessity hearings were scheduled for October 14, 2025 and then November 25, 2025, however, each was deferred by the Board of Directors to facilitate further negotiations with the School District. On October 30, 2025 and November 13, 2025, staff met virtually with the School District to address concerns related to the construction, operation and maintenance of the CCFPP flood protection features, and on November 14, 2025, staff provided requested technical information regarding the Project's hydraulic analysis. Communication continued via email, and on December 17, staff provided written terms responding to the School District's concerns and met in person with the School District on December 18, 2025, to continue negotiations to acquire the Property Interests necessary for the Project.

To date, Valley Water staff have been unable to acquire the necessary Property Interests from the School District through a negotiated purchase.

In conformance with California Code of Civil Procedure Section 1245.235, Valley Water sent a Notice of Intent (Attachment 2) to hold a hearing to consider adoption of a RON (Attachment 1) by certified mail to the School District on December 16, 2025, to provide them with a reasonable opportunity to be heard by the Board.

The Hearing by the Board and the adoption of the RON are legal preconditions to the exercise of Valley Water's power of eminent domain. This statutory requirement is designed to ensure that public entities verify and confirm the validity of their intended use of the power of eminent domain. A RON must contain a general statement of the intended public use for which the property is taken, a reference to the authorizing statutes, a description of the property, and a declaration stating that the Board has found and determined each of the following underlined findings to be true:

1. The public's interest and necessity require the Project. Here, the Project is necessary, and in

the public interest to provide flood protection within the City of San Jose to protect against a flood event equivalent to the February 2017 flood or approximately a 20-year flood event.

2. The Project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury. The Project design as a whole impacts the fewest private properties to the least extent possible while providing the conveyance capacity necessary to afford the desired level of flood protection. The Project's use of the School District Property was located, planned and designed in a manner compatible with the greatest public good and the least private injury to the School District.
3. The Property Interests are necessary for the Project. The Project cannot be executed without the Property Interests because the configuration of the creek dictates the project alignment; without this property there would be a gap in the flood protection structures, thereby eliminating their ability to provide the planned level of flood protection to this property and downstream properties.
4. The Government Code Section 7267.2(a) offer has been made to the owner or owners of record. On June 16, 2025, Valley Water sent via certified mail a final written offer to the School District to acquire the Property Interests, and Valley Water received confirmation of the offer being received on June 18, 2025. Valley Water's offer complies with California Government Code Section 7267.2.
5. Because the use of the Property Interests for the Project will not unreasonably interfere with or impair any public use as it now exists or may reasonably be expected to exist in the future and, therefore, is compatible with any other public uses the property is sought to be acquired pursuant to California Code of Civil Procedure Section 1240.510; and, to the extent they are not compatible, the use for which the property is sought to be taken is a more necessary public use than the use to which the property is appropriated, and accordingly the property is sought to be acquired pursuant to California Code of Civil Procedure Section 1240.610.

Attached for the Board's consideration is the proposed RON (Attachment 1). The RON includes authorization to acquire the Property Interests described therein by eminent domain.

As stated above, Valley Water has attempted to acquire the Property Interests through a negotiated purchase and has reached an impasse; therefore, adoption of the RON should be considered to timely meet the Project objectives and schedule. If the RON is adopted, Valley Water will continue efforts to negotiate and achieve a mutual settlement.

ENVIRONMENTAL JUSTICE IMPACT:

The CCFPP will have beneficial Environmental Justice impacts. The intent of CCFPP is to protect the public from dangers associated with flooding similar to the flooding event that occurred in February 2017. Acquisition of the Property Interests is required to achieve flood protection for all in the surrounding community.

During the planning phase, Valley Water staff evaluated multiple flood protection alternatives and implementation sites, met with the community numerous times, and determined that the preferred alternatives presented in the community meetings would best serve the area. The completion of the Project will directly benefit the adjacent disadvantaged communities along the full stretch of Coyote Creek between Montague Expressway and Tully Road.

Additionally, the Valley Water design team continues to coordinate with the community and key stakeholders as the project advances by holding public meetings and soliciting community feedback.

FINANCIAL IMPACT:

The CCFPP, Project No. 26174043, is included in the Capital Improvement Program (CIP) Fiscal Year (FY) 2026-30 Five-Year Plan and in the FY 2025-26 Adopted Budget. The statutory offer of compensation for the right-of-way for this Resolution of Necessity is \$428,000 and does not change the overall Total Project Cost reflected in the CIP FY 2026-30 Five-Year Plan. There are adequate funds in the Project's FY 2025-26 Adopted Budget to encumber funds for the right-of-way purchase.

CEQA:

Valley Water is the lead agency under the CEQA for the implementation of the Project. On March 11, 2025, the Board adopted a Resolution (Resolution No. 2025-16) certifying the Final Environmental Impact Report (EIR), adopting the Mitigation Monitoring and Reporting Program and approved the CCFPP.

The CCFPP Final EIR describes the acquisition of temporary and permanent easements for project construction and maintenance, and identifies environmental impacts associated with specific project construction and maintenance activities. Activities that will be occurring within the permanent easements and the temporary construction easements are wholly consistent with the activities described in the Final EIR. Appropriate best management practices (BMPs), mitigation measures, and Santa Clara Valley Habitat Plan (VHP) conditions and avoidance and minimization measures (AMMs) will be implemented as required to reduce impacts from these activities to the extent feasible.

ATTACHMENTS:

Attachment A: Gov. Code § 84308
Attachment 1: Resolution
Attachment 2: Notice of Intent
Attachment 3: PowerPoint
Handout 3.6-A: Letter from SJUSD

UNCLASSIFIED MANAGER:

Bhavani Yerrapotu, 408-630-2735

Attachment A: Gov. Code § 84308

Conduct a Public Hearing to Consider Adopting a Resolution of Necessity Relating to the Acquisition of Real Property Interests from San Jose Unified School District, Necessary to Complete the Coyote Creek Flood Protection Project, Project No. 26174043, APNs 472-33-007 & 472-33-010, Real Estate File No. 4021-354 and -467 (San Jose, District 2).

List of Parties and Their Agents/Representatives Known to Staff:

<u>Organization Name</u>	<u>Name</u>	<u>Role</u>	<u>Location</u>
San Jose Unified School District	Morrison, Tracy	Director of Construction & Purchasing	855 Lenzen Avenue San Jose, CA 95126-2736

List of Participants and Their Agents/Representatives Known to Staff:

<u>Organization Name</u>	<u>Name</u>	<u>Role</u>	<u>Location</u>
N/A	N/A	N/A	N/A

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**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 2026-

**DETERMINING AND DECLARING THE PUBLIC NECESSITY FOR THE ACQUISITION OF
CERTAIN REAL PROPERTY OR INTERESTS IN REAL PROPERTY BY EMINENT DOMAIN
FOR THE COYOTE CREEK FLOOD PROTECTION PROJECT (PROJECT NO. 26174043)
(CODE OF CIVIL PROCEDURE SECTIONS 1245.220, et seq.)**

WHEREAS, the Santa Clara Valley Water District (“Valley Water”) intends to complete the Coyote Creek Flood Protection Project (“Project”) to implement flood improvements along approximately 9 miles of Coyote Creek between Montague Expressway and Tully Road; and

WHEREAS, the Project’s primary objective is to provide protection to areas of Coyote Creek from floods up to the level that occurred on February 21, 2017, equivalent to approximately a 5% Annual Exceedance Probability flood (also referred to as a 20-year event) and has the additional objective to protect downstream communities from the potentially heightened flood risk they will face if the Coyote Creek Channel does not have the capacity to receive the increased flow anticipated once diversion for the Anderson Dam Seismic Retrofit Project (also referred to as a Stage 2 diversion system) commences diversion at full capacity; and

WHEREAS, pursuant to the California Environmental Quality Act (“CEQA”) (Public Resources Code §§ 21000 et seq.), Valley Water certified the final Environmental Impact Report (“EIR”) for the Project on March 11, 2025; and

WHEREAS, Valley Water is authorized to condemn property for the Project pursuant to Article I, Section 19 of the California Constitution; Part 3, Title 7 of the California Code of Civil Procedure; Section 6 of the Santa Clara Valley Water District Act, and other provisions and principles of law; and

WHEREAS, the property interests to be acquired for the Project are described and shown in more detail in the plat map and legal description attached hereto as Exhibits A and B incorporated herein (collectively, the “Property Interests”); and

WHEREAS, the Project cannot be completed without the Property Interests, and acquisition of the Property Interests is accordingly necessary and in the public interest; and

WHEREAS, because the use of the Property Interests for the Project will not unreasonably interfere with or impair any public use as it now exists or may reasonably be expected to exist in the future and, therefore, is compatible with any other public uses, the property is sought to be acquired pursuant to California Code of Civil Procedure Section 1240.510; and, to the extent they are not compatible, the use for which the property is sought to be taken is a more necessary public use than the use to which the property is appropriated and accordingly the property is sought to be acquired pursuant to California Code of Civil Procedure Section 1240.610; and

WHEREAS, Valley Water made an offer of just compensation to purchase the Property Interests from the owner of record on June 16, 2025, based on a current appraisal and in compliance with California Government Code Section 7267.2 and the owner has declined such offer; and

WHEREAS, on December 16, 2025, Valley Water provided by certified mail to all persons whose names appear on the last equalized county assessment roll as having an interest in the property a notice that Valley Water's Board of Directors would hold a hearing on January 27, 2026, to consider the adoption of a resolution of necessity authorizing Valley Water to acquire the Property Interests by eminent domain; and

WHEREAS, Valley Water's notice of intent letter advised all such interested persons of the time and place for the hearing, their right to be heard in relation to that matter, and that their failure to file a written request to appear and be heard at the hearing by December 31, 2025, would result in a waiver of their right to be heard; and

WHEREAS, Valley Water has calendared consideration of this Resolution as an item on its Agenda and invited public comment prior to the meeting; and

WHEREAS, Valley Water's Board of Directors held a public hearing on January 27, 2026, to consider the adoption of this Resolution, and all interested parties were given an opportunity to be heard.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District finds, determines, and hereby declares:

1. The public interest and necessity require the Project;
2. The Project at this location is planned or located in a manner that will be most compatible with the greatest public good and the least private injury to the San Jose Unified School District;
3. The Property Interests described herein in plat maps and legal descriptions attached hereto as Exhibits A and B are necessary for the Project;
4. Valley Water made the offer required by California Government Code Section 7267.2 to the owners of record;
5. Because the use of the Property Interests for the Project will not unreasonably interfere with or impair any public use as it now exists or may reasonably be expected to exist in the future and, therefore, is compatible with any other public uses the property is sought to be acquired pursuant to California Code of Civil Procedure Section 1240.510, and, to the extent that they are not compatible, the use for which the property is sought to be taken is a more necessary public use than the use to which the property is appropriated, and accordingly the property is sought to be acquired pursuant to California Code of Civil Procedure § 1240.610;
6. Valley Water has complied with all conditions and statutory requirements necessary to exercise the power of eminent domain to acquire the Property Interests;
7. Valley Water has complied with the requirements of CEQA for the Project; and
8. Valley Water's Office of the District Counsel and/or its designee is hereby authorized to commence and prosecute an eminent domain proceeding to acquire the Property Interests, to deposit the amount of probable compensation pursuant to Code of Civil Procedure Section 1255.010, and to acquire prejudgment possession of the Property Interests as may be necessary for the Project.

Determining and Declaring the Public Necessity for the Acquisition of Certain Real Property or Interests in Real Property by Eminent Domain for the Coyote Creek Flood Protection Project (Project No. 26174043) (Code of Civil Procedure Sections 1245.220, et seq.)

Resolution No. 2026-

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District on the following, two thirds majority vote, on January 27, 2026.

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMERA
Chair, Board of Directors

ATTEST

CANDICE KWOK-SMITH
Clerk, Board of Directors

EXHIBIT A COVERSHEET

PLAT MAP AND LEGAL DESCRIPTION TEMPORARY CONSTRUCTION EASEMENT, FILE NO. 4021-354

No. of Pages: 10

Exhibit Attachments: None

TEMPORARY CONSTRUCTION EASEMENT, File No. 4021-354

A temporary construction easement in, upon, over, and across that certain real property in the City of San Jose, County of Santa Clara, State of California, herein after more particularly described below.

This temporary construction easement is granted under the express conditions listed below:

1. Grantor represents and warrants that it is the owner of the property described as the Easement Area and that Grantor has the exclusive right to convey the Easement to the Grantee.
2. This Easement is necessary for the purpose of constructing the Coyote Creek Flood Protection Project and related activities incident to construction. The Easement shall not be revoked and shall continue in full force and effect beginning on January 1, 2026, until June 30, 2029, at which time the temporary construction easement shall terminate.
3. Grantor and Grantee acknowledge that the duration of the construction activity authorized herein within the Easement Area will likely be shorter than the term described in Section 2. Grantee agrees to notify Grantor in writing at least 1 week prior to exercising the rights granted herein to enter the Easement Area. The written notification to the Grantor shall include an estimate of the expected duration of the Grantee's contractors and/or subcontractors use of the Easement Area.
4. Grantee agrees to use all reasonable efforts to keep any roadway covered by this easement open to traffic and to not interfere with Grantor utility operations or construction activity of Grantor on site. Grantee will keep Easement Area clean and remove all debris related to its construction.
5. Grantee agrees to indemnify and hold harmless Grantor from and against any and all claims, damages, liabilities, costs or any expenses whatsoever, arising from or caused, directly or indirectly by the entry onto the property by Grantee or its agent's, employees, invitees, contractors and subcontractors.
6. The provisions of this Easement shall inure to the benefit of, and bind, the successors and assigns, heirs, and devisees of the respective parties.

Santa Clara Valley Water District
San Jose, Ca 95118

PROJECT: COYOTE CREEK FLOOD
PROTECTION PROJECT (CCFPP)

RESU FILE NO.: 4021-354
BY: B. Bains

An easement over that certain real property situate in the City of San Jose, County of Santa Clara, State of California, being a portion of the lands described in that certain Deed recorded as Document number 4747916, filed on April 22, 1974, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

Temporary Construction Easement (T.C.E.)

PARCEL A

COMMENCING at the southeasterly corner of the lands shown on that certain Amended Record of Survey filed in Book 343 of Maps at Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along the southerly line of said lands, N80°10'50"W, 83.19 feet, to the **POINT OF BEGINNING**;

Thence along said southerly line, N80° 10' 50"W, 15.20 feet;

Thence leaving said southerly line, the following eighteen (18) courses:

- 1) N19°00'42"E, 27.39 feet;
- 2) N62°29'42"E, 18.88 feet;
- 3) N09°49'10"E, 331.51 feet;
- 4) N44°30'50"W, 28.84 feet;
- 5) S45°29'10"W, 100.00 feet;
- 6) N44°30'50"W, 100.00 feet;
- 7) N45°29'10"E, 100.00 feet;
- 8) N11°06'46"W, 133.01 feet;
- 9) N44°17'02"W, 62.83 feet;
- 10) S81°16'02"W, 83.27 feet;
- 11) N07°59'34"W, 10.00 feet, to **POINT A**;
- 12) N81°16'02"E, 94.43 feet;
- 13) S44°17'02"E, 68.87 feet;
- 14) S11°06'46"E, 132.98 feet;
- 15) S44°30'50"E, 132.04 feet;
- 16) S09°49'10"W, 346.64 feet;

- 17) S62°29'42"W, 20.32 feet;
- 18) S19°00'42"W, 18.99 feet, to the **POINT OF BEGINNING**;

Containing 21,557 square feet of land, more or less.

PARCEL B
COMMENCING at said **POINT A**;

Thence, S81°16'02"W, 48.15 feet, to the **POINT OF BEGINNING**;

Thence the following two (2) courses:

- 1) S82°25'00"W, 21.42 feet;
- 2) N85°00'14"W, 40.93 feet, to a point on the westerly line of lands shown on that certain Amended Record of Survey filed in Book 343 of Maps at Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along said westerly line, N08°42'37"W, 23.74 feet, to **POINT B**;

Thence leaving said westerly line, S69°44'47"E, 69.92 feet, to the **POINT OF BEGINNING**;

Containing 822 square feet of land, more or less.

PARCEL C
COMMENCING at said **POINT B**, said point being on the westerly line of the lands shown on that certain amended Record of Survey filed in Book 343 of Maps at Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along said westerly line, N08°42'37"W, 161.73 feet, to the **POINT OF BEGINNING**;

Thence continuing along said westerly line, N08°42'37"W, 29.44 feet;

Thence leaving said westerly line, the following seventeen (17) courses:

- 1) S39°20'34"E, 27.44 feet;
- 2) S08°31'09"E, 123.61 feet;
- 3) S40°35'11"E, 7.95 feet;
- 4) S09°51'38"W, 13.38 feet;
- 5) S69°44'47"E, 62.72 feet;
- 6) N81°16'02"E, 153.45 feet;
- 7) S44°17'02"E, 97.80 feet;
- 8) S11°06'46"E, 118.32 feet;
- 9) S44°30'50"E, 119.31 feet;
- 10) S09°49'10"W, 18.46 feet;
- 11) N44°30'50"W, 134.57 feet;

- 12) N11°06'46"W, 118.36 feet;
- 13) N44°17'02"W, 91.77 feet;
- 14) S81°16'02"W, 144.73 feet;
- 15) N69°44'47"W, 68.93 feet;
- 16) N08°42'37"W, 123.49;
- 17) N39°20'34"W, 10.81 feet, to the **POINT OF BEGINNING**;

Containing 8,719 square feet of land, more or less.

BASIS OF BEARINGS:

The bearing of N80° 10' 50"W, shown as N81°15'09"W along the southerly line of the lands shown on that certain Amended Record of Survey filed in Book 343 Maps of Page at 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California, was used as Basis of Bearings shown hereon.

SURVEYOR'S STATEMENT:

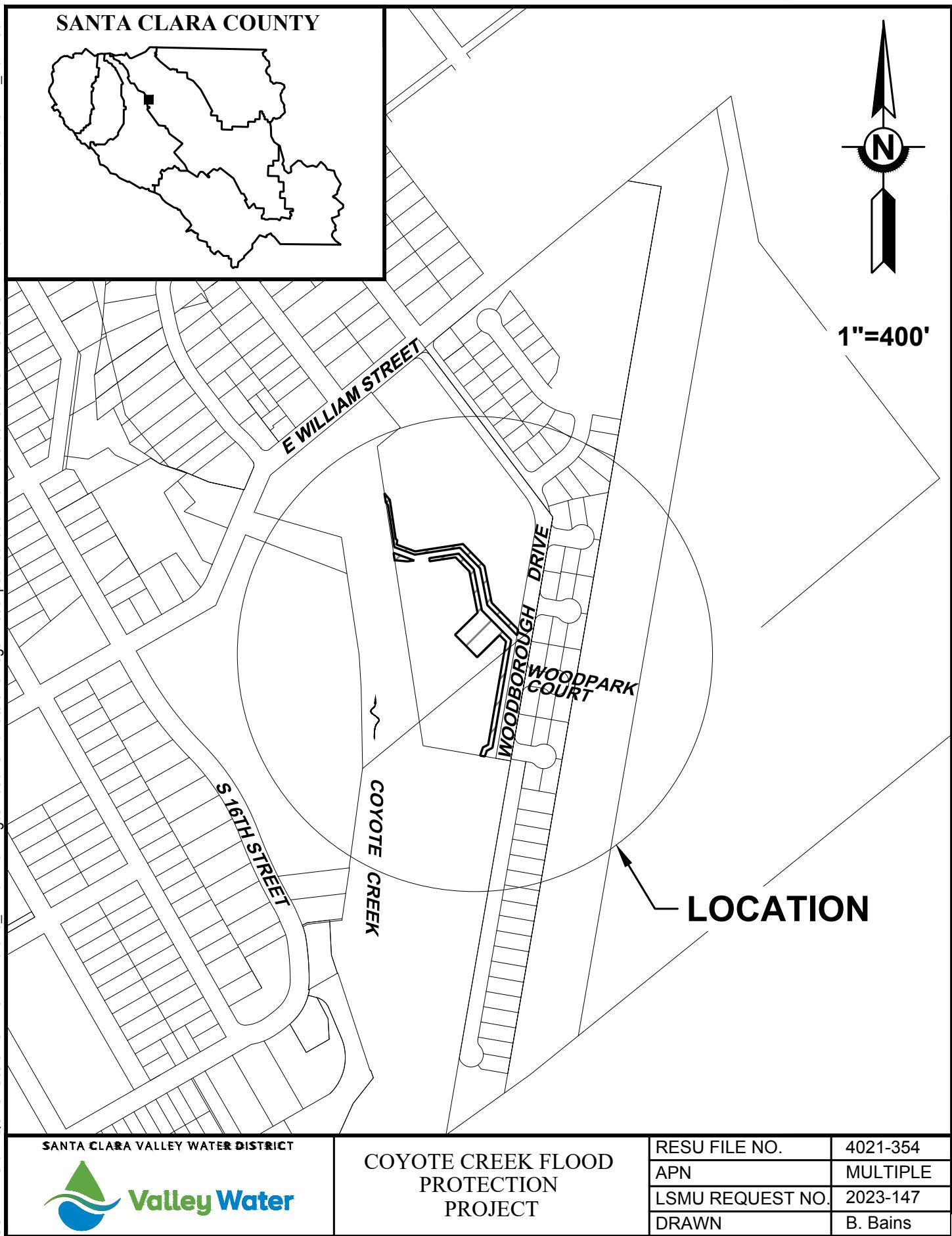
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

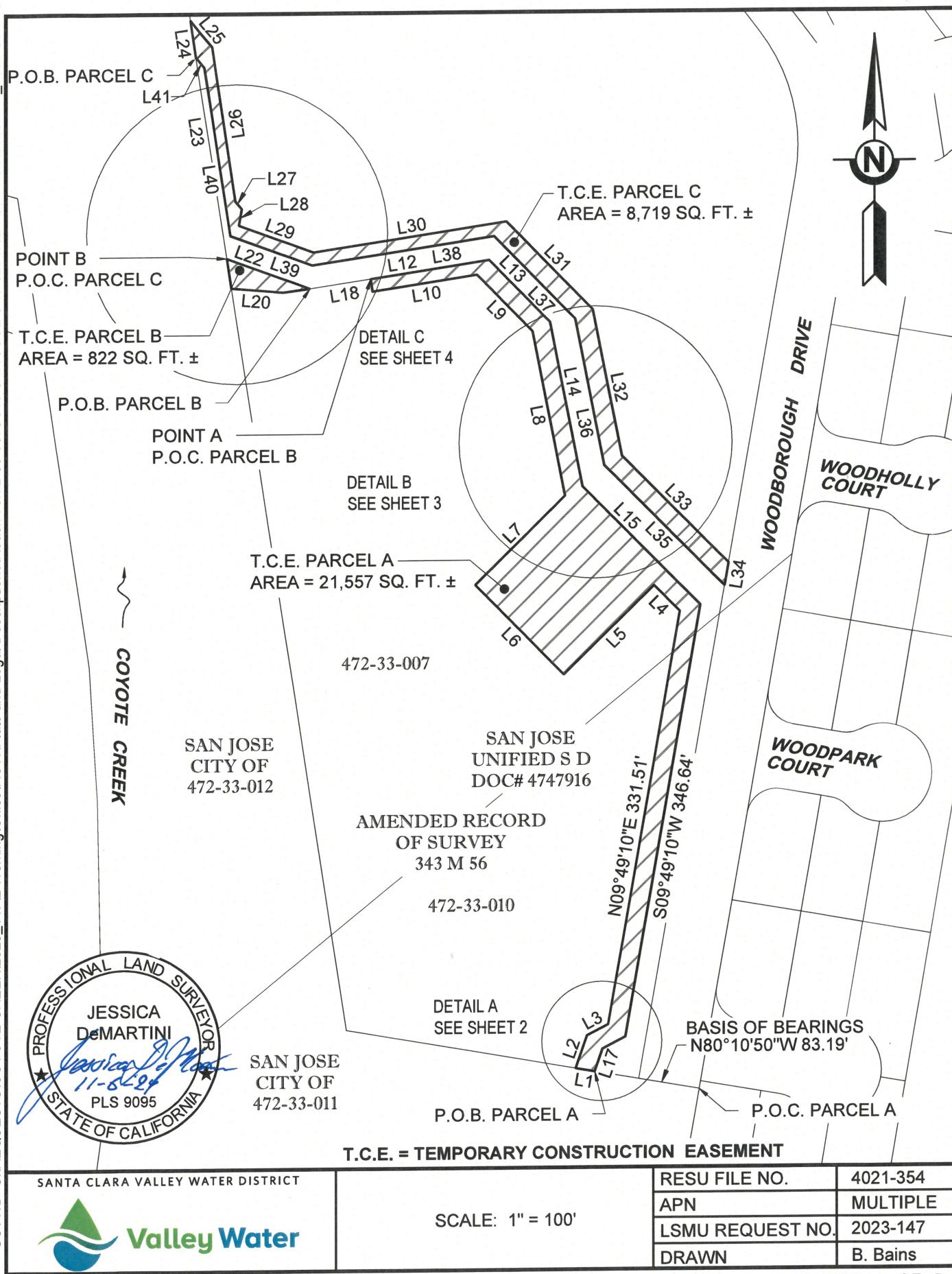
Jessica DeMartini
Jessica DeMartini, PLS 9095

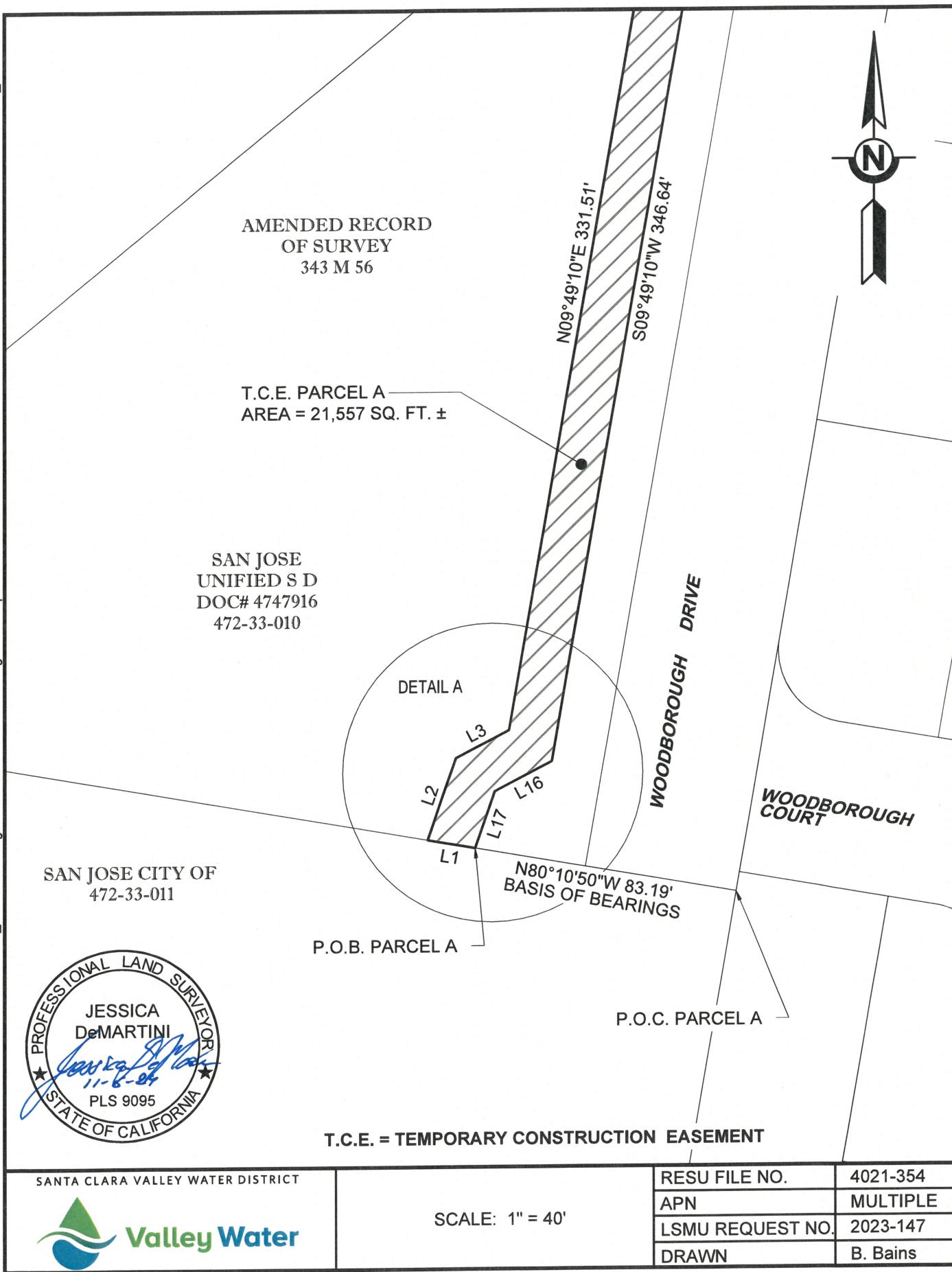
11/6/24
Date

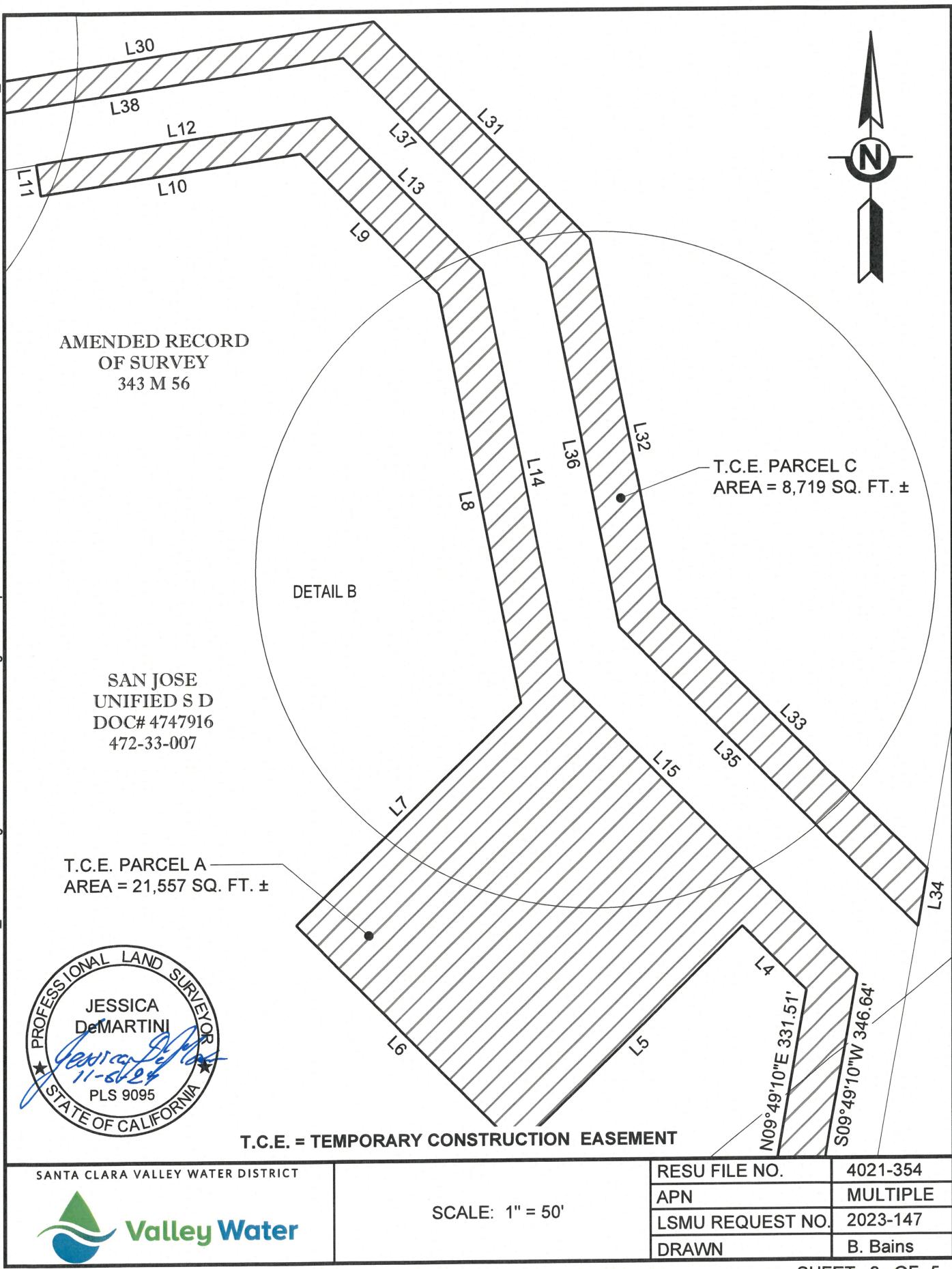


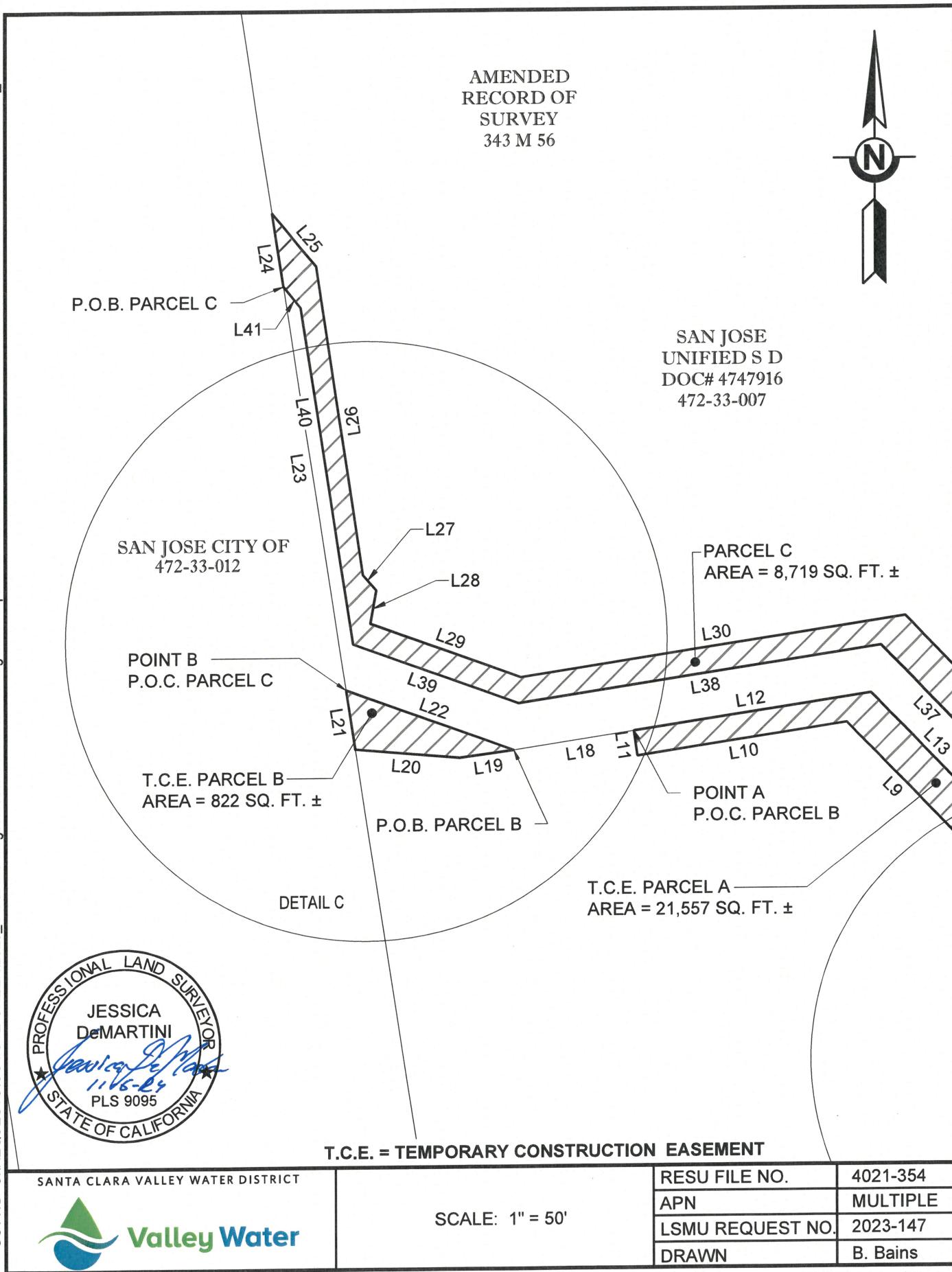
SAN JOSE UNIFIED SD











Line Table		
Line #	Bearings	Distance
L1	N80°10'50"W	15.20'
L2	N19°00'42"E	27.39'
L3	N62°29'42"E	18.88'
L4	N44°30'50"W	28.84'
L5	S45°29'10"W	100.00'
L6	N44°30'50"W	100.00'
L7	N45°29'10"E	100.00'
L8	N11°06'46"W	133.01'
L9	N44°17'02"W	62.83'
L10	S81°16'02"W	83.27'
L11	N07°59'34"W	10.00'
L12	N81°16'02"E	94.43'
L13	S44°17'02"E	68.87'
L14	S11°06'46"E	132.98'
L15	S44°30'50"E	132.04'
L16	S62°29'42"W	20.32'
L17	S19°00'42"W	18.99'
L18	S81°16'02"W	48.15'
L19	S82°25'00"W	21.42'
L20	N85°00'14"W	40.93'
L21	N08°42'37"W	23.74'
L22	S69°44'47"E	69.92'
L23	N08°42'37"W	161.73'

Line Table		
Line #	Bearings	Distance
L24	N08°42'37"W	29.44'
L25	S39°20'34"E	27.44'
L26	S08°31'09"E	123.61'
L27	S40°35'11"E	7.95'
L28	S09°51'38"W	13.38'
L29	S69°44'47"E	62.72'
L30	N81°16'02"E	153.45'
L31	S44°17'02"E	97.80'
L32	S11°06'46"E	118.32'
L33	S44°30'50"E	119.31'
L34	S09°49'10"W	18.46'
L35	N44°30'50"W	134.57'
L36	N11°06'46"W	118.36'
L37	N44°17'02"W	91.77'
L38	S81°16'02"W	144.73'
L39	N69°44'47"W	68.93'
L40	N08°42'37"W	123.49'
L41	N39°20'34"W	10.81'



SANTA CLARA VALLEY WATER DISTRICT  Valley Water	SCALE: N/A	RESU FILE NO. 4021-354
		APN MULTIPLE
		LSMU REQUEST NO. 2023-147
		DRAWN B. Bains

EXHIBIT B COVERSHEET

PLAT MAP AND LEGAL DESCRIPTION WATER MANAGEMENT EASEMENT, FILE NO. 4021-467

No. of Pages: 6

Exhibit Attachments: None

WATER MANAGEMENT AND/OR STORM WATER DRAINAGE EASEMENT, File No. 4021-467

An easement for water management and/or storm water drainage purposes in, upon, over, and across that certain real property in the City of San Jose, County of Santa Clara, State of California, herein after more particularly land depicted below.

Said easement area shall be kept clear of any type of building, fences, structure, pavement, or trees unless prior written approval is obtained from Valley Water.

The easement shall include the right to construct, reconstruct, inspect, maintain, and repair a channel, protection works, and appurtenant structures, together with the right to trim or remove such trees or brush within the easement area as may constitute a hazard to persons or property or may interfere with the use of said area for the purpose granted. It also shall include the right to enter upon said land with vehicles, tools, implements, and other materials, take there from and use earth, rock, sand, and gravel for construction, maintenance, and repair of said channel, protections work, and appurtenant structures by Valley Water, its officers, agents, and employees, and by persons under contract with it and their employees whenever and wherever necessary for flood control or storm drainage purposes.

The easement shall also include the non-exclusive right of ingress from and egress to public streets to the easement area described below, over and across the property of the Grantor by such route or routes as shall occasion the least practicable damage to the property and inconvenience to Grantor for the purposes of routine inspection and maintenance of the improvements within the easement. Valley Water shall provide reasonable advance notification of its intent to enter Grantor's property.

Santa Clara Valley Water District
San Jose, Ca 95118

PROJECT: COYOTE CREEK FLOOD
PROTECTION PROJECT (CCFPP)

RESU FILE NO.: 4021-467
BY: B. Bains

An easement over that certain real property situate in the City of San Jose, County of Santa Clara, State of California, being a portion of the lands described in that certain Deed recorded as Document number 4747916, filed on April 22, 1974 in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

Permanent Easement (P.E.)

COMMENCING at the southeasterly corner of the lands shown on that certain Amended Record of Survey filed in Book 343 of Maps at Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along the southerly line of said lands, N80°10'50"W, 64.64 feet, to the **POINT OF BEGINNING**;

Thence along said southerly line, N80° 10' 50"W, 18.55 feet;

Thence leaving said southerly line, the following eight (8) courses:

- 1) N19°00'42"E, 18.99 feet;
- 2) N62°29'42"E, 20.32 feet;
- 3) N09°49'10"E, 346.64 feet;
- 4) N44°30'50"W, 132.04 feet;
- 5) N11°06'46"W, 132.98 feet;
- 6) N44°17'02"W, 68.87 feet;
- 7) S81°16'02"W, 142.58 feet;
- 8) N69°44'47"W, 69.92 feet, to a point on the westerly line of said lands;

Thence along said westerly line, N08°42'37"W, 161.73 feet;

Thence leaving said westerly line, the following ten (10) courses:

- 1) S39°20'34"E, 10.81 feet;
- 2) S08°42'37"E, 134.90 feet;
- 3) S69°44'47"E, 68.93 feet;
- 4) N81°16'02"E, 144.73 feet;
- 5) S44°17'02"E, 91.77 feet;
- 6) S11°04'43"E, 118.25 feet;

- 7) S44°30'49"E, 134.57 feet;
- 8) S09°49'10"W, 377.37 feet;
- 9) S72°45'19"W, 16.73 feet;
- 10) S19°00'42"W, 10.92 feet to the **POINT OF BEGINNING**;

Containing 18,045 square feet of land, more or less.

BASIS OF BEARINGS:

The bearing of N80° 10' 50"W, shown as N81°15'09"W along the southerly line of the lands shown certain amended Record of Survey filed in Book 343 Maps Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California, was used as Basis of Bearings shown hereon.

SURVEYOR'S STATEMENT:

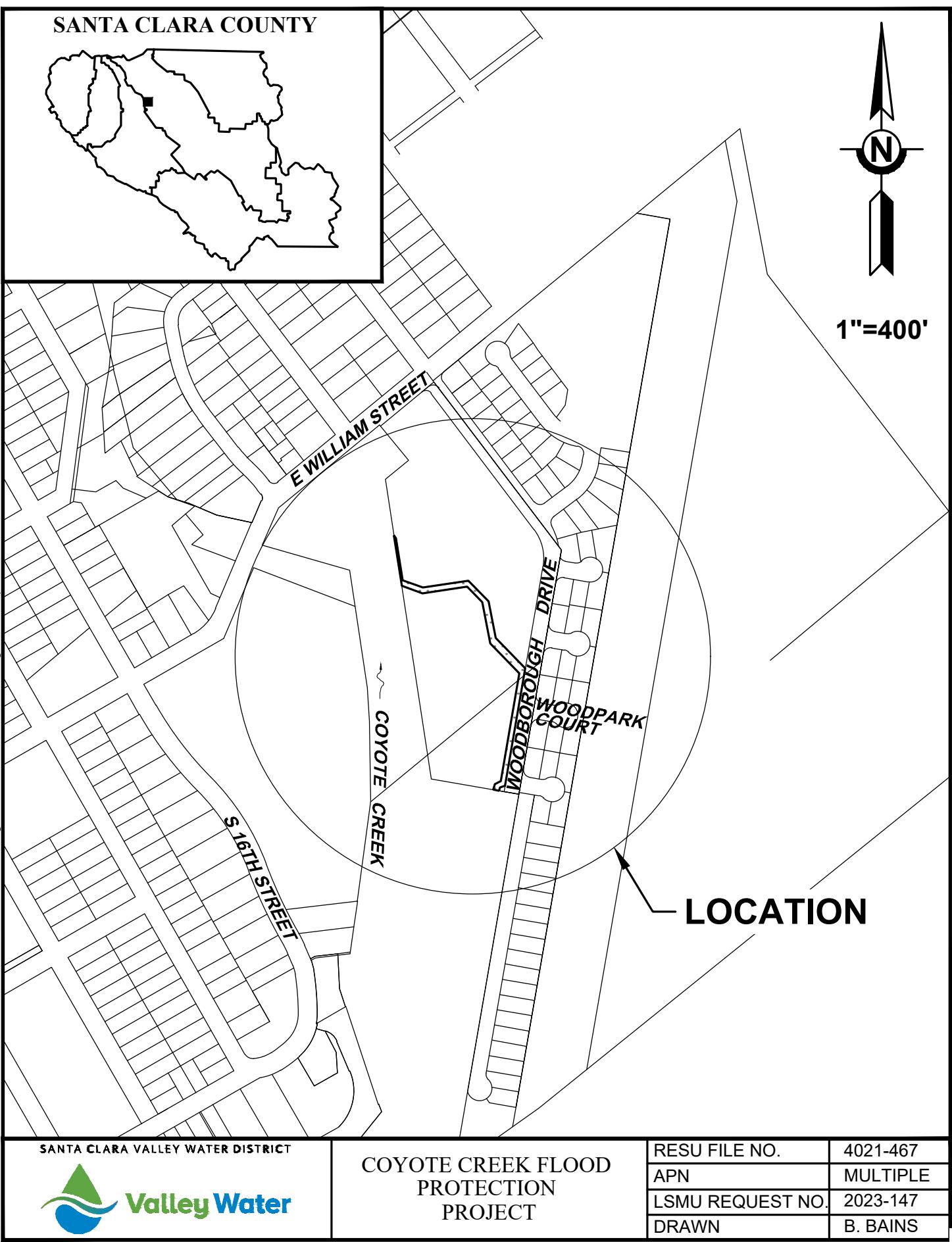
The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

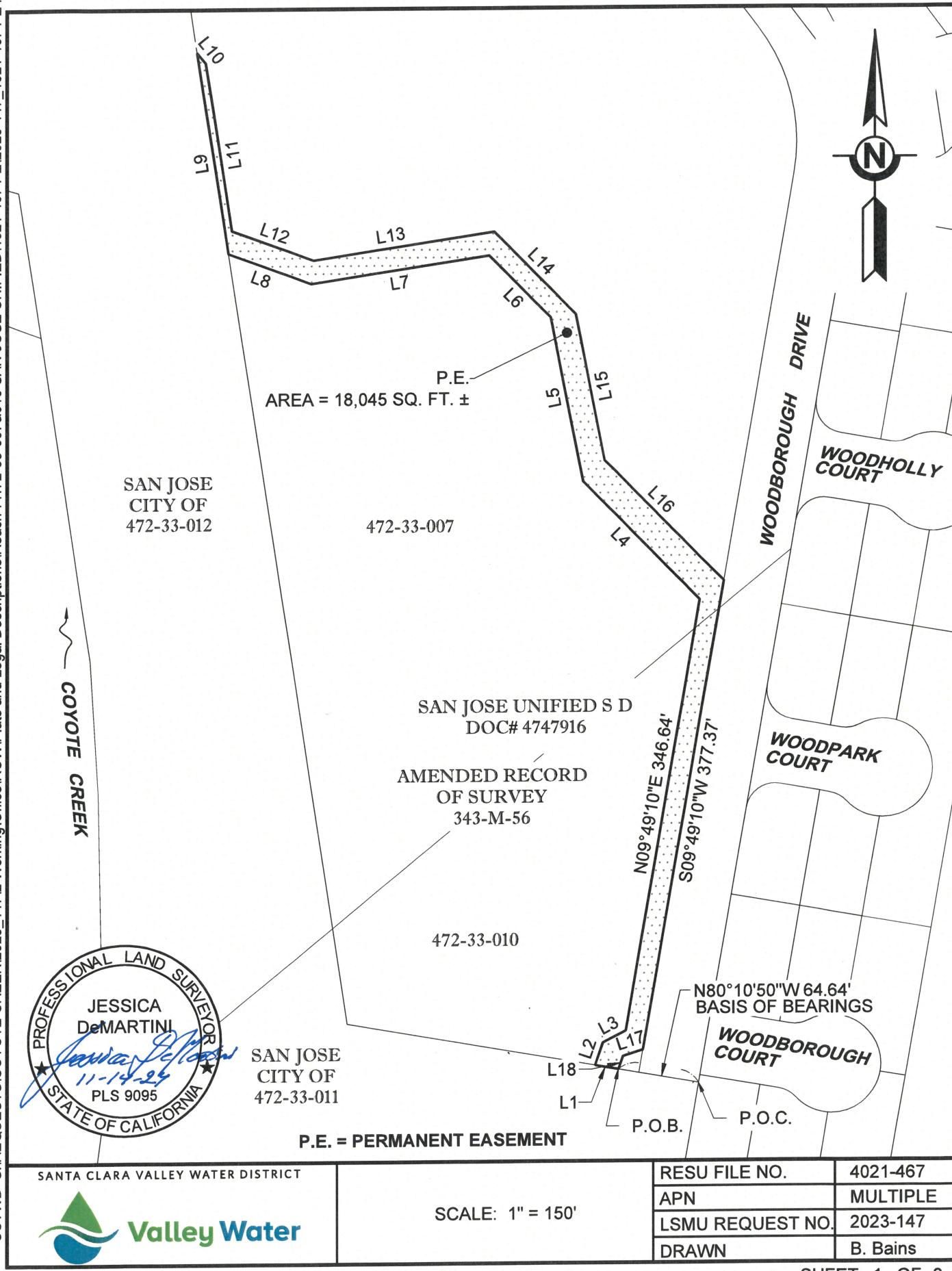


Jessica DeMartini, PLS 9095

11/14/24
Date







Line Table		
Line #	Bearings	Distance
L1	N80°10'50"W	18.55'
L2	N19°00'42"E	18.99'
L3	N62°29'42"E	20.32'
L4	N44°30'50"W	132.04'
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L16	S44°30'49"E	134.57'
L17	S72°45'19"W	16.73'
L18	S19°00'42"W	10.92'



SANTA CLARA VALLEY WATER DISTRICT  Valley Water	SCALE: N/A	RESU FILE NO. 4021-467
		APN MULTIPLE
		LSMU REQUEST NO. 2023-147
		DRAWN B. Bains



Clean Water • Healthy Environment • Flood Protection

Files: 4021-354, & 4021-467
Coyote Creek Flood Protection Project

December 16, 2025

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

San Jose Unified School District
Attn: Tracy Morrison
Director of Construction & Purchasing
855 Lenzen Avenue
San Jose, CA 95126-2736

Subject: NOTICE OF INTENTION TO CONSIDER THE ADOPTION OF A RESOLUTION OF NECESSITY TO ACQUIRE PROPERTY BY EMINENT DOMAIN

Dear Property Owner:

Notice is hereby given pursuant to Code of Civil Procedure, Section 1245.235, that it is the intention of the Board of Directors ("Board") of the Santa Clara Valley Water District ("Valley Water") to consider the adoption of a resolution declaring the public necessity for the acquisition of real property interests therein required for purposes of the Coyote Creek Flood Protection Project ("Project").

The resolution, if adopted, will authorize staff and counsel to commence an eminent domain proceeding to acquire the real property interests described in the attached Exhibits A & B ("Property").

Notice is further given that the Board is scheduled to meet to consider adoption of the Resolution of Necessity at its **January 27, 2026**, meeting which begins at **1:00 PM** at Valley Water's Headquarters building, 5700 Almaden Expressway, San Jose, California. The meeting will also be live streamed on Valley Water's website.

Notice of Your Right to Appear and Be Heard

You are entitled to appear at the place and time set forth above and be heard on the following matters:

1. Whether public interest and necessity require the Project;
2. Whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
3. Whether the Property sought to be acquired is necessary for the Project;
4. Whether Valley Water made the offer required by Government Code section 7267.2 to the owners of record;



San Jose Unified School District
December 16, 2025
Page 2

5. Whether the use of the Property for the Project will not unreasonably interfere with or impair known, existing public uses and, therefore, is compatible with any other public uses pursuant to Code of Civil Procedure Section 1240.510;
6. Whether Valley Water has complied with all conditions and statutory requirements necessary to exercise the power of eminent domain to acquire the Property; and
7. Whether Valley Water has complied with the requirements of the California Environmental Quality Act for the Project.

If you wish to appear and be heard, you must file a written request to appear and be heard with the Clerk of the Board at Valley Water, 5750 Almaden Expressway, San Jose, California, 95118 within 15 days after this notice was mailed.

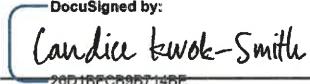
Failure to file such written request within the time specified constitutes a waiver of the right to appear and be heard.

**PLEASE BE AWARE THE PRICE TO BE PAID FOR THE PROPERTY WILL NOT BE
CONSIDERED BY THE BOARD AT THIS HEARING, AND IF YOU ELECT NOT TO
APPEAR AND BE HEARD, YOUR NON-APPEARANCE WILL NOT BE A WAIVER OF
YOUR RIGHT TO CLAIM GREATER COMPENSATION IN A COURT OF LAW.**

Please be advised that, notwithstanding the statutory language indicating that there is an "intent" to condemn, the Board has not in fact made a determination whether to condemn and will not so determine except in accordance with evidence and disclosures which will be heard at the time and place noted above.

If the Board elects to adopt the Resolution of Necessity, then within six months of the adoption of the Resolution, Valley Water would commence eminent domain proceedings in the Santa Clara County Superior Court. In that proceeding, the Superior Court will determine the amount of compensation to which you would be entitled.

Santa Clara Valley Water District

DocuSigned by:
By: 
Candice Kwok-Smith
Clerk, Board of Directors

By Certified Mail: 9589 0710 5270 1614 8779 86

Enclosures: Exhibits A & B

Date Mailed: December 16, 2025

Notice of Intention to Appear must be filed on or before: December 31, 2025

cc: C. Achdjian, K. Anderssohn, J. Carrasco, R. Ruiz, C. Kwok-Smith, B. Yerrapotu, M. Thummaluru, R. Yamane, C. Kin-McAlpine, File

cc: Brian Bergman, Esq.
BDG Law Group
10880 Wilshire Blvd. Suite 1015
Los Angeles, CA 90024

TEMPORARY CONSTRUCTION EASEMENT, File No. 4021-354

A temporary construction easement in, upon, over, and across that certain real property in the City of San Jose, County of Santa Clara, State of California, herein after more particularly described below.

This temporary construction easement is granted under the express conditions listed below:

1. Grantor represents and warrants that it is the owner of the property described as the Easement Area and that Grantor has the exclusive right to convey the Easement to the Grantee.
2. This Easement is necessary for the purpose of constructing the Coyote Creek Flood Protection Project and related activities incident to construction. The Easement shall not be revoked and shall continue in full force and effect beginning on January 1, 2026, until June 30, 2029, at which time the temporary construction easement shall terminate.
3. Grantor and Grantee acknowledge that the duration of the construction activity authorized herein within the Easement Area will likely be shorter than the term described in Section 2. Grantee agrees to notify Grantor in writing at least 1 week prior to exercising the rights granted herein to enter the Easement Area. The written notification to the Grantor shall include an estimate of the expected duration of the Grantee's contractors and/or subcontractors use of the Easement Area.
4. Grantee agrees to use all reasonable efforts to keep any roadway covered by this easement open to traffic and to not interfere with Grantor utility operations or construction activity of Grantor on site. Grantee will keep Easement Area clean and remove all debris related to its construction.
5. Grantee agrees to indemnify and hold harmless Grantor from and against any and all claims, damages, liabilities, costs or any expenses whatsoever, arising from or caused, directly or indirectly by the entry onto the property by Grantee or its agent's, employees, invitees, contractors and subcontractors.
6. The provisions of this Easement shall inure to the benefit of, and bind, the successors and assigns, heirs, and devisees of the respective parties.

Santa Clara Valley Water District
San Jose, Ca 95118

PROJECT: COYOTE CREEK FLOOD
PROTECTION PROJECT (CCFPP)

RESU FILE NO.: 4021-354
BY: B. Bains

An easement over that certain real property situate in the City of San Jose, County of Santa Clara, State of California, being a portion of the lands described in that certain Deed recorded as Document number 4747916, filed on April 22, 1974, in the Office of the Recorder, County of Santa Clara, State of California, more particularly described as follows:

Temporary Construction Easement (T.C.E.)

PARCEL A

COMMENCING at the southeasterly corner of the lands shown on that certain Amended Record of Survey filed in Book 343 of Maps at Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along the southerly line of said lands, N80°10'50"W, 83.19 feet, to the **POINT OF BEGINNING**;

Thence along said southerly line, N80° 10' 50"W, 15.20 feet;

Thence leaving said southerly line, the following eighteen (18) courses:

- 1) N19°00'42"E, 27.39 feet;
- 2) N62°29'42"E, 18.88 feet;
- 3) N09°49'10"E, 331.51 feet;
- 4) N44°30'50"W, 28.84 feet;
- 5) S45°29'10"W, 100.00 feet;
- 6) N44°30'50"W, 100.00 feet;
- 7) N45°29'10"E, 100.00 feet;
- 8) N11°06'46"W, 133.01 feet;
- 9) N44°17'02"W, 62.83 feet;
- 10) S81°16'02"W, 83.27 feet;
- 11) N07°59'34"W, 10.00 feet, to **POINT A**;
- 12) N81°16'02"E, 94.43 feet;
- 13) S44°17'02"E, 68.87 feet;
- 14) S11°06'46"E, 132.98 feet;
- 15) S44°30'50"E, 132.04 feet;
- 16) S09°49'10"W, 346.64 feet;

- 17) S62°29'42"W, 20.32 feet;
- 18) S19°00'42"W, 18.99 feet, to the **POINT OF BEGINNING**;

Containing 21,557 square feet of land, more or less.

PARCEL B

COMMENCING at said **POINT A**;

Thence, S81°16'02"W, 48.15 feet, to the **POINT OF BEGINNING**;

Thence the following two (2) courses:

- 1) S82°25'00"W, 21.42 feet;
- 2) N85°00'14"W, 40.93 feet, to a point on the westerly line of lands shown on that certain Amended Record of Survey filed in Book 343 of Maps at Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along said westerly line, N08°42'37"W, 23.74 feet, to **POINT B**;

Thence leaving said westerly line, S69°44'47"E, 69.92 feet, to the **POINT OF BEGINNING**;

Containing 822 square feet of land, more or less.

PARCEL C

COMMENCING at said **POINT B**, said point being on the westerly line of the lands shown on that certain amended Record of Survey filed in Book 343 of Maps at Page 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California;

Thence along said westerly line, N08°42'37"W, 161.73 feet, to the **POINT OF BEGINNING**;

Thence continuing along said westerly line, N08°42'37"W, 29.44 feet;

Thence leaving said westerly line, the following seventeen (17) courses:

- 1) S39°20'34"E, 27.44 feet;
- 2) S08°31'09"E, 123.61 feet;
- 3) S40°35'11"E, 7.95 feet;
- 4) S09°51'38"W, 13.38 feet;
- 5) S69°44'47"E, 62.72 feet;
- 6) N81°16'02"E, 153.45 feet;
- 7) S44°17'02"E, 97.80 feet;
- 8) S11°06'46"E, 118.32 feet;
- 9) S44°30'50"E, 119.31 feet;
- 10) S09°49'10"W, 18.46 feet;
- 11) N44°30'50"W, 134.57 feet;

- 12) N11°06'46"W, 118.36 feet;
- 13) N44°17'02"W, 91.77 feet;
- 14) S81°16'02"W, 144.73 feet;
- 15) N69°44'47"W, 68.93 feet;
- 16) N08°42'37"W, 123.49;
- 17) N39°20'34"W, 10.81 feet, to the **POINT OF BEGINNING**;

Containing 8,719 square feet of land, more or less.

BASIS OF BEARINGS:

The bearing of N80° 10' 50"W, shown as N81°15'09"W along the southerly line of the lands shown on that certain Amended Record of Survey filed in Book 343 Maps of Page at 56, on August 2, 1974, in the Office of the Recorder, County of Santa Clara, State of California, was used as Basis of Bearings shown hereon.

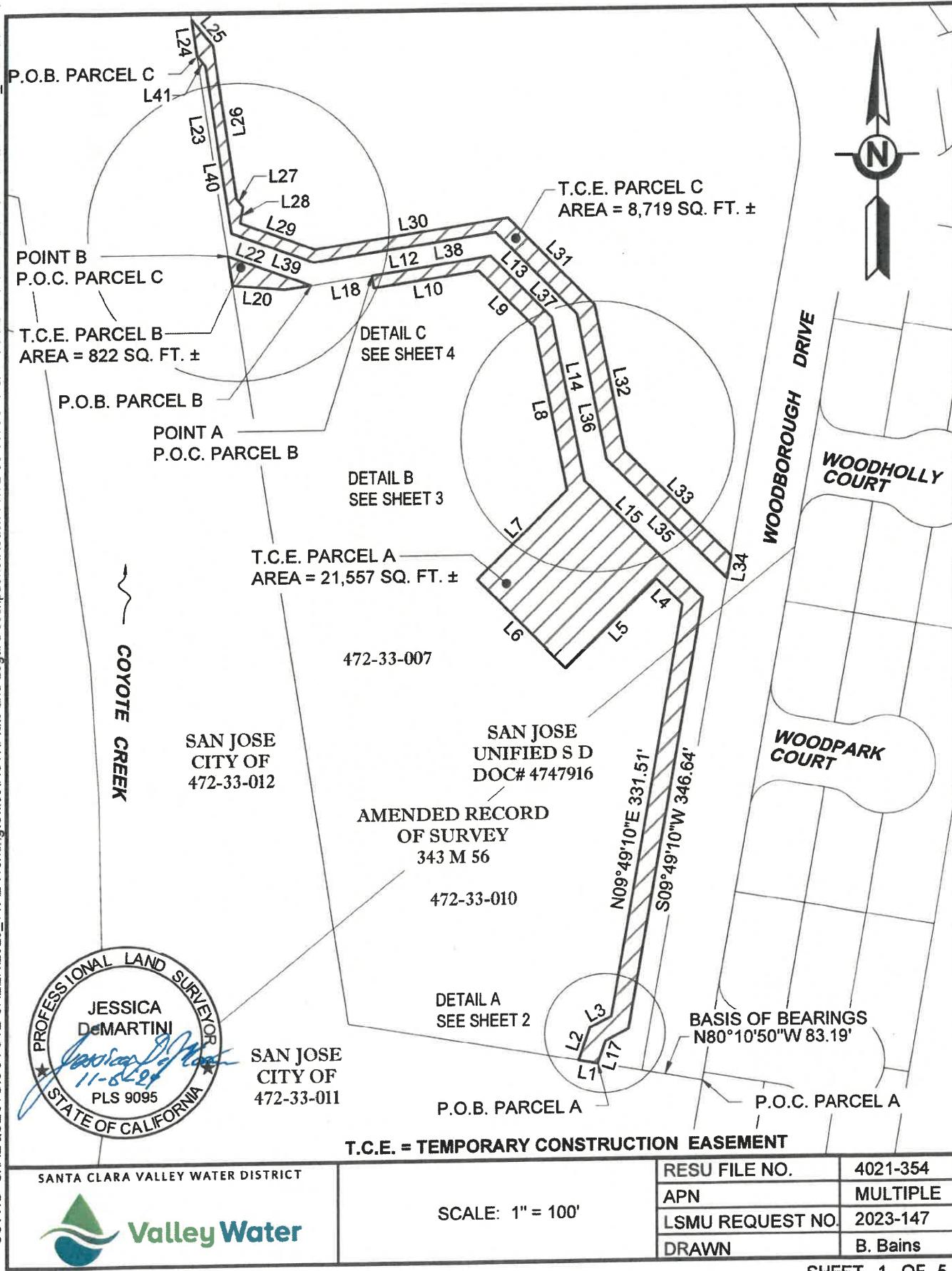
SURVEYOR'S STATEMENT:

The description was prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

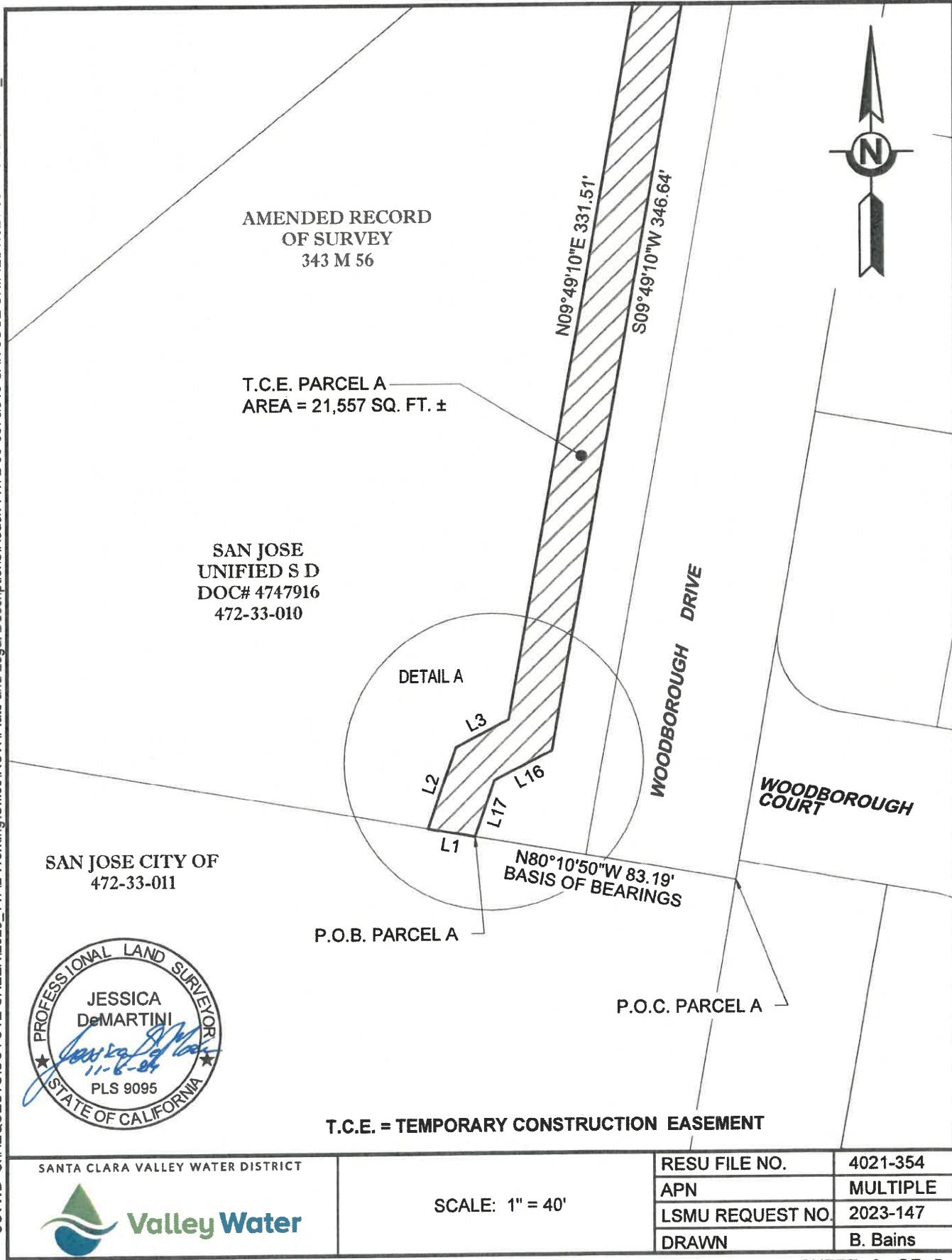
Jessica DeMartini
Jessica DeMartini, PLS 9095

11/6/24
Date

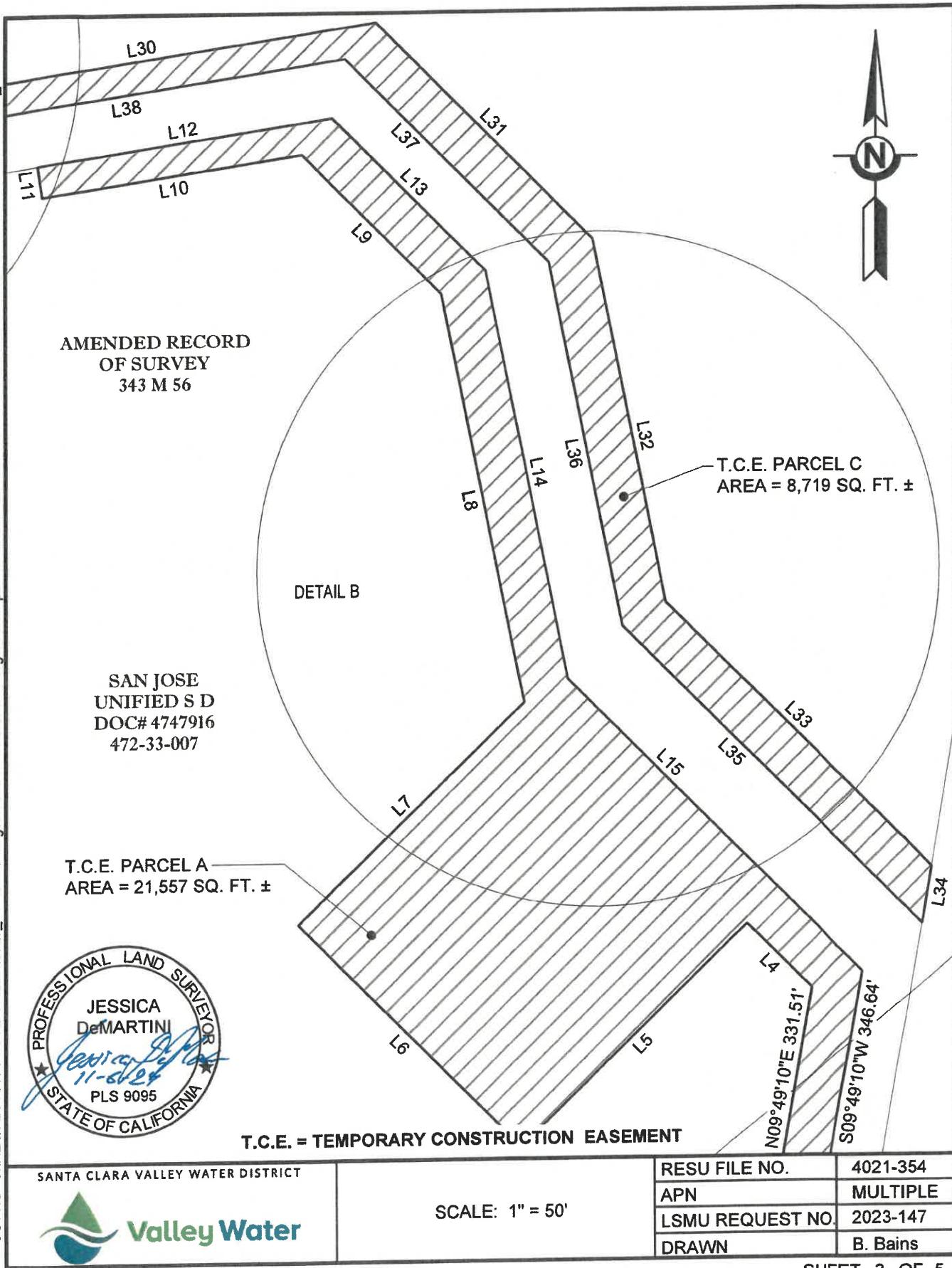




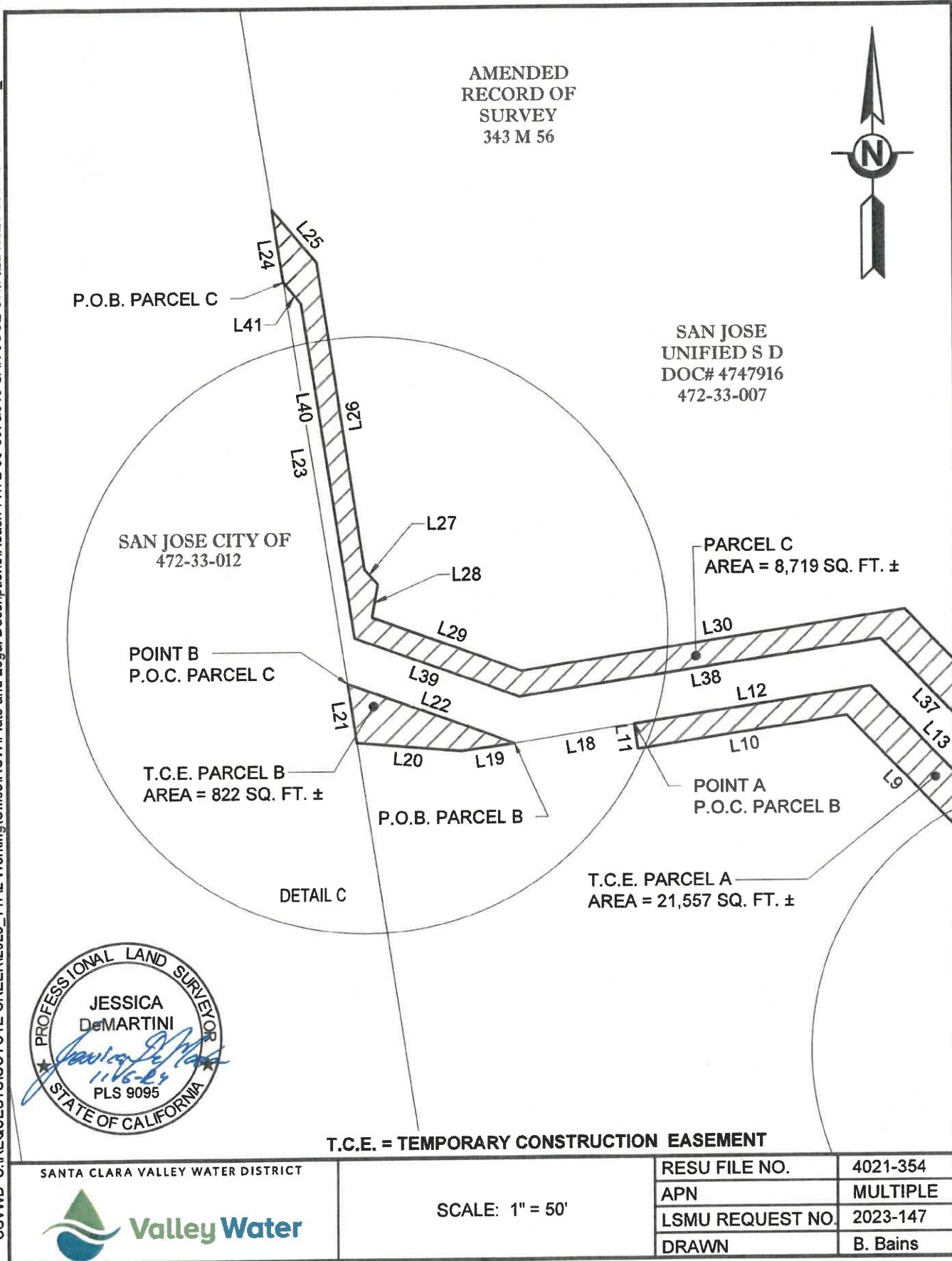
SHEET 1 OF 5



SHEET 2 OF 5



SHEET 3 OF 5



Line Table		
Line #	Bearings	Distance
L1	N80°10'50"W	15.20'
L2	N19°00'42"E	27.39'
L3	N62°29'42"E	18.88'
L4	N44°30'50"W	28.84'
L5	S45°29'10"W	100.00'
L6	N44°30'50"W	100.00'
L7	N45°29'10"E	100.00'
L8	N11°06'46"W	133.01'
L9	N44°17'02"W	62.83'
L10	S81°16'02"W	83.27'
L11	N07°59'34"W	10.00'
L12	N81°16'02"E	94.43'
L13	S44°17'02"E	68.87'
L14	S11°06'46"E	132.98'
L15	S44°30'50"E	132.04'
L16	S62°29'42"W	20.32'
L17	S19°00'42"W	18.99'
L18	S81°16'02"W	48.15'
L19	S82°25'00"W	21.42'
L20	N85°00'14"W	40.93'
L21	N08°42'37"W	23.74'
L22	S69°44'47"E	69.92'
L23	N08°42'37"W	161.73'

Line Table		
Line #	Bearings	Distance
L24	N08°42'37"W	29.44'
L25	S39°20'34"E	27.44'
L26	S08°31'09"E	123.61'
L27	S40°35'11"E	7.95'
L28	S09°51'38"W	13.38'
L29	S69°44'47"E	62.72'
L30	N81°16'02"E	153.45'
L31	S44°17'02"E	97.80'
L32	S11°06'46"E	118.32'
L33	S44°30'50"E	119.31'
L34	S09°49'10"W	18.46'
L35	N44°30'50"W	134.57'
L36	N11°06'46"W	118.36'
L37	N44°17'02"W	91.77'
L38	S81°16'02"W	144.73'
L39	N69°44'47"W	68.93'
L40	N08°42'37"W	123.49'
L41	N39°20'34"W	10.81'



SANTA CLARA VALLEY WATER DISTRICT  Valley Water	SCALE: N/A	RESU FILE NO. 4021-354
		APN MULTIPLE
		LSMU REQUEST NO. 2023-147
		DRAWN B. Bains

SHEET 5 OF 5

WATER MANAGEMENT AND/OR STORM WATER DRAINAGE EASEMENT, File No. 4021-467

An easement for water management and/or storm water drainage purposes in, upon, over, and across that certain real property in the City of San Jose, County of Santa Clara, State of California, herein after more particularly land depicted below.

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The easement shall include the right to construct, reconstruct, inspect, maintain, and repair a channel, protection works, and appurtenant structures, together with the right to trim or remove such trees or brush within the easement area as may constitute a hazard to persons or property or may interfere with the use of said area for the purpose granted. It also shall include the right to enter upon said land with vehicles, tools, implements, and other materials, take there from and use earth, rock, sand, and gravel for construction, maintenance, and repair of said channel, protections work, and appurtenant structures by Valley Water, its officers, agents, and employees, and by persons under contract with it and their employees whenever and wherever necessary for flood control or storm drainage purposes.

The easement shall also include the non-exclusive right of ingress from and egress to public streets to the easement area described below, over and across the property of the Grantor by such route or routes as shall occasion the least practicable damage to the property and inconvenience to Grantor for the purposes of routine inspection and maintenance of the improvements within the easement. Valley Water shall provide reasonable advance notification of its intent to enter Grantor's property.

Santa Clara Valley Water District
San Jose, Ca 95118

PROJECT: COYOTE CREEK FLOOD
PROTECTION PROJECT (CCFPP)

RESU FILE NO.: 4021-467
BY: B. Bains

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Thence along the southerly line of said lands, N80°10'50"W, 64.64 feet, to the **POINT OF BEGINNING**;

Thence along said southerly line, N80° 10' 50"W, 18.55 feet;

Thence leaving said southerly line, the following eight (8) courses:

- 1) N19°00'42"E, 18.99 feet;
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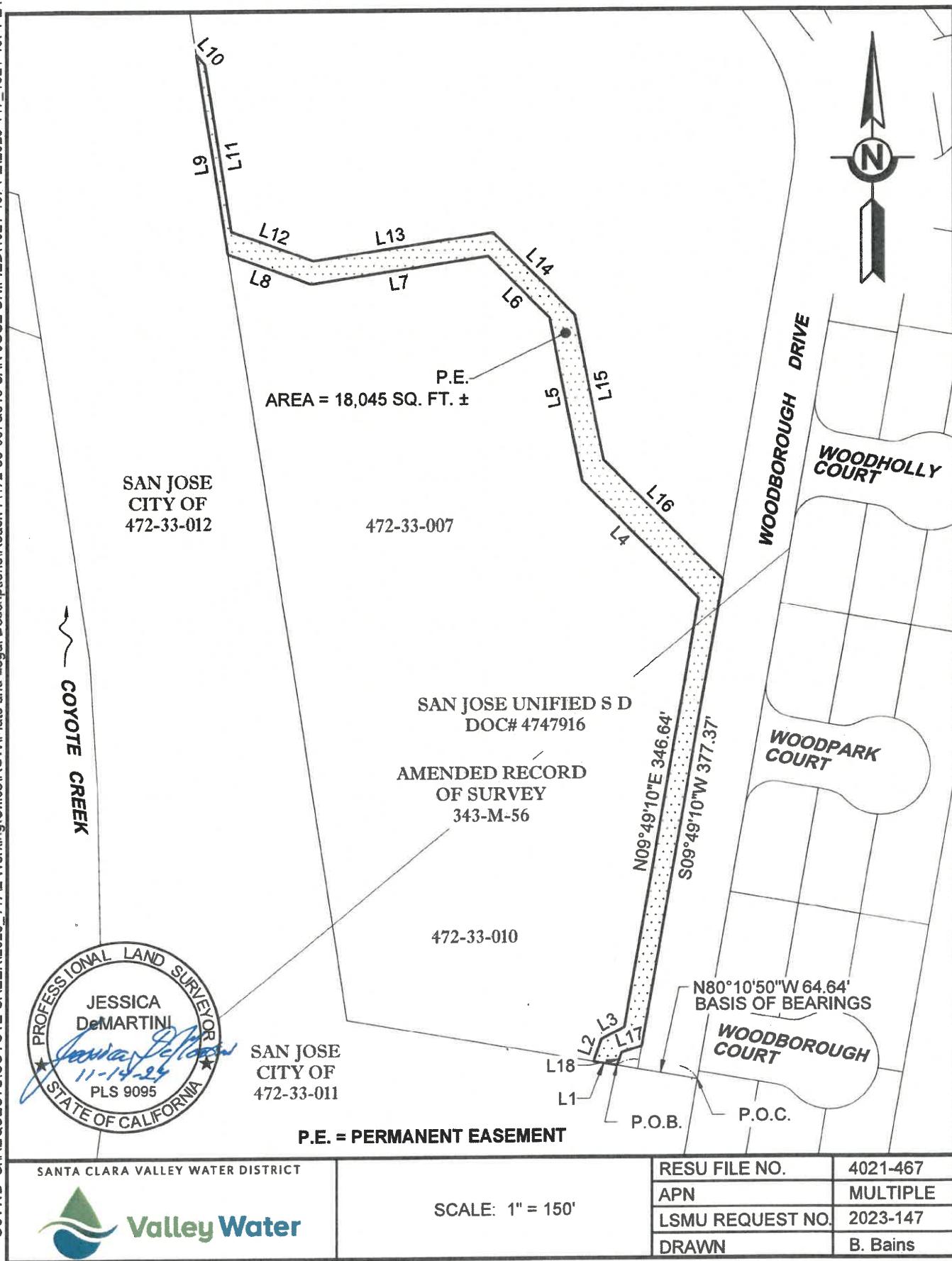


Jessica DeMartini, PLS 9095

11/14/24

Date



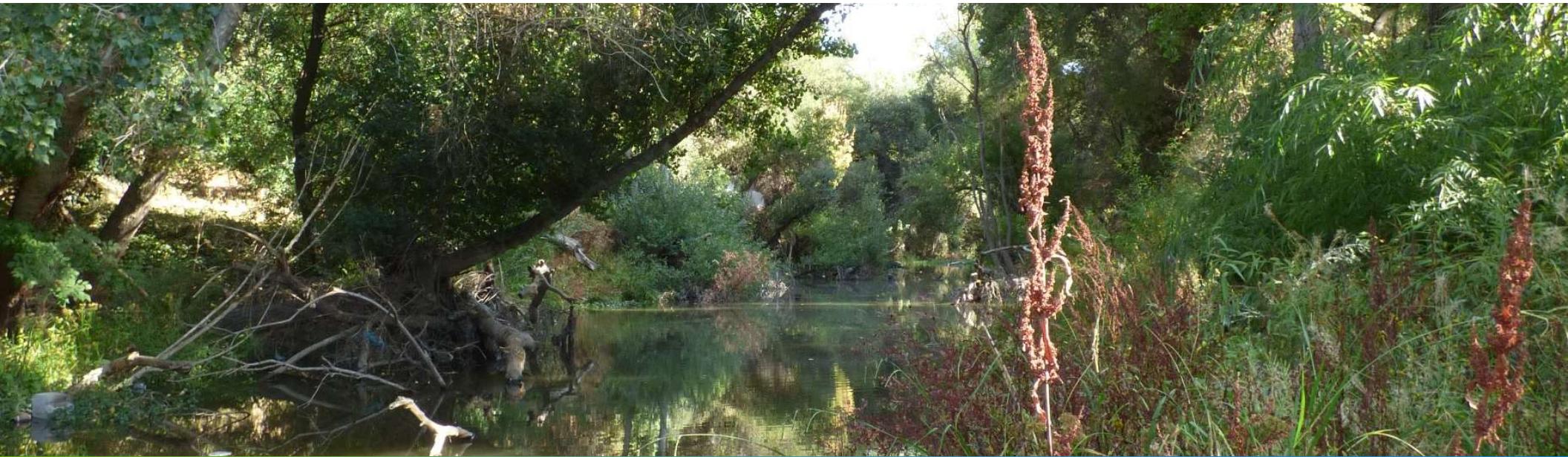


Line Table		
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SANTA CLARA VALLEY WATER DISTRICT  Valley Water	SCALE: N/A	RESU FILE NO. 4021-467
		APN MULTIPLE
		LSMU REQUEST NO. 2023-147
		DRAWN B. Bains

SHEET 2 OF 2



Public Hearing to Consider Adoption of Resolution of Necessity: Coyote Creek Flood Protection Project



January 27, 2026

Proposed Findings to be Made at RON Hearing

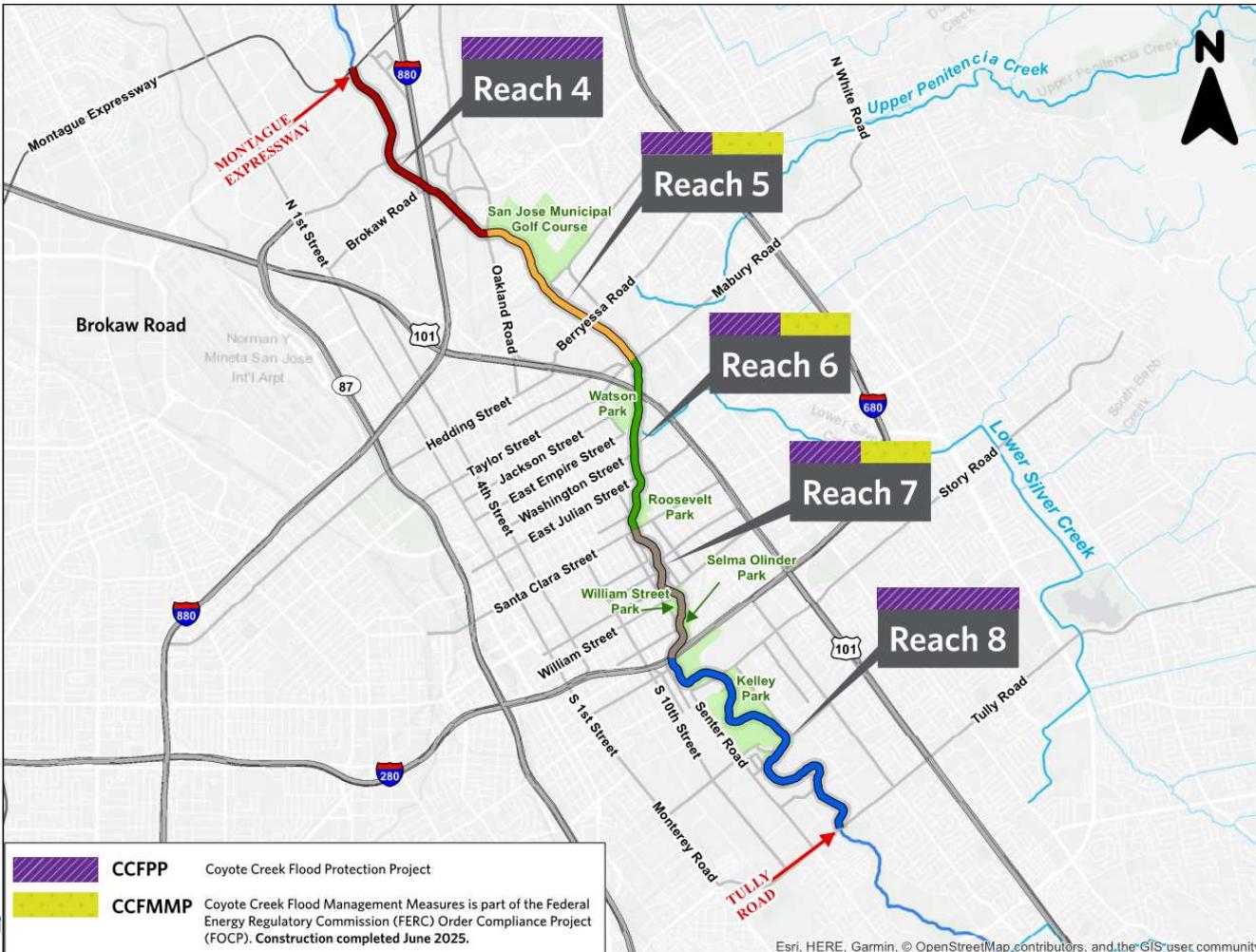
- Establish the public need for the project
- Establish that project is designed/located in a manner most compatible with greatest public good and least private injury
- Determine the property is necessary for the project
- Establish offer required by Section 7267.2 of the Government Code was made to record owner(s)
- Determine the use of property will not unreasonably interfere with or impair any public use as it now exists or may reasonably be expected to exist in the future, consistent with the requirements of Cal. Code of Civil Procedure § 1240.510; the use for which the property is sought to be taken is a more necessary public use than the use to which the property is appropriated and accordingly the property is sought to be acquired pursuant to California Code of Civil Procedure § 1240.610.

Public Necessity for the Proposed Project

- **Proposed Finding:** The public interest and necessity require the proposed project
 - Protects the community by providing flood protection from floods up to the level that occurred in February 2017 (approximately a 20-year flood event) along portions of Coyote Creek from Montague Expressway to Tully Road
 - Project must be completed before Anderson Dam Seismic Retrofit Project Stage 2 Diversion becomes operational.
 - Preserve creek's habitat
 - Reduce long-term maintenance



Coyote Creek Flood Protection Project



4

Existing Constraints on Project Design

- The geography and footprint of the creek determines which properties will be impacted
 - Private property and public parks are located on both sides of the creek
 - The creek flows through private property and public parks

Project Design Serves the Greatest Public Good with the Least Private Injury

Proposed Finding: The proposed project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury

- Maximizes flood protection for the community, including the school buildings and the homes in the surrounding community
- Preserves natural habitat by minimizing disturbance to native vegetation and aquatic life
- The Project design whole impacts the fewest private properties to the least extent possible.
- Minimizes injury to the SJUSD property
- Alternative project designs were considered and current project design was determined to provide greatest public good and least private injury .

CEQA Compliance

- An Environmental Impact Report (EIR) was prepared by Valley Water as the lead agency.
- The final EIR was certified by the Valley Water board of directors on March 11, 2025.

Property Acquisitions Necessary for Project

- Project requires acquisition of 62 Properties in Reaches 4, 5, 6, 7, & 8
- A Resolution of Necessity is proposed to acquire property interests over portions of 2 properties in Reach 7 owned by San Jose Unified School District

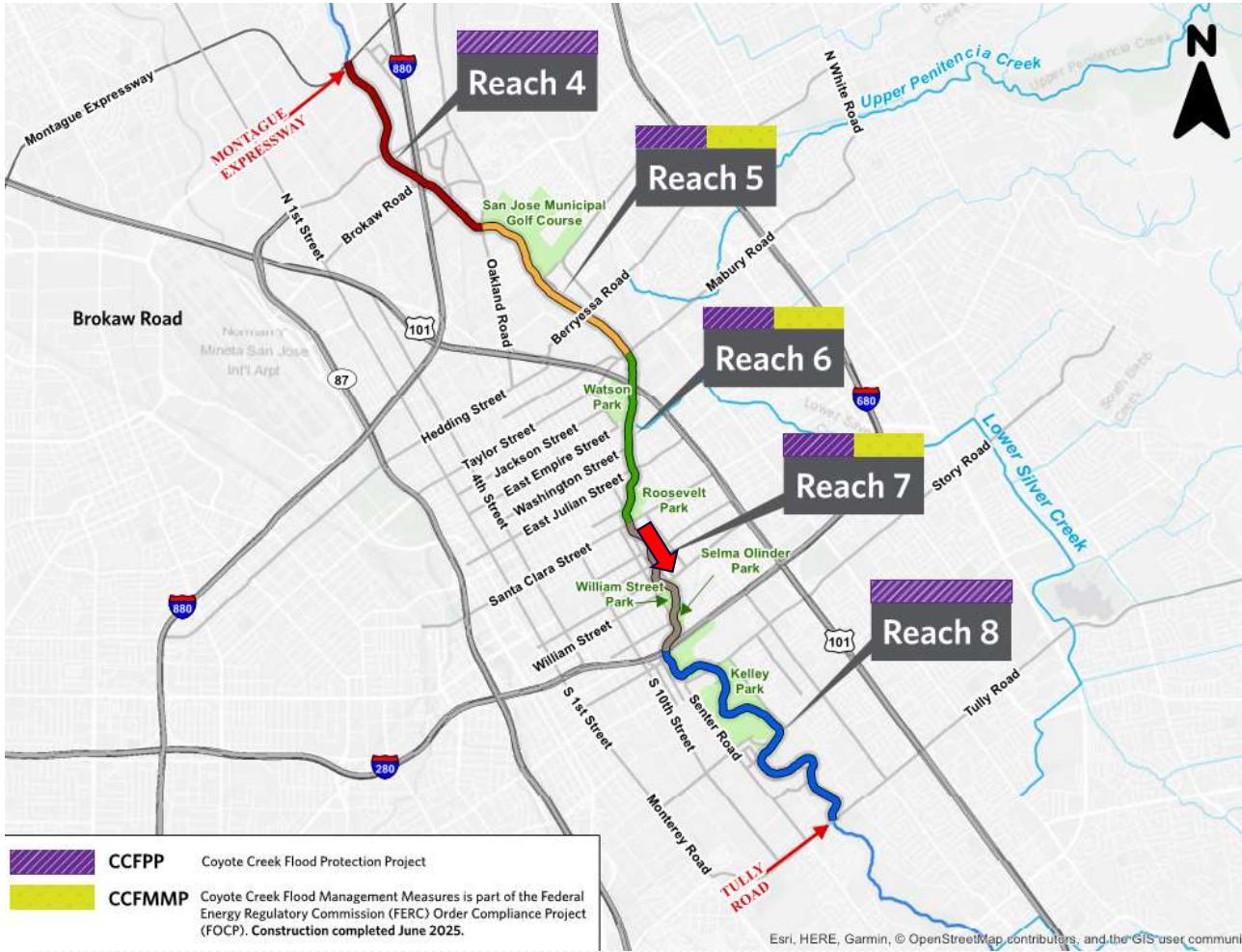
San Jose Unified School District Property is Necessary for the Project

Proposed Finding: The properties described in the resolution are necessary for the proposed project

- The configuration of the creek dictates the project alignment;
- Without this property there would be a gap in the flood protection structures, thereby eliminating their ability to provide the planned level of flood protection to this property and downstream properties.
- Construction activities also require that a separate portion of the properties be temporarily accessible to construct the project features.

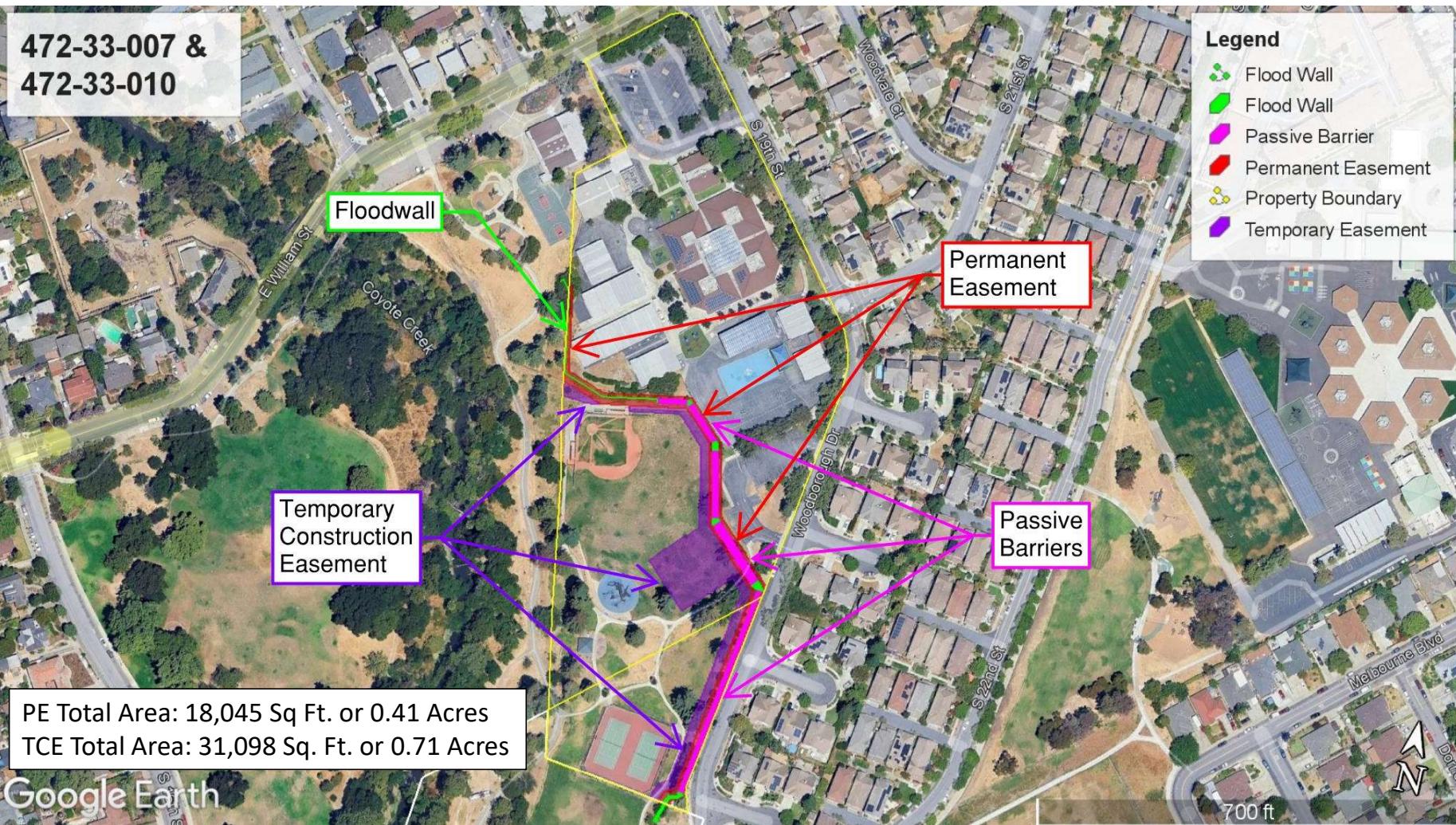
San Jose Unified School District Property Location

10



San Jose Unified School District Property Exhibit

11



CCFPP on San Jose Unified School District Property

Proposed Finding: The use of the Property Interests for the Project will not unreasonably interfere with or impair any public use as it now exists or may reasonably be expected to exist in the future and, therefore, is compatible with any other public uses, the property is sought to be acquired pursuant to Code of Civil Procedure Section 1240.510;

To the extent they are not compatible, the use for which the property is sought to be taken is a more necessary public use than the use to which the property is appropriated and accordingly the property is sought to be acquired pursuant to California Code of Civil Procedure Section 1240.610.

- Area will be returned to its existing use
- The project design maintains access and minimize impacts to existing recreation facilities.
- To the extent incompatible, the use of the property to provide flood protection is a more necessary public use.

Gov. Code Section 7267.2(a) Offer

Proposed Finding: The Offer of Just Compensation as Required by Section 7267.2(a) of the Gov. Code in an amount not less than the appraised value of the interest to be acquired has been made to the owners of record

- On June 16, 2025, the District sent a final written offer to the Owner(s) via certified mail for the Full Amount established as Just Compensation.
- The amount of just compensation was not less than fair market value established by an approved appraisal

San Jose Unified School District Property - Acquisition Chronology

DATE	DESCRIPTION OF ACTIVITIES
March/April/May 2024	Online Meeting (3/13/24); Online Meeting (4/18/24); In-person Meeting (5/1/24) to discuss the Project
October 2, 2024	In-person meeting between VW staff and SJUSD to discuss the Project
November 4, 2024	Notice of Decision to Appraise Letter mailed to SJUSD*
June 16, 2025	Offer package mailed to SJUSD Certified Mail Receipt confirmed that the packet was delivered on June 18, 2025*
August 11, 2025	SJUSD replied to June 29 th VW email stating VW should expect a written response to the offer by August 15, 2025
August 18, 2025	SJUSD notified VW by email that they will be obtaining their own appraisal
August 21, 2025	SJUSD replied by email with an amended version of our Right of Way Agreement
September 3, 2025	VW left a phone message for SJUSD to discuss VW comments on amended Right of Way Agreement
September 11, 2025	Notice letter for RON hearing sent via USPS certified mail
September 16, 2025	VW sent email requesting SJUSD respond to September 3 rd phone message
September 24, 2025	Received a letter from SJUSD informing that they will appear in-person at the October 14, 2025 Valley Water Board Meeting
October 1, 2025	VW sent letter to SJUSD confirming the RON Hearing date and providing a hyperlink to related materials
October 13, 2025	Interim CEO emailed SJUSD that October 14, 2025, RON Hearing agenda item would be deferred to a future Board meeting
October 14, 2025	Board defers RON Hearing to November 25, 2025, public meeting
October 27, 2025	VW provided comments to SJUSD regarding the August 21 st draft document emailed to VW
October 30, 2025	VW Staff and counsel met electronically with owner representatives and their counsel to discuss draft document
October 31, 2025	Notice letter for Deferred RON hearing sent via USPS certified mail
November 10, 2025	VW Emailed amended ROW Agreement to SJUSD with acceptable terms
November 13, 2025	VW Staff and counsel met electronically with SJUSD and their counsel to discuss draft ROW Agreement
December 17, 2025	VW emailed proposed terms to ROW Agreement to address critical issues
December 18, 2025	In-person meeting with staff and counsel to discuss the issues that have been identified as critical by SJUSD
January 5, 2026	SJUSD emailed revised agreement to Valley Water
January 9, 2026	In- person meeting with staff and counsel to discuss the issues that have been identified as critical by SJUSD

Discussion and Decision

- This completes the Valley Water's presentation regarding acquisition of the San Jose Unified School District's Properties.
- After the Board receives comments from the property owner and public, staff is ready to answer questions.

Close the Public Hearing

- After receiving comments/questions from the Owner and/or public, the Public Hearing can be closed.



Valley Water

Clean Water • Healthy Environment • Flood Protection

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December 30, 2025

Preparing
today's students
to be the
thinkers,
leaders,
and creators
of tomorrow.

**NOTICE OF INTENTION TO CONSIDER THE ADOPTION OF A RESOLUTION OF
NECESSITY TO ACQUIRE PROPERTY BY EMINENT DOMAIN**

VIA USPS MAIL & ELECTRONIC MAIL

Santa Clara Valley Water District
ATTN: Candice Kwok-Smith
Clerk, Board of Directors
5750 Almaden Expressway
San José, CA 95118
Phone: (408) 630-2749
Email: ckwok-smith@valleywater.org

Dear Ms. Kwok-Smith and Board Members:

This correspondence is in response to the Santa Clara Valley Water District's ("SCVWD") December 16, 2025, Notice of Intention to Consider the Adoption of a Resolution of Necessity to Acquire Property by Eminent Domain ("Resolution of Necessity") at Selma Olinder Elementary School ("School"), located at 90 E William Street, San José, CA 95116 ("Property").

Appearance at the January 27 Meeting

Please be advised that this correspondence serves as notice to SCVWD that the San José Unified School District ("SJUSD," and together with SCVWD, the "Parties") and its legal counsel will appear in person to be heard at the Board's January 27, 2026, meeting to oppose the Resolution of Necessity.

Indemnification

The Parties have engaged in substantive negotiations, the most recent of which occurred on December 18, 2025, with follow-up negotiations currently scheduled for January 9, 2026, regarding terms of the easement. Indemnification is one of SJUSD's highest priorities. SJUSD's position remains that any acquisition or grant of easement must include enforceable provisions requiring SCVWD to defend, indemnify, protect, and hold harmless SJUSD from any claim, liability, damage, loss, or expense arising from the SCVWD's improvements. SJUSD cannot bear responsibility for SCVWD's design, engineering, performance, or any impacts downstream from the Property. Final resolution of the indemnification terms remains a material component of the Parties' ongoing negotiations and must be fully resolved prior to the grant of the easement.

sjusd.org
408-535-6000
855 Lenzen Avenue
San José, CA 95126

Responsibility for Flood Remediation and Debris Removal

During the December 18 negotiation meeting, the Parties discussed one of SJUSD's other material terms—maintenance, remediation, repair, and restoration obligations, particularly after a flood event. SJUSD believes that the Parties verbally agreed that SCVWD will be responsible to maintain, repair, and restore the project work and easement areas during construction of the improvements and immediately after (along with ongoing maintenance and repair obligations to the improvements and easement areas). However, SCVWD has proposed that it will enter into an agreement with the City of San José for cleaning, repairing, removing, restoring, and/or remediating any debris, sediment, damage, or other adverse impacts to the Property, including the Permanent Easement Area, resulting from flooding events. SJUSD requires that SCVWD remain responsible as a guarantor for flood-related remediation, field restoration, debris removal, and any

other action required to restore the portion of the Property south and west of the easement after a flood event, in the event the City fails to perform those obligations when necessary.

Scope of Easement Compensation

As presented in SCVWD's offer packet, the proposed permanent and temporary construction easements do not adequately reflect the full scope of potential impacts to the Property as a result of the improvements, namely, damages to the portion of the Property south and west of the improvements during and/or after a flood event. SCVWD has offered to compensate SJUSD \$428,000 for one (1) permanent easement and one (1) temporary construction easement, yet the offer fails to account for the maintenance obligations and reduced use of the Property after a flood event.

The Property is an active elementary school, and the field south of the easement functions as an outdoor instructional station and daily student use area that remains in use by SJUSD or the City throughout the year. SJUSD students use the portions of the Property that will become subject to flooding more frequently throughout the school year.

It is for these reasons that SJUSD maintains that any agreement or compensation offer must include compensation for an easement encompassing the entire portion of the Property subject to flooding or diminished utility during flooding, and not only the areas delineated in the offer packet as the permanent and temporary construction easements. SJUSD is seeking an appraisal that considers the many unique factors of this situation.

Ongoing Negotiations

SJUSD stands ready to continue negotiating a mutually acceptable agreement with SCVWD, provided that such agreement fully accounts for: the long-term impacts to the Property; SJUSD's nondelegable obligations to protect its students and property; full compliance with applicable laws, regulations, and approvals for construction on a California public school site including approval of the design by the Division of the State Architect; required criminal background checks for workers; and full indemnification of SJUSD by SCVWD for any claims related to the project improvements. The next meeting between the Parties is set for Friday, January 9, 2026.

Should SCVWD have any questions or concerns, it should feel free to contact our office.

Sincerely,



Tracy Morrison
Director of Procurement
San José Unified School District

CC:

Orbach Huff & Henderson LLP - Philip J. Henderson, Esq., Stan M. Barankiewicz II, Esq., Reza Mohamadzadeh, Esq.

Valley Water - C. Achdjian, K. Anderssohn, J. Carrasco, R. Ruiz, C. Kwok-Smith, B. Yerrapotu, M. Thummaluru, R. Yamane, C. Kin-McAlpine

BDG Law Group - Brian Bergman, Esq.



Santa Clara Valley Water District

File No.: 25-1029

Agenda Date: 1/27/2026

Item No.: 4.1.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Adopt a Resolution Setting Time and Date of Public Hearing on the Final Mitigated Negative Declaration and Engineer's Report for the Vasona Pump Station Upgrade Project, Project No. 92264001 (Los Gatos, District 7).

RECOMMENDATION:

Adopt the Resolution SETTING TIME AND DATE OF PUBLIC HEARING ON THE FINAL MITIGATED NEGATIVE DECLARATION AND ENGINEER'S REPORT FOR THE VASONA PUMP STATION UPGRADE PROJECT, to occur on February 10, 2026, at 1:00 p.m., at the Boardroom at Santa Clara Valley Water District, Headquarters Building, 5700 Almaden Expressway, San Jose, CA.

SUMMARY:

The objective of the Vasona Pump Station (VPS) Upgrade Project (Project) is to eliminate the risk of failure due to age or condition of equipment by replacing pumps and their assets, prepare for future capacity requirements, add redundancy to the system, increase efficiency and operational flexibility and allow for the blending of water from multiple sources, and increase reliability, efficiency, and ease of use of the electrical and controls components. The scope of work for the Project includes developing operational models for VPS, evaluating system hydraulics, assessing the structural condition of the pump building for new equipment, replacing existing pumps, motors, adjustable speed drives, and valves, installing new flow meters, HVAC upgrades, and backup power, replacing electrical equipment, upgrading the electrical service equipment, and modernizing the control systems.

Attachment 1 contains the resolution to set the time and place for the Public Hearing on the Final Mitigated Negative Declaration (Final MND) and Engineer's Report for the VPS Upgrade Project.

Final Mitigated Negative Declaration

Valley Water staff prepared a Final MND for the Board's consideration and adoption prior to approving the proposed Project.

Engineer's Report

Section 12 of the District Act requires the Board to conduct a Public Hearing to consider all written and oral objections to the proposed Project when: 1) the project is new construction; and 2) the project is funded by a single or joint zone of benefit. As the proposed Project meets both conditions, staff prepared an Engineer's Report (Attachment 2) for the purpose of public disclosure.

Staff is recommending that the Board set a Public Hearing for February 10, 2026, at 1:00 p.m. to hear public comments on Santa Clara Valley Water District's (Valley Water) Final MND and Engineer's Report. Following the Public Hearing, the Board will consider the Final MND before considering approving the Engineer's Report and the proposed Project. The Notice of Public Hearing for the Final MND and Engineer's Report is provided in Attachment 3.

ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice and equity impacts associated with the recommended action for the Vasona Pump Station Upgrade Project. The recommended action will not result in disproportionate impacts on any specific community(ies) relative to the general population.

FINANCIAL IMPACT:

There is no financial impact associated with approving staff's recommendation to set a Public Hearing on the Final MND and Engineer's Report to consider the Project. The estimated cost to plan, design, and construct the above-described Project is approximately \$36 million (with inflation). The Project, Project No. 92264001, is included in the Capital Improvement Program (CIP) Fiscal Years (FY) 2026-30 Five-Year Plan and in the FY 2025-26 Adopted Budget. The Project is funded by the Water Utility Enterprise Fund, with 100% of the costs allocated to Zone W-2 (North County).

CEQA:

The recommended action does not constitute a "project" under California Environmental Quality Act (CEQA) because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Resolution
Attachment 2: Engineer's Report
Attachment 3: Notice of Public Hearing

UNCLASSIFIED MANAGER:

Emmanuel Aryee, 408-630-3074

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 2026-

**SETTING TIME AND DATE OF PUBLIC HEARING ON THE
FINAL MITIGATED NEGATIVE DECLARATION AND ENGINEER'S REPORT
FOR THE VASONA PUMP STATION UPGRADE PROJECT**

WHEREAS, the Santa Clara Valley Water District (Valley Water) has been duly and regularly established and exists pursuant to the provisions of the Santa Clara Valley Water District Act (District Act); and

WHEREAS, the Vasona Pump Station Upgrade (proposed Project) is included in the Board-approved fiscal years 2026-2030 Capital Improvement Program (Project No. 92264001); and

WHEREAS, on the 27th day of January 2026, the Engineer's Report for the proposed Project prepared by Valley Water's Engineer, titled "Vasona Pump Station Upgrade Project No. 92264001," dated November 2025, was made available to the Board of Directors, providing:

1. A general description of the proposed Project;
2. A general description of and map showing the location of the proposed Project and land, right of way, and easement required therefor; and
3. An estimate of the cost of the proposed Project and means of financing the cost; and

WHEREAS, Section 12 of the District Act requires the Board to conduct a public hearing to hear testimony on a project when: (1) the project is new construction and (2) the project is funded by single or joint zones of benefits; and

WHEREAS, the California Environmental Quality Act (CEQA) Guidelines section 15202(b) requires environmental review to be a subject of the public hearing if a public hearing is being held on a lead agency's decision to carry out or approve a project. Since Valley Water must conduct a public hearing on the Engineer's Report, the CEQA compliance determination for the proposed Project will also be considered during the hearing; and

WHEREAS, Valley Water, the lead agency under CEQA, has prepared a Final Mitigated Negative Declaration (ISMND) for the proposed Vasona Pump Station Upgrade Project; and

WHEREAS, Valley Water received public comments on the Draft ISMND during the public review and comment period and has considered these comments and addressed them as appropriate prior to preparing the Final ISMND.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District:

1. That the 10th day of February at 1:00 p.m., at Santa Clara Valley Water District, Headquarters Building, in the Boardroom, at 5700 Almaden Expressway, San Jose, CA and by Zoom teleconference at: <https://valleywater.zoom.us/j/84454515597>, be fixed as the time and place for a public hearing on the Engineer's Report and the CEQA Final

Setting Time and Date of Public Hearing on the Final Mitigated Negative Declaration and
Engineer's Report for the Vasona Pump Station Upgrade Project Resolution No. 2026-

Mitigated Negative Declaration, and this Board of Directors will consider all written and oral comments to the proposed Project and CEQA Final Mitigated Negative Declaration; and

2. That the Engineer's Report for the proposed Project, titled "Vasona Pump Station Upgrade No. 92264001," dated November 2025, is available for public inspection by any interested person prior to the meeting in the Clerk of the Board's Office or online at www.valleywater.org, and will be available at the meeting.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on January 27, 2026:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMERA
Chair, Board of Directors

ATTEST

CANDICE KWOK-SMITH
Clerk, Board of Directors

Vasona Pump Station Upgrade Project Project No 92264001

Engineer's Report



November 2025

Water Utility Capital Division

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Vasona Pump Station Upgrade Project

PROJECT NO. 92264001

ENGINEER'S REPORT

Prepared By:

Matthew Tan, P.E.
Senior Engineer

Reviewed By:

Juan Renteria, P.E.
Capital Engineering Manager

Under the Direction of:

Emmanuel Aryee, P.E.
Deputy Operating Officer

Aaron Baker, P.E.
Chief Operating Officer

Rita Chan, Esq.
Assistant Chief Executive Officer

Melanie Richardson, P.E.
Interim Chief Executive Officer

The Engineer's Report has been prepared by the undersigned, who hereby certifies that he is a
Registered Civil Engineer in the State of California.



November 2025

DISTRICT BOARD OF DIRECTORS

John L. Varela
Shiloh Ballard
Richard P. Santos, Vice Chair
Jim Beall

District 1
District 2
District 3
District 4

Nai Hsueh
Tony Estremera, Chair
Rebecca Eisenberg

District 5
District 6
District 7

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4. PROJECT COSTS.....	5
5. LIST OF MAPS & FIGURES	5

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FIGURE1 – PROJECT LOCATION MAP	7
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Vasona Pump Station Upgrade Project
No. 92264001
Engineer's Report – November 2025

1. PROJECT DESCRIPTION

The proposed Project is located at the Vasona Pump Station (VPS) in Los Gatos, as shown in Figure 1. The District constructed and has been operating VPS since 1971. VPS boosts the pressure in transmission pipelines conveying imported water from the state Department of Water Resources' South Bay Aqueduct and the San Luis Reservoir, and local surface water from Anderson and Calero reservoirs to the District's treatment plants and groundwater recharge facilities.

The purpose of the the Project is address age, efficiency and reliability to ensure the pump station can efficiently and reliably provide raw water supply to Valley Water's Water Treatment Plants.

The proposed Project includes the following major items of work:

- a. Removal and replacement of existing pumps and associated motors and drives
- b. Removal and replacement of valves and associated actuators
- c. Installing associated mechanical, electrical, instrumentation and control systems

2. ZONE OF BENEFITS

The proposed Project work would benefit customers of Zone W-2 (North County).

3. PROJECT RIGHT-OF-WAY

Work will occur on Valley Water owned property. No additional right-of-way will be required.

4. MAPS AND FIGURES

Figure 1: Project Location Map

5. PROJECT COSTS

The estimated cost to plan, design, and construct the Project is \$36 million (with inflation). The Project is included in the Capital Improvement Program (CIP) Fiscal Year (FY) 2026-30 Five-Year Plan and in the FY 2025-26 Adopted Budget.

The proposed Project would be funded by the Water Utility Enterprise Fund, with 100 percent of the cost allocated to Zone W-2 (North County).

6. PROJECT SCHEDULE

- Advertise for construction bids: Fall 2029
- Award construction contract: Winter 2029
- Complete construction: Winter 2033

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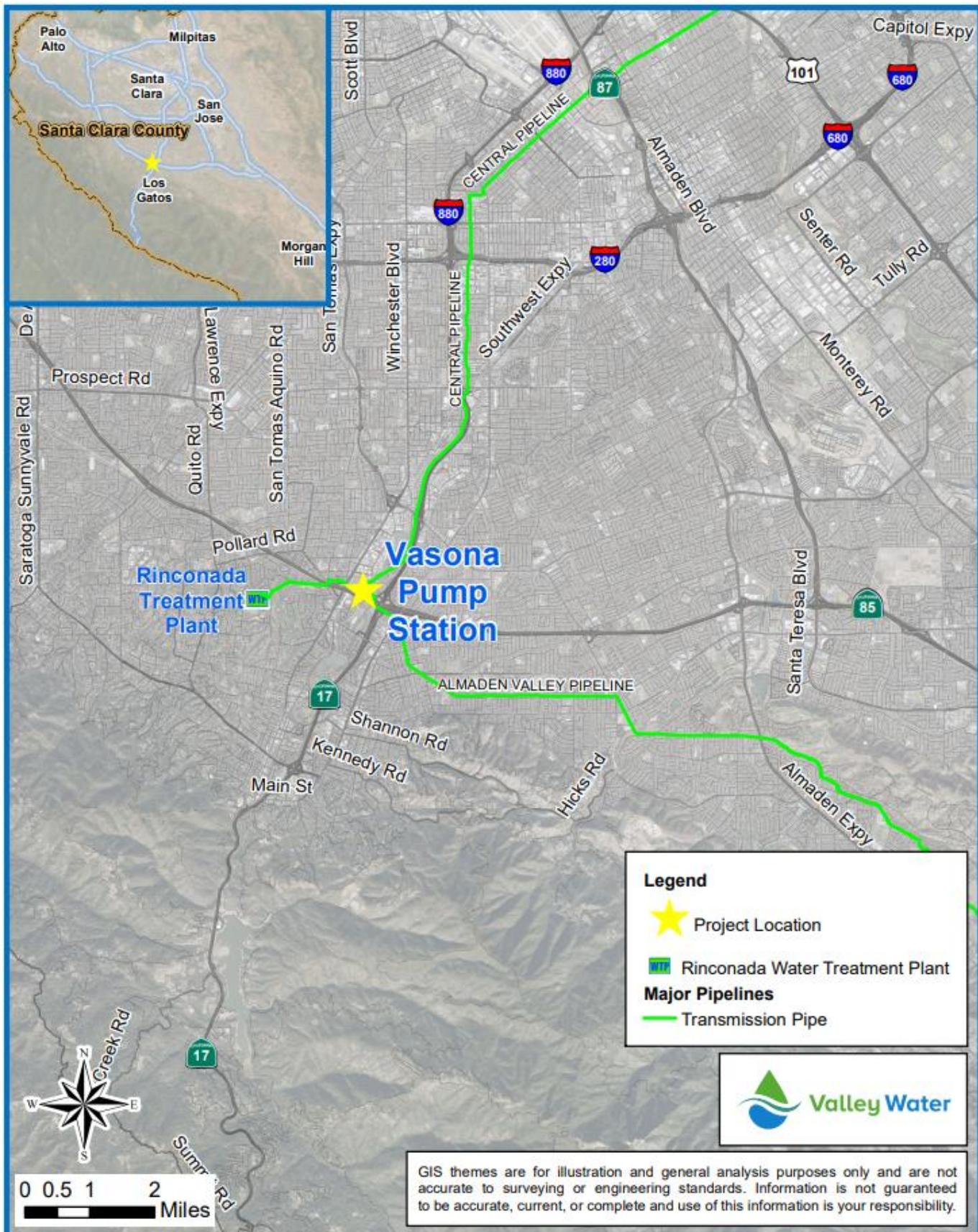


Figure 1 – Project Location Map

Attachment 2

Page 7 of 7

Attachment 2

Page 7 of 7

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**Public Hearing Notice
CAPITAL IMPROVEMENT PROJECT**



Topic: **Vasona Pump Station Upgrade Project**

Who: **Santa Clara Valley Water District (Valley Water)**

What: **Public Hearing on the CEQA Final Mitigated Negative Declaration and Engineer's Report**

When: **Tuesday, February 10, 2026, 1:00 p.m.**

Where: **Valley Water Headquarters Building Boardroom
5700 Almaden Expressway, San Jose, CA
and by Zoom Teleconference at <https://valleywater.zoom.us/j/84454515597>**

Valley Water invites you to a Public Hearing regarding the Vasona Pump Station Upgrade Project (Project). The proposed work of improvement is described in the Engineer's Report for the Project. The Engineer's Report and CEQA Final Mitigated Negative Declaration will be available for review at <https://valleywater.org> and will be available at the meeting.

The Project will take place at the Vasona Pump Station. All the proposed work will occur in or around Vasona Pump Station. The objective of the Vasona Pump Station (VPS) Upgrade Project (Project) is to eliminate the risk of failure due to age or condition of equipment by replacing pumps and their assets, prepare for future capacity requirements, add redundancy to the system, increase efficiency and operational flexibility and allow for the blending of water from multiple sources, and increase reliability, efficiency, and ease of use of the electrical and controls components.

At the time and place fixed for the public hearing, the Board of Directors will receive comments on the Engineer's Report and the CEQA Final Mitigated Negative Declaration for the Project and consider approving the Project's CEQA Final Mitigated Negative Declaration in accordance with the California Environmental Quality Act. After considering the comments on the Engineer's Report and Final Mitigated Negative Declaration, the Board will decide whether or not to proceed with the Project.

This meeting is being held in accordance with the Brown Act. The 1:00 p.m., February 10, 2026 public hearing will be held during a board meeting and is accessible for public in-person participation at the time, date, and location shown above, and by public virtual participation at the Zoom link above. Document(s) associated with this hearing are available for public inspection prior to the meeting in the Clerk of the Board's Office and online at www.valleywater.org, and will be available at the meeting.

For more information about this hearing or this Project, contact Matthew Tan, Senior Engineer at (408) 630-2665 and/or Juan Renteria, Capital Engineering Manager, at (408) 630-2772.

Important Notices:

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board meetings to please contact the Clerk of the Board's office at (408) 630-2277, at least 3 business days before the scheduled Valley Water Board meeting to ensure that Valley Water may assist you. Reasonable efforts will be made to accommodate persons with disabilities.

重要通知：

Valley Water 遵守美國殘疾人法案 (ADA), 要求需要特殊便利才能訪問和/或參加 Valley Water 委員會會議的個人請致電 (408) 630-2277 聯繫委員會辦公室的書記員, 網址為在預定的 Valley Water 委員會會議召開前至少 3 個工作日, 以確保 Valley Water 可以為您提供幫助。將做出合理的努力以容納殘疾人。

Thông báo quan trọng:

Valley Water, để tuân thủ Đạo luật Người Mỹ Khuyết tật (ADA), yêu cầu những cá nhân cần điều chỉnh đặc biệt để tiếp cận và/hoặc tham gia các cuộc họp của Hội đồng Valley Water vui lòng liên hệ với Văn phòng Thư ký của Hội đồng theo số (408) 630-2277, tại ít nhất 3 ngày làm việc trước cuộc họp đã lên lịch của Hội đồng Valley Water để đảm bảo rằng Valley Water có thể hỗ trợ bạn. Những nỗ lực hợp lý sẽ được thực hiện để hỗ trợ người khuyết tật.

Aviso Importantes:

Valley Water, en cumplimiento de la Ley de Estadounidenses con Discapacidades (ADA), solicita a las personas que requieren adaptaciones especiales para acceder y/o participar en las reuniones de la Junta de Valley Water que se comuniquen con la oficina del Secretario de la Junta al (408) 630-2277, al menos 3 días hábiles antes de la reunión programada de la Junta de Valley Water para asegurarse de que Valley Water pueda ayudarlo. Se harán esfuerzos razonables para acomodar a las personas con discapacidades.



Santa Clara Valley Water District

File No.: 25-1051

Agenda Date: 1/27/2026

Item No.: 4.2.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Adopt Recommended Positions on Federal Legislation: H.R. 6422 (Stauber) - American Water Stewardship Act; And Other Legislation That May Require Consideration by the Board.

RECOMMENDATION:

Adopt a Position of "Support" on H.R. 6422 (Stauber) - American Water Stewardship Act.

SUMMARY:

H.R. 6422 (Stauber) - American Water Stewardship Act

Recommendation: Support

Priority Recommendation: 2

This bipartisan bill would reauthorize the 12 Geographic Programs at the Environmental Protection Agency (EPA) that provide funding for restoration and conservation of several estuaries across the country, including San Francisco Bay. The programs vary by location but generally fund work on water quality improvement, climate resilience, and habitat restoration, among other activities. The San Francisco Bay Program at EPA was formally authorized in 2021, and Congress has appropriated roughly \$50M in annual appropriations since that time. Those funds are granted out to local groups in the Bay Area, including public agencies like Santa Clara Valley Water District (Valley Water), to improve water quality and habitat restoration in the Bay.

The Board supported establishing this program and providing annual appropriations.

Status:

The bill was introduced in the House on December 4, 2025, and it was reported favorably out of the Committee on Transportation and Infrastructure on December 18. It now awaits a vote by the full House of Representatives.

Importance to Valley Water:

This bill would reauthorize a grant program at EPA that has funded Valley Water activities that improve water quality, such as cleanup of creeks that flow into San Francisco Bay. Valley Water secured funds through this program for its Nine Creeks Cleanup, and the program has funded similar activities through the City of San José and other partners. The program has also funded the South

Bay Salt Ponds Restoration Project and other wetlands restoration efforts around the region. This program provides an important source of federal funding for local water quality improvement and environmental restoration efforts.

Pros:

- Reauthorizes a grant program that has funded Valley Water projects and other important water quality and restoration efforts by partner agencies.

Cons:

- The bill does not authorize additional appropriations for the program. That would have to be done separately.

ENVIRONMENTAL JUSTICE IMPACT:

There are no direct Environmental Justice impacts associated with this item, as the Board's position does not enact the legislation discussed above.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Marta Lugo, 408-630-2237



Santa Clara Valley Water District

File No.: 25-1077

Agenda Date: 1/27/2026

Item No.: 4.3.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Approve a Sole Source Designation, Adopt Plans and Specifications, and Authorize Advertisement for Bids for the East Pipeline Inspection and Rehabilitation Project, Project No. 95084004, Contract No. C0718, (San Jose, Districts 1, 3, and 6).

RECOMMENDATION:

- A. Find that the East Pipeline Inspection and Rehabilitation Project is substantially complex and, therefore, requires construction contract retention of ten percent (10%);
- B. Find that certain Supervisory Control and Data Acquisition (SCADA) instrumentation components, as specified in the Plans and Specifications, should be designated as specific brand or trade name products. Public Contract Code Section 3400(c)(2);
- C. Adopt the Plans and Specifications and Authorize Advertisement for Construction of the East Pipeline Inspection and Rehabilitation Project, per the Notice to Bidders; and
- D. Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

SUMMARY:

The objective of the East Pipeline Inspection and Rehabilitation Project (Project) is to increase the reliability and useful life of the pipeline.

The Project scope includes completely draining and removing all water from the East Pipeline, partially draining Milpitas Pipeline, Penitencia Delivery Main, and Parallel East Pipeline, performing repairs on pipeline appurtenances, replacing line valves, installing a new line valve and vault, providing support for an internal pipeline inspection, procuring long-lead material, updating electrical and controls systems, and performing internal pipeline repair work as identified during the inspections.

A portion of the work related to installing a new line valve will be funded by the Safe, Clean Water and Natural Flood Protection Program A3: Pipeline Reliability, also known as the IRP2 Additional Line Valve Project, Project No. 26764001.

Staff is recommending that the Board approve the Project's Plans and Specifications and authorize

advertisement for construction bids per the Notice to Bidders (Attachment 1).

Project Background

The East Pipeline is included in the Santa Clara Valley Water District's (Valley Water) Pipeline Maintenance Program (PMP) and is identified as a capital effort in the PMP. The PMP defines the activities associated with maintenance and repair of water supply conveyance systems including pipelines, appurtenances, electrical systems, control systems, and structures, throughout Valley Water's jurisdiction.

The East Pipeline was originally constructed in 1974 and consists of approximately 6.5-mile-long bar-wrapped pipe. The pipeline diameters vary from 48-inch at the connection to the existing 60-inch line at Piedmont Valve Yard, to 33-inch at the southern terminus at Aborn Road. The East Pipeline is located in the easterly portion of San Jose and is a portion of the North County Water System. The line runs south from Piedmont Valve yard south Piedmont Road to Penitencia Creek Road, then continues south along White Road to Aborn Road. The construction of the Project is expected to be completed in May 2028.

Construction Contract Retention

Public Contract Code (PCC) Section 7201 limits retention amounts for public works construction contracts to five percent (5%) of the total contract price. PCC section 7201(b)(4) provides that retention proceeds on a project may exceed 5% where the Board makes a finding that the proposed project is "substantially complex" and, therefore, requires a retention amount greater than 5%.

To comply with the PCC regarding increasing the retention to 10%, staff recommends that the Board find that the Project is substantially complex. Substantially complex Project challenges, in this case, pertain to the complexity and precision required to conduct critical work within a constrained shutdown schedule. The pipeline shutdown durations are negotiated up to years in advance and require the cooperation of other water agencies to minimize unplanned disruption in the delivery of treated water from Penitencia Water Treatment Plant throughout Santa Clara County. A disruption in delivery of treated water in Santa Clara County could result in water shortages and disruption to water retailers.

Specific Brand of Trade Name Justification

For a specific brand or trade name product to be mandated by a public entity for a construction project, at least one of four criteria must be met as stated in PCC 3400(c). For this Project, PCC Section 3400(c)(2) allows the awarding authority to make a finding that such designations are justified to obtain necessary items to match other products in use on a particular public improvement, either completed or in the course of completion.

To comply with the PCC regarding the use of specific brand or trade name products for Project construction, staff recommends the Board find certain items as specified in the Plans and Specifications are necessary to match the existing equipment already in use at other Valley Water facilities using the District's SCADA system.

Releasing certain information in the Plans and Specifications, including identification of the specific brand or trade name products and details of the integration of the products into the existing information technology systems, to the public, may increase the potential for an attack on a Valley Water information technology system. To protect Valley Water's information technology systems, all parties interested in accessing the Project Plans, Specifications, and addenda, must register as a vendor at the Valley Water Vendor Portal and submit a completed Non-Disclosure Agreement (NDA) to access the Contract Documents.

Board Adoption of Plans and Specifications and Addenda Authorization

Board adoption of plans and specifications and Board authorization to advertise is recommended in order to proceed to bid the Project for construction. Authorizing the Designated Engineer to issue addenda during the bidding period allows for modifications to the construction Contract Documents, if necessary, during the bidding period and before the contract is awarded.

The Project Plans and Specifications were provided by separate communication to Valley Water's Board of Directors for their review, prior to taking the recommended action to adopt the Plans and Specifications for bid advertisement. Addenda will be provided to the Board pursuant to the same communication protocols. The Notice to Bidders informs interested parties that they must execute an NDA in order to access the Plans, Specifications, and addenda.

Relevant Prior Board Actions

On April 8, 2025, the Board adopted Resolution 2025-22 Setting the Time and Date of a Public Hearing on the Final Program Environmental Impact Report and Engineer's Report for the Pipeline Maintenance Program (PMP).

On April 22, 2025, the Board held a public hearing and adopted Resolution 2025-25 and Resolution 2025-26 certifying the final Program EIR for the PMP and Adopting CEQA findings of fact, statement of overriding considerations, and mitigation monitoring and reporting program and approving the Engineer's Report for the PMP.

Rights of Way

Valley Water has all the necessary right-of-way needed for the construction of the Project.

Public Outreach

Residents, commercial businesses, and visitors will be informed of potential temporary impacts, as appropriate. Construction contract documents include requirements and measures to minimize impacts during the construction.

Permits

Staff is working to obtain the Project's Lake Streambed Alteration (LSA) Agreement with the California Department of Fish and Wildlife (CDFW). The construction contract will not be awarded by Valley Water until the LSA Agreement is signed which is anticipated by early spring 2026.

Staff received conditional encroachment permits from the City of San Jose. The final approved encroachment permits will be obtained after the construction contract is awarded and issued prior to construction commencement.

Next Steps

If the Board approves the recommendations, staff will proceed to advertise the Project for construction bids. Staff anticipates recommending the Board award a construction contract in March 2026.

ENVIRONMENTAL JUSTICE IMPACT:

There is no environmental justice impacts associated with the Project. This action is unlikely to or will not result in disproportionate impacts on any specific communities relative to the general population from the implementation of this project. However, this project will enhance the reliability and operational flexibility of the pipeline and address existing system vulnerabilities. Upgrades to the East Pipeline will allow Valley Water to better service communities during times of emergency and future maintenance projects.

FINANCIAL IMPACT:

There is no financial impact associated with the recommendation to Adopt Plans and Specifications and Authorize Advertisement for Bids.

The East Pipeline Inspection and Rehabilitation Project (East Pipeline Project) is being funded through Project No. 95084004. Also contributing to the East Pipeline Project is the IRP2 - Additional Line Valve Project, Project No. 26764001. Both contributing projects are included in the Capital Improvement Program (CIP) Fiscal Years (FY) 2026-30 Five-Year Plan and in the FY 2025-26 Adopted Budget. Based upon estimated construction contract costs, there are adequate funds in the Project's FY 2026 Adopted Budget to encumber the planned expenditures for construction to be incurred during this fiscal year. The estimated cost of the Project is \$5 to \$6 million.

The East Pipeline Project, Project No. 95084004, is funded by the Water Utility Enterprise Fund (Fund 61) with 100% of the project costs allocated to Zone W2 (North County).

CEQA:

On April 22, 2025, the Board certified an Environmental Impact Report for the Pipeline Maintenance Program (PMP EIR) (accessible via <<https://fta.valleywater.org/dl/qRvvY7YPH2>>>). The PMP provides for the routine inspection, rehabilitation, and maintenance of Valley Water's raw and treated

water pipelines and evaluates the environmental impacts of the PMP activities. All proposed activities for the East Pipeline Inspection and Rehabilitation Project, including the construction of underground valves and vaults, are adequately analyzed in the PMP EIR. During Project construction, Valley Water and its contractor will comply with all applicable BMPs and mitigation measures from the PMP EIR and permit conditions.

ATTACHMENTS:

- Attachment 1: Notice to Bidders
- Attachment 2: Project Delivery Process Chart
- Attachment 3: Map

UNCLASSIFIED MANAGER:

Emmanuel Aryee, 408-630-3074

C0718 – EAST PIPELINE INSPECTION AND REHABILITATION PROJECT**Project No. 95084004****Invitation No. VW0652****1. Notice.**

Notice is hereby given that Santa Clara Valley Water District (Valley Water) will receive electronic Bids submitted through PlanetBids as indicated in Section 2, until Wednesday, March 11, 2026, by 2:00 p.m., for furnishing all material and performing all Work necessary for the construction of the **EAST PIPELINE INSPECTION AND REHABILITATION PROJECT** located in the City of San Jose, California.

2. Valley Water's Vendor Portal in PlanetBids.

<https://vendors.planetbids.com/portal/48397/portal-home>

3. Availability of Bid Documents.

- A. The Notice to Bidders (NTB) specifying the requirements of the Work and the details of the bidding procedures, Project Plans, Specifications, and Contract Documents, including the Instructions to Bidders and Bid Documents, can be downloaded at PlanetBids.
- B. To download these documents, prospective Bidders must first register as a vendor at PlanetBids indicated above. By registering as a vendor, Bidder will automatically receive notifications of upcoming Valley Water bidding opportunities. Once registered, Bidder can download the documents and the Bidder will be automatically included in the planholders list. There is no charge for downloading these documents.
- C. It is highly recommended that prospective Bidders acquire the Contract Documents directly through PlanetBids in order to bid on this Project and be assured that their Bids include all Addenda. All Addenda must be acknowledged online before selecting “Place eBid” to start the electronic submission process. PlanetBids will direct the prospective bidder to the Addenda tab if at least one acknowledgment is missing prior to entering the submission area.
- D. For questions or assistance regarding the vendor registration, please select the “Help” section within PlanetBids or contact the Valley Water Planroom by sending an email to scvwdplanroom@valleywater.org.
- E. Releasing certain confidential information in the Plans and Specifications relating to existing information technology systems, to the public, may increase the potential for an attack on a Valley Water information technology system. To protect Valley Water's information technology systems, all parties interested in accessing the Project Plans, Specifications, and Addenda must register as a vendor at PlanetBids and submit a completed Non-Disclosure Agreement (NDA), FC 1650, to access the Contract Documents.

- F. The NDA, already executed by Valley Water, must be executed by the requestor. The completed NDA must be emailed to the Planroom at the following email address: scvwdplanroom@valleywater.org.
- G. Upon receipt of the fully executed NDA, access to view the Contract Documents and all Addenda through PlanetBids will be provided.

4. California State Department of Industrial Relations Contractor and Subcontractor Registration Requirements.

- A. California Labor Code Section 1771.1 requires:
 - 1. A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Section 1725.5 of the California Labor Code.
- B. An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:
 - 1. The subcontractor is registered prior to the bid opening.
 - 2. Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee.
 - 3. The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code within 24 hours after the bid opening.

5. Summary of Work.

- A. The Work includes, but is not limited to, the following:
 - 1. Gravity Dewater the Penitencia Delivery Main, Pipelines at Penitencia Water Treatment Plant, Parallel East Pipeline, and Milpitas Pipeline at the locations shown on the plans and as specified in this specification. Treated water shall be dechlorinated before its release to storm drains or local water bodies. Refer to specification section 23.07 for additional requirements and information.
 - a. The Pipelines described above are interconnected, and therefore the gravity dewatering scope is incorporated into this project.
 - 2. Completely drain and remove water from East Pipeline and Penitencia Delivery Main between Piedmont Valve Yard and Patt Line Valve as shown on the plans and as specified in this specification. Treated water shall be dechlorinated before its release to storm drains or local water bodies. Refer to specification section 23.07 for additional requirements and information.

3. Perform work on the treated water transmission pipeline appurtenances sites from the PDM/MPL Line Valve Vault to Patt Line Valve (STA75+54.00) and at Thompson Creek Line Valve (Snell Pipeline). See the Pipeline Maintenance Tables on sheets G-06 through G-07 of the Project drawings for the appurtenance work to be completed at each site.
4. Excavate, remove, and reinstall hatch panels at Patt Line Valve and Mabury Turnout, and remove and reinstall roof at Thompson Creek Line Valve (Snell Pipeline) and MPL/PDM Line Valve to facilitate work.
5. Install in-line static mixers at the existing Thompson Creek Line Valve (on Snell Pipeline), at the existing Patt Line Valve (East Pipeline), and the proposed Indus Line Valve (East Pipeline) and associated piping modifications, fittings, hardware, insulation kits, and temporary platform removal/modification.
6. Remove approximately 80 linear feet of existing Bar-Wrapped Concrete Cylinder Pipe (AWWA C303) and furnish, construct, and Install the new 48-inch manually operated Indus Line Valve, associated vault, valves, piping, and appurtenances on East Pipeline.
7. Install a new 48-inch motor-operated line valve at the Patt Line Valve Vault, and associated valves, piping, fittings, appurtenances, electrical services, and control systems.
8. Excavate, remove, furnish, and replace the 20-inch buried manually operated valve near Mabury Turnout, and remove, furnish, and replace the 20" motor operated valve and the 16" flowmeter within the existing Mabury Turnout vault, and associated fittings, piping, valves, electrical services, and control systems.
9. Provide logistical support (including traffic control, removal of flanges and appurtenances, and providing access and ventilation) for and participate in the manned internal visual and electromagnetic inspection of East Pipeline by the District and its third-party consultant.
10. Clear and grub as needed for access to perform the Work.
11. Tree removal for the Indus location.
12. Perform internal pipeline repair work as specified and as needed should deteriorated pipe sections be identified during the internal pipeline visual and electromagnetic inspection, including, but not limited to Weko seals, and mortar repairs.
13. Prepare and coat all in-vault and exposed pipeline appurtenances and associated piping assembly components.
14. Prepare, coat, and waterproof at vault interior walls. Waterproof the interior and exterior walls of cast-in-place and precast vaults.

15. Install electrical conduits, enclosures, lights, and panels as shown on the Drawings.
16. Coordinate and install supervisory control and data acquisition (SCADA) system components.
17. Furnish, install, and test all cathodic protection systems and associated components.
18. Furnish and install vault hatches, manholes, ladders, vent hole screens, and corrosion control test stations.
19. Install new vault bases and at-grade manhole structures over existing pipeline nozzles where shown on the drawings.
20. Extend existing 24-inch Nozzles where shown on the drawings.
21. Install one new nozzle on existing bar-wrapped concrete cylinder pipe where shown on the drawings.
22. Procure and install appurtenance components including, but not limited to, valves, flanges, pipe joints, and utility boxes.
23. Install Air Relief Valve (ARV)vent piping.
24. Replace gaskets and hardware on existing nozzles and blind flanges.
25. Provide environmental support, surveys, monitoring, and BMP management.
26. Provide traffic control and logistical support for pipeline flushing and disinfection efforts at all vault locations on East Pipeline, Parallel East Pipeline, Milpitas Pipeline, and Penitencia Delivery Main. Support includes but is not limited to providing and managing discharge BMPs, water quality monitoring of disinfection discharges, the transportation and delivery of disinfection chemical, materials, and equipment to and from the injection and discharge sites. This work may be require 24/7 support during the disinfection procedures.
27. Restore all impacted work sites to a condition equal to or better than that existing prior to construction.

B. The Project has one (1) shutdown scheduled for the shutdown-required work. The Contractor shall complete all shutdown-required work within the shutdown period scheduled. The District expects multiple crews to be deployed to complete the shutdown-required work. Please refer to the milestone table for more information about shutdown durations. The Contractor is referred to Article 16.01.01. for shutdown constraints.

1. The key isolation points for this shutdown are Penitencia Water Treatment Plant, the VW/SFPUC Intertie, Parallel East Pipeline Line

Valve at Aborn Road, and Ocala Line Valve. These sites will be included in the lockout/tagout for this project.

2. More details about isolation at the plant and East Pipeline turnouts will be included in the lockout/ tagout plan.
3. The Contractor is informed that only single isolation at Ocala Line Valve will be provided while Patt Line Valve is open or removed throughout the duration of the shutdown.
4. Snell and East Pipelines from Ocala Line Valve to Thompson Creek Line Valve are expected to be online for the duration of the project except during refill and disinfection activities.
5. Single isolation at the turnouts is a possibility. More details about isolation at the turnouts will be included in the lockout/tagout plan.
6. The Contractor may provide other forms of isolation that complies with CAL/OSHA regulation, is acceptable to the Contractor's policies and procedures, and is approved by Valley Water.

C. The Contractor shall complete all work, as outlined under the following Milestones and as defined in these Specifications and the Drawings, within the specified time allowances, so that the District can meet its existing treated water supply commitments. Work shall include the following Milestones:

1. The scope of work to be completed under Milestone 1 - Immediate Submittals.
2. The scope of work to be completed under Milestone 2 - East Pipeline Preconstruction Coordination Work and Site Preparation Work.
3. The scope of work to be completed under Milestone 3 – Procurement of Materials.
4. The scope of work to be completed under Milestone 4 – Pipeline Dewatering Except EPL from STA 54+00 to 60+00.
5. The scope of work to be completed under Milestone 4A – Installation of the 24-inch Nozzle at STA. 59+20 and Pipeline Dewatering from EPL STA 54+00 to 60+00.
6. The scope of work to be completed under Milestone 5 – Internal Inspection Work From the Connection with Penitencia Delivery Main to Patt Line Valve.
7. The scope of work to be completed under Milestone 6 – Internal Repair Work and Debris Removal From Piedmont Valve Yard to Patt Line Valve.

8. The scope of work to be completed under Milestone 7 – Shutdown Required Work for Indus Line Valve/ IRP2 East Pipeline Additional Line Valve.
9. The scope of work to be completed under Milestone 8 – Shutdown-Required Work at Patt Line Valve.
10. The scope of work to be completed under Milestone 9 – Shutdown-Required Appurtenance Work at the Mabury Turnout.
11. The scope of work to be completed under Milestone 10 – Shutdown-Required Appurtenance Work from Piedmont Valve Yard to Patt Line Valve.
12. The scope of work to be completed under Milestone 11 – Refill, Pressurization, Post-Pipeline Fill & Pressurization Appurtenance Inspection, Pipeline Disinfection, Flushing, and Bringing the Pipeline Online.
13. The scope of work to be completed under Milestone 12 – Non-Shutdown-Required Appurtenance Work.
14. 14. The scope of work to be completed under Milestone 13 – Project Completion and Closeout Work.

D. Preference for Materials

1. The Contract Documents require the Contractor to provide specific brand or trade name products in compliance with Public Contract Code §3400(c)(2). Releasing certain confidential information in the Plans and Specifications, including identification of the specific brand or trade name products and details of the integration of the products into the existing information technology systems, to the public, may increase the potential for an attack on a Valley Water information technology system. All parties interested in accessing the Project Plans, Specifications, and Addenda must register as a vendor at PlanetBids and submit a completed Non-Disclosure Agreement (NDA) to access the confidential Contract Documents.

6. Contract Time.

The time limit for completion of the Work is **435** calendar days. See Contract Documents, Special Provisions, Section 12. Work and Contract Time(s), Article 12.03. Contract Time(s), for Milestones and Contract Times.

7. Liquidated Damages.

See Contract Documents, Standard Provisions, Section 5. Prosecution and Progress of Work, Article 5.08. Liquidated Damages, and Special Provisions, Section 12. Work and Contract Time(s), Article 12.05. Liquidated Damages, for requirements regarding Liquidated Damages.

8. Estimated Cost.

The estimated cost of the Project is between **\$5** million to **\$6** million. This estimate is intended to serve merely as an indication of the magnitude of the Work. Neither the Bidder(s) nor the Contractor will be entitled to pursue a claim or be compensated due to variance in the stated estimated cost range.

A. Supplemental Bid Items.

1. These Bid Items, as listed in PlanetBids, may or may not be required. They may be deleted entirely or in part, by deductive change order(s), at the sole discretion of Valley Water. The sum of the Total Base Bid and the Total Supplemental Bid Items will be used to determine the lowest Bid price.

B. Additive/Deductive Bid Items. NOT USED.**9. Contractor's License Requirement.**

The Bidder must possess a current Class A Contractor's license issued by the California Department of Consumer Affairs, Contractor's State License Board when the Bid is submitted. Regardless of whether a subcontractor must be identified at the time of Bid, each subcontractor must also be properly licensed to perform its scope of Work prior to beginning work on the Project. Listed subcontractors must be licensed at the time of Award.

10. Mandatory, Virtual Pre-Bid Meeting.

- A. Mandatory Virtual Pre-Bid meeting will be conducted by Valley Water on **THURSDAY, FEBRUARY 12, 2026**. The Pre-Bid meeting will convene at **10:00 a.m.** (Pacific Standard Time), virtually. The virtual meeting registration link will be posted on PlanetBids, "Bid Information" tab under the Description and Scope Section.

Anyone not in attendance at the meeting by **10:05 a.m.** will be considered late and as not having attended this mandatory Pre-Bid meeting. A Bid submitted by any Bidder not represented at the entire mandatory Pre-Bid meeting shall not be considered, and its Bid shall not be accepted. Attendance at the Pre-Bid meeting by subcontractors is not required.

- B. Attendance by the Bidder at the Pre-Bid meeting is:

1. Mandatory
2. Optional

- C. The objective of the Pre-Bid meeting is to familiarize prospective Bidders with the site. Please confirm your intent to attend the Pre-Bid meeting 24 hours in advance by registering for the ZOOM link at the Valley Water Vendor Portal. Additional information regarding the Pre-Bid meeting will be sent to all prospective Bidders who confirm their intention to attend.

- D. Reasonable efforts will be made to accommodate persons with disabilities wishing to attend the Pre-Bid meeting. Please send an email to scvwdplanroom@valleywater.org to request accommodations at least two (2) business days before the Pre-Bid meeting.
- E. An executed NDA, as specified in Section 3. Availability of Bid Documents is required in order to attend this Pre-Bid meeting.

11. Inquiries.

- A. The Bidder must submit all requests for clarification, or interpretation of the Bid Documents in accordance with the requirements stated in Instructions to Bidders, paragraph #8. Questions During Bidding. Written questions must be submitted in PlanetBids no later than nine (9) calendar days before the deadline for receipt of Bids.
- B. Valley Water may issue written Addenda as appropriate for clarification or other purposes during the bidding period. Addenda will be posted on PlanetBids and each planholder will be notified automatically.

12. Project Labor Agreement.

- A. Valley Water and the Santa Clara and San Benito Counties Building and Construction Trades Council have entered into a Project Labor Agreement (PLA) approved by Valley Water's Board of Directors on January 11, 2022. A Project Labor Agreement is a multi-union pre-hire agreement that governs wages, benefits, work rules, and other terms and conditions of employment at a construction site. The PLA is an agency-wide agreement applicable to all Covered Projects as defined in the PLA, Article 1 Definitions. 1.7, Covered Project.

A copy of the executed PLA is in the Contract Documents in Appendix A, Project Labor Agreement.

- B. All Bidders must complete and submit Bid Form No. 11, Project Labor Agreement Acknowledgement, at the time of Bid in order for its Bid to be considered responsive.
- C. Bidders that submit a Proposal with a Total Bid Price exceeding \$2,000,000 must execute PLA Addendum A - Agreement to be Bound by the deadline stated in the Instructions to Bidders. Submission of Addendum A - Agreement to be Bound is **not** required at the time of Bid submittal.
- D. It is the responsibility of the Contractor to coordinate and schedule a Pre-Construction Conference with the Santa Clara and San Benito Counties Building and Construction Trades Council (Council) prior to starting work at the Project site. The Contractor must provide the Council with the documentation required for the Council to schedule and host a Pre-Construction Conference within 2 weeks after a Notice to Proceed is issued by Valley Water. The Contractor will be subject to the requirements stated in the Special Provisions, Article 12.05 Liquidated Damages, if the Pre-Construction Conference does not occur within

this time frame due to late submission of the required documentation by the Contractor.

13. Prevailing Wage Requirements.

- A. Workers employed on this Project must be paid at rates at least equal to the prevailing wage rates as determined by the State of California Department of Industrial Relations pursuant to Section 1770 et seq. of the Labor Code. Said wage rates are incorporated herein by reference and may be inspected upon request. Visit <https://www.dir.ca.gov/oprl/DPreWageDetermination.htm> to view the rates available on the State of California Department of Industrial Relations website. See Contract Documents, Standard Provisions, Section 4. Legal Regulations and Responsibilities, Article 4.04. Prevailing Wages, through Article 4.06. Apprentices, for related requirements.
- B. This Project is subject to compliance monitoring and enforcement by the State of California Department of Industrial Relations. The Contractor and subcontractors must furnish the records specified in California Labor Code Section 1776 directly to the Labor Commissioner, in the following manner: monthly, in a format prescribed by the Labor Commissioner.

14. Bid Proposal Submittal.

Electronic Bid submittal must be at the Valley Water Vendor Portal. The Proposal must be submitted in time for all information to be transferred to PlanetBids before the Bid submission deadline. If the transfer is not completed before the Bid closes, it will be considered submitted late and the Bid Proposal will not be accepted.

15. Bid Opening.

The Bids shall be made available to the public to view in PlanetBids on the date and time stated in this Notice to Bidders, Section 1. Notice.

16. Errors or Discrepancies in the Bids.

Valley Water reserves the right to reject any and all Bid Proposals. Valley Water also reserves the right to waive minor defect(s) or irregularities in any Bid received.

17. Bidder's Security.

- A. Each Proposal must be submitted electronically through PlanetBids and accompanied by a Bidder's Bond in the sum of not less than 10 percent of the total aggregate of the Proposal including all additive and Supplemental Bid items, if any.
- B. Bids shall be presented with an electronic Bidder's Bond (e-Bond) executed and verified by an admitted surety, made payable to Valley Water.
- C. Bidder's Security must be submitted in the form of a verified e-Bond through either Surety2000 at <https://www.surety2000.com> or Tinubu at <https://www.tinubu.com/ebonding> in PlanetBids before the latest date and time

for submitting Bid Proposals as specified in Section 1. Notice. The PlanetBids Contract ID for this Project is VW0652.

1. Bidders are solely responsible for completing Surety2000 or Tinubu registration, and payment of associated fees and charges.
2. Valley Water is not responsible to Bidders for (a) Surety2000 or Tinubu acts or omissions; (b) the completeness or timely verification of the authenticity of the issued e-Bond; or (c) any other errors by third parties in the issuance of the e-Bond.

D. Paper originals of Bidder's Bond that are physically delivered to Valley Water will not be accepted.

18. Contract Retention.

A. The Contract Retention for this Project is established at five (5) percent of the Contract Price.

B. The Contract Retention for this Project is established at ten (10) percent of the Contract Price. The Board of Directors has made a finding that the Project is substantially complex and therefore requires retention higher than five (5) percent.

1. The shutdown-required work, including the installation of a line valve and vault, requires extensive coordination with a Valley Water third-party Contractor to complete internal inspections and repairs. The full scope of the internal pipeline repairs is not known until a comprehensive electromagnetic and visual inspection of the pipeline is completed and the results of the inspections have been analyzed. In addition to shutdown required work, the Project also requires the procurement of long-lead materials for the installation of large valves. The Project construction schedule requires a minimum of one year for material procurement prior to the start of pipeline shutdown. The level of precision and coordination required for this Project is unique and beyond what is customarily required of a pipeline project.

19. Substitution of Securities.

The Contractor may, at the Contractor's request and expense, substitute securities equivalent to the amount withheld by Valley Water to ensure the performance of the contract, in accordance with Public Contract Code §22300.

20. Small Business Preference.

Valley Water has elected to implement the small business preference provisions of Public Contract Code §2002(a)(1). For purposes of Valley Water's program, a small business is as defined in Government Code §14837. See <http://www.valleywater.org/construction> to view the Small Business Enterprise Outreach Program Policy.

21. Rights of Way.

Valley Water has all the necessary rights-of-way needed for the construction of the Project. One temporary construction easement is being negotiated for optional contractor staging. The construction contract will not be awarded by Valley Water until the right-of-way is secured.

22. Permits.

Staff is working to amend the Project's existing Lake Streambed Alteration (LSA) Agreement with the California Department of Fish and Wildlife (CDFW). The construction contract will be awarded by Valley Water once the LSA Agreement is signed and secured.

Staff has obtained the conditional right-of-way letters from the City of San Jose.

The final approved encroachment permit will be completed after the construction contract is awarded to the lowest bidder and the contractor information is obtained to execute and finalize the agreement. All permanent structures will be built within the existing right-of-way.

Please refer to Contract Document, Special Provisions, Section 18. Permits and Regulations, Article(s) 18.01.01. District-Obtained Permits and 18.01.02. Contractor Obtained Permits and Regulatory Deliverables.

23. Escrow Bid Documents.

- A. Escrow Bid Documents must be submitted by the Bidders submitting the three apparent low Bids. The Escrow Bid Documents must be submitted in a sealed container, separate from the Bidder's Bid proposal, no later than 5 p.m. on the third business day following the Bid opening. Each container shall be clearly marked on the outside with the Bidder's name, date of submittal, Project name, and the words "Escrow Bid Documents." Timely submission of these Documents and Bid Form 10 is considered material by Valley Water.
- B. The Escrow Bid Documents must be accompanied by a separate certification, **FC 1897 "Bid Form 10, Escrow Bid Documents Certification of Completeness,"** signed by an individual authorized by the bidder to execute the Bid Proposal. The Bidder certifies that the material in the Escrow Bid Documents constitutes all of the documentary information used in preparation of this Bid, and that the Bidder's authorized individual has personally examined the contents of the Escrow Bid Documents container and has determined that the Documents in the container are complete.

24. Equal Opportunity.

Valley Water is an equal opportunity employer, and all Contractors of Valley Water are to have and follow a policy of equal opportunity including adherence to all state and federal laws and regulations, including the Federal Equal Opportunity Clause.

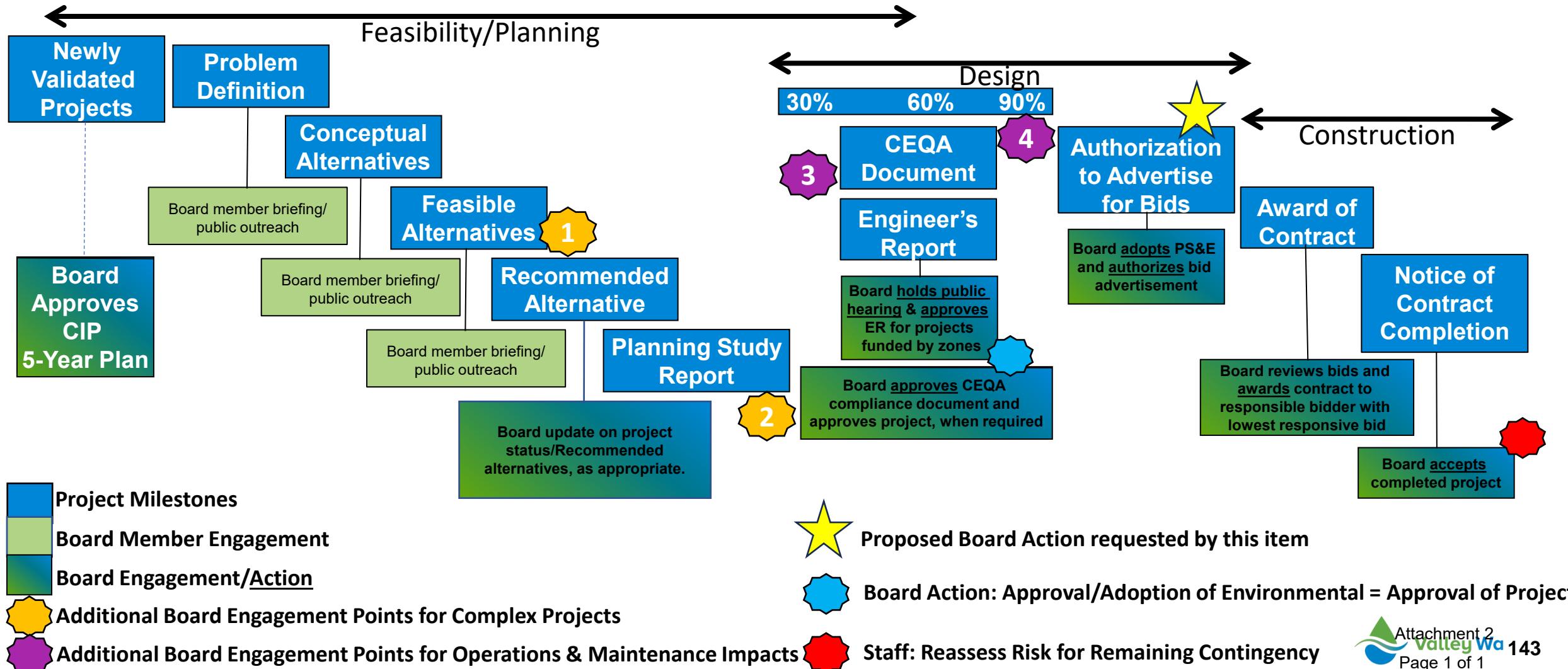
By order of the Board of Directors of the Santa Clara Valley Water District, San Jose, California,
on JANUARY 27, 2026.

CANDICE KWOK-SMITH
Clerk, Board of Directors

CIP Processes Overview

BOARD ACTION & ENGAGEMENT: CAPITAL PROJECT DELIVERY PROCESS*

* This is an example of the Project Delivery Process that may be followed and may not apply to all capital projects.



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East Pipeline Inspection and Rehabilitation Project Overview Map



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Santa Clara Valley Water District

File No.: 26-0142

Agenda Date: 1/27/2026

Item No.: *4.4.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Accept the CEO Bulletin for the Weeks of January 9 - 22, 2026.

RECOMMENDATION:

Accept the CEO Bulletin.

SUMMARY:

The CEO Bulletin is a weekly communication to the Board of Directors for the CEO, assuring compliance with Executive Limitations Policy EL-7: The BAOs inform and support the Board in its work. Further, a BAO shall inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established, and report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

CEO Bulletins are produced and distributed to the Board weekly as informational items, and then placed on the bimonthly, regular Board meeting agendas to allow opportunity for Board discussion on any of the matters contained therein.

ENVIRONMENTAL JUSTICE IMPACT:

The CEO Bulletin is not subject to environmental justice analysis.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

File No.: 26-0142

Agenda Date: 1/27/2026
Item No.: *4.4.

ATTACHMENTS:

Attachment 1: 012226 CEO Bulletin

UNCLASSIFIED MANAGER:

Melanie Richardson, 408-630-2017

CEO BULLETIN



To: **Board of Directors**
From: **Melanie Richardson, Interim CEO**

Weeks of January 8, 2026 – January 22, 2026

Board Executive Limitation Policy EL-7:

The Board Appointed Officers shall inform and support the Board in its work. Further, a BAO shall 1) inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established and 2) report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

Item	IN THIS ISSUE
<u>1</u>	Safe, Clean Water Grant Closeout: Silicon Valley Bicycle Coalition's Wheels and Waterways Project
<u>2</u>	Safe, Clean Water Mini-Grant Closeout: Bay Area Ridge Trail Council's Ridge Trail Service Day Project
<u>3</u>	Safe, Clean Water Mini-Grant Closeout: Children's Discovery Museum of San Jose's Guadalupe River Watershed Exhibit Project
<u>4</u>	Safe, Clean Water Refill Station Grant Closeout: AchieveKids' Valley Water Refill Station Project
<u>5</u>	Safe, Clean Water Standard Grant Cancellation: Downtown Streets, Inc.'s Upper Penitencia Creek Cleanup, Outreach, and Revitalization Project

1. Safe, Clean Water Grant Closeout: Silicon Valley Bicycle Coalition's Wheels and Waterways Project

In Fiscal Year 2021, Valley Water awarded Silicon Valley Bicycle Coalition (SVBC) a \$50,000 Safe, Clean Water Program B7 Grant for their Wheels and Waterways Project (Project). SVBC completed the Project in May 2025 and submitted the final invoice items in November 2025, allowing for grant closeout.

Silicon Valley Bicycle Coalition is a 501(c)(3) non-profit organization that promotes safer, more sustainable communities through bicycling. The Project supported a quarterly community bike ride series at creek trail locations throughout Santa Clara County, including Guadalupe River, Coyote Creek, Penitencia Creek, and Stevens Creek. Each ride combined guided educational stops, expert speakers, and hands-on creek cleanups to teach participants about watershed stewardship, water conservation, flood protection, riparian ecosystem health, and environmental justice. The Project also recruited new beginner riders, working with 23 local partners to expand community confidence in sustainable transportation.

Key Outcomes:

- Engaged 376 residents through 17 educational bike rides across four creek trail systems.
- Removed 6,230 pounds of trash during six cleanup events and transported waste by bicycle and bicycle trailers along the Guadalupe River, Coyote Creek, Penitencia Creek, and Stevens Creek.
- Increased awareness of watershed health, flood protection, and sustainable mobility through six educational group rides.

For further information, please contact Rachael Gibson at (408) 630-2884.

2. Safe, Clean Water Mini-Grant Closeout: Bay Area Ridge Trail Council's Ridge Trail Service Day Project

In Fiscal Year 2025, Valley Water awarded Bay Area Ridge Trail Council (BARTC) a \$10,000 Safe, Clean Water Program F9 Mini-Grant for their Ridge Trail Service Day (Project). BARTC completed the Project in November 2025 and submitted the final invoice items in December 2025, allowing for grant closeout.

Bay Area Ridge Trail Council is a 501(c)(3) non-profit organization dedicated to creating and sustaining the trail network in Santa Clara County and around the San Francisco Bay Area through stewardship, partnerships, and community engagement. The grant funds supported the BARTC's Ridge Trail Service Day, an annual volunteer stewardship event at three Santa Clara County locations, including Sierra Vista Open Space Preserve in San José, Sanborn County Park's Skyline Trail in Saratoga, and Coyote Creek Trail at Tully Ballfields in San José. In total, 125 volunteers and staff contributed 315 volunteer hours, and conducted trail maintenance, habitat restoration, and debris removal.

Key Outcomes:

- Improved public access by maintaining and restoring two miles of trail and removing 104 bags of trash.
- Strengthened regional collaboration in Santa Clara County through partnerships with five organizations supporting conservation and trail stewardship.
- Promoted the Project and raised awareness about trail stewardship through social media and newsletters reaching over 30,000 followers.

For further information, please contact Rachael Gibson at (408) 630-2884.

3. Safe, Clean Water Mini-Grant Closeout: Children's Discovery Museum of San Jose's Guadalupe River Watershed Exhibit Project

In Fiscal Year 2024, Valley Water awarded Children's Discovery Museum of San Jose (CDMSJ) a \$5,000 Safe, Clean Water Program F9 Mini-Grant for their Guadalupe River Watershed Exhibit (Project). CDMSJ completed the Project on October 24, 2025, and submitted the final invoice items in November 2025, allowing for grant closeout.

The Children's Discovery Museum of San Jose is a 501(c)(3) non-profit organization dedicated to inspiring learning through interactive, hands-on exhibits for children and families. The Project supported the creation of a permanent, outdoor exhibit in the museum's environmental education area, Bill's Backyard, at the Junior Ranger Station in San José.

Weeks of January 8, 2026 - January 22, 2026

The exhibit features a detailed three-dimensional watershed model and map that highlights different geographical features and demonstrates the impact of human activity on the local watershed. The exhibit serves as an educational tool to promote the importance of watershed protection and water conservation. Multilingual signage in English, Spanish, and Vietnamese provides accessible environmental education for diverse audiences.

Key Outcomes:

- Invited 52 fourth- and fifth-grade students to engage with the exhibit and participate in a post-visit survey.
- 87% of students agreed that they improved their understanding of watersheds after visiting the outdoor exhibit at the Children's Discovery Museum.
- 85% of students demonstrated awareness of human impacts on local watersheds.

For further information, please contact Rachael Gibson at (408) 630-2884.

4. Safe, Clean Water Refill Station Grant Closeout: AchieveKids' Valley Water Refill Station Project

In Fiscal Year 2025, Valley Water awarded AchieveKids a \$5,000 Safe, Clean Water Program F9 Refill Station Grant for their Valley Water Refill Station Project located in San José. AchieveKids completed the Project and submitted the final invoice items on June 11, 2025, allowing for grant closeout.

AchieveKids is a 501(c)(3) non-profit organization dedicated to empowering students with individualized support, confidence, and lifelong learning in special education. The new water refill station replaced an existing water fountain near a high-traffic area next to the bathrooms, where it is easily accessible for students and visitors. The installation improves water access during programming and supports youth, staff, and visitors.

Key Outcomes:

- Installed a new refill station serving over 80 students and staff daily, as well as during community events.
- Expanded clean water access for students from kindergarten through 12th grade.
- Supports access to clean drinking water, as well as student health, hydration, and sustainability.

For further information, please contact Rachael Gibson at (408) 630-2884.

5. Safe, Clean Water Standard Grant Cancellation: Downtown Streets, Inc.'s Upper Penitencia Creek Cleanup, Outreach, and Revitalization Project

In Fiscal Year 2022, Valley Water awarded Downtown Streets, Inc. a \$78,782.72 Safe, Clean Water Program F9 Standard Grant for their Upper Penitencia Creek Cleanup, Outreach, and Revitalization Project (Project). The Project intended to reduce trash and pollution along a three-mile stretch of Upper Penitencia Creek between Berryessa Road and Highway 680 while providing workforce development opportunities for individuals experiencing or at risk of homelessness. The Project also intended to strengthen community stewardship and support unhoused residents through cleanups, outreach, and educational events.

Weeks of January 8, 2026 - January 22, 2026

The agreement was executed on May 9, 2024, with an initial end date of May 9, 2029. The Project achieved partial progress, including the removal of trash, engagement of volunteers, and outreach activities. On September 11, 2025, Downtown Streets provided a formal notice of contract termination citing financial and political challenges and ceased operations on October 31, 2025. As a result of the early termination, \$33,948.28 of the total project budget remained unspent.

Key Outcomes:

- Removed 194,464 cubic yards of trash from the Upper Penitencia Creek area.
- Hosted 106 community cleanup events, engaging a total of 212 volunteers.
- Distributed 364 hygiene kits to individuals during outreach efforts.
- Conducted outreach at 106 different sites to support unhoused residents and connect them with resources.

For further information, please contact Rachael Gibson at (408) 630-2884.



Santa Clara Valley Water District

File No.: 25-1070

Agenda Date: 1/27/2026

Item No.: 5.1.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Authorize the Chief Executive Officer to Execute the Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with Peninsula Open Space Trust; Approve a Budget Adjustment in the Amount of \$3,950,000 to the Fiscal Year 2026 Budget of the Safe, Clean Water and Natural Flood Protection Program's Project D7 Conservation of Habitat Lands, Project No. 26072008; and Authorize Transfer of \$3,950,000 of Project No. 26072008 Funds to the Peninsula Open Space Trust for Acquisition of Sargent Ranch.

RECOMMENDATION:

- A. Authorize the Chief Executive Officer to execute the Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with the Peninsula Open Space Trust for the Safe, Clean Water and Natural Flood Protection (Safe, Clean Water) Program's Project D7: Partnerships for the Conservation of Habitat Lands, Project No. 26072008, in the amount of \$3,950,000;
- B. Approve the budget adjustment in the amount of \$3,950,000 from Fund 26 Operating and Capital Reserves to the Fiscal Year 2026 Budget of the Safe, Clean Water Project D7 Partnerships for the Conservation of Habitat Lands, Project No. 26072008, to fully fund the Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with the Peninsula Open Space Trust; and
- C. Authorize the transfer of funds in the amount of \$3,950,000 to the Peninsula Open Space Trust to support the acquisition of Sargent Ranch, consistent with the Safe, Clean Water Project D7 Funding Criteria.

SUMMARY:

Safe, Clean Water Program's Project D7 Partnerships for the Conservation of Habitat Lands (SCW Project D7)

In November 2020, Santa Clara County voters overwhelmingly approved Measure S, a renewal of Santa Clara Valley Water District's (Valley Water) Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program). The Safe, Clean Water Program identified six priorities, with Priority D being, "Restore Wildlife Habitat and Provide Open Space." The seven projects under Priority D restore and protect wildlife habitat, with SCW Project D7 focusing on Partnerships for the

Conservation of Habitat Lands.

SCW Project D7 funding helps the community acquire and protect important habitat land to preserve local ecosystems. The project supports implementation of multi-agency agreements, such as the Valley Habitat Plan, that pool mitigation or conservation dollars to protect or restore large areas of habitat land. Acquiring, restoring, connecting and protecting habitat areas helps native species to adapt to a changing climate. Large, contiguous land patches allow species room to move and adapt, to find cover from the damaging effects of climate change and to reestablish resting and rearing areas.

Funding Criteria for SCW Project D7 consist of:

- Protects, enhances and restores natural resources in Santa Clara County
- Contributes to the recovery of special status species
- Coordinates regional mitigation or conservation projects to create larger, less fragmented conservation lands that are more beneficial for wildlife and the environment
- May fulfill a portion of Valley Water's responsibilities to the Valley Habitat Plan
- Addresses climate change effects such as habitat fragmentation and biodiversity loss by conserving and restoring habitat land

The key performance indicator (KPI) for SCW Project D7 requires that Valley Water provide up to \$8 million per 15-year SCW period for the acquisition or enhancement of property for the conservation of habitat lands, with the first financial cycle being FY2022-FY2036. Under this project, \$4,000,000 was already provided to the Santa Clara Valley Habitat Agency in FY24 towards the acquisition of Richmond Ranch.

In working towards meeting the SCW Project D7 commitment, Valley Water continually explores partnerships and identifies opportunities for acquisition and enhancement of habitat lands. In coordination with our conservation partner, the Peninsula Open Space Trust (POST), Valley Water identified Sargent Ranch as a high-priority conservation property that meets SCW Project D7 funding criteria. Pending Board approval, Valley Water would like to participate in pooling conservation funds for the acquisition of Sargent Ranch.

Sargent Ranch

Sargent Ranch is an approximately 5,254- acre property located at the southern end of the Santa Cruz Mountains within the southernmost portion of Santa Clara County, just south of the City of Gilroy (Attachment 1). The property is adjacent to and west of Highway 101, approximately one mile SW of the Highway 25 interchange. Natural habitats on the property include California annual grassland, coast live oak woodland, mixed riparian woodland, and spring-fed ponds, seeps, and seasonal wetlands. Numerous state and federally listed species, as well as other special-status species have been documented on or in the vicinity of Sargent Ranch, and two regionally significant wildlife linkages occur on the property. Tar Creek and Pescadero Creek are among the few watercourses in the Pajaro River basin that still support the federally-listed South-Central California Coast steelhead. In addition, the complex of natural tar pits located at Sargent Ranch is a regionally unique natural feature.

Sargent Ranch is part of the *Juristac Tribal Cultural Landscape*, which is in the heart of the traditional

territory of the Amah Mutsun Tribal Band. POST intends to transfer the property to the Amah Mutsun Land Trust, once all of Sargent Ranch is protected. This transfer will occur in phases over several years on a timeline that meets the needs and capacity of the Amah Mutsun Land Trust.

Valley Water wishes to provide \$3,950,000 of SCW Project D7 funds to POST towards their acquisition of an approximately 2,184.41-acre portion of Sargent Ranch. As described above and in the Grant Agreement for Funding Acquisition of Real Property Sargent Ranch (Attachment 2), the property substantially meets the SCW Project D7 funding criteria. Valley Water would transfer funds to POST following close of escrow with the seller, expected to occur in January 2026. Valley Water would be participating in the second phase of a three-phased acquisition of the property. The total purchase price of this second phase of Sargent Ranch is anticipated to be \$23,078,708. Other conservation partners in the acquisition may include the Land Trust of Santa Cruz County; Santa Clara County Parks and Santa Clara Valley Habitat Agency.

SCW Project D7 FY2026 Budget Adjustment and Transfer of Funds to Peninsula Open Space Trust

To fully fund the agreement with POST discussed above, Board approval is being sought for a \$3,950,000 budget adjustment from Fund 26 Operating and Capital Reserves to the Fiscal Year 2026 Budget of the Safe, Clean Water Project D7 Partnerships for the Conservation of Habitat Lands, Project No. 26072008. In addition, Board authorization is requested for the transfer of funds in the amount of \$3,950,000 to POST to support the acquisition of Sargent Ranch consistent with the Safe, Clean Water Project D7 Funding Criteria.

Each project under the Safe, Clean Water Program has KPIs that must be met to consider the project as completed. The KPI for Project D7 is to provide up to \$8,000,000 for the enhancement or acquisition of property for the conservation of habitat lands. \$4,000,000 was already provided to the Santa Clara Valley Habitat Agency in Fiscal Year 2024 towards the acquisition of Richmond Ranch. Approval of staff's recommendations will result in the completion of Safe, Clean Water Project D7 commitments for this entire FY2022-2036 Safe, Clean Water Program funding cycle.

ENVIRONMENTAL JUSTICE IMPACT:

This action is not subject to Environmental Justice Analysis because no likely adverse impacts are expected.

FINANCIAL IMPACT:

SCW Project D7's (Project No. 26072008) current Fiscal Year 2026 Services and Supplies budget is \$0. A total of up to \$8,000,000 in D7 funds is allocated for expenditure under the Safe, Clean Water Program Fund (Fund 26) for the current 15-year Safe, Clean Water Program cycle (FY2022-2036). \$4,000,000 was spent in Fiscal Year 2024 and approximately \$50,000 of staff time has been spent, with approximately \$3,950,000 of Project funds remaining. If authorized by the Board, this \$3,950,000 budget adjustment will be funded from the Fund 26 Operating and Capital Reserve pertaining to Project D7's allocation under the current 15-year cycle of the Safe, Clean Water Program. Valley Water will provide POST with a total of \$3,950,000 towards the acquisition of

Sargent Ranch.

CEQA:

Valley Water serves as the lead agency under CEQA and prepared a Notice of Exemption included as Attachment 3. Staff has reviewed the project and finds the Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with Peninsula Open Space Trust is exempt from further CEQA review under CEQA Guidelines §15325, Transfer of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources. Staff will file the NOE with the Santa Clara County Clerk-Recorder's Office and State Clearinghouse after execution of the Agreement.

ATTACHMENTS:

Attachment A: Gov. Code § 84308
Attachment 1: Property Location
Attachment 2: Grant Agreement
Attachment 3: CEQA NOE
Attachment 4: PowerPoint

UNCLASSIFIED MANAGER:

Lisa Bankosh, 408-630-2618

Attachment A: Gov. Code § 84308
Sargent Ranch Grant Agreement

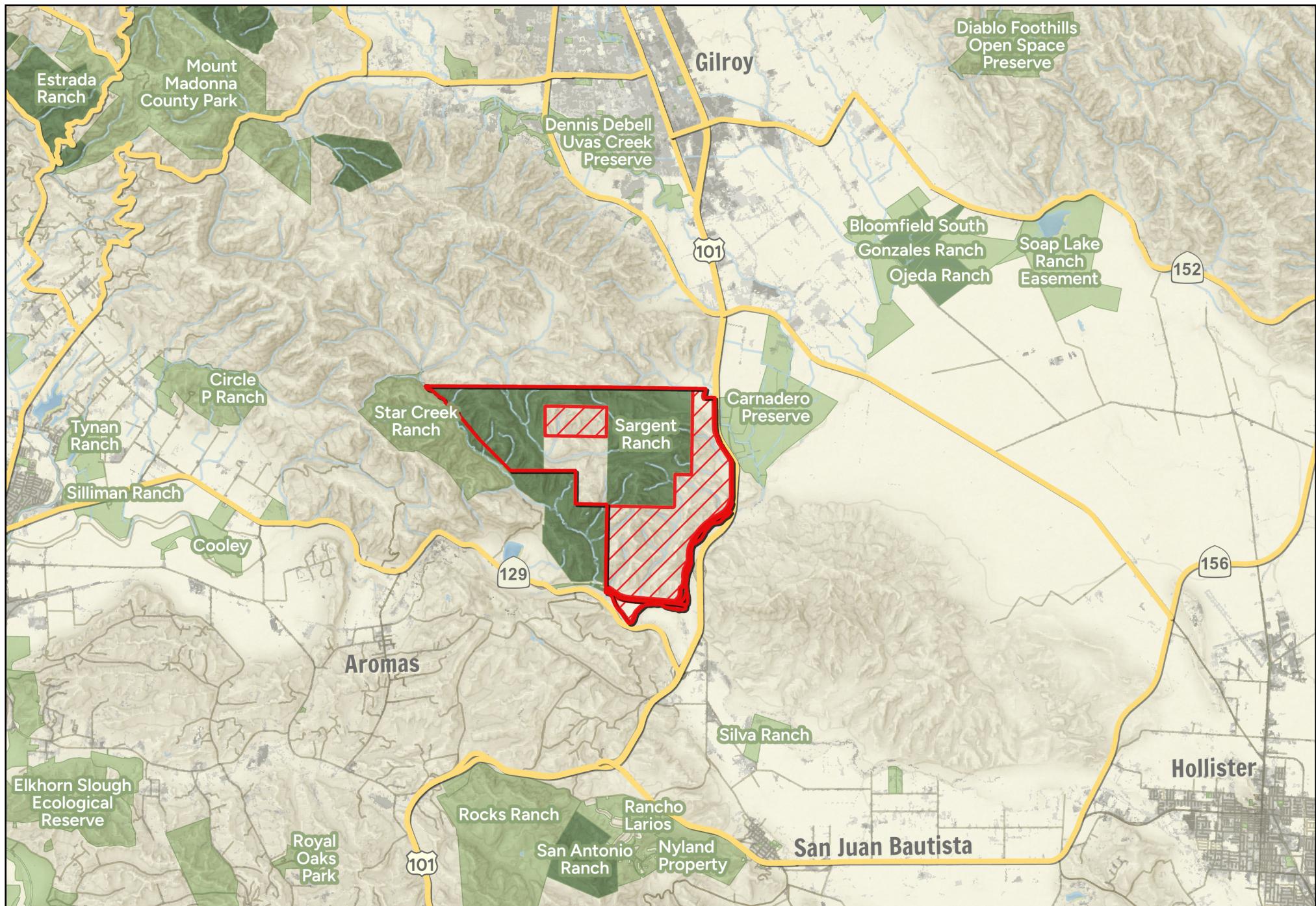
List of Parties and Their Agents/Representatives Known to Staff:

<u>Organization Name</u>	<u>Name</u>	<u>Role</u>	<u>Location</u>
Peninsula Open Space Trust	Clark, Gordon	President	Palo Alto, CA

List of Participants and Their Agents/Representatives Known to Staff:

<u>Organization Name</u>	<u>Name</u>	<u>Role</u>	<u>Location</u>

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Sargent Ranch **CONFIDENTIAL**

POST

Property Boundary
Phase 2

POST-Protected Land
Other Protected Land

Map date: 12/3/2025
Sources: ESRI, POST, CPAD, San Benito/Santa Cruz/Santa Clara/Monterey County.

Attachment 1
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Page 1 of 1 4 159

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SANTA CLARA VALLEY WATER DISTRICT

GRANT AGREEMENT FOR FUNDING ACQUISITION OF REAL PROPERTY

(SARGENT RANCH)

This Grant Agreement for Funding Acquisition of Real Property (Agreement), effective January 27, 2026, is entered into by and between the Santa Clara Valley Water District, a California special district (Valley Water), and Peninsula Open Space Trust, a California nonprofit public benefit corporation (POST), in accordance with Valley Water's Safe, Clean Water and Natural Flood Protection Program's Project D7: Partnerships for the Conservation of Habitat Lands (Project D7). Valley Water and POST may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement." This Agreement provides for funding from Valley Water towards the acquisition of 2184.41 acres of property commonly known as a portion of Sargent Ranch (Property) in fee simple title by the POST (Project).

RECITALS

WHEREAS, Valley Water's mission is to provide Silicon Valley safe, clean water for a healthy life, environment, and economy;

WHEREAS, In November 2012, the voters of Santa Clara County passed Measure B establishing a special tax to fund the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program). In November 2020 the voters of Santa Clara County passed Measure S renewing the special tax until ended by voters;

WHEREAS, The renewed Safe, Clean Water Program special tax provides funding for activities consistent with this Project D7: Partnerships for the Conservation of Habitat Lands, focused on restoring wildlife habitat and providing open space;

WHEREAS, POST submitted a funding request to Valley Water for its Project to carry out acquisition of the Property, which is anticipated to close on or before January 29, 2026;

WHEREAS, Valley Water will contribute Safe, Clean Water funds after said closing by POST in accordance with this Agreement pursuant to Priority D: Restore Wildlife Habitat and Provide Open Space;

WHEREAS, Safe, Clean Water funds allocated pursuant to this Agreement will further Valley Water's efforts to achieve the Project D7 key performance indicator #1 (Provide up to \$8 million per 15-year period for the acquisition or enhancement of property for the conservation of habitat lands);

WHEREAS, The Property is located entirely within the Juristac Tribal Cultural Landscape, a complex of interconnected Indigenous sacred sites, village sites and elements such as specific springs, waterways, plant populations and landscape features associated with traditional cultural and spiritual practices. Juristac is considered by the Amah Mutsun Tribal Band to be a place of great spiritual power and was the location of the tribe's most important ceremonies for healing and renewal.

WHEREAS, the Property is a critical landscape linkage for wildlife that is widely recognized in the conservation community and the property is known for its scenic beauty and unique natural features such as its tar springs, live oak trees, and free-flowing streams.

WHEREAS, Valley Water has developed funding criteria for the allocation of Project D7 funds that will help achieve its Safe, Clean Water Project D7 objectives; ensure that the allocation protects, enhances, and restores natural resources in Santa Clara County, contributes to the recovery of special status species, coordinates regional mitigation or conservation projects to create larger, less fragmented conservation lands that are more beneficial for wildlife and/or may fulfill a portion of Valley Water's responsibilities to the Santa Clara Valley Habitat Plan, and addresses climate change such as habitat fragmentation and biodiversity loss by conserving and restoring habitat land;

WHEREAS, POST seeks to conserve habitat lands by acquiring the Property; which substantially meets the funding criteria;

NOW THEREFORE, for good and valuable consideration, which the Parties acknowledge is sufficient, the Parties agree as follows:

SECTION 1. RECITALS

The recitals set forth above are incorporated herein.

SECTION 2. PROJECT FUNDING

2.1 Valley Water shall provide to the POST Safe, Clean Water and Natural Flood Protection Program's Project D7 funds of up to \$3,950,000 (Grant Funds), upon and subject to the terms and conditions of this Agreement towards the acquisition of fee simple interest in the Property, which comprises approximately 2184.41 acres of land known as a portion of Sargent Ranch at APNs 810-37-005, 810-37-007, 810-38-002, 810-38-017, 810-83-014, and 810-83-015 and is more particularly described in the legal description attached hereto as Exhibit A.

2.2 The Grant Funds shall be used only for the purpose of POST's acquisition of fee simple title of the Property. Exhibit A provides a description of how the Property meets Valley Water's funding criteria for the allocation of Safe, Clean Water and Natural Flood Protection Program's Project D7 funds.

2.3 POST covenants and agrees that if Valley Water disburses the Grant Funds to POST, the Property shall be held and used for the conservation of habitat lands as well as protection of cultural resources and land for tribal activities, stewardship, education and related facilities.

SECTION 3. EFFECTIVE DATE AND TERM OF AGREEMENT

The term of this Agreement shall begin on the date it is fully executed and shall end on July 30, 2030 subject to the provisions of Section 12 herein.

SECTION 4. CONDITIONS OF GRANT

Valley Water's obligation to disburse Grant Funds under this Agreement is conditioned upon and subject to the satisfaction of all of the following conditions precedent:

- 4.1. POST shall acquire the Property from a willing seller for a purchase price that does not exceed ten percent (10%) above the fair market value of the Property, as established by an appraisal that is conducted by an appraiser who is duly licensed California's Business and Professions Code. The appraisal shall be prepared pursuant to the Uniform Standards of Professional Appraisal Practice ("USPAP"). The appraisal shall become part of the Project file maintained by Valley Water and shall be retained for no less than three years from the date of value.
- 4.2. POST shall have secured all acquisition funds beyond those granted under this Agreement that are/were needed for POST to complete the acquisition of the Property in fee title.
- 4.3. The acquisition of the Property must be fully completed by January 30, 2026, or unspent funds will revert to Valley Water.

4.4 POST shall record or cause to be recorded a Notice of Unrecorded Agreement (the "Notice"), incorporating by reference this Agreement and giving public notice that POST received funds under this Agreement in order to assist POST in acquiring the Property and that, in consideration for the receipt of the Grant Funds, POST has agreed to the terms of this Agreement. The Notice shall be in the form of Exhibit C and shall be recorded after POST has received funds under this Agreement.

SECTION 5. DISBURSEMENT PROCEDURE

- 5.1. Except as provided in Section 7, upon satisfaction of all of the above Conditions of Grant in Section 4, POST shall request disbursement of the Grant Funds by sending a letter to Valley Water ("Disbursement Request"). The Disbursement Request shall be signed by an authorized representative of POST and shall contain all of the following:

- a. Name and address of POST;
- b. Project Name;
- c. Dollar amount and purpose of disbursement;
- d. Bank account information and wiring instructions to which the Grant Funds will be disbursed.
- e. Documentation that demonstrates to the satisfaction of Valley Water, that POST has satisfied the requirements of Section 4, including but not limited to, the Notice, a conformed copy of the recorded deed(s), with all recording information, as well as a copy of the final closing or settlement statement and the

title insurance policy insuring POST as the owner of fee simple title to the Property.

5.2. After receipt of the Disbursement Request, Valley Water shall verify whether POST has complied with the requirements of Section 4, and following such verification shall disburse the Grant Funds directly into an account designated by POST.

SECTION 6. POST's COVENANTS

In consideration of Valley Water's disbursement of the Grant Funds, POST hereby covenants and agrees as follows:

6.1. The Grant Funds shall be used as purchase money only, which excludes escrow and title fees and any other fees and costs incurred to accomplish the transaction and the conveyance and acquisition of the Property.

6.2. The Property shall be held, used, or transferred only in a manner that is consistent with this Agreement, including the funding criteria for the allocation of Project D7 funds referred to in Recital G above.

6.3. POST shall recognize the cooperative nature of the acquisition and shall provide credit to Valley Water on signs, demonstrations, promotional materials, advertisements, publications, or exhibits prepared or approved by POST referencing the Project. Subject to the mutual agreement of Valley Water and POST regarding text, design, and location, POST shall post sign(s) on the Property to indicate the participation of Valley Water in POST's purchase of the Property; *provided however*, that the sign(s) shall display Valley Water's renewed Safe, Clean Water Program logo, as shown on Exhibit-B.

6.4. The Property (including any portion of it or any interest in it) shall not be sold, transferred, exchanged, or otherwise conveyed without the written approval of Valley Water. Such approval shall not be unreasonably withheld as long as the Property shall continue to be held and used only in a manner consistent with this Agreement, including the funding criteria for the allocation of Project D7 funds referred to in Recital G above, and each successor-in-interest assumes and agrees in writing, in a form acceptable to Valley Water, to be bound by the terms, covenants, and conditions of this Agreement. The Parties acknowledge POST's partnership with the Amah Mutsun Land Trust (AMLT), and POST's intent to transfer the Property to the AMLT. Valley Water will consider any potential future transfer of the Property to the AMLT subject to the AMLT's assumption and agreement to be bound by the terms, covenants, and conditions of this Agreement.

6.5. The Property may not be used as security for any debt without the written approval of Valley Water, which approval shall not be unreasonably withheld.

6.6. POST shall provide to Valley Water copies of documents related to the closing of the above transaction as requested by Valley Water. These documents shall become part of the Project file maintained by Valley Water.

6.7. At the request of Valley Water, not less than once in any period of three calendar years, POST shall allow designated staff of Valley Water to access the Property, accompanied by a POST-designated tribal/cultural resource guide, to assess compliance with the terms, covenants and conditions of this Agreement. These rights are separate and independent of Valley Water's rights to access the Property for purposes of scientific surveys or research as set forth in Section 6.10 below.

6.8. Valley Water shall be notified of events, opening ceremonies, or ribbon cuttings, associated with the acquisition for inclusion and representation by Valley Water. Invitation will include a speaking role for members of Valley Water's Board of Directors.

6.9 Valley Water shall have access to the Property for the purpose of providing scientific surveys or research upon approval by POST, which approval shall not be unreasonably withheld, but will be subject to consultation with the Amah Mutsun Tribal Band to ensure that tribal/cultural resources and uses are not negatively impacted. Valley Water shall provide POST with written notice prior to conducting any surveys or research including the nature of the survey or research, the proposed methods to be used, and a plan for tribal consultation.

SECTION 7. BREACH AND DEFAULT

7.1. In the event of a breach of any of the terms, covenants or conditions of this Agreement, Valley Water shall give written notice to POST describing the breach. Notice shall be addressed to POST at POST's address for notices set forth in this Agreement.

7.2. If POST does not cure the breach within 90 days of the date a notice of breach is given or, if the breach is not curable within said 90-day period, POST does not commence the cure within the 90-day period and diligently pursue it to completion, then POST shall be in default ("Default") under this Agreement.

7.3. POST shall also be in Default under this Agreement upon the discovery that information given to Valley Water by or on behalf of POST under or in connection with obtaining this Agreement was materially false or misleading. Notice of a Default under this Section 7.3 shall be given in accordance with Section 7.1.

SECTION 8. REMEDIES

In the event of a Default under this Agreement, in addition to any and all remedies available at law or in equity, Valley Water may seek specific performance of this Agreement. POST agrees that payment by POST to Valley Water of an amount equal to the Grant Funds disbursed under this Agreement would be inadequate compensation to Valley Water for any Default because the benefit to be derived by Valley Water from full compliance by POST with the terms of this Agreement is the purposes of restoring wildlife habitat and providing open space as well as

protection of cultural resources and land for tribal activities, stewardship, education and related facilities.

SECTION 9. RELATIONSHIP OF PARTIES.

The Parties acknowledge and agree that nothing set forth in this Agreement shall be deemed or construed to render the Parties as joint venturers, partners, agents, a joint enterprise, employer-employee, lender-borrower or contractor of each other. Neither Party shall have any authority to employ any person as employee or agent on behalf of the other for any purpose.

No Party, nor any person using or involved in or participating in any actions or inactions relating to this Agreement, shall be deemed an employee or agent of the other, nor shall any such person or entity represent himself, herself or itself to others as an employee or agent of the other.

SECTION 10. ASSIGNABILITY.

Neither Party shall assign or transfer any interest in this Agreement nor the performance of any obligations hereunder, without the prior written consent of the other Party, and any attempt by either Party to so assign this Agreement or any rights, duties, or obligations arising hereunder shall be void and of no effect.

SECTION 11. NONDISCRIMINATION.

In the performance of the Agreement, POST will comply with all applicable federal, state, local laws and regulations, and will not discriminate on the basis of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, color, national origin (including language use restrictions), ancestry, religious creed (including religious dress and grooming practices), political affiliation, disability (mental and physical, including HIV or AIDS), medical condition (cancer and genetic characteristics), genetic information, marital status, parental status, gender, age (40 and over), pregnancy, military and veteran status, sexual orientation, gender identity and gender expression, the exercise of family and medical care leave, the exercise of pregnancy disability leave, or the request, exercise, or need for reasonable accommodation.

SECTION 12. TERMINATION.

Prior to Valley Water's disbursement of the Grant Funds, either party shall have the right to terminate this Agreement, without cause, by giving not less than thirty calendar (30) days' written notice of termination to the nonterminating Party.

If either Party fails to perform any of its material obligations ("material breach") under this Agreement, in addition to all other remedies provided by law, the Party claiming material breach may terminate this Agreement immediately upon written notice. The thirty-day notice requirement set forth in this section 12 above shall not apply for any such for-cause terminations.

POST's Executive Officer is empowered to terminate this Agreement on behalf of POST. Valley Water's Chief Executive Officer is empowered to terminate this Agreement on behalf of Valley Water.

SECTION 13. AUDIT

POST shall maintain complete and accurate records of its actual Project costs, in accordance with generally accepted accounting principles and practices, and shall retain said records for at least three years after final disbursement by Valley Water. During such time, POST shall make said records available (or cause them to be made available) to the State of California for inspection and audit purposes during normal business hours. Expenditures not documented, and expenditures not allowed under this Agreement or otherwise authorized in writing by Valley Water shall be borne by POST. The audit shall be confined to those matters connected with this Agreement.

SECTION 14. GOVERNING LAW.

This Agreement, and all the rights and duties of the parties arising from or relating in any way to the subject matter of this Agreement and the transactions contemplated by it, shall be governed by, construed and enforced in accordance with the laws of the State of California. Any suit or proceeding relating to this Agreement, including mediation or other alternative dispute resolution proceedings, shall be brought only in Santa Clara County, California. EACH OF THE PARTIES CONSENT TO THE EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS, STATE AND FEDERAL, LOCATED IN SANTA CLARA COUNTY, CALIFORNIA.

SECTION 15. INDEMNIFICATION

POST shall indemnify, protect and hold harmless Valley Water and its directors, officers, agents, and employees (each an "Indemnified Party"), from and against any and all claims, demands, damages, liabilities, losses, costs (including attorneys' fees) and expenses (collectively, "Claims") arising out of, connected with, or incident to this Agreement or the acquisition, ownership, use, management, operation or maintenance of the Property, except that POST shall have no obligation to indemnify or hold harmless an Indemnified Party for Claims caused by the negligent or wrongful act of that Indemnified Party.

SECTION 16. WAIVER.

Valley Water and POST agree that waiver by either party of any breach or violation of any term or condition of this Agreement shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. The acceptance by either Party of the performance of any Agreement terms or conditions, in whole or in part, shall not be deemed to be a waiver of any other term or condition, in whole or in part, of this Agreement.

SECTION 17. NOTICES.

All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be personally served or mailed postage prepaid, or electronically provided, and return receipt requested, addressed to the respective parties as follows:

To POST:

President
Peninsula Open Space Trust
222 High Street
Palo Alto, CA 94301
Email: transactions@openspacetrust.org

To Valley Water:

Santa Clara Valley Water District
Melanie Richardson, P. E., Interim Chief Executive Officer
5750 Almaden Expressway San Jose, CA 95118
MRichardson@valleywater.org

With copy to:

Santa Clara Valley Water District
Lisa Bankosh, Assistant Operating Officer
5750 Almaden Expressway San Jose, CA 95118
LBankosh@valleywater.org

With copy to:

Santa Clara Valley Water District
Clerk of the Board
5750 Almaden Expressway San Jose, CA 95118
clerkoftheboard@valleywater.org

SECTION 18. NO THIRD-PARTY RIGHTS.

The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established herein. This Agreement shall not be construed as nor deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action herein for any cause whatsoever.

SECTION 19. INTERPRETATION, PRIOR AGREEMENTS AND AMENDMENTS.

This Agreement, including all Exhibits attached hereto, represents the entire understanding of the Parties as to the specific subject matter contained herein. In the event the terms specified in any of the Exhibits attached hereto conflict with any of the terms specified in the body of this Agreement, the terms specified in the body of this Agreement shall control. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. No agreement, amendment, modification, understanding or waiver of or with respect to this Agreement or any term, provision, covenant or condition hereof, nor any approval or consent given under or with respect to this Agreement, shall be effective for any purpose unless agreed to in writing and signed by authorized representatives of both Parties to this Agreement.

SECTION 20. SIGNATURES; COUNTERPARTS.

This Agreement may be executed in several counterparts, and all such counterparts so executed together shall be deemed to constitute one and the same agreement, and each such counterpart shall be deemed to be an original. Facsimile or electronic signatures shall have the same legal effect as original or manual signatures if followed by mailing of a fully executed original to both Parties.

SECTION 21. CONSTRUCTION; NEGOTIATED TERMS.

This Agreement shall not be construed as if it had been prepared by any one of the Parties, but rather as if both Parties have prepared it. Each Party has had the opportunity to be advised by legal counsel and other professionals in connection with this Agreement, and each Party has obtained such advice as each Party deems appropriate. The Parties agree that the terms and conditions of this Agreement are the result of negotiations between the Parties and that this Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or its professionals participated in the preparation of this Agreement.

SECTION 22. PARTIAL INVALIDITY OR ILLEGALITY.

If any provision of this Agreement, or the application of it to any person or circumstances, shall to any extent be invalid, void, or unenforceable, the remainder of this Agreement, or the application of this provision to any person or circumstances other than those as to which it is invalid, void or unenforceable, shall not be affected, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law except where such illegal, invalid, void or unenforceable provision is material to the Agreement in which case this Agreement shall be void.

SECTION 23. CAPTIONS.

The captions in this Agreement are inserted for convenience of reference and in no way define, describe, or limit the scope or intent of this Agreement or any of the provisions hereof.

SECTION 24. AUTHORITY.

Each Party executing the Agreement on behalf of such entity represents that he or she is duly authorized to execute and deliver this Agreement on the entity's behalf.

IN WITNESS WHEREOF, the Parties hereby execute this Agreement.

APPROVED AS TO FORM:

“SANTA CLARA VALLEY WATER DISTRICT”, a special district

E. Ray Ruiz
Assistant District Counsel

By: _____
MELANIE RICHARDSON, P.E.
Interim Chief Executive Officer

“POST”
PENINSULA OPEN SPACE TRUST, a
California non-profit public benefit corporation

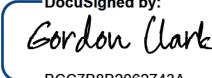
By:  12/22/2025
Gordon Clark
President

EXHIBIT-A

Legal Description of Property:

PARCEL ONE:

Situate in the County of Santa Clara, State of California, and

Being a portion of Parcel One as said parcel is conveyed to DACA SR Pt Loma, LLC by GRANT DEED, recorded January 08, 2016 at 08:27 am in Document 23192117 of Official Records of Santa Clara County, said portion of Parcel One more particularly described as follows:

Lot 4 of the Partition of the Rancho Juristac or La Brea by order of the Superior Court in the County of Santa Clara dated December 3, 1880, allotted to James P. Sargent, Bradley V. Sargent, Roswell C. Sargent, and Jacob L. Sargent, delineated on the Partition Map attached thereto and described as follows, in the Partition Decree recorded December 18, 1880 in Book "I" of Miscellaneous Records, Page 191, Santa Clara County Records, viz:

BEGINNING at a point in the center of the channel of Pescadero Creek upon the Eastern boundary of the Rancho Salsipuedes as patented by the United States, from which point a witness post 4 inches square painted white, marked W.P., standing on the left or East bank of said creek, bears East 44 links, and a live oak tree 2-1/2 feet diameter, marked B.T.J., bears North 24 1/2° East 42 links, and a live oak tree 10 inches diameter, marked B.T.J., bears South 84° East 27 links, this point being the S.W. Comer of Lot No. 1 of this subdivision; thence East 339.44 chains to a post, marked Sin the track of the County Road leading from Gilroy to San Juan on the West boundary of Lot No. 3 of this subdivision, from which a witness post 4 inches square, painted white, bears West 1.10 chains; thence along said road, South 10° 20' West 6.80 chains to a post marked S.C.2; thence South 13° 20' East 3.33 chains to a post marked S.C.1, from which a witness post 4 inches square, painted white, standing at the fence on the East side of said road, bears East 56 links; thence leaving said road and along the South line of said Lot No. 3, East 62.72 chains to a post marked S.C. standing in the willows at the Southeast corner of said Lot No. 3; thence North 15° 50' East 41.74 chains, to post marked J. No. 5. L.A. 3. at a corner of the Rancho Juristac and the Rancho Las Animas as patented by the United States; thence along the boundary of said ranchos, South 63° 15' East 97 chains to the center of the Pajaro River at the Southeast corner of the said Rancho Las Animas; thence down the channel of said river following its meanderings, it being the boundary of the Rancho Juristac as patented by the United States, to the mouth of the Pescadero Creek; thence up the center of the channel of said creek, which is the boundary of the Rancho Jusistac as patented by the United States, to the Southwest corner thereof; thence leaving said creek, North 4.75 chains to a post at the Southwest corner of the Northwest Quarter of Section 1, Township 12 South, Range 3 East; thence West to the East line of the Rancho Salsipuedes as patented; thence along said line, North 27° West to a post marked S on the West or Right bank of the said Pescadero Creek, opposite the Tar Springs and the house formerly occupied by Riley; thence into and up the channel of said Pescadero Creek, which is the Eastern boundary of said Rancho Salsipuedes, to the PLACE OF BEGINNING.

Containing (approximately) 7,233.90 acres, the same being designated on said map as Lot No. 4.

TOGETHER WITH nonexclusive easements appurtenant to portions of said Parcel One for ingress, egress, and access to and from the dominant tenement, as described in the Grants of Easement by CSY Sargent Ranch, L.P. to Fivestar Commerce, Inc. and Sun and Sons Limited Partnership, recorded March 4, 1998 as Instrument No. 14080353 and 14080354, Official Records of Santa Clara County.

EXCEPTING THEREFROM those portions thereof within the area described as a strip of land one hundred feet wide lying equally on each side of the located line of the Pajaro Branch of the Southern Pacific Railroad Company's Railroad, where the same is located through the Juristac Rancho, so called, and running entirely across said Rancho, a distance of 27,977 feet and containing an area of 64.22 acres, more or less, title to which was granted by J.P. Sargent, R.C. Sargent, J.S. Sargent, and B.V. Sargent to the Southern Pacific Railroad Company by deeds dated October 30, 1872 and April 9, 1873, recorded May 28, 1873 and May 10, 1873, respectively, in Book 27 of Deeds, Pages 562 and 565, Santa Clara County records.

ALSO EXCEPTING THEREFROM those portions thereof within the area described as a strip or tract of land one hundred feet wide lying equally on each side of the located line of the Pajaro Branch of the Southern Pacific Railroad Company's Railroad, where the same is located on the northerly side of the Pajaro River, a distance of 1,720 feet and containing an area of 3.94 acres, more or less; also so much land in addition to the foregoing and lying on the northerly side of the same as will include all the slopes and side cuts on the hill sides be the same more or less, title to which was granted by Fernando R. Farman to the Southern Pacific Railroad Company by deed dated December 13, 1872, recorded February 1, 1873 in Book 16 of Deeds, Page 483 and recopied in Book 16 of Deeds, at Page 239 Santa Cruz County records.

ALSO EXCEPTING THEREFROM those portions thereof within the area described as a strip of land 60 feet in width lying equally on each side of the center line of a spur-track as now located having its initial point in the main line of the railroad track of the party of the second part between Sargent's and Chittenden's Stations at Engineer's Station 308+24; running thence in an Easterly direction to the center of the Pajaro River, a total distance across the lands of the party of the first part of 850 feet, more or less, and containing 1.2 acres, more or less, title to which was granted by J.P. Sargent to the Southern Pacific Railroad Company by deed April 30, 1896, recorded May 12, 1896 in Book 191 of Deeds at Page 201, Santa Clara County Records.

ALSO EXCEPTING THEREFROM that certain parcel of land as described in the Indenture, granted by J.P. Sargent Estate Company to the Southern Pacific Railroad Company by deed dated December 12, 1916, recorded January 12, 1917 in Book 451 of Deeds at Page 577, Santa Clara County records.

ALSO EXCEPTING THEREFROM those eight parcels or portions thereof containing (in the aggregate) 21.881 acres, more or less, described in the Grant by Agnes C. Sargent, et al, to Southern Pacific Railroad Company recorded January 13, 1931, in Book 546, Page 489, Official Records of Santa Clara County, and in Book 187, Page 264, Official Records of Santa Cruz

County, upon the terms thereof and subject to the conditions and reservations set forth therein and in the agreement made by and between said parties July 8, 1930, recorded January 13, 1931 in Book 549, Page 249, Official Records of Santa Clara County, and January 20, 1931 in Book 194, Page 59, Official Records of Santa Cruz County.

ALSO EXCEPTING THEREFROM those portions thereof described in the Grants to the State of California for State Highway and/or Freeway purposes, upon the terms thereof and subject to conditions and reservations as set forth therein, recorded January 9, 1941 in Book 1018, Page 321; and August 25, 1954, in Book 2945, Page 644; and in Book 2946, Pages 3 and 11; and October 27, 1969 in Book 8714, Pages 694,698, 702, and 707, Official Records of Santa Clara County.

ALSO EXCEPTING THEREFROM those portions thereof described as Lot 1, Lot 2 and Lot 3 after Lot Line Adjustment in the Certificate of Compliance No. 6133-78-08-97LA, recorded February 12, 1998, Document No. 14052603 and February 17, 1998, as Document No. 14057454, Official Records of Santa Clara County.

IN ADDITION THERETO two of the five parcels of land described as follows in the deed by Southern Pacific Railroad Company to Agnes C. Sargent recorded January 9, 1931 in Book 553, Page 63 Official Records of Santa Clara County, viz:

Parcel "A": BEGINNING at a point which bears South $5^{\circ} 51' 30''$ West a distance of 13,736.2 feet from a concrete monument on the northerly line of the lands of the Sargent Estate distant 3.0 feet Westerly measured along said Northerly line from the Easterly line of the County Highway between Gilroy and Sargent, said point being a point in the Westerly line of the Southern Pacific Railroad Company's Right of Way acquired from J.P. Sargent by deed dated October 30, 1872 and recorded May 10, 1873 in Book 27 of Deeds, Page 562, records of Santa Clara County, distant 50.0 feet Westerly measured at right angles from the point known as Engineer's Station 271+43.3; thence South $7^{\circ} 48' 15''$ West a distance of 146.5 feet to a point; thence on the arc of a curve concave to the left having a radius of 1448.1 feet (tangent to said curve at the last mentioned point bears South $20^{\circ} 02' 55''$ West) an arc distance of 608.9 feet to a point (tangent to last mentioned curve at last mentioned point bears South $4^{\circ} 04' 35''$ East); thence South $8^{\circ} 04' 45''$ West a distance of 146.5 feet to a point in said Westerly Right of Way line; thence along said Westerly Right of Way line North $5^{\circ} 44' 45''$ West a distance of 100 feet to point; thence continuing along said Westerly Right of Way line on the arc of a curve concave to the right having a radius of 1482.5 feet (tangent to said curve at the last mentioned point is the last mentioned course) an arc distance of 710.7 feet to a point; thence continuing along said Westerly Right of Way line tangent to last mentioned curve at the last mentioned point North $21^{\circ} 43' 15''$ East a distance of 100 feet to the POINT OF BEGINNING.

Parcel "B": COMMENCING at said stake where the Easterly boundary line of the Las Aromitas Y Agua Caliente Rancho intersects the center line of the Pajaro River; thence North $34^{\circ} 50' 30''$ West along said Easterly boundary line of said Rancho, a distance of 111.5 feet to a point; thence North $89^{\circ} 45' 30''$ East, a distance of 1342.5 feet to a point; thence South $79^{\circ} 12' 45''$ East a distance of 492.3 feet to a point in the Southerly line of the Southern Pacific Railroad Company's Right of Way as acquired from J.P. Sargent by deed dated October 30, 1872, recorded May 10, 1873, in Book 27 of Deeds, Page 562, records of Santa Clara County, said point being the POINT OF BEGINNING of the parcel of land to be described; thence South $79^{\circ} 12'45''$ East, a distance of 256.2 feet to a point; thence South $70^{\circ} 36'$ East a distance of 450 feet to a point; thence South $68^{\circ} 02'30''$ East a distance of 296.3 feet to a point; thence South $55^{\circ} 37' 30''$ East a distance of 954.2 feet to a point; thence on the arc of a curve concave to the left having a radius of 1482.5 feet (tangent to said curve at the last mentioned point is the last described course) an arc distance of 466.6 feet to a point

in said Southerly line of said Right of Way (tangent to said curve at last mentioned point bears South 73° 39' 30" East); thence along said Southerly line of said Right of Way in a Northwesterly direction on the arc of a curve concave to the right (tangent to said curve at last mentioned point bears South 73° 39' 30" East) having a radius of 2914.8 feet an arc distance of 658.8 feet to a point; thence continuing along said Right of Way line tangent to last mentioned curve at last mentioned point North 60° 42' 30" West a distance of 850 feet to a point; thence continuing along said Right of Way line on the arc of a curve concave to the left having a radius of 5679.6 feet (tangent to said curve at the last mentioned point is the last described course) an arc distance of 793.0 feet to a point; thence continuing along said Right of Way line tangent to last mentioned curve at the last mentioned point North 68° 42' 30" West a distance of 101.3 feet to the POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM all lands lying westerly of the line between Range 3 East and Range 4 East, Mount Diablo Meridian, said Range Line also being the common boundary line of Santa Cruz County and Santa Clara County, as exists in 2025.

ALSO EXCEPTING THEREFROM all of Section 6, Township 12 South, Range 4 East, Mount Diablo Meridian, lying North of Lot No. 45, lying within the Juristac Rancho in Township 12 South, Range 4 East, Mount Diablo Meridian, as patented on November 13, 1871.

ALSO EXCEPTING THEREFROM all of Section 30, Township 11 South, Range 4 East, Mount Diablo Meridian, lying Southerly of the Northerly line of said Lot 4.

ALSO EXCEPTING THEREFROM all of Section 31, Township 11 South, Range 4 East, Mount Diablo Meridian.

ALSO EXCEPTING THEREFROM the West 1/2 of the West 1/2 of Section 32, Township 11 South, Range 4 East, Mount Diablo Meridian.

PARCEL TWO:

BEING all of the North 1/2 of Section 36, Township 11 South, Range 3 East, Mount Diablo Meridian.

END OF DESCRIPTION

Summary of how Property meets Valley Water's funding criteria for the allocation of Safe, Clean Water and Natural Flood Protection Program Project D7 funds:

This Agreement will support the second phase of the Sargent Ranch acquisition, encompassing approximately 2,184.41 acres, including the area intended for development as a sand and gravel mine. This acquisition is part of a larger effort, already initiated by POST, to acquire and protect a total of ± 6,764 acres within the *Juristac Tribal Cultural Landscape* and the Southern Santa Cruz Mountains-Gabilan Mountains wildlife linkage area.

The second phase acquisition (2,184.41 acres) supports the protection of the entire Sargent Ranch property, over 5,200 acres of important wildlife habitat, allowing for the permanent protection and enhancement of local ecosystems and watercourses and their ecological functions within Santa Clara County and the Upper Pajaro River watershed. Once all of Sargent Ranch is protected, the property will connect existing protected lands, creating a contiguous block of 9,500 acres within a landscape that otherwise is held in private ownership and vulnerable to development. The conservation of open space lands in this region at this scale will meaningfully reduce the risks of habitat fragmentation and biodiversity loss, advance regional efforts to conserve and recover special-status species such as the South-Central Coast steelhead and contribute to climate resilience in Santa Clara County and the Pajaro River watershed.

EXHIBIT-B

Valley Water Renewed Safe, Clean Water Program Logo:

YOUR TAX DOLLARS AT WORK



**Safe,
Clean
Water**
and Natural Flood Protection

Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch)
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Valley Water/POST
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Page 16 of 20

Attachment 2
Page 16 of 20

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EXHIBIT-C

**RECORD WITHOUT FEE UNDER CALIFORNIA
GOVERNMENT CODE SECTION 6103**

Recording requested by, and
when recorded, return to:
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose Ca 95118

Space above this line for Recorder's use

APN: 810-37-005, 810-37-007, 810-38-002, 810-38-017, 810-83-014, and 810-83-015

MEMORANDUM OF UNRECORDED AGREEMENT

This Memorandum of Unrecorded Agreement ("Memorandum"), dated as of _____, is recorded to provide notice of an agreement between the Peninsula Open Space Trust (POST), a California Joint Powers Authority, and the Santa Clara Valley Water District, a Special District, created by the California Legislature ("Valley Water").

RECITALS

A. On or about January 27, 2025 POST and Valley Water entered into that certain Agreement (the "Agreement"), pursuant to which Valley Water granted to POST certain funds for the acquisition of real property as described in that certain grant deed recorded on insert recording date, as insert recording file number in the Official Records of Santa Clara County, California (the "Property") The Property covers the area that is more particularly described in the attached Exhibit A incorporated by reference.

B. Under the terms of the Agreement, Valley Water reserved certain rights with respect to the Property.

C. POST is required under the terms of the Agreement to execute this Memorandum to provide constructive notice to all third parties of certain of rights reserved by Valley Water under the Agreement.

NOTICE

1. The Property (including any portion of it or any interest in it) may not be sold or exchanged without the prior written approval of Valley Water, provided that such approval shall not be unreasonably withheld as long as the purposes for which the funds were awarded are maintained.

Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch)
SCW D7 FY 2026
Valley Water/POST
Version 12/18/25

2. For additional terms and conditions of the Grant, reference should be made to the Agreement which is on file with _____ (name and address).

Peninsula Open Space Trust

NAME

TITLE

Dated: _____

EXHIBIT A (OF MEMORANDUM OF UNRECORDED AGREEMENT)

Legal Description of Property:

[TO BE INSERTED]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

CIVIL CODE §1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF SANTA CLARA) SS

On this _____ day of _____, in the year _____, before me

, Notary Public personally appeared _____

Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public in and for said County and State

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document:

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:

Signer's Name:

Individual

Corporate Officer—Title(s): _____

Partner: Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing:



Individual

Corporate Officer—Title(s): _____

Partner: Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

**RIGHT THUMB
OF SIGN**

Top of thumb

Signer Is Representing:



Draft Agreement for Funding Acquisition of Real Property (Sargent Ranch)
SCW D7 FY 2026
Valley Water/POST
Version 12/18/25

Public Notice
Notice of Exemption



To: Santa Clara County
Clerks-Recorder's Office
110 W Tasman Drive – First Floor
San Jose, CA 95134

From: Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3686
Telephone (408) 265-2600

Project Title: Grant Agreement for Funding Acquisition of Real Property (Sargent Ranch) with the Peninsula Open Space Trust (POST) for the Safe, Clean Water Project D7 Partnerships for the Conservation of Habitat Lands, Project No. 26072008

Project Location-Specific: Sargent Ranch, assessor parcel numbers 810-37-005, 810-37-007, 810-38-002, 810-38-017, 810-83-014, and 810-83-015.

Project Location-City: unincorporated

Project Location-County: Santa Clara County

Project Purpose: The Agreement would grant Safe, Clean Water and Natural Flood Protection Program funds to Peninsula Open Space Trust to acquire a portion of Sargent Ranch to preserve and protect habitat, critical wildlife landscape linkages, and a part of the *Juristac* Tribal Cultural Landscape.

Name of Public Agency Approving Project: Valley Water

Name of Agency or Person Carrying Out Project: Valley Water

Exempt Status: (check one)

- Ministerial [§21080(b)(1); 15268]
- Declared Emergency [§21080(b)(3); 15269(a)]
- Emergency Project [§21080(b)(c); 15269(b)(c)]
- Categorical Exemptions [§15325, Transfers of Ownership of Interest in Land to Preserve Existing Natural Conditions and Historical Resources]
- Statutory Exemptions

Reasons Why Project is Exempt:

The proposed Agreement would fund the acquisition of a portion of Sargent Ranch, a high-priority conservation area, to preserve existing natural conditions, including plant or animal habitats; allow restoration of natural conditions; and preserve historical resources. The project meets the parameters described in CEQA Guidelines §15325 for transfers of ownership of interests in land to preserve open space, habitat, or historical resources.

The Agreement meets the requirements of CEQA Guidelines §15325 and is eligible for the Exemption. The Agreement does not include or allow any factors that would preempt the Project's eligibility per CEQA Guidelines §15300.2.

Description of Project

Valley Water proposes to provide funds through the Safe, Clean Water and Natural Flood Protection Program to POST to acquire a 2,184.41-acre portion of the Sargent Ranch property. Sargent Ranch is just south of the City of Gilroy, adjacent to and west of Highway 101 and Carnadero Preserve, north of State Route 129, and east of Star Creek and Pescadero ranches. The area is part of the *Juristac* Tribal Cultural Landscape, traditional territory of the Amah Mutsun Tribal Band. It is also home to numerous special-status species, offers critical wildlife landscape

linkages between the Santa Cruz Mountains and the adjacent Diablo and Gabilan ranges, and supports Tar, Sargent, and Pescadero creeks, which feed into the Pajaro River and Monterey Bay.

Agency Contact Person: Lisa Holm, Valley Water

Area Code/Telephone/Extension: (408) 630-3241

Signature: _____

Date: _____

Title: Lisa Holm
Associate Environmental Planner

cc: CEQA Administrative Record



Valley Water

Clean Water • Healthy Environment • Flood Protection



Partnerships for Conservation of Habitat Lands: Sargent Ranch

January 27, 2026



D7: Partnerships for the Conservation of Habitat Lands*

Select a Grants and Environmental Protection Proj... ▾

Funding from this project helps the community acquire and protect habitat to **preserve local ecosystems**.

KPI #1: Provide up to \$8 million per 15-year cycle for acquisition or enhancement of property which:

- **Protects, enhances, and restores natural resources**
- **Contributes to the recovery of special status species**
- **Reduces habitat fragmentation**



Completed Partnership Agreements

2018: Baird/Tilton Ranch

- \$8 million
- 834-acre parcel
- Coyote ceanothus
- Valley Habitat Agency



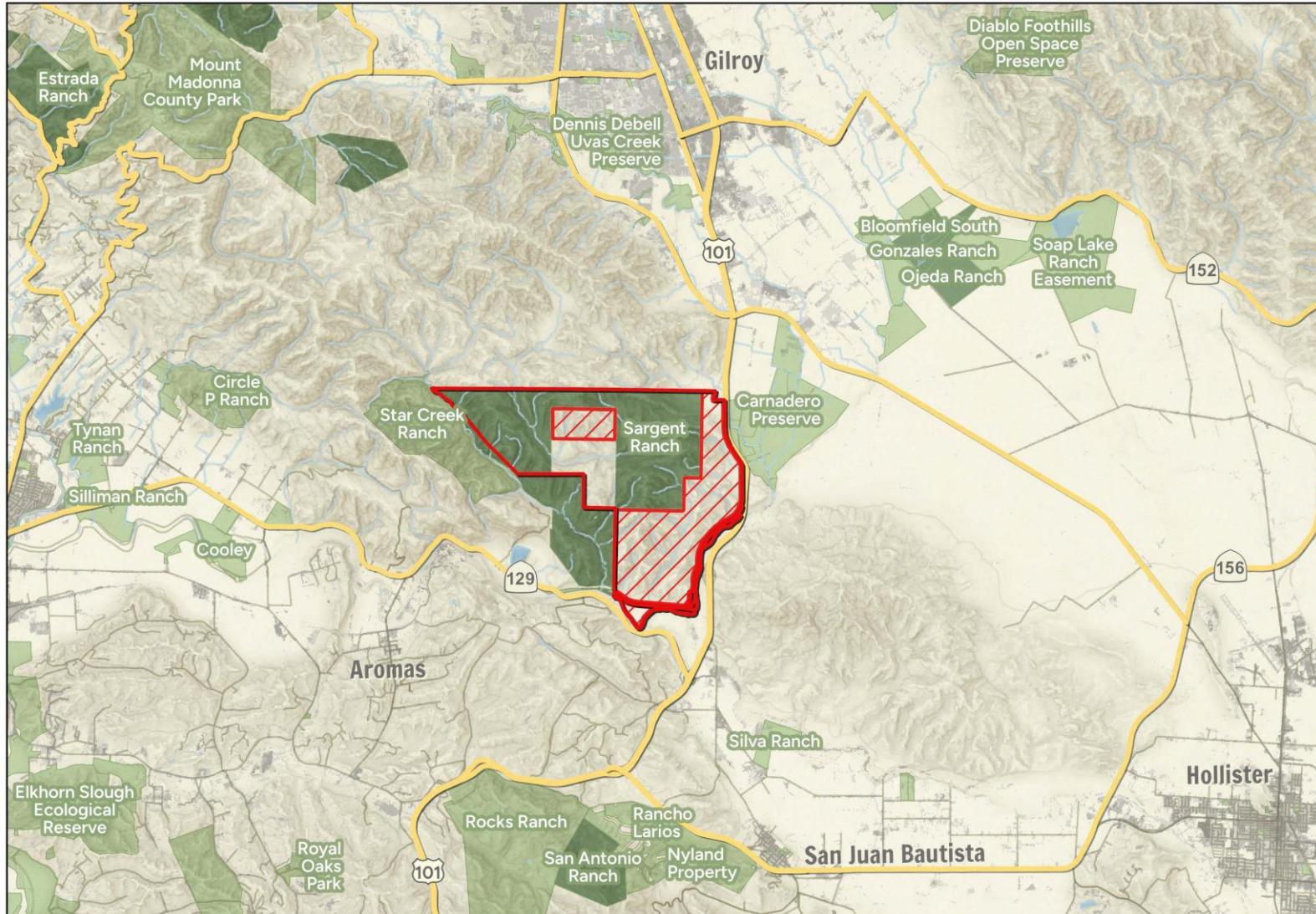
Completed Partnership Agreements

2024: Richmond Ranch

- \$4 million
- 944-acre parcel (partial)
- Headwaters of Thompson and Silver Creeks
- Valley Habitat Agency/County Parks



Proposed Partnership: Sargent Ranch



Special-Status Species at Sargent Ranch

- South-Central California Coast steelhead
- California tiger salamander
- California red-legged frog
- Northwestern pond turtle
- American badger
- Bald eagle
- White-tailed kite
- Prairie falcon
- Long-eared owl
- Western burrowing owl
- Least Bell's vireo
- Pink cream-sacs
- Hoover's button celery

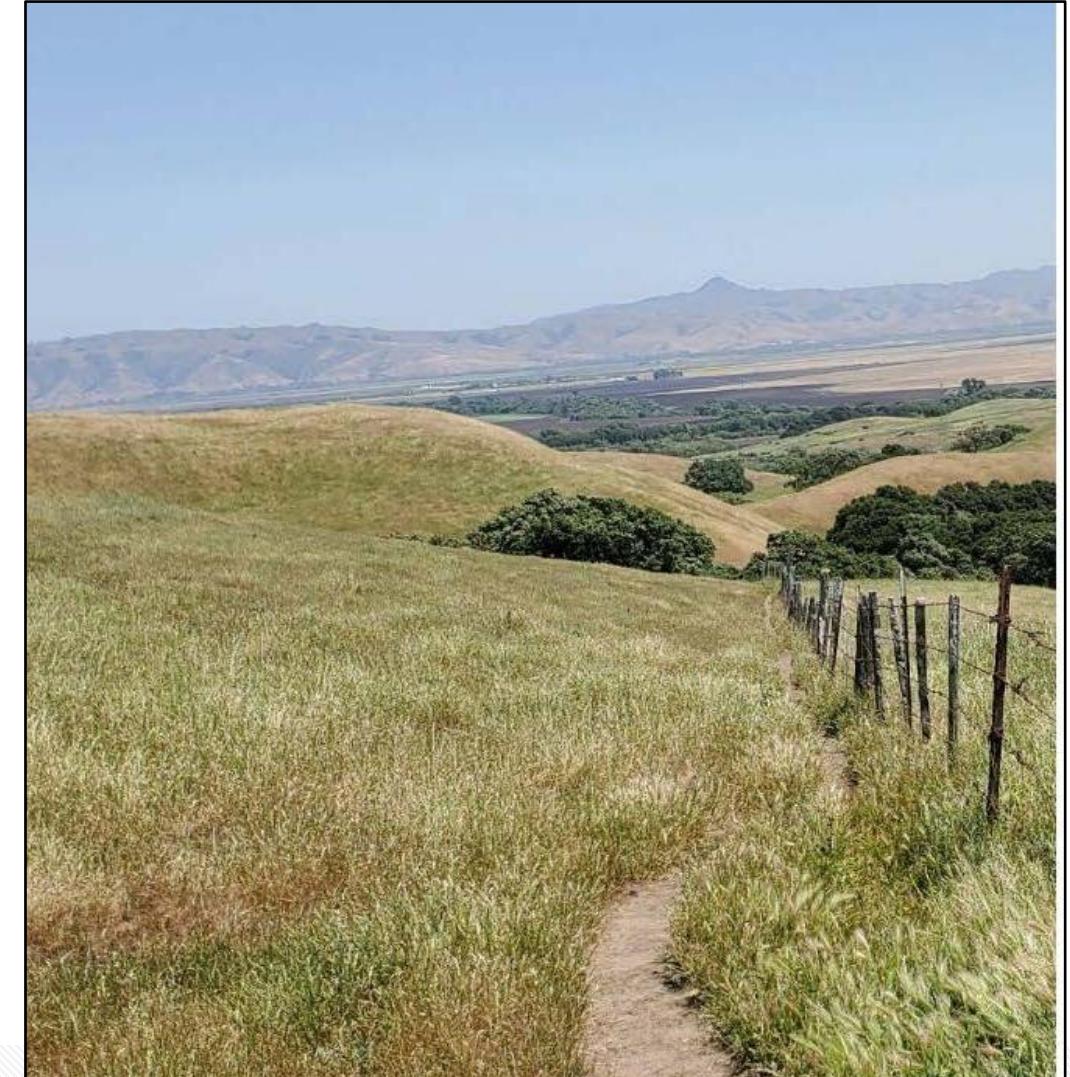
Juristac Tribal Cultural Landscape



Most sacred landscape of the Amah Mutsun people

Proposed Partnership: Sargent Ranch

- \$3.95 million
- 5,254 acre parcel (partial)
- Largest and highest priority conservation property
- Regionally-significant natural and cultural resource values
- Peninsula Open Space Trust



RECOMMENDATION:

- A. Authorize the Chief Executive Officer to execute the Grant Agreement for a fee of \$3,950,000;
- B. Approve the budget adjustment;
- C. Authorize the transfer to the Peninsula Open Space Trust to support the acquisition of Sargent Ranch consistent with the Safe, Clean Water Project D7 Funding Criteria

QUESTIONS





Valley Water

Clean Water • Healthy Environment • Flood Protection



Santa Clara Valley Water District

File No.: 26-0138

Agenda Date: 1/27/2026

Item No.: *5.2.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Board Committee Reports.

ATTACHMENTS:

- *Handout 5.2-A: 12192025 BAC Summary
- *Handout 5.2-B: 01282026 SCVWD WC Agenda
- *Handout 5.2-C: 01282026 YC Agenda
- *Handout 5.2-D: 01292026 SCWIMC Agenda



MEMORANDUM

FC 14

TO: Board of Directors

FROM: Board Audit Committee

SUBJECT: Board Audit Committee (BAC)
December 19, 2025, Special Meeting Summary

DATE: January 27, 2026

This memorandum summarizes agenda items from the meeting of the Board Audit Committee (BAC) held on Friday, December 19, 2025.

Receive Progress Report on Implementing the Grants Management Performance Audit Recommendations.

The Committee received the information, took no formal action, and discussed program improvements and opportunities to address challenges in the Standard Grant application process, including time required to complete the application, for potential follow-up by the Grants team. The Committee noted overall positive feedback, including the structure of the application's work plan and budget templates, and acknowledged staff's continued efforts to work with grantees to improve the applicant experience. The Committee expressed appreciation for staff's problem-solving mindset and helpful approach in treating non-profit organizations as partners. The Committee acknowledged that the overall grant application and grant agreement execution process has improved. The Committee expressed interest in continuing to follow up with grant applicants who had a positive experience to focus on what continues to go well.

Discuss the Valley Water Draft Annual Comprehensive Financial Report (ACFR) for the Fiscal Year (FY) Ending on June 30, 2025; and Recommend Acceptance by the Full Board.

The Committee received and discussed the information, and confirmed the report would be finalized by December 23, 2025, and targeted for presentation to the Board at the January 13, or January 27, 2026, meeting. The Committee confirmed satisfaction with the draft report, noted that the remaining open items are minor with no expected significant impact, and expressed support for allowing the Board sufficient time to review the final report and related correspondence. Vice Chairperson Ballard expressed interest in identifying when this audit was last brought back and what follow-up work was required, and noted the Board of Directors' budget impact is not expected to be significant within the overall agency's budget. The Committee expressed appreciation for the work performed by Oliva Manaloto and Legal staff.

It was moved by Vice Chairperson Ballard and seconded by Chairperson Beall and carried by majority vote to approve to recommend the Valley Water ACFR for the FY ending on June 30, 2025, for acceptance by the full Board.

Jim Beall
Director, District 4
Board Audit Committee Chairperson

Discuss 2025 Annual Audit Plan, (Capital Project Delivery; Contracting Practices; Conservation Strategies; Water Usage/Demand Forecasting), and Provide Feedback as Needed.

The Committee received the information, took no formal action, and confirmed the audits are progressing and underway, and noted the update on the 2025 Annual Audit Plan.

Vice Chairperson Ballard expressed support for public outreach regarding the Demand, Affordability, and Elasticity Report.

Review and Discuss the Draft 2026 Board Audit Committee (BAC) Work Plan.

The Committee received the information, took no formal action, and expressed support for a risk assessment workshop for the Board members, and noted the update on the draft 2026 BAC Work Plan.

Review and Discuss the 2025 Board Audit Committee (BAC) Work Plan.

The Committee received the information, took no formal action, and noted the update on the 2025 BAC Work Plan and Linda Mason serving as the new BAC Legal support.

The next regular meeting was scheduled to occur at 1:00 pm on January 21, 2026.

Board members' comments and suggestions can be forwarded to Nicole Merritt, Deputy Clerk (Committee Meetings) at (408) 630-3262 or by email: nmerritt@valleywater.org



Santa Clara Valley Water District Santa Clara Valley Water Commission Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: <https://valleywater.zoom.us/j/91095453959>

REGULAR MEETING AGENDA

**Wednesday, January 28, 2026
12:00 PM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

COMMISSION:
Hon. Pete Daily, Chairperson
Hon. Karen Hardy, Vice Chairperson

BOARD REPRESENTATIVES:
Chairperson Tony Estremera
Vice Chairperson Richard Santos
Director Nai Hsueh

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Staff Liaisons:
Rita Chan
Rachael Gibson

Stephanie Simunic
(COB Liaison)
Assistant Deputy Clerk II
ssimunic@valleywater.org
1-408-630-2408

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Santa Clara Valley Water Commission**

**REGULAR MEETING
AGENDA**

Wednesday, January 28, 2026

12:00 PM

HQ. Bldg. Boardroom

5700 Almaden Expressway, San Jose, California

Join Zoom Meeting:

<https://valleywater.zoom.us/j/91095453959>

*****IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS*****

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Join Zoom Meeting:

<https://valleywater.zoom.us/j/91095453959>

Meeting ID: 910 954 53959

Join by Phone:

1 (669) 900-9128, 91095453959#

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

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3. APPROVAL OF MINUTES:

3.1. Approval of October 22, 2025 Santa Clara Valley Water District Water Commission (SCVWD WC) Minutes. [26-0126](#)

Recommendation: Approve the minutes.

Manager: Wendy Ho, 408-630-3874

Attachments: [Attachment 1: 10222025 SCVWD WC Minutes](#)

Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

4.1. Election of Chair and Vice Chair. [26-0118](#)

Recommendation: Elect 2026 Chair and Vice Chair.

Manager: Wendy Ho, 408-630-3874

Est. Staff Time: 5 Minutes

4.2. Review and Approve 2025 Annual Accomplishments Report for Presentation to the Board (Commission Chair). [26-0121](#)

Recommendation:

- A. Approve the 2025 Accomplishments Report for presentation to the Board; and
- B. Provide comments to the Commission Chair to share with the Board as part of the Accomplishments Report presentation pertaining to the purpose, structure, and function of the Commission.

Manager: Wendy Ho, 408-630-3874

Attachments: [Attachment 1: SCVWD WC 2025 Accomplishments Report](#)

Est. Staff Time: 5 Minutes

4.3. Receive Information on Valley Water's Water Supply Master Plan 2050. [26-0116](#)

Recommendation: Receive Information on Valley Water's Water Supply Master Plan 2050.

Manager: Kirsten Struve, 408-630-3138

Attachments: [Attachment 1: WSMP 2050](#)

[Attachment 2: PowerPoint](#)

Est. Staff Time: 20 Minutes

4.4. Review and Provide Comment to the Board on Staff's Preliminary Fiscal Year 2026 - 2027 Groundwater Production Charges. [25-1084](#)

Recommendation: Discuss staff's preliminary Fiscal Year 2026 - 2027 Groundwater Production Charge analysis; provide comment to the Board as desired.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 20 Minutes

4.5. Review and Approve the Proposed 2026 Santa Clara Valley Water District Water Commission (SCVWD WC) Work Plan, the Outcomes of Board Action of Commission Requests, the Commission's Next Meeting Agenda; and Recommend the Proposed 2026 SCVWD WC Work Plan to the Board. [26-0130](#)

Recommendation: Review and approve the Commission's work plan to guide the Commission's discussions regarding policy alternatives and implications for Board deliberation; and recommend the proposed 2026 SCVWD WC Work Plan to the Board.

Manager: Wendy Ho, 408-630-3874

Attachments: [Attachment 1: SCVWD WC 2026 Work Plan](#)

Est. Staff Time: 5 Minutes

5. INFORMATION ITEMS:

5.1. Standing Items Report. [26-0120](#)

Recommendation: Standing Items Report

This item allows the Santa Clara Valley Water District Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2025-2026 Work Plan Strategies.

These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

Manager: Wendy Ho, 408-630-3874

Attachments: [Attachment 1: Board Work Plan Standing Items Report](#)

[Attachment 2: FY26 Board Work Plan](#)

Est. Staff Time: 5 Minutes

6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

7. REPORTS:

7.1. Directors Report

7.2. Managers Report

7.3. Commission Member Report

7.4. Informational Links:

- <https://www.valleywater.org/how-we-operate/committees/board-committees>
- Board Policy and Monitoring Committee (BPMC) - formerly Board Policy and Planning Committee & Diversity and Inclusion Ad Hoc Committee
- Environmental Creek Cleanup Committee (ECCC) - formerly Homeless Encampment Committee
- Water Supply and Demand Management (WSDM) - formerly Water Storage Exploratory Committee & Water Conservation & Demand Management Committee
- <https://www.valleywater.org/your-water/water-supply-planning/monthly-water-tracker>
- Water Tracker

8. ADJOURN:

8.1. Adjourn. The Next Special Meeting is Scheduled at 12 p.m., on Wednesday, April 8, 2026.



Santa Clara Valley Water District Youth Commission Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: <https://valleywater.zoom.us/j/87431067568>

REGULAR MEETING AGENDA

**Wednesday, January 28, 2026
6:00 PM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

SCVWD Youth Commission
Aditya Shivakumar - Commission
Chairperson
Ellie Zhou - Commission Vice
Chairperson
BOARD REPRESENTATIVES
Director John Varela - District 1
Director Shiloh Ballard - District 2
Director Nai Hsueh - District 5

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Kristen Yasukawa (Staff
Liaison)
Dave Leon (COB Liaison)
Assistant Deputy Clerk II
daveleon@valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Youth Commission
REGULAR MEETING
AGENDA**

Wednesday, January 28, 2026	6:00 PM	HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
		Join Zoom Meeting: https://valleywater.zoom.us/j/87431067568

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Join Zoom Meeting:

<https://valleywater.zoom.us/j/87431067568>

Meeting ID: 874 3106 7568

Join by Phone:

1 (669) 900-9128, 87431067568#

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

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3. APPROVAL OF MINUTES:

3.1. Approval of November 19, 2025 Commission Meeting Minutes.

26-0115

Recommendation: Approve the minutes.

Manager: Wendy Ho, 408-630-3874
Attachments: [Attachment 1: 11192025 Youth Commission Minutes](#)
Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

4.1. Receive a Virtual Tour of the Silicon Valley Advanced Water Purification Center; Participate in the “The Water We Share” Activity and Discuss Ideas for Promoting Purified Water [26-0065](#)

Recommendation: A. Receive a virtual tour of the Silicon Valley Advanced Water Purification Center;
B. Participate in “The Water We Share” activity; and
C. Discuss ideas for promoting purified water.

Manager: Rachael Gibson, 408-630-2884
Attachments: [Attachment 1: 2025 YC SVAWPC Virtual Tour](#)
[Attachment 2: SVAWPC Tour Program Promotion Flyer](#)
[Attachment 3: SVAWPC Postcard Flyer](#)
[Attachment 4: Purified Water Fact Sheet](#)
[Attachment 5: The Water We Share Worksheet](#)
Est. Staff Time: 30 Minutes

4.2. Receive Update from Santa Clara Valley Water District Youth Commission’s Project Groups and Make Recommendations to the Board as Necessary. [26-0064](#)

Recommendation: Receive updates from project groups, staff and make recommendations to the Board, as necessary.

Manager: Rachael Gibson, 408-630-2884
Attachments: [Attachment 1: 2025-2026 Project Group Teams](#)
Est. Staff Time: 10 Minutes

4.3. Review Santa Clara Valley Water District Youth Commission Work Plan, the Outcomes of Board Action of Commission Requests; and discuss possible items for the Commission’s Next Meeting Agenda. [26-0066](#)

Recommendation: Review the Youth Commission work plan to guide the commission’s discussions regarding policy alternatives and implications for Board deliberation and make recommendations as necessary.

Manager: Wendy Ho, 408-630-3874
Attachments: [Attachment 1: FY26 Work Plan](#)
Est. Staff Time: 5 Minutes

5. MANAGER'S REPORT

6. INFORMATIONAL ITEMS

6.1. Standing Items Report.

26-0156

Recommendation: Standing Items Report.

This item allows the Youth Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2025-2026 Work Plan Strategies. These items are generally informational; however, the Committee may request additional information and/or provide collective input to the assigned Board Committee.

Manager: Wendy Ho, 408-630-3874

Attachments: [Attachment 1: Board Work Plan Standing Items Report](#)

[Attachment 2: FY26 Board Work Plan](#)

Est. Staff Time: 5 Minutes

7. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

8. ADJOURN:

8.1. Adjourn. The Next Regular Meeting is Scheduled at 6:00 p.m. on April 29, 2026.

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Santa Clara Valley Water District SCW Independent Monitoring Committee Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Alternate location: 6535 Ravenna Ave NE, Seattle WA 98115

REGULAR MEETING AGENDA

**Thursday, January 29, 2026
4:00 PM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

**SAFE, CLEAN WATER PROGRAM
INDEPENDENT MONITORING
COMMITTEE (IMC)**

COMMITTEE OFFICERS:
Susan Landry, Committee Chair
Marc Rauser, Committee Vice Chair

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Dave Leon (Committee
Liaison)
daveleon@valleywater.org
BOARD
REPRESENTATIVES:
Tony Esterema, Board
Chairperson
Richard Santos, Board Vice
Chairperson

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
SCW Independent Monitoring Committee**

**REGULAR MEETING
AGENDA**

Thursday, January 29, 2026

4:00 PM

HQ. Bldg. Boardroom, 5700 Almaden
Expressway, San Jose, California
Alternate location: 6535 Ravenna Ave NE,
Seattle WA 98115

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- Members of the Public may test their connection to Zoom Meetings at: <https://zoom.us/test>
- Members of the Public are encouraged to review our overview on joining Valley Water Board Meetings at: <https://www.youtube.com/watch?v=TojJpYCxXm0>

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board's office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has

not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:

<https://valleywater.zoom.us/j/85611501656>

Meeting ID: 856 1150 1656

Join by Phone:

1 (669) 900-9128, 85611501656#

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

Notice to the public: Members of the public who wish to address the Board/Committee on any item not listed on the agenda may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify yourself to speak. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and granted speaking access to address the Board/Committee. Speakers' comments should be limited to three minutes or as set by the Chair. The law does not permit Board/Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board/Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board/Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approve the December 3, 2025 IMC Minutes.

26-0158

Recommendation: Approve the minutes.

Manager: Wendy Ho, 408-630-3874
Attachments: [Attachment 1: 12032025 Draft IMC Minutes](#)
Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

4.1. Outcome of Subcommittee Meetings. [26-0136](#)

Recommendation: Subcommittee Chairs report on key areas of discussion and recommendations for full committee consideration.

Manager: Luz Penilla, 408-630-2228
Est. Staff Time: 30 Minutes

5. INFORMATIONAL ITEMS

5.1. Standing Items Report. [26-0157](#)

Recommendation: Standing Items Report.

This item allows the SCW IMC to receive verbal or written updates and discuss the Board's Fiscal Year 2025-2026 Work Plan Strategies. These items are generally informational; however, the Committee may request additional information and/or provide collective input to the assigned Board Committee.

Manager: Wendy Ho, 408-630-3874
Attachments: [Attachment 1: Board Work Plan Standing Items Report](#)
[Attachment 2: FY26 Board Work Plan](#)

Est. Staff Time: 5 Minutes

6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

7. ADJOURN:

7.1. Adjourn. The Next Regular Meeting is Scheduled at 4:00 p.m. on February 18, 2026.



Santa Clara Valley Water District

File No.: 26-0139

Agenda Date: 1/27/2026
Item No.: *10.1.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

CEO and Chiefs' Reports.

ATTACHMENTS:

*Handout 10.1-A: OC Activities

SUMMARY FOR NOVEMBER AND DECEMBER 2025

Office of Communications Activities



FLOOD AWARENESS CAMPAIGN



(Left to right): Chief of External Affairs Rachael Gibson, Vice Chair Richard Santos, Interim CEO Melanie Richardson, San Jose Mayor Matt Mahan, Deputy Director of Santa Clara County OEM Tom Chin and Brian Garcia, warning coordination meteorologist for the National Weather Service, listen to a reporter's question at the flood preparedness news conference.

The Office of Communications launched the 2025-26 Flood Awareness Campaign in mid-November with a joint press conference to emphasize winter flood preparedness and coordination between Valley Water, the County of Santa Clara, City of San José, and the National Weather Service. All local networks covered the event, which also included booths showcasing our drone and hydrology monitoring capabilities, as well as an easy and affordable emergency kit assembly display.

This year's campaign aims to address persistent gaps in awareness, preparedness, and access to real-time flood information among residents living in FEMA-designated Special Flood Hazard Areas, particularly those in areas considered high-risk for flooding (hot spots). The campaign is designed to reach diverse, multilingual communities, overcome low perceived risk, and deliver timely, actionable information during an unpredictable winter season.

The Flood Awareness Campaign runs from Nov. 15, 2025, to Feb. 28, 2026, aligning with peak storm season.

ANDERSON VIDEO UPDATE



This aerial view of the work taking place at Anderson Dam in late 2025 was included in the video update.

In December, staff published a video to provide an update on our progress at Anderson Dam. Featuring Ryan McCarter, Deputy Operating Officer, Dam Safety and Capital Delivery Division, staff told the story of the Anderson Dam Tunnel Project and the work being done to build a stronger dam. The community responded with thousands of views, hundreds of positive comments and numerous shares.

MEDIA, COMMUNICATIONS, AND SOCIAL MEDIA

Valley Water received 246 media mentions in November and December.

Staff responded to media inquiries on the following topics:

- Adoption of the Water Supply Master Plan 2050
- Reservoir levels and early-season storms
- Encampments in Gilroy on Valley Water property
- Nature-based solutions to sea-level rise in the Bay Area

Staff wrote and posted 12 stories to valleywaternews.org on the following subjects:

- Recent storms boost early-season snowpack in the Sierra Nevada
- Valley Water Board of Directors re-elects Tony Estremera as 2026 chair
- Valley Water Board commends City of Santa Clara for leadership in water efficiency

MEDIA, COMMUNICATIONS, AND SOCIAL MEDIA CONTINUED

- California Department of Water Resources announces initial State Water Project allocation of 10%
- Valley Water Board adopts Water Supply Master Plan 2050
- Valley Water Board to consider adoption of Water Supply Master Plan 2050
- Water champions wanted—Join Valley Water ambassador program
- Help purchase items for youth hygiene kits by Jan. 2, 2026
- Be alert, be flood safe
- Bridging the way to flood protection in Morgan Hill
- Valley Water, Trout Unlimited and partners remove century-old dam to reopen habitat for threatened steelhead

Staff prepared Nextdoor messages for board members on the following topics:

- Request your 2026 Valley Water calendar
- Become a Water Ambassador: Apply by Jan. 9 to Join the 2026 Water 101 Academy!
- Be Aware, Be Flood Safe
- Board decision on the Water Supply Master Plan 2050 on November 12, 2025

Statistics for Facebook, Twitter, valleywaternews.org blog, video, and eNews are below. Impressions are the number of times a post is displayed in a newsfeed, Twitter stream, etc. Engagement is the number of times a user interacts with a post, such as a retweet, click, and more.

 4,577,600 impressions 8,544 engagements 1,636 post link clicks	 5,180 impressions 167 engagements 22 link clicks	 Valleywaternews 7,811 blog views 5,289 visitors
 369,215 views 30 videos posted	 1,298,377 impressions 643 engagements	 November and December e-Newsletter 71% and 57% open rate 2% and 3% click through rate

INTERNAL COMMUNICATIONS



Vice Chair Richard Santos' 25 years of service to Valley Water

Staff produced several videos in November and December, including a tribute recognizing Vice Chair Richard Santos' 25 years of service to Valley Water, which was shown at the

Handout 10.1-A

12/27/2026

December Board meeting. Episode 13 of the *Employee Stories Series* featured long-time employee Janell Hillman, and a year-end video celebrating employees' memorable moments from 2025 debuted at the December Employee Town Hall. Collectively, these videos garnered over 375 views on Valley Water's internal YouTube channel.

Staff launched the *Thankful November Kudos* campaign to promote peer-to-peer recognition. The campaign generated strong participation, with 568 Kudos messages sent and 1,829 received.

Throughout November and December, staff distributed 18 all-user emails. These included information and reminders about the 2026 FSA Open Enrollment, Vacation Buy-Back and Sick Leave Conservation, Employee Town Hall reminder and recap messages, Thankful November Kudos message and a call to join our 2026 New Year Social Media Campaign. Staff posted 86 employee news items to Aqua; updated the Employee News monitors at our water treatment plants, the Sacramento office, the HQ and Admin cafeterias, and the Crest walkway and breakroom; and created and sent the twice-weekly News You Can Use each Tuesday and Thursday.

COMMUNITY OUTREACH

On Nov. 20, staff supported a Speakers Bureau event with Director Beall and about 35 members of the League of Women Voters at the Pearl Avenue Library in San Jose. Staff also prepared for a busy new year of public meetings and construction alerts for the Rinconada Water Treatment Plant, East and West pipeline project work, Upper Llagas Creek Flood Protection, Coyote Creek Flood Protection Project Phase 2, Palo Alto Tide Gate project and the Penitencia Water Treatment Plant.

GRAPHICS SERVICES

For the month of November and December 2025, the graphic team resolved 112 cases.

 33 internal support materials	 20 digital graphics
 16 publications	 15 Flood Awareness Campaign
 11 mailers, event and outreach materials	 8 signage materials
 5 water conservation materials	 4 public notice and newspaper advertisements



Santa Clara Valley Water District

File No.: 26-0144

Agenda Date: 1/27/2026

Item No.: *13.1.

BOARD AGENDA MEMORANDUM

Government Code Section 84308 Applies: Yes No
(If "YES" Complete Attachment A)

SUBJECT:

Review the Fiscal Year 2026 Board Policy Planning Calendar.

RECOMMENDATION:

Review the Fiscal Year 2026 Board Policy Planning Calendar.

SUMMARY:

This item provides the Board an opportunity to review the Fiscal Year 2025 Board Policy Planning Calendar (FY26 Board Calendar) and identify appropriate items for Board Committee work plans for discussion and feedback to the Board.

The current FY26 Board Calendar containing the Board work plan items is attached for Board review.

ENVIRONMENTAL JUSTICE IMPACT:

The FY26 Board Calendar is not subject to environmental justice analysis.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

*Attachment 1: FY 2026 Board Policy Planning Calendar

UNCLASSIFIED MANAGER:

File No.: 26-0144

Agenda Date: 1/27/2026
Item No.: *13.1.

Candice Kwok-Smith, 408-630-3139

Fiscal Year 2026 VALLEY WATER BOARD POLICY PLANNING CALENDAR

Fiscal Year 2026 Board Work Plan		Committee	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
1.	Protect and maintain existing assets and infrastructure and advance new projects.													
2.	Improve internal capability to negotiate and acquire regulatory permits.													
3.	Educate and engage the community, elected officials and interested parties on our management of water resources in Santa Clara County.	Joint meeting with City of San Jose		S										
		Environmental Stakeholder Meeting	Environmental Stakeholder Working Group	C			C			C			C	
4.	Explore and pursue diversified, sustainable and cost-effective water storage opportunities.	Sites Reservoir	WSDM Committee	C	C					C/R		C/R		
		Sisk Dam Raise Reservoir	WSDM Committee								R	C		
		Groundwater Banking Opportunities	WSDM Committee						C				C	
5.	Secure existing water supplies and water supply infrastructure.	Water Supply Master Plan			R		R							
		Urban Water Management Plan	WSDM Committee				C						C	R
		Delta Conveyance Project	WSDM Committee											
6.	Lead Purified Water Efforts with committed partners.	Potable Reuse Partnership with City of San Jose	RWC, JRWPAC	C	C / S	C		C		C / R	C	C	C	C / R
7.	Complete the Anderson Dam Seismic Retrofit Project.													
8.	Make water conservation a California way of life in Santa Clara County.	Water Conservation Program Updates	WSDM Committee	C		C					C			C
9.	Protect people and property from flooding in all regions of the County, by applying a comprehensive, integrated watershed management approach that balances environmental quality, environmental justice, sustainability, and cost.	Watershed Master Plans	Board Policy and Monitoring Committee					C						C
		Stream Maintenance Program (SMP3) EIR						R		R				
10.	Plan and design projects with multiple benefits, including protecting ecosystem functions, enhancing habitat, and improving connectivity in all regions of the County.													

Board Meetings

R = Regular

S = Special

C = Committee

X = Closed

1-8-2026

Fiscal Year 2026 VALLEY WATER BOARD POLICY PLANNING CALENDAR

Fiscal Year 2026 Board Work Plan			Committee		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
11.	Protect creeks, bay, and other aquatic ecosystems from threats of pollution and degradation.	Review of WRPZ Ordinance Implementation	Environmental Creek Cleanup Committee								C					
12.	Complete and implement the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) agreement.	FAHCE Implementation Update	Stream Planning and Operations Committee						C			C			C	
		Project Site Visits	Stream Planning and Operations Committee												C	
13.	Protect waterways and facilities from encampment impacts while collaborating with community partners and supporting regional efforts to reduce homelessness.	Review of WRPZ Ordinance Implementation	Environmental Creek Cleanup Committee								C					
14.	Protect the safety of Valley Water staff, residential neighbors, and unsheltered individuals by working independently and in partnership with law enforcement agencies.	Review of WRPZ Ordinance Implementation	Environmental Creek Cleanup Committee								C					
15.	Address future impacts of extreme weather events to Valley Water's mission and operations.	Greenhouse Gas Reduction Plan	Board Policy and Monitoring Committee									R				
16.	Maintain appropriate staffing levels and expertise, prioritize the safety of our staff, and build and sustain a collaborative working environment for all staff and partners while ensuring fair employment.															
17.	Provide affordable and cost-effective level of services.	Grant Status Update Reports			R		R		R		R		R		R	
		Annual Audit Workplan Approval	Board Audit Committee						C	R						
18.	Other Notable Policy and Board Actions	Legislative Proposals and Guiding Principles							R							

Items Regularly Monitored by Board			July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
1.	BAO Performance		X							X				
2.	BAO Compensation													X/R
3.	Board Expense Report		R			R			R		R			

Board Meetings

R = Regular

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1-8-2026