



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, MARCH 11, 2025
11:00 AM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER/ROLL CALL:

A Closed Session and Regular Meeting of the Santa Clara Valley Water District (Valley Water) Board of Directors was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference at 11:00 a.m.

1.1. Roll Call.

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

Directors Rebecca Eisenberg and John Varela arrived as noted below.

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

Board Members in attendance via Zoom utilizing AB 2449 due to illness were Chairperson Tony Estremera. Candice Kwok-Smith, Interim Clerk of the Board, requested that Chairperson Estremera state for the record if there are any individuals over 18 years of age present in the room, and if so, state the general relationship to the individual and confirmed that all votes for the meeting would be roll call votes in compliance with AB 2449. Chairperson Estremera confirmed there were no individuals over the age of 18 present in the room.

2. 11:00 AM - CLOSED SESSION:

Chairperson Estremera confirmed that the Board would adjourn to Closed Session to consider Items 2.1, 2.2, 2.3 and 2.4.

Director Rebecca Eisenberg arrived.

Carlos Orellana, District Counsel, confirmed that in respect to Item 2.1, the claims or other writings giving rise to the Closed Session Item are available for public inspection in accordance with the Brown Act.

Director John Varela arrived.

- 2.1. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2) One Potential Case
- 2.2. CLOSED SESSION
PUBLIC EMPLOYEE DISCIPLINE
Pursuant to Government Code Section 54957(b)(1)
- 2.3. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Government Code 54956.9(d)(2)
One Potential Case, Claim of Fariba Seyed
- 2.4. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL
Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4)
DWR v. All Persons Interested (Potential Answer to Delta Conveyance Project
Bond Validation Action) Sacramento Superior Court Case No. 25CV000704
- 2.5. District Counsel Report on Closed Session.

Upon return from Closed Session, the same Board members, including Directors Eisenberg and Varela, and staff, were present. Carlos Orellana, District Counsel, reported that in regard to Item 2.1, direction was given to staff; in regard to Item 2.2, on a motion by Chair Estremera, seconded by Director Hsueh, and a vote of 6 to 1 with Director Eisenberg voting no, the Board, at CEO Rick Callender's request, has placed CEO Callender on paid administrative leave beginning March 15, 2025 and lasting until further notice, the Board has further directed that CEO Callender make himself available for interviews in any workplace investigations upon the commencement of paid administrative leave; in regard to Item 2.3, no reportable action was taken; and in regard to Item 2.4, on a motion by Director Varela, seconded by Vice Chair Santos, and a vote of 6 to 1 with Director Eisenberg voting no, the Board directed staff to file an answer in the action identified in the agenda disclosure for this Item.

3. 1:00 PM - TIME CERTAIN:

- 3.1. Pledge of Allegiance/National Anthem.

Vice Chair Santos led all present in reciting the Pledge of Allegiance.
- 3.2. Orders of the Day.

Chairperson Estremera confirmed that there were no changes to the Orders of the Day.
- 3.3. Time Open for Public Comment on any Item not on the Agenda.

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

- 3.4. Receive the Safe, Clean Water and Natural Flood Protection Program Independent Monitoring Committee's Annual Report for Fiscal Year 2023-2024.

Recommendation: Receive the Safe, Clean Water and Natural Flood Protection Program Independent Monitoring Committee's Annual Report for Fiscal Year 2023-2024.

Luz Penilla, Assistant Officer, reviewed the information on this Item per the attached Board Agenda Memo and Susan Landry, Vice Chair, Independent Monitoring Committee reviewed the information contained in Attachment 1.

The Board noted the information and took no formal action.

- 3.5. Accept Management Response to the Independent Monitoring Committee Report on the Safe, Clean Water and Natural Flood Protection Program Annual Report for Fiscal Year 2023-2024.

Recommendation: A. Accept Management Response to the Independent Monitoring Committee Report on the Safe, Clean Water and Natural Flood Protection Program Annual Report for Fiscal Year 2023-2024; and
B. Provide additional direction as necessary.

Luz Penilla, Assistant Officer, reviewed the information on this Item per the attached Board Agenda Memo, and Jessica Collins, Business Planning and Analysis Manager, reviewed the information contained in Attachment 2.

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

The Yeas have it, and the motion passed.

- 3.6. Accept the 2024 Board Advisory Agricultural Water Advisory Committee, Environmental and Water Resources Committee, and Santa Clara Valley Water Commission's Accomplishments Reports or as Presented by the Board's Advisory Committees/Commission Chairs.

Recommendation: Receive and accept the 2024 Board Advisory Agricultural Water Advisory Committee, Environmental and Water Resources Committee, and Santa Clara Valley Water Commission's Accomplishments Reports or as presented by the Board's Advisory Committees/Commission Chairs.

Peter Van Dyke, Agricultural Water Advisory Committee Chairperson, reviewed the information on this Item per the attached Board Agenda Memo, and Charles Ice, Environmental Water Resources Committee Chairperson, reviewed the information contained in Attachment 2.

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

The Yeas have it, and the motion passed.

- 3.7. Consider the January 2025 Board Advisory Agricultural Water Advisory Committee, Environmental and Water Resources Committee, and Santa Clara Valley Water Commission's Recommendations to Approve the Board Advisory Committee Annual Work Plans.

Recommendation: Consider the January 2025 Board Advisory Agricultural Water Advisory Committee, Environmental and Water Resources Committee, and Santa Clara Valley Water Commission's recommendations to approve the Board Advisory Committee Annual Work Plans.

The Board considered this Item without a presentation.

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

The Yeas have it, and the motion passed.

- 3.8. Adopt a Resolution Certifying the Final Environmental Impact Report, Adopting the Findings of Fact, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program, for the Coyote Creek Flood Protection Project; and Approve the Coyote Creek Flood Protection Project, Project No. 26174043 (San Jose, Districts 2, 3, and 6).

Recommendation: A. Consider the Environmental Effects of the Coyote Creek Flood Protection Project as discussed in the Final Environmental Impact Report;
B. Adopt the Resolution CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE COYOTE CREEK FLOOD PROTECTION PROJECT AND ADOPTING CEQA FINDINGS OF FACT, STATEMENT OF OVERRIDING CONSIDERATIONS,

AND MITIGATION MONITORING AND REPORTING PROGRAM for the Coyote Creek Flood Protection Project; and

C. Approve the Coyote Creek Flood Protection Project.

Bhavani Yerrapotu, Deputy Operating Officer, reviewed the information on this Item per the attached Board Agenda Memo, and the corresponding presentation materials contained in Attachment 4 were reviewed by staff as follows: Madhu Thummalaru, Capital Engineering Manager, reviewed Slides 1 through 7; Andrew Martin, Senior Environmental Planner, reviewed Slides 7 through 11.

Katja Irvin, Sierra Club Loma Prieta Chapter, expressed concerns about water quality and other impacts resulting from changes to the EIR.

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

The Yeas have it, and the motion passed.

3.9. Authorize Distribution of Santa Clara Valley Water District's Capital Improvement Program Draft Fiscal Years 2026-30 Five-Year Plan.

Recommendation: A. Review the Capital Improvement Program Draft Fiscal Years 2026-30 Five-Year Plan; and
B. Authorize release of the document to all cities and land use authorities in Santa Clara County and the County of Santa Clara for review as to its consistency with their General Plans.

Luz Penilla, Assistant Officer, reviewed the information on this Item, per the attached Board Agenda Memo, and Jessica Collins, Business Planning and Analysis Manager, reviewed the information contained in Attachment 3.

Move to Authorize: Nai Hsueh
Second: Richard Santos
Yeas: Shiloh Ballard, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays: Jim Beall, Rebecca Eisenberg
Abstains: None
Recuses: None
Absent: None
Summary: 5 Yeas; 2 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

3.10. Receive the Fiscal Year 2025-26 Second Pass Biennial Budget Overview.

Recommendation: Receive and discuss the overview of the Santa Clara Valley Water District's Fiscal Year 2025-26 Second Pass Biennial Budget.

Enrique De Anda, Budget Manager, reviewed the information on this Item, per the attached Board Agenda Memo and per the information contained in Attachment 1.

The Board noted the information and took no formal action.

REGULAR AGENDA:

The Board considered Consent Calendar Items 4.1 through 4.4 under one motion.

4. CONSENT CALENDAR: (4.1 - 4.4)

4.1. Adopt a Resolution Commemorating March 9-15, 2025, as Groundwater Awareness Week.

Recommendation: Adopt the resolution COMMEMORATING MARCH 9-15, 2025, AS GROUNDWATER AWARENESS WEEK.

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

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

4.3. Authorize Acquisition of Real Property from Patrick T. Ferraro and Cari Lynn Hoyt Ferraro, Trustees, for the Coyote Creek Flood Protection Project, Project No. 26174043, APN 467-51-070, Real Estate File No. 4021-323 (San Jose, District 2).

Recommendation: A. Authorize the Interim Chief Executive Officer to execute a Right of Way Agreement between Patrick T. Ferraro and Cari Lynn Hoyt Ferraro, Trustees, and the Santa Clara Valley Water District, for acquisition of APN 467-51-070, located at 315 Brookwood Avenue, San Jose, California, based upon the terms and conditions as set forth in the Agreement;
B. Authorize an incentive payment of \$83,000 to Patrick T. Ferraro and Cari Lynn Hoyt Ferraro, Trustees for the Option to Acquire Real Property Interest based on the terms and conditions as set forth in the Agreement; and
C. Authorize the Interim Chief Executive Officer to accept a Grant Deed from Patrick T. Ferraro and Cari Lynn Hoyt Ferraro, Trustees, conditioned upon certification of the Coyote Creek Flood Protection Project Environmental Impact Report.

4.4. Accept the CEO Bulletin for the Weeks of February 21 through March 6, 2025.

Recommendation: Accept the CEO Bulletin.

Motion: Approve Consent Calendar Items 4.1 through 4.4, under one motion, as follows: adopt Resolution No. 2025-17, COMMEMORATING MARCH 9-15, 2025, AS GROUNDWATER AWARENESS WEEK, by roll call vote, as contained in Item 4.1; approve appointment for a two-year term to the Environmental and Water Resources Committee, by roll call vote, as contained in Item 4.2; authorize acquisition of Real Property from Patrick T. Ferraro and Cari Lynn Hoyt Ferraro, Trustees, for the Coyote Creek Flood Protection Project, Project No. 26174043, APN 467-51-070, Real Estate File No. 4021-323, by roll call vote, as contained in Item 4.3; and accept the CEO bulletin, by roll call vote, as contained in Item 4.4.

Move to Approve: John L. Varela

Second: Richard Santos

Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh

Nays: None

Abstains: None

Recuses: None

Absent: None

Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

5. BOARD OF DIRECTORS:

5.1. Refer the Existing Process to Address Board Appointed Officer Complaints and any recommended changes, if needed, to the Board Policy and Monitoring Committee for Review.

Recommendation: Refer the existing process to address Board Appointed Officer complaints and any recommended changes, if needed, to the Board Policy and Monitoring Committee for review.

Chair Estremera reviewed the information on this Item per the attached Board Agenda Memo.

Move to Refer: Shiloh Ballard

Second: Nai Hsueh

Yeas: Shiloh Ballard, Jim Beall, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh

Nays: Rebecca Eisenberg

Abstains: None
Recuses: None
Absent: None
Summary: 6 Yeas; 1 Nays; 0 Abstains; 0 Absent.

The Yeas have it, and the motion passed.

5.2. Complaint Against a Board Member from a Member of the Public.

Recommendation: Consider the request of Chair Estremera, pursuant to GP-6.5.7, to form an Ethics and Conduct Ad Hoc Committee consisting of Chair Estremera and Vice Chair Santos to address a complaint from a member of the public against a Board Member.

Chair Estremera reviewed the information on this Item per the attached Board Agenda Memo.

Deborah Goldeen, Palo Alto resident, expressed disagreement to the information contained in Handout 8.1-A concerning Director Eisenberg, and recommended the Board weigh all complaints against Board members with the same gravity.

Doug Peterson, San Jose resident, expressed concern about recent allegations made against him regarding his formal complaints.

Peter Van Dyke, Loma Prieta Conservation Resource Conservation District President, expressed concern about the censure and treatment of Director Eisenberg, and recommended the Board instead focus on the work of Valley Water.

Lou Walker, undisclosed residency, expressed support for Director Eisenberg and suggested the Board conduct business with dignity for each Director.

District Counsel clarified the existing Board-approved process for handling complaints against Directors.

Motion: Direct the Chair to pursue resolution in an informal process.

Move to Approve as Amended: Shiloh Ballard

Second: The motion did not receive a second and was lost.

Move to Approve: Richard Santos

Second: Nai Hsueh

Yeas: Shiloh Ballard, Jim Beall, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh

Nays: Rebecca Eisenberg

Abstains: None

Recuses: None

Absent: None

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

The Yeas have it, and the motion passed.

5.3. Board Committee Reports.

The Board reviewed the information on the January 27, 2025, Water Supply Demand Management Committee, February 18, 2025, Capital Improvement Program, and March 13, 2025, Environmental Creek Cleanup Committee meeting summaries and agendas contained in Handouts 5.3-A through 5.3-C, respectively, and noted the information without formal action. Copies of the Handouts were distributed to the Board and made available to the public.

6. WATER UTILITY ENTERPRISE:

None.

7. WATERSHEDS:

None.

8. ASSISTANT CHIEF EXECUTIVE OFFICER:

- 8.1. Receive an Informational Update on the Pacheco Reservoir Expansion Project, Project No. 91954002 (Santa Clara County, District 1; Merced County).

Recommendation: Receive an informational update on the Pacheco Reservoir Expansion Project, Project No. 91954002.

Ryan McCarter, Deputy Operating Officer, reviewed the information on this Item, per the attached Board Agenda Memo, and Julianne O'Brien, Pacheco Project Manager, reviewed the information contained in Attachment 1.

David Kennedy, San Jose resident, recommended staff include the total cost and impact to ratepayers, presented at every consideration of this project to the Board, as well as any opinions by independent investigators.

Peter Van Dyke expressed concern for the preservation of the natural corridor for trade of the Pacheco Pass utilized by the native people, the ecological impact and inundation of the habitat for Sycamore trees, steelhead, salmon habitat, and overall expenses.

Mike Avina, Stop Pacheco Dam Coalition, reiterated the benefits of the project are speculative, the cost is too high, and creation of the dam would require an amendment to the Henry Coe State Park General Plan.

Katja Irvin expressed concern about the cost and viability of the project, emphasized the significant impacts on tribal cultural resources, and recommended those impacts be documented in staff reports.

The Board noted the information and took no formal action.

- 8.2. Authorize the Interim Chief Executive Officer to Execute Contract Change Order No. 048 up to the Amount of \$17,000,000.00 for Final Tunnel Lining Changes, for the Anderson Dam Tunnel Project, Project No. 91864006, Contract No. C0663 (Morgan Hill, District 1).

Recommendation: Authorize the Interim Chief Executive Officer to Execute Contract Change Order No. 048 up to the Amount of \$17,000,000.00 for Final Tunnel Lining Changes on the Anderson Dam Tunnel Project.

Ryan McCarter reviewed the information on this Item, per the attached Board Agenda Memo and per the information contained in Attachment 4.

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

The Yeas have it, and the motion passed.

9. EXTERNAL AFFAIRS:

None.

10. CHIEF EXECUTIVE OFFICER:

10.1. CEO and Chiefs' Reports.

Chris Hakes, Chief Operating Officer, reviewed the attached Storm Report, identified as Handout 10.1-C. Copies of the Handouts were distributed to the Board and made available to the public.

11. ADMINISTRATION:

None.

12. DISTRICT COUNSEL:

None.

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

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

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

The Board noted the information and took no formal action.

14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:

Director Beall reported attending a Landscape Summit; a San Luis Delta-Mendota Water Authority Meeting (SLDMWA), Santa Teresa Foothill Association, Joint Venture State of the Valley, and a Valley Transportation Authority meeting.

Director Santos reported attending a Berryessa Citizens Advisory meeting and a Portuguese Culture event.

Director Ballard reported attending the Urban Water Institute Conference, a Special Districts Association meeting, and participated in a site visit of an unhoused encampment.

Director Hsueh reported attending the aforementioned Landscape Summit and SFCJPA meeting; a Capital Improvement Program (CIP) committee; and various meetings with staff.

Director Varela reported attending a Leadership Morgan Hill Regional Government meeting.

Chair Estremera reported attending the aforementioned CIP committee meeting; Recycled Water and Board Policy and Monitoring Committee meetings; and various meetings with staff.

15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:

Candice Kwok-Smith, Interim Clerk, Board of Directors, confirmed that there were no new Board Member Requests.

16. ADJOURN:

Chairperson Estremera adjourned the meeting in recognition of Women's History, Irish American and Greek American Heritage at 5:25 p.m., to the 1:00 p.m. Regular meeting on March 25, 2025, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.

Candice Kwok-Smith
Interim Clerk, Board of Directors

Approved:

Date: May 16, 2025