



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, APRIL 8, 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, Nai Hsueh, John L. Varela, and Richard P. Santos, Vice Chairperson presiding, constituting a quorum of the Board.

Chairperson Estremera, Directors Beall, and Eisenberg arrived as noted below.

Staff members in attendance were Melanie 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, C. Hakes, C. Lawson, A. Lee, M. Lugo, R. McCarter, P. McElroy, T. Ndah, L. Penilla, K. Struve, D. Taylor, and B. Yerrapotu.

2. 11:00 AM - CLOSED SESSION:

Vice Chair Santos confirmed that the Board would adjourn to Closed Session to consider Item 2.1.

Directors Beall and Estremera arrived.

2.1. **CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL**

Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8 Setting Negotiation Parameters for Price and Terms of Payment for Purchase, Sale, or Exchange of Property Interest in 4190 Zanker Rd., San Jose, California Agency Negotiators: Melanie Richardson, Aaron Baker, Kirsten Struve. Negotiating Parties: City of San Jose, City of Santa Clara

Director Eisenberg arrived.

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

2.2. District Counsel Report on Closed Session Items

Carlos Orellana, District Counsel, reported that in regard to Item 2.1, the Board met in Closed Session with all members participating, including Directors Beall and Estremera, and excluding Director Eisenberg, and took no reportable action.

3. 1:00 PM - TIME CERTAIN:

Chairperson Estremera read the following into the record:

Good afternoon,

I ask that we follow these guidelines to ensure a smooth and consistent flow for today's Board meeting:

1. Presentations & Questions – Board members, please allow presenters to complete their presentations before asking questions unless designated breaks for questions are provided. Vice Chair Santos will manage Board member questions and comments, questions and comments should be limited to three (3) minutes. The Board member at the end of their 3 minutes can request an additional 2 minutes from the Chair, if granted by the Chair, they may continue for the additional two (2) minutes. The Interim Clerk of the Board will serve as the timekeeper. Please respect the time limit.
2. Public Comments – I will invite public comments after the Board has spoken. All members of the public are provided three 3 minutes to present their comments to the Board.
3. Motions & Voting – Following public comments, I will call for a motion and second before proceeding with a roll call vote.
4. Confidential Subjects – As chair of the Board of the Valley Water District, I would like to take a moment to underscore the critical responsibility that each Board member has to uphold the confidentiality of any ongoing personnel investigations in accordance with our governance policies. Our fiduciary duty is to the ratepayers of Santa Clara County. This duty extends not only to our financial stewardship of the District, but also to ensuring the integrity of our processes and the trust placed in us by all stakeholders – including employees, leadership, and the community.

During these investigations, we may be privy to extremely sensitive personal information in our official capacity as elected leaders of this agency. It is paramount that we respect the privacy of those involved and maintain confidentiality. Sharing or discussing this information outside of authorized and appropriate channels could jeopardize the fairness and integrity of that process, and expose the District to unnecessary legal, reputational, and financial risk. Please know that professionals with great expertise and experience are carrying out the duty and body of work with which we've entrusted them. I appreciate everyone's adherence to our governance policies, and this group's collective commitment to the governance of the District.

If a board member begins to discuss confidential subjects, they will receive a warning and then be asked to leave if they continue.

5. Code of Conduct – As a reminder, as board members, we are committed to ethical, business-like and lawful conduct with appropriate decorum as stated in our Board of Directors Code of Ethics and Conduct.

6. Out of Order – If a board member is out of order more than 2-3 times, I will ask them to take a five-minute break from the dais. If they are ruled out of order again, they will be asked to leave for the remainder of the meeting. If they do not leave voluntarily, then under state law and Valley Water Ordinance 22-03, they can be ordered to be removed. I really hope that we never get to that and that all board members will follow the Code of Ethics and Conduct and our rules of decorum.

By following these guidelines, we can ensure an efficient and productive meeting.

Chairperson Estremera requested a motion to approve the meeting guidelines.

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.

3.1. Pledge of Allegiance/National Anthem.

Vice Chair Santos led everyone present in 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.

None.

3.4. Conduct a Public Hearing to Consider the Santa Clara Valley Water District's Capital Improvement Program Draft Fiscal Years 2026-30 Five-Year Plan.

Recommendation: A. Open and conduct a Public Hearing to receive public comments and Board feedback regarding the Santa Clara Valley Water District's Capital Improvement Program Draft Fiscal Years 2026-30 Five-Year Plan; and

- B. Continue the Public Hearing to the regularly scheduled Board meeting on April 22, 2025, the subsequent Budget Work Study Sessions currently scheduled for April 23, 2025, and if needed, April 24, 2025, the Special Board meeting scheduled for May 16, 2025, and conclude the Public Hearing at the regularly scheduled Board Meeting on May 27, 2025.

Chairperson Estremera opened the Public Hearing, declared time open for public comments, and, seeing no one present who wished to speak, and continued the Hearing.

- 3.5. Conduct a Public Hearing on the February 2025 Annual Report on the Protection and Augmentation of Water Supplies and Recommended Increases in Groundwater Production Charges, Surface Water Charges, and Recycled Water Charges for Fiscal Year 2025-26.

Chairperson Estremera opened the Public Hearing.

Aaron Baker, Chief Operating Officer, reviewed the information on this Item per the attached Board Agenda Memo and Carmen Narayanan, Financial Planning and Revenue Manager, reviewed the information contained in Attachment 2.

Chairperson Estremera declared time open for public comments and, seeing no one present who wished to speak, continued the Public Hearing.

- 3.6. Conduct a Public Hearing on the Final Mitigated Negative Declaration and Engineer's Report for the Penitencia Water Treatment Plant Residuals Management Project, Project No. 93234044; Adopt a Resolution Approving the Final Mitigated Negative Declaration and the Mitigation and Reporting Program; Adopt a Resolution Approving the Engineer's Report; and Approve the Project for the Penitencia Water Treatment Plant Residuals Management Project (San Jose, District 3).

- Recommendation:
- A. Open and conduct a Public Hearing on the Final Mitigated Negative Declaration and Engineer's Report for the Penitencia Water Treatment Plant Residuals Management Project, Project No. 93234044;
 - B. Close the Public Hearing;
 - C. Adopt the Resolution APPROVING THE FINAL MITIGATED NEGATIVE DECLARATION AND THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE PENITENCIA WATER TREATMENT PLANT RESIDUALS MANAGEMENT PROJECT;
 - D. Adopt the Resolution APPROVING THE ENGINEER'S REPORT FOR THE PENITENCIA WATER TREATMENT PLANT RESIDUALS MANAGEMENT PROJECT; and
 - E. Approve the Project.

Chairperson Estremera opened the Public Hearing. Emmanuel Aryee, Deputy Operating Officer, reviewed the information on this Item per the attached Board Agenda Memo and Brandon Ponce, Capital Engineering Manager, reviewed the information contained in Attachment 2. Chairperson Estremera declared time

open for public comments and, seeing no one present who wished to speak, closed the Public Hearing.

Motion: Adopt Resolution No. 2025-19, APPROVING THE FINAL MITIGATED NEGATIVE DECLARATION AND THE MITIGATION MONITORING AND REPORTING PROGRAM FOR THE PENITENCIA WATER TREATMENT PLANT RESIDUALS MANAGEMENT PROJECT, and Resolution No. 2025-20, APPROVING THE ENGINEER'S REPORT FOR THE PENITENCIA WATER TREATMENT PLANT RESIDUALS MANAGEMENT PROJECT, by roll call vote, and approve the project.

Move to Adopt: 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.

REGULAR AGENDA:

4. CONSENT CALENDAR: (4.1 - 4.8)

4.1. Adopt a Resolution Recognizing April 22, 2025, as Earth Day.

Recommendation: Adopt the Resolution RECOGNIZING APRIL 22, 2025, AS EARTH DAY.

4.2. Adopt a Resolution Setting Time and Date of a Public Hearing on the Final Program Environmental Impact Report and Engineer's Report for the Pipeline Maintenance Program.

Recommendation: Adopt the Resolution SETTING TIME AND DATE OF PUBLIC HEARING ON THE FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT AND ENGINEER'S REPORT FOR THE PIPELINE MAINTENANCE PROGRAM, to occur on April 22, 2025, at 1:00 PM, in the Boardroom at Santa Clara Valley Water District, Headquarters Building, 5700 Almaden Expressway, San Jose, California.

4.3. Adopt a Resolution Amending the Second and Third Hearing Dates of the Public Hearing on the Report on Activities in Protection and Augmentation of Water Supplies of the Santa Clara Valley Water District and Proposed Fiscal Year 2025-2026 Groundwater Production Charges and Surface Water Charges, Continuing April 25, 2025, at 7:00 p.m. and Concluding May 16, 2025, Starting at 1:00 p.m.

- Recommendation: A. Adopt the Resolution AMENDING RESOLUTION 2025-08 TO CONTINUE THE SECOND AND THIRD HEARING DATES ON THE PUBLIC HEARING TO CONSIDER COMMENTS FROM MEMBERS OF THE PUBLIC ON THE REPORT ON THE ACTIVITIES IN THE PROTECTION AND AUGMENTATION OF THE WATER SUPPLIES OF THE SANTA CLARA VALLEY WATER DISTRICT, FISCAL YEAR 2025-2026; and
- B. Set the continued times and dates for the second and third days of this Public Hearing to April 25, 2025, at 7:00 p.m. in the City of Morgan Hill Council Chamber Building, and May 16, 2025, at 1:00 p.m. in the Santa Clara Valley Water District Boardroom.

- 4.4. Approve the Board of Directors' Quarterly Expense Report for the Quarter Ending September 30, 2024.

- Recommendation: A. Review the Board of Directors' quarterly Expense Report for the quarter ending September 30, 2024; and
- B. Approve the Report if the reimbursements comply with Board Policy.

- 4.5. Approve and Authorize the Interim Chief Executive Officer to Execute the Joint Use Agreement No. A5355M, with the City of Cupertino for the Stevens Creek Trail Between McClellan Ranch Park and Blackberry Farm Park (Cupertino, District 5).

- Recommendation: A. Approve and authorize the Interim Chief Executive Officer to execute Joint Use Agreement No. A5355M, with the City of Cupertino for the Stevens Creek Trail Between McClellan Ranch Park and Blackberry Farm Park; and
- B. Delegate authority to the Interim Chief Executive Officer to approve future renewals and amendments to Joint Use Agreement No. A5355M with the City of Cupertino for the Stevens Creek Trail between McClellan Ranch Park and Blackberry Farm Park.

- 4.6. Set the Time and Date for a Public Hearing on Fiscal Year 2025-2026 Flood Control Benefit Assessments to May 27, 2025, at 1:00 p.m.

- Recommendation: Set the time and date for a Public Hearing on Fiscal Year 2025-2026 (FY 2025-26) Flood Control Benefit Assessments for 1:00 p.m. on May 27, 2025, at the Santa Clara Valley Water District Boardroom, 5700 Almaden Expressway, San Jose, California, and via Teleconference Zoom Board Meeting.

- 4.7. Approval of Minutes.

- Recommendation: Approve the minutes.

- 4.8. Accept the CEO Bulletin for the Weeks of March 21, 2025, through April 3, 2025.

Recommendation: Accept the CEO Bulletin.

Motion: Approve Consent Calendar Items 4.1 through 4.8, under one motion, as follows: adopt Resolution No. 21, RECOGNIZING APRIL 22, 2025, AS EARTH DAY, adopt Resolution No. 22, SETTING TIME AND DATE OF A PUBLIC HEARING ON THE FINAL PROGRAM ENVIRONMENTAL IMPACT REPORT AND ENGINEERS REPORT FOR THE PIPELINE MAINTENANCE PROGRAM, and adopt Resolution No. 23, AMENDING THE SECOND AND THIRD HEARING DATES OF THE PUBLIC HEARING DATES OF THE PUBLIC HEARING ON THE REPORT ON ACTIVITIES IN PROTECTION AND AUGMENTATION OF WATER SUPPLIES OF THE SANTA CLARA VALLEY WATER DISTRICT AND PROPOSED FISCAL YEAR 2025-2026 GROUNDWATER PRODUCTION CHARGES AND SURFACE WATER CHARGES AND SURFACE WATER CHARGES, CONTINUING APRIL 25, 2025, AT 7:00 p.m. AND CONCLUDING MAY 16, 2025, STARTING AT 1:00 p.m., as contained in Items 4.1 through 4.3; approve the Board of Directors' Quarterly Expense Report for the quarter ending September 30, 2024, as contained in Item 4.4; approve and authorize the Interim Chief Executive Officer to execute the Joint Use Agreement No. A5355M, with the City of Cupertino for the Stevens Creek Trail between McClellan Ranch Park and Blackberry Farm Park, as contained in Item 4.5; set the time and date for a Public Hearing on fiscal year 2025-2026 Flood Control Benefit Assessments to May 27, 2025, at 1:00 p.m., as contained in Item 4.6; approve the Minutes, as contained in Item 4.7; and accept the CEO Bulletin, as contained in Item 4.8.

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.

5. BOARD OF DIRECTORS:

- 5.1. Consider the March 19, 2025, Board Audit Committee Recommendation to Receive and Discuss the 2024 Human Resources Performance Audit Report with Management's Response.

Recommendation: Consider recommendations resulting from the March 19, 2025, Board Audit Committee meeting to:
A. Receive and discuss the 2024 Human Resources Performance Audit Report with Management's response; and

B. Provide feedback to staff as necessary.

Darin Taylor, Chief Financial Officer, reviewed the information on this Item per the attached Board Agenda Memo and Tammy Lohr-Schweitzer, Moss Adams Director, reviewed the information contained in Attachment 2.

The Board noted the information without formal action.

- 5.2. Consider the March 24, 2025, Water Supply and Demand Management Committee Recommendation to Increase Santa Clara Valley Water District's Storage Capacity to a Minimum of 63,560 Acre Feet, or up to 70,000 Acre Feet if Space Becomes Available, as Part of the B.F. Sisk Dam Raise and Reservoir Expansion Project, Project No. 91131006, and Authorize an Increase of Project Planning Costs From \$2,057,636 to \$2,187,646.

Recommendation: Receive an update and discuss the B.F. Sisk Dam Raise and Reservoir Expansion Project and consider the March 24, 2025, Water Supply and Demand Management Committee's recommendations to:

- A. Increase Santa Clara Valley Water District's storage capacity to a minimum of 63,560 Acre Feet, or up to 70,000 Acre Feet if space becomes available;
- B. Authorize up to \$2,187,646 to cover Santa Clara Valley Water District's share of Project planning costs; and
- C. Provide feedback and recommendations to staff as necessary.

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

Motion:

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

The Yeas have it, and the motion passed.

5.3. BOARD COMMITTEE REPORTS.

The Board reviewed the information on the March 19, 2025, Board Audit Committee (BAC), and the April 9, 2025, Water Commission Committee (WC) meeting summaries and agendas contained in Handouts 5.3-A and 5.3-B, respectively, and noted the information without formal action.

Copies of the Handouts were distributed to the Board and made available to the public.

6. WATER UTILITY ENTERPRISE:

None.

7. WATERSHEDS:

None.

8. ASSISTANT CHIEF EXECUTIVE OFFICER:

8.1. Approve Amendment No. 10 to Agreement No. A3676A with URS Corporation for Design Services for the Anderson Dam Seismic Retrofit Project, Project No. 91864005, and Engineering Support During Construction for the Anderson Dam Tunnel Project, Project No. 91864006, Increasing the Not-to-Exceed fee by \$15,496,898 for a Revised Total Not-to-Exceed fee of \$83,455,670, and Extending the Agreement Term to December 31, 2027 (Morgan Hill, District 1).

Recommendation: Approve Amendment No. 10 to Agreement No. A3676A with URS Corporation (Consultant) for design services for the Anderson Dam Seismic Retrofit Project, Project No. 91864005, and engineering support during construction for the Anderson Dam Tunnel Project, Project No. 91864006, increasing the not-to-exceed fee by \$15,496,898 for a total not-to-exceed fee of \$83,455,670, and extending the Agreement term to December 31, 2027.

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

Motion:

Move to Approve: 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.

9. EXTERNAL AFFAIRS:

None.

10. CHIEF EXECUTIVE OFFICER:

10.1. CEO and Chiefs' Reports.

Rachael Gibson, Chief of External Affairs, reviewed the attached OCE Monthly Update, identified as Handout 10.1-A and the attached OGE Summary, identified as Handout 10.1-B. Copies of the Handouts were distributed to the Board and made available to the public.

11. ADMINISTRATION:

None.

12. DISTRICT COUNSEL:

None.

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

13.1. Review the Fiscal Year 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 Hsueh reported attending the Rinconada Water Treatment Plant Quarterly Neighborhood meeting, Homeowners Association, and Engineers Society meetings; a meeting with Larry Klein, Sunnyvale Mayor, and Tim Kirby, City of Sunnyvale Manager; and various meetings with staff.

Director Ballard reported attending the aforementioned Engineers Society meeting; a Landscape Committee meeting; Coyote Creek Flood Protection community, Sierra Club, Environmental Focused Stakeholder Group and Amah Mutsun Tribe meetings; and various meetings with staff.

Director Santos reported attending the aforementioned Landscape Committee meeting; a Joint Water Resources Committee meeting; and a meeting with Larry Klein, Sunnyvale Mayor, and Tim Kirby, City of Sunnyvale Manager.

Director Beall reported attending a Local Agency Formation Commission meeting; and reported participating in a San Jose Rotary interview.

15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:

None.

16. ADJOURN:

Chairperson Estremera adjourned the meeting in memory of Bruce Wilson, Supervising Civil Engineer, Santa Clara Valley Water District; Saeid Vaziry, Environmental Engineer, City of Gilroy; and Don Gage, Former Director, Santa Clara Valley Water District, at 2:26 p.m. The Board will convene for the next Regular meeting at 1:00 p.m. on Tuesday, April 22, 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 27, 2025

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