



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, AUGUST 26, 2025
11:00 AM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER/ROLL CALL:

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

1.1. Roll Call.

Board members in attendance were Shiloh Ballard, Rebecca Eisenberg, Nai Hsueh, John L. Varela and Richard P. Santos, Vice Chairperson presiding, constituting a quorum of the Board.

Director Jim Beall was excused from attending (advanced notice provided); and Chairperson Tony Estremera arrived as noted below.

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

2. 11:00 AM - CLOSED SESSION:

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

Chairperson Estremera arrived.

2.1. CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: M. Richardson, T. Yoke, P. McElroy, A. Lee, E. Meeks, J. Carlos Orellana, L. Mason, E. Kreisberg

Employee Organizations: Employees Association, Engineers Society, Professional Managers Association

Unrepresented Employees: All Valley Water Unclassified Positions
(Continued from August 12, 2025)

2.2. District Counsel Report on Closed Session.

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

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

3. 1:00 PM - TIME CERTAIN:

3.1. Pledge of Allegiance/National Anthem.

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

3.2. Orders of the Day.

Chairperson Estremera confirmed that there were no changes to the Orders of the Day.

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

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

3.4. Conduct a Public Hearing to Consider Adopting a Resolution of Necessity Relating to the Acquisition of Real Property Interests from City of San Jose, Necessary to Complete the Coyote Creek Flood Protection Project, Project No. 26174043, APNs 249-21-003, 249-21-005, 249-64-001, 254-01-004, 254-01-023, 472-31-042, 472-33-011, 472-33-012, 472-11-009, 472-11-081, 472-11-062, 472-12-073, & 477-12-020, Real Estate File No. 4021-321, 4021-334, 4021-345, 4021-350, 4021-356, 4021-357, 4021-366, 4021-414, 4021-448, 4021-457, 4021-469, 4021-470, 4021-471, 4021-491, 4021-508, 4021-510 and 4021-523 (San Jose, District 2 and District 6).

- Recommendation:
- A. Open and conduct the Public Hearing to consider adoption of a Resolution of Necessity relating to acquisition of real property or interests from the City of San Jose, necessary to complete the Coyote Creek Flood Protection Project, Project No. 26174043;
 - B. Close the Public Hearing; and
 - C. Adopt the Resolution of Necessity 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.

Chairperson Estremera opened the Public Hearing.

Madhu Thummaluru, Capital Engineering Manager, reviewed the information on this Item per the attached Board Agenda Memo and per the information contained in Attachment 3.

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

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

The Yeas have it, and the motion passed.

Motion:	Adopt Resolution No. 25-54 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 roll-call vote.
---------	--

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

The Yeas have it, and the motion passed.

REGULAR AGENDA:

4. CONSENT CALENDAR: (4.1 - 4.2)

The Board considered Consent Calendar Items 4.1 through 4.2 under one motion.

- 4.1. Adopt Recommended Positions on Federal Legislation: S. 1481 (Wicker) - Lifting Our Communities through Advance Liquidity for Infrastructure (LOCAL Infrastructure) Act; H.R. 1255 (Kustoff) - Investing in Our Communities Act; S. 1246 (Tillis) - FEMA Independence Act of 2025; And Other Legislation That May Require Consideration by the Board.

Recommendation: A. Adopt a Position of "Support" on S. 1481 (Wicker) - Lifting Our Communities through Advance Liquidity for Infrastructure (LOCAL Infrastructure) Act;
B. Adopt a Position of "Support" on H.R. 1255 (Kustoff) - Investing in Our Communities Act; and
C. Adopt a Position of "Support" on S. 1246 (Tillis) - FEMA Independence Act of 2025.

4.2. Accept the CEO Bulletin for the Weeks of August 8 - 21, 2025.

Recommendation: Accept the CEO Bulletin.

Motion: Approve Consent Calendar Items 4.1 through 4.2, under one motion, as follows: Adopt a position of "Support" on S. 1481 (Wicker) - Lifting Our Communities through Advance Liquidity for Infrastructure (LOCAL Infrastructure) Act; adopt a position of "Support" on H.R. 1255 (Kustoff) - Investing in Our Communities Act; adopt a position of "Support" on S. 1246 (Tillis) - FEMA Independence Act of 2025, as contained in Item 4.1; and accept the CEO Bulletin, as contained in Item 4.2.

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

The Yeas have it, and the motion passed.

5. BOARD OF DIRECTORS:

5.1. Receive the Semi-Annual Lobbyist Report and Annual Registration of Individuals Engaged in Compensated Lobbying Activities Aimed at Influencing Santa Clara Valley Water District Decisions in Accordance With District Ordinance No. 10-01.

Recommendation: Receive the Semi-Annual Lobbyist Report and Annual Registration of Individuals Engaged in Compensated Lobbying Activities for the period January 1, 2025 through June 30, 2025.

The Board noted the information without formal action.

5.2. Board Committee Reports.

The Board reviewed the information on the July 30, 2025, Recycled Water Committee (RWC), July 31, 2025, Capital Improvement Program (CIP), August 25, 2025, Water Supply and Demand Management Committee (WSDMC) and August 27, 2025, Santa Clara Valley Water District Water Commission

Meeting (SCVWD WC) meeting summaries and agendas contained in Handouts 5.2-A through 5.2-D, respectively herein, 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 Update on the Pacheco Reservoir Expansion Project, Project No. 91954002 (Santa Clara County, District 1; Merced County).

Recommendation: A. Receive an update on the Pacheco Reservoir Expansion Project, and
 B. Provide direction to staff and authorize the Interim Chief Executive Officer to take all actions necessary to implement the Board's direction.

Melanie Richardson, Interim Chief Executive Officer, reviewed the information on this Item, per the attached Board Agenda Memo, and the corresponding presentation materials contained in Supplemental Attachment 1 were reviewed by staff as follows: Melanie Richardson, Interim Chief Executive Officer, reviewed Slides 1 through 2 and Slide 12; Rita Chan, Assistant Chief Executive Officer, reviewed Slides 3 through 4; Ryan McCarter, Deputy Operating Officer, reviewed Slides 5 through 7; Darin Taylor, Chief Financial Officer, reviewed Slide 8; and Aaron Baker, Chief Operating Officer, reviewed Slides 9 through 11.

Four statements expressing opposition for the continuation of the Pacheco Dam Project were received from: David Kennedy, San Jose resident; Katja Irvin, Sierra Club Loma Prieta Chapter; J.P. Galvin, Save Mount Diablo; and Shani Kleinhaus, Santa Clara Valley Bird Alliance.

Peter Van Dyke, Loma Prieta Resource Conservation District, requested that the Board consider the impact of the Project closure on agricultural water rates and to add that topic to the next Agricultural Water Advisory Committee agenda.

Motion: A. That Valley Water suspend all its current efforts in the development of the Pacheco Reservoir Expansion Project (Project);
 B. Direct the Interim CEO to take the necessary steps, including coordination with the California Water Commission as needed, to withdraw Valley Water's Proposition 1 Water Storage Investment Program (WSIP) application for the Project;
 C. Direct the Interim CEO to develop a project closure plan and return to the Board at a later time to provide an update and seek the Board's input as needed on

the key project closure elements, including but not limited to: fulfillment of contractual and other obligations, collection of project deliverables and communications, and notification to applicable regulatory agencies and funding partners of project suspension;

- D. Direct the Interim CEO to take the necessary steps to document and preserve all project records and work product to facilitate development of future projects; and
- E. Return to the Board in the future with new in-county water storage opportunities.

Move to Approve:	Tony Estremera
Second:	Rebecca Eisenberg
Yeas:	Shiloh Ballard, Rebecca Eisenberg, Tony Estremera, Richard Santos, John L. Varela, Nai Hsueh
Nays:	None
Abstains:	None
Recuses:	None
Absent:	Jim Beall
Summary:	6 Yeas; 0 Nays; 0 Abstains; 1 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 Communications Summary, identified as Handout 10.1-A herein. Copies of the Handout 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 2026 Board Policy Planning Calendar.

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

The Board noted the information without formal action.

Katja Irvin, Sierra Club Loma Prieta Chapter, requested that the Board add discussion of the Pacheco Projects closure and new in-county water storage opportunities to the Board Policy Planning Calendar.

14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:

Director Ballard reported attending Board Audit Committee (BAC), Youth Commission (YC), and WSDMC Committee meetings; a meeting with a representative from the Sierra Club, a meeting with a representative from Microsoft Corporation, a Rotary Club of San Jose Meeting, and the San Jose Chamber of Commerce Annual Barbecue; and various meetings with staff.

Director Eisenberg reported meeting with constituents.

Director Hsueh reported attending the aforementioned YC, WSDMC, and CIP Committee meetings; the Special Joint Meeting with the City of San Jose; and various meetings with staff.

Vice Chair Santos reported attending the aforementioned Special Joint Meeting with the City of San Jose; a Silicon Valley Advanced Water Purification Center tour with District 2 San Jose City Councilmember Pamela Campos; and various meetings with staff.

Director Varela reported attending the aforementioned Special Joint Meeting with the City of San Jose, and YC meetings; an Association of California Water Agencies (ACWA) meeting; and various meetings with staff.

Chairperson Estremera reported attending the aforementioned Special Joint Meeting with the City of San Jose, CIP, and BAC meetings; the Environmentally Focused Stakeholders Meeting, a Delta Conveyance Authority (DCA) meeting; and various meetings with staff.

15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:

None.

16. ADJOURN:

Chairperson Estremera adjourned the meeting at 2:38 p.m. The Board will convene for the next Special Meeting at 9:30 a.m. on Friday, August 29, 2025, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.

Candice Kwok-Smith
Clerk, Board of Directors

Approved:

Date: September 23, 2025

This page intentionally left blank.