



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, AUGUST 12, 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, Jim Beall, Nai Hsueh, Richard P. Santos, and Tony Estremera, Chairperson presiding, constituting a quorum of the Board.

Director John L. Varela was absent, and Director Rebecca Eisenberg arrived as noted below.

Staff members in attendance were Melanie Richardson, Interim Chief Executive Officer; Carlos Orellana, District Counsel; Max Overland, Acting Clerk, Board of Directors; E. Aryee, A. Baker, L. Bankosh, A. Beaman, M. Bilski, J. Bourgeois, R. Chan, A. Garcia, R. Gibson, A. Gordon, C. Hakes, C. Lawson, A. Lee, M. Lugo, R. McCarter, P. McElroy, T. Ndah, K. Struve, D. Taylor, B. Yerrapotu, and T. Yoke.

2. 11:00 AM - CLOSED SESSION:

Chairperson Estremera noted that Item 2.1 had been removed from the agenda and confirmed that the Board would adjourn to Closed Session to consider Items 2.2, 2.3, 2.4, 2.5, 2.6, and 2.7.

Carlos Orellana, District Counsel, confirmed that with respect to item 2.5, the facts and circumstances giving rise to this closed session are various claims of harassment, discrimination, retaliation, and abusive conduct.

Director Eisenberg arrived.

- 2.1. (ITEM REMOVED FROM THE AGENDA)
CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL, PENDING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Amanda Aguirre, et al. v. Santa Clara Valley Water District
(Santa Clara County Superior Court Case No. 23CV415312)
- 2.2. CLOSED SESSION
THREAT TO PUBLIC SERVICES OR FACILITIES
Pursuant to Government Code Section 54957(a)
- 2.3. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL, INITIATION OF LITIGATION
Pursuant to Government Code Section 54956.9(d)(4)
One potential case
- 2.4. CLOSED SESSION
PUBLIC EMPLOYEE DISCIPLINE
Pursuant to Government Code Section 54957(b)(1)
- 2.5. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION
Significant Exposure to Litigation
Pursuant to Government Code Section 54956.9(d)(2)
Multiple potential cases
- 2.6. CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: District Counsel
Pursuant to Government Code Section 54957(b)(1)
- 2.7. 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
(*Previously listed as Item 2.4)
- 2.8. District Counsel Report on Closed Session.

Upon return from Closed Session, the same Board members, excluding Director Varela, and including Director Eisenberg and staff, were present.

Carlos Orellana, District Counsel, reported that in regard to Items 2.2, 2.3, 2.4, 2.5, the Board met in Closed Session with all members participating, including Director Eisenberg and excluding Director Varela, and took no reportable action, and in regard to Item 2.7, the Board met in Closed Session with all members participating, including Director Eisenberg and excluding Director Varela, and continued the Item to a future date.

Chairperson Estremera reported that in regard to Item 2.6, the Board met in Closed Session with all members participating, including Director Eisenberg and excluding Director Varela, and took no reportable action.

3. 1:00 PM - TIME CERTAIN:

3.1. Pledge of Allegiance/National Anthem.

Director Hsueh 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.

Ken Hoag, San Jose resident, expressed concern about the fluoridation of our drinking water and requested the Board agendaize the topic for discussion.

3.4. Receive an Update on the Issuance of Water System Refunding Bonds in an Aggregate Not-to-Exceed Amount of \$520 Million and Adopt a Resolution Approving the Form of a Preliminary Official Statement.

Recommendation: A. Receive an update on the issuance of Water System Refunding Revenue Bonds in an aggregate not-to-exceed amount of \$520 Million; and
 B. Adopt the Resolution APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE OF WATER SYSTEM REFUNDING REVENUE BONDS AND CERTAIN ACTS IN CONNECTION THEREWITH.

Charlene Sun, Treasury and Debt Manager, reviewed the information on this Item, per the attached Board Agenda Memo, and Doug Brown, Partner, Stradling Yocca Carlson & Rauth LLP, reviewed the information contained in Attachment 3.

Motion: Receive an update on the issuance of Water System Refunding Revenue Bonds in an aggregate not-to-exceed amount of \$520 Million and adopt Resolution No. 2025-52, APPROVING THE FORM OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE OF WATER SYSTEM REFUNDING REVENUE BONDS AND CERTAIN ACTS IN CONNECTION THEREWITH, by roll call vote.

Move to Adopt: Richard Santos
Second: Nai Hsueh

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

The Yeas have it, and the motion passed.

REGULAR AGENDA:

4. CONSENT CALENDAR: (4.1 - 4.7)

Chairperson Estremera removed Item 4.5 from the Consent Calendar for individual consideration, and the Board considered Consent Calendar Items 4.1 through 4.4, 4.6 and 4.7 under one motion.

- 4.1. Adopt a Resolution Declaring a Portion of Real Property Owned by the Santa Clara Valley Water District as Exempt Surplus Land, Making Responsible Agency Findings Under the California Environmental Quality Act, and Authorize Conveyance of Real Property Interest to the City of Milpitas; Authorize the Interim Chief Executive Officer to Negotiate and Execute a Purchase and Sale Agreement for the South Milpitas Vehicular Bridge Project, APN No. 086-37-018, Real Estate File No. 4049-6.1 (Milpitas, District 3).

- Recommendation:
- A. Consider the potential environmental effects of the project as discussed in the Initial Study/ Mitigated Negative Declaration for the South Milpitas Boulevard Bridge Project;
 - B. Adopt a Resolution DECLARING A PORTION OF REAL PROPERTY OWNED BY THE SANTA CLARA VALLEY WATER DISTRICT (APN 086-37-018) AS EXEMPT SURPLUS LAND UNDER CALIFORNIA GOVERNMENT CODE 54221 (f)(1)(D), DETERMINING THAT THE REAL PROPERTY TO BE TRANSFERRED IS NOT REQUIRED FOR VALLEY WATER USE, CONSIDERING THE MITIGATED NEGATIVE DECLARATION FOR THE SOUTH MILPITAS BOULEVARD BRIDGE PROJECT AND MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND AUTHORIZING THE CONVEYANCE OF REAL PROPERTY TO THE CITY OF MILPITAS PURSUANT TO SECTION 31(D) OF THE DISTRICT ACT (MILPITAS, DISTRICT 3);
 - C. Authorize the Interim Chief Executive Officer to negotiate and execute the Purchase and Sale Agreement between the City of Milpitas and Santa Clara Valley Water District, for the conveyance of real property interest located in Penitencia East Channel, in substantially the same form as the attached draft

based upon the terms and conditions as set forth in the Agreement; and

- D. Authorize the Interim Chief Executive Officer to negotiate and execute the Grant Deed to the City of Milpitas in substantially the same form as the attached draft, Real Estate File No. 4049.

- 4.2 Adopt Plans and Specifications and Authorize Advertisement for Bids for the South County Recycled Water Pipeline Phase 1C Project, Project No. 91094009, Contract No. C0723 (Gilroy, Unincorporated Santa Clara County, District 1).

- Recommendation:
- A. Adopt the plans and specifications and authorize advertisement for bids for the construction of the South County Recycled Water Pipeline Phase 1C Project per the Notice to Bidders; and
 - B. Authorize the Designated Engineer to issue addenda, as necessary, during bidding process.

- 4.3. Approve a Sole Source Designation, Adopt Plans and Specifications and Authorize Advertisement for Bids for the Penitencia Water Treatment Plant Residuals Management Project, Project No. 93234044, Contract No. C0711 (San Jose, District 3).

- Recommendation:
- A. Find that the Penitencia Water Treatment Plant Residuals Management Project is substantially complex and, therefore, requires construction contract retention of ten percent (10%);
 - B. Find that certain Supervisory Control and Data Acquisition (SCADA), electrical, and instrumentation components should be designated as sole source products to match other products already in use at the Penitencia Water Treatment Plant. Public Contract Code Section 3400(c)(2);
 - C. Adopt the Plans and Specifications and Authorize Advertisements for Bids for construction of the Penitencia Water Treatment Plant Residuals Management Project per the Notice to Bidders; and
 - D. Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

- 4.4. Adopt Recommended Positions on State Legislation: AB 454 (Kalra) Migratory Birds: California Migratory Bird Protection Act, SB 650 (Cabaldon) The Sacramento-San Joaquin Delta Reform Act of 2009, and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

- Recommendation:
- A. Adopt a position of "Support" on: AB 454 (Kalra) Migratory Birds: California Migratory Bird Protection Act; and
 - B. Adopt a position of "Support" on: SB 650 (Cabaldon) The Sacramento-San Joaquin Delta Reform Act of 2009.

- 4.6. Accept the CEO Bulletins for the Weeks of July 4, 2025, through August 7, 2025.

Recommendation: Accept the CEO Bulletin.

4.7. Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 4.1 through 4.4, 4.6 and 4.7, under one motion, as follows: adopt Resolution Nos. 2025-53, DECLARING A PORTION OF REAL PROPERTY OWNED BY THE SANTA CLARA VALLEY WATER DISTRICT (APN 086-37-018) AS EXEMPT SURPLUS LAND UNDER CALIFORNIA GOVERNMENT CODE 54221 (f)(1)(D), DETERMINING THAT THE REAL PROPERTY TO BE TRANSFERRED IS NOT REQUIRED FOR VALLEY WATER USE, CONSIDERING THE MITIGATED NEGATIVE DECLARATION FOR THE SOUTH MILPITAS BOULEVARD BRIDGE PROJECT AND MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND AUTHORIZING THE CONVEYANCE OF REAL PROPERTY TO THE CITY OF MILPITAS PURSUANT TO SECTION 31(D) OF THE DISTRICT ACT (MILPITAS, DISTRICT 3), by roll call vote, as contained in Item 4.1; adopt the plans and specifications and authorize advertisement for bids for the construction of the South County Recycled Water Pipeline Phase 1C Project per the Notice to Bidders and authorize the designated Engineer to issue addenda, as necessary, during bidding process., as contained in Item 4.2; find that the Penitencia Water Treatment Plant Residuals Management Project is substantially complex and, therefore, requires construction contract retention of ten percent (10%), find that certain Supervisory Control and Data Acquisition (SCADA), electrical, and instrumentation components should be designated as sole source products to match other products already in use at the Penitencia Water Treatment Plant. Public Contract Code Section 3400(c)(2), adopt the Plans and Specifications and Authorize Advertisements for Bids for construction of the Penitencia Water Treatment Plant Residuals Management Project per the Notice to Bidders, and authorize the Designated Engineer to issue addenda, as necessary, during the bidding process., as contained in Item 4.3; adopt recommended positions on state legislation: AB 454 (Kalra) Migratory Birds: California Migratory Bird Protection Act, SB 650 (Cabaldon) The Sacramento-San Joaquin Delta Reform Act of 2009, and other legislation which may require urgent consideration for a position by the board, as contained in Item 4.4; accept the CEO Bulletins for the weeks of July 4, 2025, through August 7, 2025, as contained in Item 4.6; and approve the minutes as contained in Item 4.7.

Move to Approve: Richard Santos
Second: Nai Hsueh

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

The Yeas have it, and the motion passed.

4.5. Consider and Approve Appointments to the Safe, Clean Water and Natural Flood Protection Independent Monitoring Committee.

Recommendation: Consider and approve appointments to the Safe, Clean Water and Natural Flood Protection Independent Monitoring Committee.

Move to Approve: Shiloh Ballard
Second: Richard Santos
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg,
Tony Estremera, Richard Santos, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: John L. Varela
Summary: 7 Yeas; 0 Nays; 0 Abstains; 1 Absent.

The Yeas have it, and the motion passed.

5. BOARD OF DIRECTORS:

5.1. Board Committee Reports.

The Board reviewed the information on the April 9, 2025, Santa Clara Valley Water Commission, June 9, 2025, Board Policy Monitoring Committee, June 11, 2025, Stream Planning and Operations Committee, June 17, 2025, Board Audit Committee, June 23, 2025, Water Supply Demand Management Committee, June 25, 2025, Recycled Water Committee, and July 7, 2025, Agricultural Water Advisory Committee, meeting summaries contained in Handouts 5.1-A through 5.1-G, respectively, and noted the information without formal action. Copies of the Handouts were distributed to the Board and made available to the public.

Peter Van Dyke, Loma Prieta Conservation District, expressed the importance of public involvement and requested more transparency to encourage participation at stakeholder meetings.

5.2. Consider the June 9, 2025, Board Policy and Monitoring Committee Recommendation to Adopt the Encroachment Licensing Program Update to the Water Resources Protection Ordinance and Associated Implementation Policy.

Recommendation: Consider the recommendation resulting from the June 9, 2025, Board Policy and Management Committee to:

- A. Adopt the updated Water Resources Protection Ordinance to include the Encroachment Licensing Program; and
- B. Approve the Encroachment Remediation Implementation Policy

Lisa Bankosh, Assistant Officer, reviewed the information on this Item, per the attached Board Agenda Memo and per the information contained in Attachment 5.

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

The Yeas have it, and the motion passed.

6. WATER UTILITY ENTERPRISE:

None.

7. WATERSHEDS:

- 7.1. Approve a Portion of Santa Clara Valley Water District's Fiscal Year 2025-26 Annual Member Contribution to the San Francisquito Creek Joint Powers Authority Operating Budget for "Operations/Administration and Reserves" in the Amount of \$329,097.18 (Palo Alto, District 7).

Recommendation: Approve a portion of Santa Clara Valley Water District's Fiscal Year 2025-2026 annual member contribution to the San Francisquito Creek Joint Powers Authority operating budget for "Operations/Administration and Reserves" in the amount of \$329,097.18.

Chris Hakes, Chief Operating Officer, reviewed the information on this Item, per the attached Board Agenda Memo.

Margaret Bruce, Executive Director of San Francisquito Creek Joint Powers Authority, clarified that the Joint Powers Authority budget was separated at members' request.

Move to Approve: Nai Hsueh
Second: Shiloh Ballard
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg,
Tony Estremera, Richard Santos, Nai Hsueh
Nays: None
Abstains: None

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

The Yeas have it, and the motion passed.

- 7.2. Receive Report of Bids, Ratify Addenda, Approve the Contingency Fund, and Award the Construction Contract to GSW Construction, Inc. for the Palo Alto Flood Basin Tide Gate Structure Seismic Retrofit and Rehabilitation Project, Project No.10394001, Contract No. C0710 in the sum of \$2,782,645.00 (Palo Alto, District 7).

Recommendation: A. Ratify Addendum Nos. 1, 2 and 3 to the Contract Documents for the Palo Alto Flood Basin Tide Gate Structure Seismic Retrofit and Rehabilitation Project
B. Award the Construction Contract to GSW Construction, Inc. located in San Francisco, CA, in the sum of \$2,782,645.00; and
C. Approve a contingency sum of 15% in the amount of \$417,396.75 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

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

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

The Yeas have it, and the motion passed.

8. ASSISTANT CHIEF EXECUTIVE OFFICER:

- 8.1. Approve Agreement A5464A with GEI Consultants, Inc., for Construction Management Services for the Anderson Dam Seismic Retrofit Project, Project No. 91864005, for a Not-to-Exceed fee of \$180,717,246 (Morgan Hill, District 1).

Recommendation: Approve Agreement A5464A with GEI Consultants, Inc., for Construction Management Services for the Anderson Dam Seismic Retrofit Project, for a not-to-exceed fee of \$180,717,246.

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

Move to Approve: Richard Santos
Second: Nai Hsueh
Yeas: Shiloh Ballard, Jim Beall, Rebecca Eisenberg,
Tony Estremera, Richard Santos, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: John L. Varela
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. Approve the Central Fiscal Year 2024-25 Year-End and Fiscal Year 2025-26 Budget Adjustments.

Recommendation: Approve the Central Fiscal Year 2024-25 Year-End and Fiscal Year 2025-26 Budget Adjustments.

Darin Taylor, Chief Financial Officer, reviewed the information on this Item, per the attached Board Agenda Memo and per the information contained in Attachment 2.

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

The Yeas have it, and the motion passed.

10.2. CEO and Chief's Reports.

Chris Hakes, Chief Operating Officer, reviewed the attached Watersheds Operations and Maintenance Report, identified as Handout 10.3-C; Rachael Gibson, Chief of External Affairs, reviewed the attached Office of Civic Engagement Monthly Update and Office of Government Relations Summary, identified as Handouts 10.2-A and 10.2-B, respectively, herein. 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 2026 Board Policy Planning Calendar.

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

The Board noted the information without formal action.

14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:

Director Hsueh reported attending a Landscape and Capital Improvement Program (CIP) committee meetings; a Water Ambassador event; and various meetings with staff.

Director Ballard reported attending the aforementioned Landscape Committee and Water Ambassador meetings; an Upper Guadalupe Tour with the United States Army Corps of Engineers; met with San Jose Council members; and various meetings with staff.

Director Santos reported attending the aforementioned Landscape Committee and Upper Guadalupe Tour with the United States Army Corps of Engineers; a Sunnyvale Unhoused Collaborative meeting; and various meetings with staff.

Director Eisenberg reported meeting with constituents from District 7.

Director Beall reported attending a San Luis Delta Mendota Authority board meeting.

Chairperson Estremera reported attending the aforementioned CIP meeting, a Recycled Water and Water Commission committee meeting, a Delta Conveyance Authority meeting, and various meetings with staff.

15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:

None.

16. ADJOURN:

Chairperson Estremera adjourned the meeting in memory of Bob Gross, former District 3 Board Member, at 3:10 p.m., and in recognition of South Asian Heritage and Black Business Month. The Board will convene for the next Special meeting at 1:00 p.m. on Tuesday, August 19, 2025, in San Jose City Hall, 200 E. Santa Clara St, Wing Rooms, San Jose, California, and via live YouTube streaming.

Maximillion Overland, CMC
Acting Clerk, Board of Directors

Approved:

Date: September 9, 2025