



BOARD OF DIRECTORS MEETING

# MINUTES

**CLOSED SESSION AND REGULAR MEETING  
TUESDAY, MARCH 25, 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, John L. Varela, and Tony Estremera, Chairperson presiding, constituting a quorum of the Board.

The Board Member in attendance via Zoom utilizing AB 2449 due to medical issues was 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.

Director Rebecca 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, R. Chan, A. Garcia, R. Gibson, V. Gin, C. Hakes, B. Hopper, 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:**

Chairperson Estremera confirmed that the Board would adjourn to Closed Session to consider Item 2.1.

- 2.1. CLOSED SESSION  
PUBLIC EMPLOYMENT  
Pursuant to Government Code Section 54957(b)(1)  
Title: Clerk of the Board

2.2. District Counsel Report on Closed Session.

Director Eisenberg arrived.

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

Chairperson Estremera reported that in regard to Item 2.1, the Board met in Closed Session with all members participating, excluding Director Eisenberg, and selected prospective candidates to interview for the vacant Clerk of the Board position.

**3. 1:00 PM - TIME CERTAIN:**

Chairperson Estremera read the following into the record:

Good afternoon,

As I am chairing this meeting via Zoom, 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 Accept: 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.

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 subject not on the agenda.

Julie, a San Jose resident, requested information on who best to contact within the Santa Clara Valley Water District organization in regard to her request to add a black cover to the entire fence on Cherry Ave. to block the view of the unhouesd.

3.4. Receive an Update on the Status of Santa Clara Valley Water's Pension and Other Post-Employment Benefits Unfunded Liabilities.

Recommendation: A. Receive information on the status of Santa Clara Valley Water's pension and Other Post-Employment Benefit unfunded liabilities; and  
B. Provide direction to staff as necessary.

Darin Taylor, Chief Financial Officer, reviewed the information on this item, per the attached Board Agenda Memo and per the information contained in Attachment 1, and Ira Summer, Retirement Program Advisor and Actuary, reviewed the information contained in Attachment 2.

The Board noted the information without formal action.

## **REGULAR AGENDA:**

### **4. CONSENT CALENDAR: (4.1 - 4.8)**

The Board considered Consent Calendar Items 4.1 through 4.8 under one motion.

- 4.1. Adopt a Resolution Setting Time and Date of Public Hearing on the Final Mitigated Negative Declaration and Engineer's Report for the Penitencia Water Treatment Plant Residuals Management Project, Project No. 93234044 (San Jose, District 3).

Recommendation: Adopt the Resolution SETTING TIME AND DATE OF PUBLIC HEARING ON THE FINAL MITIGATED NEGATIVE DECLARATION AND ENGINEER'S REPORT FOR THE PENITENCIA WATER TREATMENT PLANT RESIDUALS MANAGEMENT PROJECT, to occur on April 8, 2025, at 1:00 p.m. in the Boardroom at Santa Clara Valley Water District, Headquarters Building, 5700 Almaden Expressway, San Jose, California.

- 4.2. Approve the Federal Funding Requests for Fiscal Year 2026.

Recommendation: Approve the recommended funding requests for federal Fiscal Year 2026 for Valley Water-sponsored and Valley Water-supported projects and priorities.

- 4.3. Adopt Recommended Positions on Federal Legislation: S. 322 (Padilla) - Improving Atmospheric River Forecasting Act; H.R. 1267 (Gluesenkamp Perez) - Water Systems PFAS Liability Protection Act; H.R. 403 (Swalwell) - Preventing Our Next Natural Disaster Act; H.R. 1382 (Huffman) - San Francisco Bay Restoration Program Technical Correction Act; H.R. 605 (Costa) - Headwaters Protection Act of 2025; H.R. 1871 (Huffman)/S. 857 (Curtis) - Water Conservation Rebate Tax Parity Act of 2025; H.R. 1894 (Calvert) - Federally Integrated Species Health (FISH) Act; and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

Recommendation: A. Adopt a Position of "Support" on S. 322 (Padilla) - Improving Atmospheric River Forecasting Act;  
B. Adopt a Position of "Support" on H.R. 1267 (Gluesenkamp Perez) - Water Systems PFAS Liability Protection Act;  
C. Adopt a Position of "Support" on H.R. 403 (Swalwell) - Preventing Our Next Natural Disaster Act;  
D. Adopt a Position of "Support" on H.R. 1382 (Huffman) - San Francisco Bay Restoration Program Technical Correction Act; and

- E. Adopt a Position of "Support" on H.R. 605 (Costa) - Headwaters Protection Act of 2025.
- \*F. Adopt a Position of "Support" on H.R. 1871 (Huffman)/S. 857 (Curtis) - Water Conservation Rebate Tax Parity Act of 2025; and
- \*G. Adopt a Position of "Support" on H.R. 1894 (Calvert) - Federally Integrated Species Health (FISH) Act.

- 4.4. Adopt Recommended Positions on State Legislation: AB 514 (Petrie-Norris) Emergency Water Supplies, AB 532 (Ransom) Water Rate Assistance Program, \*SB 31 (McNerney) Water Quality: recycled water, and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

Recommendation: A. Adopt a position of "Support" on: AB 514 (Petrie-Norris) Emergency Water Supplies;  
 \*B. Adopt a position of "Support" on: AB 532 (Ransom) Water Rate Assistance Program;  
 \*C. Adopt a position of "Support" on: SB 31 (McNerney) Water Quality: recycled water.

- 4.5. Receive the Single Audit Report for Fiscal Year Ending June 30, 2024.

Recommendation: Receive the Single Audit Report for Fiscal Year ending

- 4.6. Denial of Claim of Fariba Seyed.

Recommendation: Deny the claim.

- 4.7. Approval of Minutes.

Recommendation: Approve the minutes.

- 4.8. Accept the CEO Bulletin for the Weeks of March 7 - 20, 2025.

Recommendation: Accept the CEO Bulletin.

Motion: Approve Consent Calendar Items 4.1 through 4.8, under one motion, as follows: Adopt Resolution No. 2025-18 SETTING TIME AND DATE OF PUBLIC HEARING ON THE FINAL MITIGATED NEGATIVE DECLARATION AND ENGINEER'S REPORT FOR THE PENITENCIA WATER TREATMENT PLANT RESIDUALS MANAGEMENT PROJECT, to occur on April 8, 2025, at 1:00 p.m. in the Boardroom at Santa Clara Valley Water District, Headquarters Building, 5700 Almaden Expressway, San Jose, California, by roll call vote, as contained in Item 4.1; approve the recommended funding requests for federal fiscal year 2026 for Valley Water-sponsored and Valley Water-supported projects and priorities, as contained in Item 4.2; adopt a position of "Support" on S. 322 (Padilla) - Improving Atmospheric River Forecasting Act; adopt a position of "Support" on H.R. 1267 (Gluesenkamp Perez) - Water Systems PFAS Liability Protection Act; adopt a position of "Support" on H.R. 403 (Swalwell) - Preventing Our Next Natural Disaster Act; adopt a position of

“Support” on H.R. 1382 (Huffman) - San Francisco Bay Restoration Program Technical Correction Act; adopt a position of “Support” on H.R. 605 (Costa) - Headwaters Protection Act of 2025; adopt a position of “Support” on H.R. 1871 (Huffman)/S.857 (Curtis) - Water Conservation Rebate Tax Parity Act of 2025; and adopt a position of “Support” on H.R. 1894 (Calvert) - Federally Integrated Species Health (FISH) Act, as contained in Item 4.3; adopt a position of “Support” on: AB 514 (Petrie-Norris) Emergency Water Supplies; adopt a position of “Support” on: AB 532 (Ransom) Water Rate Assistance Program; adopt a position of “Support” on: SB 31 (McNerney)Water Quality: recycled water, as contained in Item 4.4; receive the single audit report for fiscal year ending June 30, 2024, as contained in Item 4.5; deny the claim, as contained in Item 4.6; approve the minutes, as contained in Item 4.7; accept the CEO bulletin, as contained in Item 4.8.

Move to Adopt: Richard Santos  
Second: John L. 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.

## 5. BOARD OF DIRECTORS:

- 5.1. Consider the December 6, 2024, Board Policy and Monitoring Committee’s Recommendation to Adopt Proposed Changes to Board Governance Policy Executive Limitation 6 (EL-6): Asset Management and Related Board Appointed Officer (BAO) Interpretations.

Recommendation: Consider input and recommendations from the December 6, 2024, Board Policy and Monitoring Committee meeting to:

- A. Adopt Proposed Changes to Board Governance Policies Executive Limitations 6 (EL-6): Asset Management and Related Board Appointed Officer (BAO) Interpretations; and
- B. Provide feedback and recommendations to staff, as necessary.

Rita Chan, Assistant Chief Executive Officer, reviewed the information on this item per the attached Board Agenda Memo.

Move to Adopt: 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.

## 5.2. Board Committee Reports.

The Board reviewed the information on the August 29, 2024, Environmental Creek Cleanup Committee, January 22, 2025, Water Commission, February 19, 2025, Board Audit Committee, March 5, 2025, Capital Improvement Program Committee, and March 24, 2025, Water Supply and Demand Management Committee meeting summaries and agendas contained in Handouts 5.2-A through 5.2-E, 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:

- 7.1. Approve the Standard On-Call Consultant Agreements with Four Consultant Firms: Arup US, Inc., Agreement No. A5242A; ENGEO Incorporated, Agreement No. A5243A; Kleinfelder, Inc., Agreement No. A5244A; Mott MacDonald Group, Inc., Agreement No. A5245A; to Provide On-Call Geotechnical Engineering and Design-Related Services, PlanetBids (PB) File No. VW0435, for a Shared Not-To-Exceed Aggregate Fee of \$11,000,000.

Recommendation:

- A. Approve the Standard On-Call Consultant Agreement No. A5242A, with Arup US, Inc., for on-call geotechnical engineering and design-related services;
- B. Approve the Standard On-Call Consultant Agreement No. A5243A, with ENGEO Incorporated, for on-call geotechnical engineering and design-related services;
- C. Approve the Standard On-Call Consultant Agreement No. A5244A, with Kleinfelder, Inc., for on-call geotechnical engineering and design-related services;
- D. Approve the Standard On-Call Consultant Agreement No. A5245A, with Mott MacDonald Group, Inc., for on-call geotechnical engineering and design-related services; and
- E. Approve a Shared Aggregate Not-To-Exceed fee of \$11,000,000 for all Agreements, with task orders issued based on project needs and consultant availability.

The Board considered Item 7.1 without a staff presentation.

Move to Approve: Nai Hsueh  
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.

**8. ASSISTANT CHIEF EXECUTIVE OFFICER:**

None.

**9. EXTERNAL AFFAIRS:**

None.

**10. CHIEF EXECUTIVE OFFICER:**

10.1. Receive and Discuss Long Range Financial Planning Models for the Water Utility Enterprise Fund, the Watersheds Stream Stewardship Fund, and the Safe, Clean Water Fund.

Recommendation: A. Receive information on the long-range financial planning models for the Water Utility Enterprise Fund, the Watersheds Stream Stewardship Fund, and the Safe, Clean Water Fund; and  
B. Provide direction as necessary.

Darin Taylor, Chief Financial Officer, reviewed the information on this item, per the attached Board Agenda Memo and per the information contained in Supplemental Attachment 1.

The Board noted the information without formal action.

10.2. MOVED TO ITEM 3.4

10.3. CEO and Chiefs' Reports.

Darin Taylor, Chief Financial Officer, reviewed the attached Grants Update, identified as Handout 10.3-D, herein.

Aaron Baker, Chief Operating Officer, reported that the Department of Water Resources (DWR) announced that wet and cold storms in March have allowed for another increase to the State Water Project (SWP) allocation forecast for 2025. The allocation has increased to 40 percent of requested water supplies, up from 35 percent last month. The State Water Project provides water to 27 million Californians and 750,000 acres of farmland. The latest allocation forecast is based on increases in precipitation, snowpack, and reservoir storage in the past month.

Christopher Hakes, Chief Operating Officer, reviewed the attached Storm Report, identified as Handout 10.3-C;

Rachael Gibson, Chief of External Affairs, reviewed the attached REDI and Communications Summary, identified as Handouts 10.3-A and Handout 10.3-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 2024-2025 Board Policy Planning Calendar.

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

The Board noted the information without formal action.

**14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:**

Chairperson Estremera acknowledged receipt of the attached Comments from Director Eisenberg, identified as Handout 14.1-A, herein. Copies of the Handout were distributed to the Board and made available to the public.

Director Ballard reported attending the Water Supply Demand Management Committee (WSDM) meeting; a Willow Glen Neighborhood Association and a Santa Clara Valley Habitat Joint Governing and Implementation Board Meeting; a Recycled Water and Stanford University briefings; the Delta Conveyance Authority (DCA) prep meeting; and reported participating in various meetings with staff.

Director Beall reported attending Joint Venture 2025 State of the Valley, a Campbell Chamber of Commerce celebration, and met with San Benito Building and Trades Council officials; a National Alliance for Mental Illness (NAMI) board meeting and met with Councilwoman Campos; the Ogier Ponds and Anderson Dam tour; and reported participating in various meetings with staff.

Director Hsueh reported attending the aforementioned WSDM, Capital Improvement Program (CIP), and Environmental Creek Cleanup (ECCC) Committee meetings; and reported participating in various meetings with staff.

Vice Chair Santos reported attending the aforementioned WSDM Committee meeting; an Organization of Latino Affairs (OLA) Employee Resource Group (ERG) meeting; and reported participating in a Congressman Ro Khanna Town Hall.

Director Varela reported attending the Morgan Hill State of the City Address; and Association of California Water Agencies (ACWA) meetings.

Chairperson Estremera reported attending the aforementioned CIP, OLA ERG, and DCA meetings; a Board Audit Committee meeting; Agenda Review meetings; and reported

participating in 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 at 3:19 p.m. The board will convene for the next Special meeting at 10:30 a.m. on Friday, April 1, 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: May 27, 2025