



Santa Clara Valley Water District Board of Directors Meeting

Headquarters Building Boardroom
5700 Almaden Expressway
San Jose, CA 95118

***AMENDED/APPENDED**
12:00 P.M. CLOSED SESSION & 1:00 P.M. REGULAR
MEETING
AGENDA

Tuesday, May 8, 2018
12:00 PM

***ITEMS AMENDED AND/OR APPENDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

DISTRICT BOARD OF DIRECTORS

Richard P Santos, Chair, District 3
Linda J LeZotte, Vice Chair, District 4
John L Varela, District 1
Barbara Keegan, District 2
Nai Hsueh, District 5
Tony Estremera, District 6
Gary Kremen - District 7

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

NORMA CAMACHO
Chief Executive Officer

MICHELE L KING, CMC
Clerk of the Board
(408) 265-2600
Fax (408) 266-0271
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown

**Santa Clara Valley Water District
Board of Directors**

***AMENDED/APPEDED
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Tuesday, May 8, 2018

12:00 PM

Headquarters Building Boardroom

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME CERTAIN:

12:00 PM

Notice to the Public: The Board of Directors meets in Closed Session in accordance with the Ralph M. Brown Act. Following the conclusion of Closed Session discussion, the Board will return for the remaining items on the regular meeting agenda.

*2.1. Item Removed From Agenda.

2.2. CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS

[18-0360](#)

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: Norma Camacho, Michael Baratz,

Anil Comelo, Angelica Cruz, Laura Harbert, Frank David

Employee Organization: Employees Association (DCCS)

1:00 PM

2.3. District Counsel Report.

2.4. Pledge of Allegiance/National Anthem.

2.5. Orders of the Day.

A. Approximate Discussion Time (Board); and

B. Adjustments to the Order of Agenda Items.

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

Notice to the public: This item is reserved for persons desiring to address the Board on any matter not on this agenda. Members of the public who wish to address the Board on any item not listed on the agenda should complete a Speaker Card and present it to the Clerk of the Board. The Board Chair will call individuals to the podium in turn. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Board action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board may take action on any item of business appearing on the posted agenda.

2.7. Public Hearing - Annual Report Recommending Flood Control Benefit Assessments and Resolution Setting Benefit Assessment Revenue for Fiscal Year 2018-2019.

[18-0315](#)

- Recommendation:
- A. Open the annual public hearing to consider any comments regarding the flood control benefit assessments for Fiscal Year 2018-2019 (FY 2018-19);
 - B. Close the Public Hearing; and
 - C. Adopt the Resolution ESTABLISHING LAND USE CATEGORIES, CONFIRMING A LEVY OF BENEFIT ASSESSMENTS TO MEET DULY AUTHORIZED DEBT OBLIGATIONS FOR FY 2018-2019 IN FLOOD CONTROL ZONES OF SANTA CLARA VALLEY WATER DISTRICT, IN ACCORDANCE WITH RESOLUTION NOS. 86-54, 86-55, 86-56, 86-57, AND 90-7, AND AUTHORIZING A PROCEDURE FOR CORRECTING ASSESSMENTS.

Manager: Melanie Richardson, 408-630-2035

Attachments: [Attachment 1: Staff Report](#)
[Attachment 2: Resolution](#)
[Attachment 3: Flood Control Benefit Assessment Report](#)

Est. Staff Time: 10 Minutes

- *2.8. Safe, Clean Water and Natural Flood Protection Special Tax Summary Report and Resolution Providing for Levy of the Special Tax Rates and Authorizing a Procedure for Correcting Special Tax Amounts for Fiscal Year 2018-2019. [18-0293](#)

Recommendation: A. Accept the Fiscal Year 2018-19 Safe, Clean Water and Natural Flood Protection Special Tax Summary Report; and
B. Adopt the Resolution PROVIDING FOR LEVY OF THE SPECIAL TAX PURSUANT TO THE SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION MEASURE IN THE COMBINED FLOOD CONTROL ZONE OF THE SANTA CLARA VALLEY WATER DISTRICT AND AUTHORIZING A PROCEDURE FOR CORRECTING SPECIAL TAX AMOUNTS FOR FISCAL YEAR 2018-2019.

Manager: Melanie Richardson, 408-630-2035

Attachments: [Attachment 1: Staff Report](#)
[Attachment 2: Resolution](#)
[Attachment 3: Summary of KPI 15-Year Program](#)
[*Supplemental Board Agenda Memo](#)
[*Supplemental Attachment 1: Revised Resolution](#)

Est. Staff Time: 10 Minutes

- 2.9. Public Hearing and Resolution Approving the Santa Clara Valley Water District's Fiscal Years 2019-2023 Five-Year Capital Improvement Program. [18-0294](#)

Recommendation: A. Reconvene the public hearing from April 27, 2018 to receive comments regarding the Santa Clara Valley Water District's Fiscal Years 2019-2023 Five-Year Capital Improvement Program;
B. Close the public hearing; and
C. Adopt the Resolution APPROVING FISCAL YEARS 2019-2023 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM.

Manager: Katherine Oven, 408-630-3126

Attachments: [Attachment 1: Resolution](#)
[Attachment 2: FY19-23 Capital Improvement Program](#)
[Attachment 3: PowerPoint](#)
[Attachment 4: Letters of Support from Cities](#)

Est. Staff Time: 10 Minutes

*2.10 Adoption of Groundwater Production and Other Water Charges for District Fiscal Year 2018-2019. [18-0326](#)

- Recommendation:
- A. Adopt the Resolution DETERMINING GROUNDWATER PRODUCTION CHARGES FOR FISCAL YEAR 2018-2019; and
 - B. Adopt the Resolution DETERMINING SURFACE WATER, TREATED WATER, AND SOUTH COUNTY RECYCLED WATER CHARGES FOR FISCAL YEAR 2018-2019.

Manager: Nina Hawk, 408-630-2736

Attachments: [Attachment 1: Resolution, Groundwater](#)
[Attachment 2: Resolution, Surface/Treated/Recycled Water](#)
[*Supplemental Board Agenda Memo](#)

Est. Staff Time: 10 Minutes

2.11. Approval of the Fiscal Year 2018-19 Operating and Capital Budget and Levy of Ad-valorem Property Taxes. [18-0349](#)

- Recommendation:
- A. Discuss and adopt a Resolution APPROVING AND ADOPTING THE OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR 2018-19;
 - B. Discuss and adopt a Resolution PROVIDING FOR LEVY OF AD VALOREM REAL PROPERTY TAXES IN FISCAL YEAR 2018-19 TO MEET THE COST OF ITS WATER SUPPLY CONTRACT WITH THE STATE OF CALIFORNIA; and
 - C. Approve the District Reserve Policy

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Resolution, Budget FY 2018-2019](#)
[Attachment 2: Resolution, Ad-valorem Real Property Taxes](#)
[Attachment 3: District Reserve Policy](#)
[Attachment 4: Transmittal Letter](#)

Est. Staff Time: 10 Minutes

3. CONSENT CALENDAR: (3.1 - 3.7) (Est. Time: 5 Minutes)

Notice to the public: There is no separate discussion of individual consent calendar items. Recommended actions are voted on in one motion. If an item is approved on the consent vote, the specific action recommended by staff is adopted. Items listed in this section of the agenda are considered to be routine by the Board, or delegated to the Board Appointed Officers (BAOs) yet required by law or contract to be Board approved (EL-7.10). Any item may be removed for separate consideration at the request of a Board member. Whenever a resolution is on the consent calendar, a roll call vote will be taken on the entire calendar. Members of the public wishing to address the Board on any consent items should complete a Speaker Card and present it to the Clerk of the Board.

3.1. Resolution Proclaiming May 20-26, 2018 as National Public Works Week. [18-0201](#)

Recommendation: Adopt a Resolution PROCLAIMING MAY 20-26, 2018 AS NATIONAL PUBLIC WORKS WEEK.

Manager: Katherine Oven, 408-630-3126

Attachments: [Attachment 1: Resolution](#)
[Attachment 2: 2018 APWA National Public Works Week Poster](#)

3.2. Resolution Recognizing May 1 - 31, 2018, as Asian-Pacific American Heritage Month. [18-0241](#)

Recommendation: Adopt the Resolution RECOGNIZING MAY 1 - 31, 2018, AS ASIAN-PACIFIC AMERICAN HERITAGE MONTH.

Manager: Ngoc Nguyen, 408-630-2632

Attachments: [Attachment 1: Resolution](#)

3.3. Resolution Authorizing the Chief Executive Officer to Negotiate and Execute a Financial Assistance Planning Grant Agreement with the California State Water Resources Control Board for Reverse Osmosis Concentrate Management. [18-0253](#)

Recommendation: Adopt the Resolution AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A FINANCIAL ASSISTANCE PLANNING GRANT AGREEMENT WITH THE CALIFORNIA STATE WATER RESOURCES CONTROL BOARD FOR REVERSE OSMOSIS CONCENTRATE MANAGEMENT.

Manager: Garth Hall, 408-630-2750

Attachments: [Attachment 1: Resolution](#)

- 3.4. Resolution Delegating Authority to Deposit and Invest Funds to the Treasurer or his or her Designee. [18-0186](#)

Recommendation:

- A. Adopt the Resolution DELEGATING BOARD'S AUTHORITY TO DEPOSIT AND INVEST FUNDS TO THE TREASURER OR HIS OR HER DESIGNEE; and
- B. Approve the Board Investment Policy for Fiscal Year 2018-19.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Resolution](#)
[Attachment 2: Fiscal Year 2019 Investment Policy](#)

- 3.5. Notice of Completion of Contract and Acceptance of Work for the El Camino Storm Drain Erosion Repair Project, Granite Construction, Inc., Contractor, Contract No. C0626, Project No. 62084001, Facility ID No. 2037 (Santa Clara) (District 5). [17-0856](#)

Recommendation:

- A. Accept the work as complete; and
- B. Direct the Clerk of the Board to sign the Notice of Completion of Contract and Acceptance of Work and submit for recording at the Santa Clara County Clerk-Recorder.

Manager: Ngoc Nguyen, 408-630-2632

Attachments: [Attachment 1: Notice of Completion, Acceptance of Work](#)
[Attachment 2: Recommendation of Contract Acceptance](#)
[Attachment 3: Project Completion Letter](#)
[Attachment 4: PowerPoint](#)
[Attachment 5: Project Delivery Process Chart](#)

- *3.6. CEO Bulletin for the Week of April 20-26 and April 27-May 3, 2018. [18-0363](#)

Recommendation: Accept the CEO Bulletin.

Manager: Norma Camacho, 408-630-2084

Attachments: [Attachment 1: 042618 CEO Bulletin](#)
[*Attachment 2: 050318 CEO Bulletin](#)

*3.7. Approval of Minutes.

[18-0341](#)

Recommendation: Approve the minutes.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: 032118 Special Meeting Minutes](#)
[Attachment 2: 032718 Regular Meeting Minutes](#)
[Attachment 3: 041018 Regular Meeting Minutes](#)
[Attachment 4: 041218 Special Meeting Minutes](#)

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

4.1. Nomination of Special District Representative to the Countywide
Redevelopment Agency Oversight Board.

[18-0319](#)

Recommendation: Approve nominating Director Tony Estremera as the Special
District Representative on the Countywide Redevelopment
Agency Oversight Board.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: 042618 SCCSDA Letter](#)

Est. Staff Time: 5 Minutes

4.2. Board Committee Reports.

[18-0364](#)

Attachments: [Attachment 1: 041118 Water Commission Meeting](#)
[Attachment 2: 042318 D&I Ad Hoc Committee Meeting](#)
[Attachment 3: 042318 BPPC Committee Meeting](#)
[Attachment 4: 042518 CIP Committee Meeting](#)

5. WATER UTILITY ENTERPRISE:

- 5.1. Budget Adjustment in the Amount of \$5 Million from the Rinconada Water Treatment Plant Residuals Management Project to the Rinconada Water Treatment Plant Residuals Remediation Project, Project No. 93294058; and Standard Consultant Agreement between the Santa Clara Valley Water District and Stantec Consulting Services, Inc., for Project Planning and Design Services (Los Gatos) (District 7). [18-0090](#)

Recommendation: A. Approve a budget adjustment of \$5 million from the Rinconada Water Treatment Plant Residuals Management Project, Project No. 93294051, to the Rinconada Water Treatment Plant Residuals Remediation Project, Project No. 93294058, to fund project expenditures for Fiscal Years 2018 and 2019; and
 B. Approve the Standard Consultant Agreement Between the Santa Clara Valley Water District and Stantec Consulting Services, Inc., for project planning and design services, for a not-to-exceed fee of \$3,296,795.

Manager: Katherine Oven, 408-630-3126

Attachments: [Attachment 1: Consultant Agreement](#)

Est. Staff Time: 10 Minutes

- 5.2. Budget Adjustment for South County Recycled Water Pipeline, Project No. 91094010 (Gilroy) (District 1). [18-0264](#)

Recommendation: Approve a Budget Adjustment in the amount of \$2,974,749 from South County Recycled Water Pipeline - Short Term 2 Project (Project No. 91094010, Authorized Project Reserves) to South County Recycled Water Pipeline - Short Term 2 Project (Project No. 91094010).

Manager: Garth Hall, 408-630-2750

Attachments: [Attachment 1: Agreement A4107S](#)

[Attachment 2: Agreement A4108S](#)

Est. Staff Time: 10 Minutes

- 5.3. Selection of Grantees for the Safe, Clean Water Funded Fiscal Year 2018 District Water Conservation Research Grant Program, Project No. 26061008. [18-0296](#)

Recommendation: Approve the top three rated projects for grant funding for the Fiscal Year 2018 District Water Conservation Research Grant Program.

Manager: Garth Hall, 408-630-2750

Attachments: [Attachment 1: 2018 Grant Applications Summary](#)

Est. Staff Time: 10 Minutes

- *5.4. Update on the Condition of the Almaden Valley Pipeline Inspection and Rehabilitation Project; Budget Adjustment of \$5,000,000 from the Rinconada Water Treatment Plant Residuals Management Project (Project No. 93294051) to the 10-Year Pipeline Inspection and Rehabilitation Project (Project No. 95084002); and Update on the Termination of the Almaden Valley Pipeline Emergency by the Chief Executive Officer (San Jose, Los Gatos, Unincorporated Santa Clara County) (Districts 4 and 7). [18-0333](#)

Recommendation:

- A. Receive an update on the Almaden Valley Pipeline Inspection and Rehabilitation Project;
- B. Approve a budget adjustment transferring \$5,000,000 to the 10-Yr Pipeline Inspection and Rehabilitation Project No. 95084002, from the Rinconada Water Treatment Plant Residuals Management Project, Project No. 93294051; and
- C. Receive an update on the termination of the emergency action declared by the Chief Executive Officer (CEO) on December 5, 2017, pursuant to California Public Contract Code §22050, to repair the Almaden Valley Pipeline (San Jose, Los Gatos, Unincorporated Santa Clara County) (Districts 4 and 7).

Manager: Kurt Arends, 408-630-2284

Attachments: [Attachment 1: Emergency Declaration](#)
[Attachment 2: PowerPoint](#)
[*Supplemental Board Agenda Memo](#)
[*Supplemental Attachment 1: Memorandum](#)

Est. Staff Time: 10 Minutes

6. WATERSHEDS:

7. EXTERNAL AFFAIRS:

- 7.1. Approval of Fiscal Year 2018 Grants for Safe, Clean Water Program for Pollution Prevention (B3) Projects. [18-0193](#)

Recommendation:

- A. Review and discuss staff's recommendations for Fiscal Year 2018 Safe, Clean Water Grant Pollution Prevention (B3) grant program awards;
- B. For proposals submitted for Pollution Prevention (B3) grant program, authorize the Chief Executive Officer (CEO), following California Environmental Quality Act (CEQA) compliance, to approve and execute agreements in a total amount not to exceed \$501,046.07 for the six projects as outlined in this memorandum; and
- C. Authorize the CEO to execute no-cost extensions (up to 12 months) in the grant agreements as outlined in this memorandum.

Manager: Rick Callender, 408-630-2017

Attachments: [Attachment 1: Evaluation Criteria](#)
[Attachment 2: Scoring Matrix](#)
[Attachment 3: Support Letter, Grassroots Ecology, Los Altos Hills](#)
[Attachment 4: Support Letter, Loma Prieta RCD, USDA](#)
[Attachment 5: Support Letter, Loma Prieta RCD, UCCE](#)

Est. Staff Time: 10 Minutes

- 7.2. Recommended Position on State Legislation: AB 2166 (Caballero) California Farm Bill Agricultural Technology; AB 2371 (Carillo) Water Use Efficiency; AB 2779 (Stone) Recycling: Single-Use Plastic Beverage Container Caps; and Other Legislation Which May Require Urgent Consideration for a Position by the Board. [18-0334](#)

Recommendation:

- A. Adopt a position of "Support" on: AB 2166 (Caballero) California Farm Bill Agricultural Technology;
- B. Adopt a position of "Support" on: AB 2371 (Carillo) Water Use Efficiency; and
- C. Adopt a position of "Support" on: AB 2779 (Stone) Recycling: Single-Use Plastic Beverage Container Caps.

Manager: Rachael Gibson, 408-630-2884

Est. Staff Time: 5 Minutes

8. CHIEF EXECUTIVE OFFICER:

- 8.1. Resolution Regarding Intention to Issue Tax-Exempt Obligations for Safe, Clean Water Program. [18-0204](#)

Recommendation: Adopt the Resolution REGARDING INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Resolution](#)

Est. Staff Time: 10 Minutes

- 8.2. Resolution Authorizing the Execution and Delivery of a Tax-Exempt Tax and Revenue Anticipation Note and a Taxable Tax and Revenue Anticipation Note to Support a Commercial Paper Program in a Combined Aggregate Principal Amount not to Exceed \$225 Million, and Resolution Regarding Intention to Issue Tax-Exempt Obligations for Water Utility Enterprise. [18-0200](#)

Recommendation:

- A. Adopt the Resolution AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX-EXEMPT TAX AND REVENUE ANTICIPATION NOTE AND A TAXABLE TAX AND REVENUE ANTICIPATION NOTE (TRANS) TO SUPPORT A COMMERCIAL PAPER PROGRAM IN A COMBINED AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$225 MILLION;
- B. Authorize the Chief Executive Officer, or Chief Financial Officer to execute the TRANS, and the Certificate as to Uncollected Taxes, Income, Revenue, Cash Receipts and Other Money;
- C. Authorize the Chief Executive Officer, District Counsel, and such other chief executives of the District to execute such other instruments, documents and papers as are necessary to carry out this Commercial Paper Program for Fiscal Year 2018-19;
- D. Authorize the District Counsel to execute the TRANS; and
- E. Adopt the Resolution Regarding INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Resolution, Authorizing TRANS](#)
[Attachment 2: Resolution, Intent to Issue Tax-Exempt Obligations](#)

Est. Staff Time: 10 Minutes

- 8.3. CEO and Chiefs' Report.

9. ADMINISTRATION:

10. DISTRICT COUNSEL:

11. ADJOURN:

11.1. Board Member Reports/Announcements.

11.2. Proposed Future Board Member Agenda Items.

11.3. Clerk Review and Clarification of Board Requests.

11.4. Adjourn to 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting on May 22, 2018, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.