



## Santa Clara Valley Water District Board of Directors Meeting

District Headquarters Board Room  
5700 Almaden Expressway  
San Jose, CA 95118

### SPECIAL BOARD LEADERSHIP STUDY AGENDA

Friday, June 8, 2018  
9:00 AM

**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](http://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**

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**Santa Clara Valley Water District  
Board of Directors  
SPECIAL BOARD LEADERSHIP STUDY  
AGENDA**

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Friday, June 8, 2018

9:00 AM

District Headquarters Board Room

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**1. CALL TO ORDER:**

1.1. Roll Call.

1.2. Pledge of Allegiance/National Anthem.

1.4. 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. TIME CERTAIN:**

**9:00 AM**

- 2.1. Special Board Leadership Study Regarding Ensuring Effective Representation for Our Constituents as We Provide a Safe, Clean and Affordable Supply of Water, Construct Natural Flood Protection Projects, and Deliver on Our Environmental and Stream Stewardship Commitments to Our Community for a Healthy Life, Environment and Economy Within Our Current Funding Constraints.

[18-0467](#)

- Recommendation: A. Receive brief staff presentations and participate in a facilitated work session to discuss and brainstorm on how the Board can ensure it is providing effective representation for our constituents as it pertains to the subject set forth above, in relation to the following sub-topics; and
- i. Current and potential future demands on Watersheds Stream Stewardship Property Tax Revenue;
  - ii. Meeting District Commitments with the Safe, Clean Water Special Tax Revenue; and
  - iii. Affordability of Water Charges.
- B. Provide direction to staff as to which possible solutions and/or approaches will require staff to further research for feasibility, and if appropriate, develop an action plan proposal for the Board's future consideration.

Manager: Norma Camacho, 408-630-2084

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 4 Hours

### 3. **ADJOURN:**

- 3.1. Clerk Review and Clarification of Board Requests.
- 3.2. Adjourn to Regular Meeting at 1:00 p.m., on June 12, 2018, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

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**File No.:** 18-0467

**Agenda Date:** 6/8/2018

**Item No.:** 2.1.

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## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Special Board Leadership Study Regarding Ensuring Effective Representation for Our Constituents as We Provide a Safe, Clean and Affordable Supply of Water, Construct Natural Flood Protection Projects, and Deliver on Our Environmental and Stream Stewardship Commitments to Our Community for a Healthy Life, Environment and Economy Within Our Current Funding Constraints.

### **RECOMMENDATION:**

- A. Receive brief staff presentations and participate in a facilitated work session to discuss and brainstorm on how the Board can ensure it is providing effective representation for our constituents as it pertains to the subject set forth above, in relation to the following sub-topics; and
  - i. Current and potential future demands on Watersheds Stream Stewardship Property Tax Revenue;
  - ii. Meeting District Commitments with the Safe, Clean Water Special Tax Revenue; and
  - iii. Affordability of Water Charges.
- B. Provide direction to staff as to which possible solutions and/or approaches will require staff to further research for feasibility, and if appropriate, develop an action plan proposal for the Board's future consideration.

### **SUMMARY:**

At the request of Board Chair Richard Santos, the Board will participate in a facilitated discussion regarding ensuring effective representation for our constituents as we provide a safe, clean and affordable supply of water, constructing natural flood protection projects, and delivering on our environmental and stream stewardship commitments to our community for a healthy life, environment and economy within our current funding constraints.

The facilitated discussion will focus on the three sub-topics described in the recommendations above and will begin with a brief staff presentation, followed by specific focus questions for the Board to discuss and brainstorm on during this work session, and may involve breaking into work groups consisting of Board members, staff and the public. The desired outcome will be for the Board to identify possible solutions and/or approaches to be assigned to staff to further research feasibility and identify an action plan proposal for the Board's future consideration.

**FINANCIAL IMPACT:**

The financial impact of the Special Board Leadership Study will be the staff labor hours associated with preparation for the work session and further dependent on the assignments resulting from Recommendation B.

**CEQA:**

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

**ATTACHMENTS:**

Attachment 1: PowerPoint

**UNCLASSIFIED MANAGER:**

Norma Camacho, 408-630-2084

# Financial Overview

June 8, 2018

Santa Clara Valley  
Water District



# Background: Revenue Options Assessment

## Strongest Opportunities to Generate New Revenue

(according to November 2017 Report by Financial Consultant, William C. Statler)

### 1. Special Parcel Tax

- Similar to SCW measure passed by voters in 2012
- Would require two-thirds voter approval
- Largely an unrestricted revenue source

### 2. Benefit Assessments

- Similar to existing flood protection benefit assessments
- Would require property owner majority voter approval
- Must be based on benefit per parcel per engineer's report

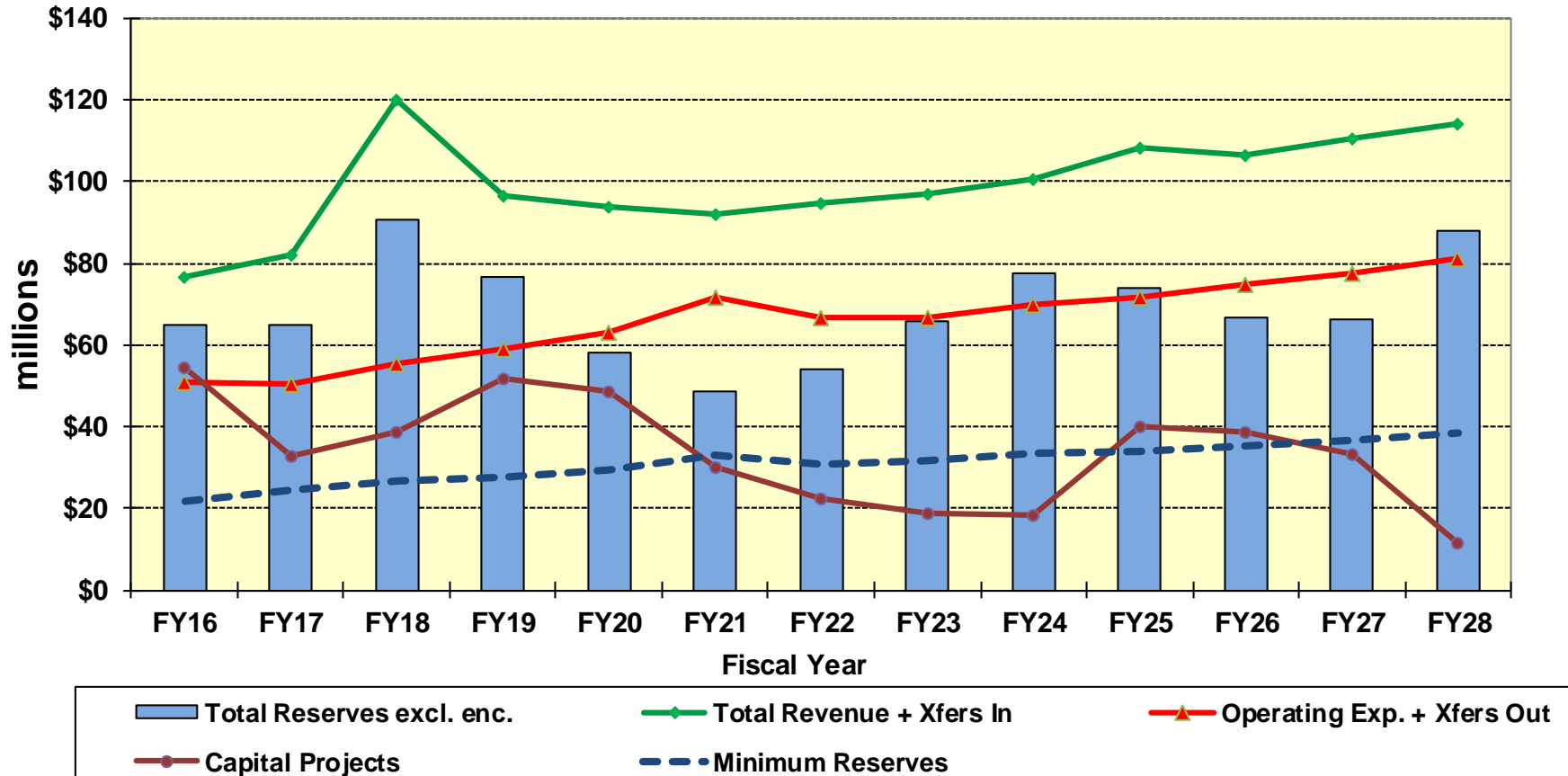
### 3. Development Impact Fees

- Can only be used for capital improvements benefitting new development
- Typically collected by cities and counties along with building permit fees
- District's ability to collect contingent on cooperation of land use planning agencies



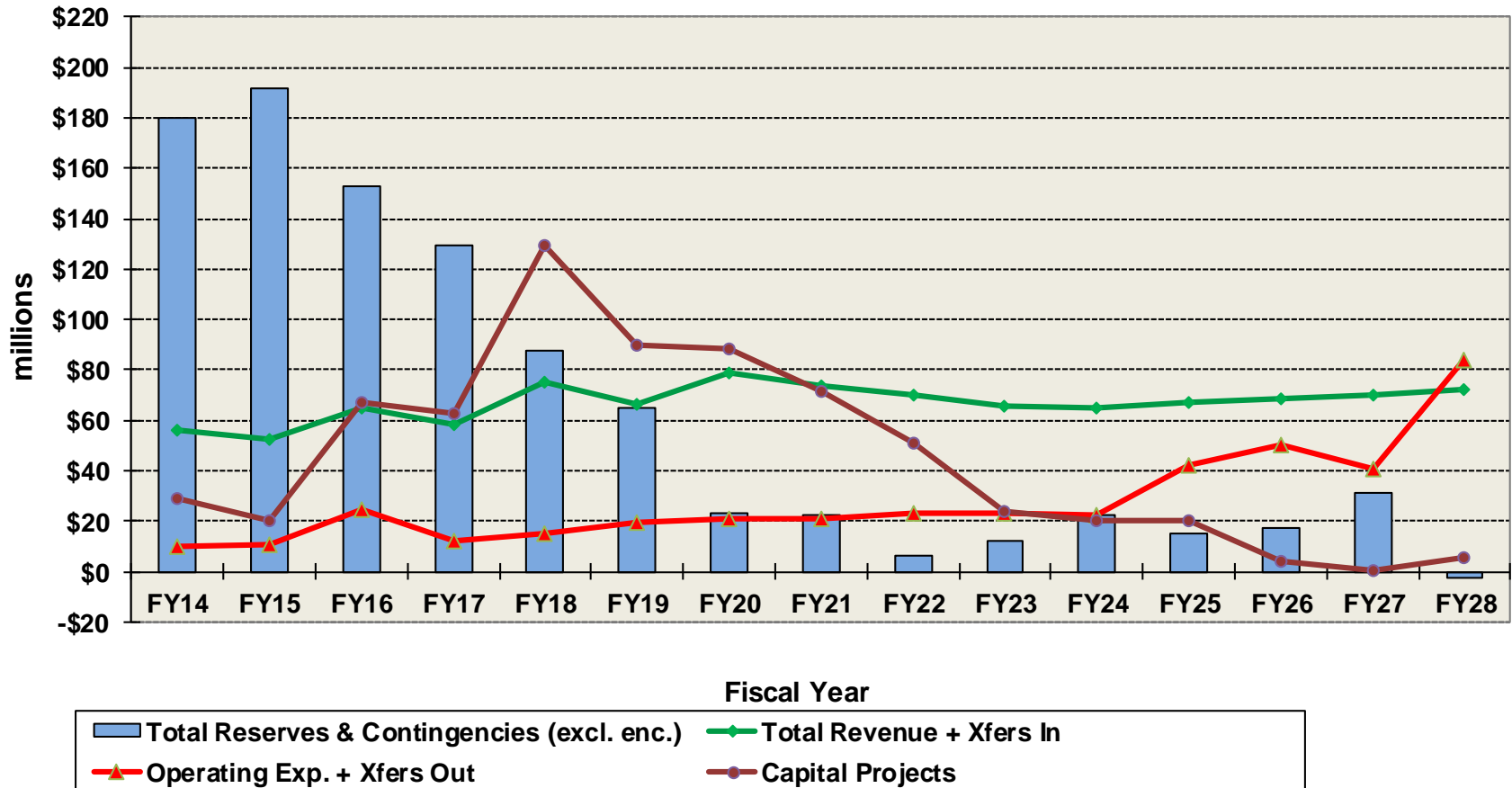
# WSS Fund: Many potential future demands on \$50M FY 28 surplus reserves

## Watershed Stream Stewardship Fund Projection



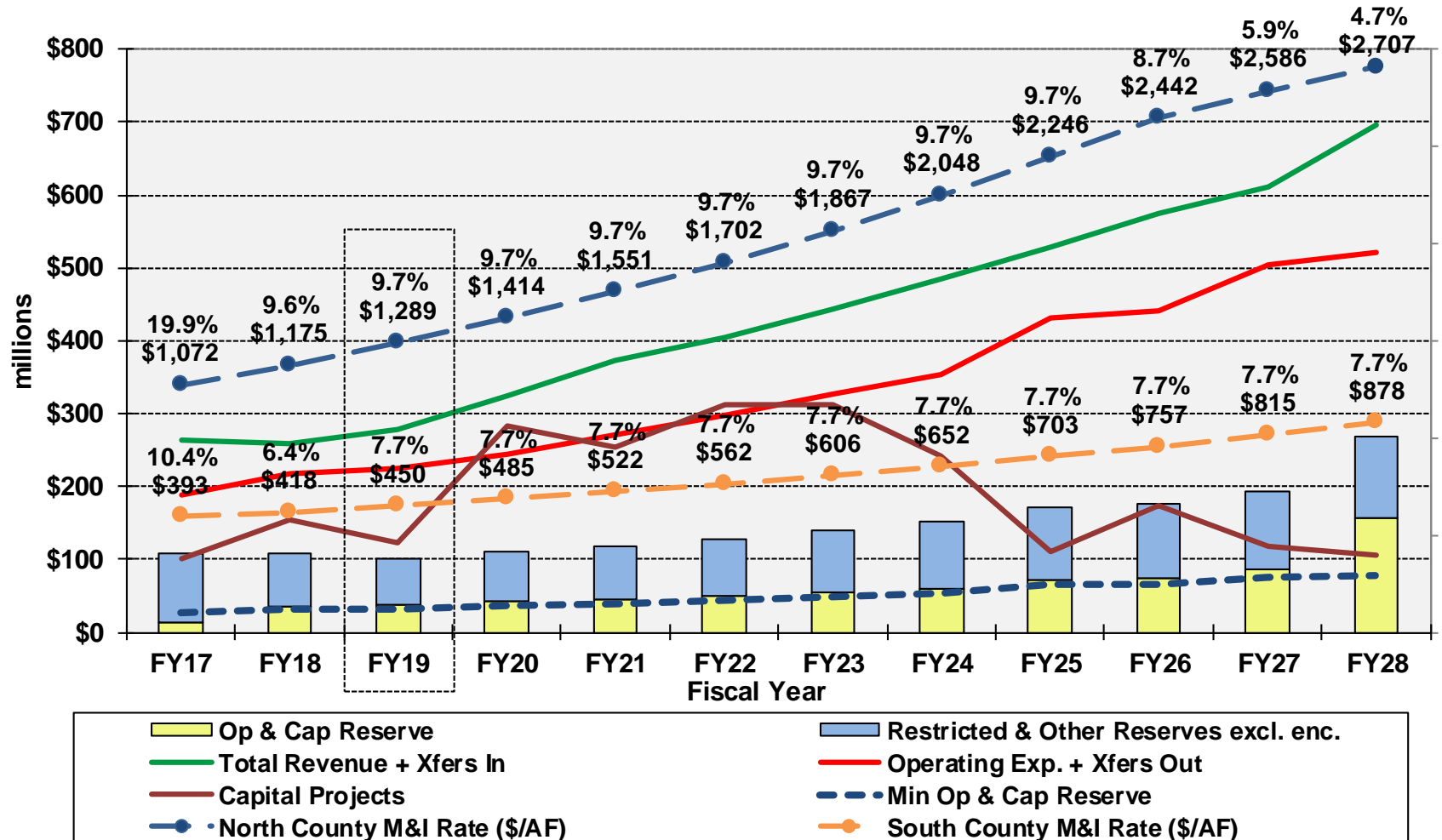
# SCW Fund: Projecting \$2M shortfall at end of program

## Safe, Clean Water Fund Projection



# Water Utility: Financially healthy but projected rate increases are substantial

## Water Utility Enterprise Fund Projection



Rate projection excludes impact of Pacheco Reservoir Expansion

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