



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, NOVEMBER 23, 2021
4:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

1.1 Roll Call.

Board members participating by teleconference were Barbara Keegan, Gary Kremen, Linda J. LeZotte, John L. Varela, Tony Estremera, and Nai Hsueh, with Richard Santos being present in the Boardroom, constituting a quorum of the Board.

Staff in attendance was M. King, Clerk, Board of Directors. Staff participating by teleconference were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, J. Aranda, A. Baker, L. Bankosh, I. Bella, R. Blank, S. Bogale, J. Bourgeois, M. Cook, A. Fulcher, R. Gibson, A. Gschwind, C. Hakes, B. Hopper, M. Lugo, H. McMahon, M. Richardson, K. Struve, D. Taylor, S. Tippetts, G. Williams, B. Yerrapotu, and T. Yoke.

2. TIME CERTAIN:

Chairperson Estremera moved the agenda to Item 2.6.

2.6 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. There was no one present who wished to speak.

Chairperson Estremera returned the Agenda to Item 2.1, and confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1 and 2.2.

4:00 PM

2.1 CLOSED SESSION

CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: Rick Callender, J. Carlos Orellana, Brian Hopper, Tina Yoke, Edward Kreisberg, Ingrid Bella, Bryant Welch, Emily Meeks

Employee Organizations: Employees Association, Engineers Society,
Professional Managers

- 2.2 CLOSED SESSION
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)(1)
Titles: CEO, District Counsel and Clerk of the Board

6:00 PM

- 2.3 District Counsel Report on Closed Session.

Mr. Carlos Orellana, District Counsel, reported that in regard to Item 2.1, the Board met in Closed Session with all members present, and took no reportable action; Chairperson Estremera reported that regard to Item 2.2, the Board met in Closed Session with all members present, and took no reportable action.

- 2.4 Pledge of Allegiance/National Anthem.

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

- 2.5 Orders of the Day.

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

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

Ms. Katja Irvin, Sierra Club Loma Prieta Chapter, requested the October 22, 2021 Board Meeting Minutes contained in Item 3.3, Attachment 3, be revised on Page 2, Item 3.3, to read: *Ms. Katja Irvin, Sierra Club Loma Prieta Chapter, expressed support for Valley Water's efforts to re-evaluate its water supply planning; suggested public hearings to be scheduled for the ~~Department of Water Resource's (DWR)~~ B.F. Sisk/San Luis Dam Modification Project; discussed the ~~DWR Project's project's~~ potential impacts on Valley Water's Water Supply 2040 planning; expressed opposition to the Pacheco Reservoir Expansion Project, citing that its cost exceeded its water supply benefits; and requested a yearly Water Supply Public Forum to provide a venue for more discussions by stakeholders and the public.*

- 2.7 Public Hearing on the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins, and Resolution Adopting the 2021 Groundwater Management Plan.

Recommendation: A. Open the public hearing to receive comments on Santa Clara Valley Water District's 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins;
 B. Close the public hearing; and
 C. Adopt the Resolution ADOPTING THE 2021 GROUNDWATER MANAGEMENT PLAN FOR THE SANTA CLARA AND LLAGAS SUBBASINS.

Chairperson Estremera opened the Public Hearing.

Mr. Jason Gurdak, Senior Water Resources Specialist, 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, closed the Public Hearing.

Motion:	Adopt Resolution No. 21-92, ADOPTING THE 2021 GROUNDWATER MANAGEMENT PLAN FOR THE SANTA CLARA AND LLAGAS SUBBASINS, by roll call vote.
Move to Adopt:	Richard Santos
Second:	John L. Varela
Yeas:	Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

2.8 Receive Overview of the FY 2022-23 Groundwater Production Charge Setting Process and Review of the 10-Year Water Rate Projection Assumptions, and Provide Feedback.

Recommendation: A. Receive an overview of the Fiscal Year 2022-23 Groundwater Production Charge setting process;
 B. Review the 10-year Water Rate Projection Assumptions; and
 C. Provide feedback.

Mr. Darin Taylor, Chief Financial Officer, reviewed the information on this item, per the attached Board Agenda Memo, and Ms. Carmen Narayanan, Finance Planning and Revenue Manager, reviewed the information contained in Attachment 1.

The Board noted the information, without formal action.

2.9 Consider Memoranda of Understanding Between the Santa Clara Valley Water District and the Employees Association, AFSMCE Local 101, Professional Managers Association, IFPTE Local 21, and Engineers Society, IFPTE Local 21; and Adopt the Resolutions (4) Approving the Terms of the Memoranda, and Approving the Amended Compensation Plan for Unrepresented Employees in the Executive Service (January 1, 2022 through June 30, 2026).

Recommendation: A. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND EMPLOYEES ASSOCIATION,

- AFSCME LOCAL 101 FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding (MOU) with Employees Association (EA), AFSCME Local 101, in substantially the same form as the draft version;
 - C. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE ENGINEERS SOCIETY, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
 - D. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Engineers Society, IFPTE Local 21, in substantially the same form as the draft version;
 - E. Adopt the Resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE PROFESSIONAL MANAGERS ASSOCIATION, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025;
 - F. Authorize the Chief Executive Officer to sign the Memorandum of Understanding with Professional Managers Association, IFPTE Local 21, in substantially the same form as the draft version; and
 - G. Adopt the Resolution APPROVING SECOND AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (January 1, 2022 through December 31, 2025).

The Board considered Item 2.9, without a staff presentation.

Motion: Adopt Resolution No. 21-93, APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND EMPLOYEES ASSOCIATION, AFSCME LOCAL 101 FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025, by roll call vote; adopt Resolution No. 21-94, APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE ENGINEERS SOCIETY, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025, by roll call vote; adopt Resolution No. 21-95, APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE PROFESSIONAL MANAGERS ASSOCIATION,

IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2022 THROUGH DECEMBER 31, 2025, by roll call vote; authorize the CEO to sign the MOUs with EA, AFSCME Local 101, ES, IFPTE Local 21, and PMA, IFPTE Local 21, in substantially the same form as the draft versions; and adopt Resolution No. 21-96, APPROVING SECOND AMENDED COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE (January 1, 2022 through December 31, 2025), by roll call vote.

Move to Adopt:	Richard Santos
Second:	John L. Varela
Yeas:	Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays:	None
Abstains:	None
Recuses:	None
Absent:	None
Summary:	7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

3. CONSENT CALENDAR:

The Board noted that Item 3.2 had been removed from the agenda, and considered Consent Calendar Items 3.1, 3.3, and 3.4 under one motion.

- 3.1 Approve the Agreement with Sjoberg Evashenk Consulting, Inc., CAS File 5183 for Board Audit Consultant Services 2021, for a not-to-exceed fee of \$800,000.

Recommendation: Approve the Agreement with Sjoberg Evashenk Consulting, Inc., for Board Audit Consultant Services 2021 (Project) for a not-to-exceed fee of \$800,000.

- 3.2 ITEM REMOVED FROM AGENDA.
Approve the Agreement with Harvey M. Rose Associates, LLC, CAS File 5174 for On-Call Management Services for Auditing Support for a not-to-exceed fee of \$500,000.

- 3.3 Approval of Minutes.

Recommendation: Approve the minutes.

- 3.4 Accept the CEO Bulletin for the Weeks of November 5 - 18, 2021.

Recommendation: Accept the CEO Bulletin.

Motion: Approve Consent Calendar Items 3.1, 3.3, and 3.4, under one motion, as follows: approve the Agreement with Sjoberg Evashenk Consulting, Inc., for Board Audit Consultant Services 2021 for a not-to-exceed fee of \$800,000, as contained in Item 3.1; amend the October 22, 2021 minutes, Page 2, Item 2.1, beginning on Line 5, to

remove references to the Department of Water Resources, and approve the October 22, 2021 minutes as amended and the October 6, 12, and 26, 2021 minutes as presented, as contained in Item 3.3; and Accept the CEO Bulletin, as contained in Item 3.4.

Move to Approve: Richard Santos
Second: John L. Varela
Yeas: Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

- 4.1 Consider the October 21, 2021 Board Policy and Planning Committee Recommendation to Adopt the Proposed Modifications to Board Governance Ends Policy E-3: Natural Flood Protection.

Recommendation: A. Consider the October 21, 2021 Board Policy and Planning Committee recommendation to adopt the proposed modifications to Board Governance Ends Policy E-3: Natural Flood Protection; and
B. Adopt the proposed modifications to Board Governance Ends Policy E-3: Natural Flood Protection.

Ms. Lisa Bankosh, Assistant Officer, reviewed the information on this item, per the attached Board Agenda Memo, and Mr. Brian Mendenhall, Senior Water Resources Specialist, reviewed the information contained in Attachment 2.

Move to Adopt: Nai Hsueh
Second: Linda J. LeZotte
Yeas: Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

- 4.2 Consider Adopting a Resolution Proclaiming a Continued Local Emergency, Acknowledging the Proclamation of a State of Emergency by Governor's Order No. N-23-20 Dated March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Santa Clara Valley Water District for 30 Days Pursuant to Brown Act Provisions.

Recommendation: Consider adopting a RESOLUTION PROCLAIMING A CONTINUED LOCAL EMERGENCY, ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S ORDER NO. N-23-20 DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA CLARA VALLEY WATER DISTRICT FOR 30 DAYS PURSUANT TO BROWN ACT PROVISIONS.

Motion: Adopt Resolution No. 21-97, PROCLAIMING A CONTINUED LOCAL EMERGENCY, ACKNOWLEDGING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S ORDER NO. N-23-20 DATED MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE SANTA CLARA VALLEY WATER DISTRICT FOR 30 DAYS PURSUANT TO BROWN ACT PROVISIONS, by roll call vote.

Move to Adopt: Gary Kremen
Second: John L. Varela
Yeas: Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

4.3 Review Fiscal Year 2022 Board Policy Planning Calendar.

Recommendation: Review, discuss, and revise the Fiscal Year 2022 Board Policy Planning Calendar.

The Board noted the information, without formal action.

4.4 Board Committee Reports.

The Board noted the information, without formal action.

4.5 Proposed Future Board Member Agenda Items.

Chairperson Estremera requested that staff agendaize discussion on retail conservation-based rate programs, including information on existing retailer rate structures, and any rules, processes, and provisions associated with them, for all retailers in Santa Clara County; and suggested that water retail representatives be invited to participate and attend.

5. WATER UTILITY ENTERPRISE:

- 5.1 Update on the Condition of the Almaden Valley Pipeline and Determination that the Condition of the Almaden Valley Pipeline Continues to Constitute an Emergency (San Jose) (District 3).

Recommendation: A. Receive an update on the Almaden Valley Pipeline; and
B. Determine by a four-fifths vote of the Board that there is a need to continue the emergency action declared by the Chief Executive Officer (CEO) on November 2, 2021 pursuant to California Public Contract Code § 22050, to repair the Almaden Valley Pipeline.

Mr. Greg Williams, Deputy Operating Officer, reviewed the information on the item, per the attached Board Agenda Memo.

Move to Adopt: Gary Kremen
Second: Richard Santos
Yeas: Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera
Nays: None
Abstains: None
Recuses: None
Absent: None
Summary: 7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

6. WATERSHEDS:

None.

7. ASSISTANT CHIEF EXECUTIVE OFFICER:

None.

8. EXTERNAL AFFAIRS:

None.

9. CHIEF EXECUTIVE OFFICER:

- 9.1 Fiscal Year 2021-22 Urgent Position Requests and Midyear Budget Adjustments.

Recommendation: A. Approve the budget adjustments for the addition of fourteen (14) regular positions and two (2) limited term positions for urgent project support and drought emergency needs;
B. Approve the Fiscal Year 2021-22 midyear operating and capital budget adjustments; and
C. Approve the recommendation to revise the Board Governance Policy Executive Limitation 3.7 to increase the number of unclassified positions from no more than

thirty-two (32) to thirty-four (34) positions without Board approval.

Mr. Rick Callender, Chief Executive Officer, and Mr. Taylor, reviewed the information on this item, per the attached Board Agenda Memo.

Chairperson Estremera requested that the midyear capital budget adjustment proposed for Board approval in Recommendation B, be deferred and brought back to the Board during the Fiscal Year 2022-23 budget process.

Motion: Approve the budget adjustments, as contained in Recommendation A; approve revisions to Governance Policy EL-3.7, as contained in Recommendation C; approve the Fiscal Year 2021-22 midyear operating budget adjustment, as contained in Recommendation B, and refer the midyear capital budget adjustments, also contained in Recommendation B, to the Fiscal Year 2022-23 budget process.

Move to Approve

with Conditions:

Nai Hsueh

Second:

Richard Santos

Yeas:

Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela, Tony Estremera

Nays:

None

Abstains:

None

Recuses:

None

Absent:

None

Summary:

7 Yeas; 0 Nays; 0 Abstains; 0 Absent.

9.2 CEO and Chiefs' Report.

Ms. Sue Tippetts, Interim Chief Operating Officer, reported on the Coyote Creek Trail opening, and Ms. Rachael Gibson, Chief of External Affairs, reviewed the attached Office of Government Relations and Office of Civic Engagement Updates, respectively identified as Handouts 9.2-A and 9.2-B herein. Copies of the Handouts were distributed to the Board and made available to the public.

The Board noted the information, without formal action.

10. ADMINISTRATION:

None.

11. DISTRICT COUNSEL:

None.

12. ADJOURN:

12.1 Board Member Reports/Announcements.

Director Varela reported attending a Capital Improvement Program (CIP) Committee meeting; an Association of California Water Agencies meeting; a Youth Commission meeting; a SPUR Urban Infrastructure Council meeting; a meeting with Valley Water bargaining unit representatives; and a Landscape Rebate Program media event.

Director Santos reported attending the aforementioned meeting with bargaining unit representatives; Union Leadership meeting; San Luis and Delta-Mendota Water Authority, La Raza Round Table, and Berryessa Citizens Advisory Committee meetings; a meeting with Assembly Member Alex Lee; and reported participating in the "Stop the Hate" Parade, in Los Gatos.

Director LeZotte reported attending the aforementioned CIP and bargaining unit representatives meeting; Water Conservation and Demand Management (WCaDM) Committee, Santa Clara County Emergency Operations Council, and Los Vaqueros Reservoir Joint Powers Authority Board meetings; a meeting with Canyon Snow Consulting representatives; and various meetings with staff.

Director Kremen reported attending the aforementioned meeting with bargaining unit representatives; San Francisquito Creek Joint Powers Authority, and Delta Conveyance Authority (DCA) and DCA Finance Authority meetings; a meeting with Senator Josh Becker; and reported participating in media discussions regarding the California drought.

Chairperson Estremera reported attending the aforementioned CIP, DCA, Canyon Snow Consulting, and bargaining unit representatives meetings; meetings with various environmental group stakeholders; and a meeting with City of San Jose Vice Mayor Chappie Jones and Councilmember David Cohen.

12.2 Clerk Review and Clarification of Board Requests.

None.

12.3 Adjourn to Special Meeting at 12:00 p.m., on December 8, 2021.

Chairperson Estremera adjourned the meeting at 7:50 p.m., to the 12:00 p.m. Special Meeting on December 8, 2021.

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date: