



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, NOVEMBER 12, 2024
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 Jim Beall, Rebecca Eisenberg, Barbara F. Keegan, Richard P. Santos, and Nai Hsueh, Chairperson presiding, constituting a quorum of the Board.

Directors Tony Estremera and John L. Varela were absent.

Staff members in attendance were R. Callender, Chief Executive Officer, C. Orellana, District Counsel, M. King, Clerk, Board of Directors, E. Aryee, L. Bankosh, M. Bilski, J. Bourgeois, B. Broome, R. Chan, J. Codianne, A. Garcia, R. Gibson, A. Gordon, A. Gschwind, C. Hakes, C. Kwok-Smith, C. Lawson, M. Lugo, R. McCarter, P. McElroy, T. Ndah, L. Penilla, K. Struve, D. Taylor, B. Yerrapotu, and T. Yoke. Deputy Operating Officer Gregory Williams represented Chief Operating Officer Aaron Baker.

2. 11:00 AM - CLOSED SESSION:

Chairperson Hsueh confirmed that the Board would adjourn to Closed Session to consider Items 2.1 and 2.2.

- 2.1. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - Existing Litigation
Government Code Section 54956.9(d)(1)
Santa Clara Valley Water District v. EFuel Investments San Jose LLC, et al.
(Santa Clara County Superior Court, Case No. 23CV416095)

- 2.2. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - Existing Litigation
Government Code Section 54956.9(d)(1)
Santa Clara Valley Water District v. 1354 E. Taylor Street LLC, et al.
(Santa Clara County Superior Court, Case No. 23CV418411)

- 2.3. District Counsel Report on Closed Session.

Upon return from Closed Session, the same Board members, excluding Directors Estremera and Varela, and staff were present.

Carlos Orellana, District Counsel, reported that in regard to Items 2.1 and 2.2, the Board met in Closed Session with all members participating, excluding Directors Estremera and Varela, and, by consensus with Director Eisenberg dissenting, gave direction to staff.

3. 1:00 PM - TIME CERTAIN:

- 3.1. Pledge of Allegiance/National Anthem.

Vice Chair Santos led all present in reciting the Pledge of Allegiance.

- 3.2. Orders of the Day.

Chairperson Hsueh confirmed that Item 4.7 would be continued to the November 26, 2024, meeting.

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

Chairperson Hsueh declared time open for public comment on any Item not on the agenda. There was no one present who wished to speak.

- 3.4. Receive the Winter Preparedness Briefing.

Recommendation: Receive information on the Santa Clara Valley Water District's preparedness for winter operations.

Alexander Gordon, Assistant Officer, reviewed the information on this Item, per the attached Board Agenda Memo, and the corresponding presentation materials contained in Attachment 1 were reviewed by staff as follows: Alexander Gordon, Assistant Officer, reviewed Slides 1 through 6; Paola Reyes, Public Information Representative III, reviewed Slides 7 through 11; and Alexander Gordon reviewed Slides 12 through 17.

Director Keegan requested that staff determine who has the responsibility of cleaning up McKelvey Baseball Park if it is used as a flood detention basin (Board Member Request No. R-24-0012).

The Board noted the information, without formal action.

- 3.5. Receive an Overview of the Initially Validated and Currently Unfunded Capital Projects, and the Capital Improvement Program Fiscal Years 2025-29 Five-Year Plan Capital Projects by Fund and Funding Categories.

- Recommendation:
- A. Review list of Initially Validated and Currently Unfunded Capital Projects;
 - B. Review the Capital Improvement Program Fiscal Years 2025-29 Five-Year Plan capital projects by Fund and Funding Categories; and
 - C. Provide feedback as necessary.

Jessica Collins, Business Planning and Analysis Manager, reviewed the information on this Item, per the attached Board Agenda Memo, and per the information contained in Handout 3.5-A.

Peter Van Dyke, Loma Prieta Resource Conservation District Board of Director's President, expressed concern regarding the anticipated expenses for the Capital projects.

The Board noted the information, without formal action.

- 3.6. Receive an Overview of the Fiscal Year 2025-26 Groundwater Production Charge, Treated Surface Water Charge, Raw Surface Water Charge, and Recycled Water Charge Rate Setting Processes; Review Assumptions for the 10-Year Water Rate Projection and Potential State Water Project Tax Levy; and Provide Feedback.

- Recommendation:
- A. Receive an overview of the Fiscal Year 2025-26 rate-setting processes for groundwater production charges, treated surface water charges, raw surface water charges, and recycled water charges;
 - B. Review assumptions for the 10-year water rate projection and potential State Water Project tax levy; and
 - C. Provide feedback to staff.

Carmen Narayanan, Financial Planning and Revenue Manager, reviewed the information on this Item, per the attached Board Agenda Memo, and per the information contained in Attachment 1.

Peter Van Dyke, Loma Prieta Resource Conservation District Board of Director's President, expressed concern regarding the anticipated expenses for the Pacheco Reservoir Project.

The Board noted the information, without formal action.

Director Keegan left the meeting and returned as noted below.

REGULAR AGENDA:

4. CONSENT CALENDAR: (4.1 - 4.9)

Chairperson Hsueh removed Items 4.2 and 4.3 from the Consent Calendar for individual consideration, continued Item 4.7 to the November 26, 2024, meeting, and confirmed the Board would consider Items 4.1, 4.4 through 4.6, 4.8 and 4.9 under one motion.

- 4.1. Approve the Request for Sponsorship of the Bay Area Council Foundation's California Resilience Challenge 2024 Program.

Attachment 1
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- Recommendation: A. Receive information on the Bay Area Council Foundation's California Resilience Challenge; and
 B. Approve the request for sponsorship in the amount of \$25,000.

- 4.4. Approve Amendment No. 5 to the Agreement for Possession and Use by and Between Santa Clara Valley Water District and the County of Santa Clara for Anderson Dam Tunnel Project, Coyote Percolation Dam Replacement Project, and Cross Valley Pipeline Extension Project as Parts of the Federal Energy Regulatory Commission Order Compliance Project, Project No. 91864005, APN: 728-34-020, 728-35-001, 729-36-001, 678-02-031 & -034, and 725-06-008; Real Estate File Nos. 9186-35, 9186-39, 9188-17, 9232-52, and 9186-59, Providing a No-Cost Time Extension to the Agreement (Unincorporated Santa Clara County, District 1).

- Recommendation: Approve Amendment No. 5 to Agreement for Possession and Use by and Between Santa Clara Valley Water District and the County of Santa Clara for the Anderson Dam Tunnel Project, Coyote Percolation Dam Replacement Project, and Cross Valley Pipeline Extension Project, Providing a No-Cost Time Extension to the Agreement.

- 4.5. Accept the Work as Complete and Direct the Clerk to File the Notice of Completion of Contract and Acceptance of Work for the Rinconada Water Treatment Plant Residuals Remediation Project, Kiewit Infrastructure West Company, Contractor, Project No. 93294058, Contract No. C0671 (Los Gatos, District 7).

- Recommendation: A. Accept the work on the Rinconada Water Treatment Plant Residuals Remediation Project, Project No. 93294058, Contract No. C0671 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 to the Santa Clara County Clerk-Recorder.

- 4.6. Receive the Audit Report of the Water Utility Enterprise Funds for the Fiscal Year Ended June 30, 2023.

- Recommendation: Receive the audit report of the Water Utility Enterprise funds for the Fiscal Year ended June 30, 2023.

- 4.8. Approval of Minutes.

- Recommendation: Approve the minutes.

- 4.9. Accept the CEO Bulletin for the Weeks of October 18 Through November 7, 2024.

- Recommendation: Accept the CEO Bulletin.

- Motion: Approve Consent Calendar Items 4.1, 4.4 through 4.6, 4.8 and 4.9, under one motion, as follows: approve the request for sponsorship of the Bay Area Council Foundation's

California Resilience Challenge 2024 Program, as contained in Item 4.1; approve Amendment No. 5 to the Agreement for Possession and Use by and Between Santa Clara Valley Water District and the County of Santa Clara for Anderson Dam Tunnel Project, Coyote Percolation Dam Replacement Project, and Cross Valley Pipeline Extension Project as parts of the Federal Energy Regulatory Commission Order Compliance Project, Project No. 91864005, APN: 728-34-020, 728-35-001, 729-36-001, 678-02-031 & -034, and 725-06-008; Real Estate File Nos. 9186-35, 9186-39, 9188-17, 9232-52, and 9186-59, providing a no-cost time extension to the Agreement, as contained in Item 4.4; accept the work as complete and direct the Clerk to file the Notice of Completion of Contract and Acceptance of Work for the Rinconada Water Treatment Plant Residuals Remediation Project, Kiewit Infrastructure West Company, Contractor, Project No. 93294058, Contract No. C0671, as contained in Item 4.5; receive the Audit Report of the Water Utility Enterprise Funds for the Fiscal Year Ended June 30, 2023, as contained in Item 4.6; approve the Minutes, as contained in Item 4.8; and accept the CEO Bulletin, as contained in Item 4.9.

Move to Approve: Richard Santos
 Second: Jim Beall
 Yeas: Jim Beall, Rebecca Eisenberg, Richard Santos, Nai Hsueh
 Nays: None
 Abstains: None
 Recuses: None
 Absent: Tony Estremera, Barbara F. Keegan, John L. Varela
 Summary: 4 Yeas; 0 Nays; 0 Abstains; 3 Absent.

The Yeas have it, and the motion passed.

Director Keegan returned to the meeting.

4.7. Denial of Claim of Robert Liu.

Recommendation: Deny the claim.

The Board continued the Item to the November 26, 2024, meeting.

The Board considered Items 4.2 and 4.3, under one motion.

4.2. Approve the Fiscal Year 2023-24 Safe, Clean Water and Natural Flood Protection Program Annual Report with Proposed Text Adjustments and Authorize Submission to the Independent Monitoring Committee for Review.

Recommendation: A. Approve the Fiscal Year 2023-24 Safe, Clean Water and Natural Flood Protection Program Annual Report (Annual Report) with text adjustments;
 B. Authorize staff to submit the Annual Report to the Independent Monitoring Committee for its review; and

- C. Authorize staff to update the Annual Report with audited financials, as necessary.

Meenakshi Ganjoo, Program Administrator, reviewed the information on this Item, per the attached Board Agenda Memo.

4.3. Approve the Revised Fiscal Years 2025 and 2026 Federal Funding Requests.

Recommendation: Approve the revised recommended funding requests for federal Fiscal Years 2025 and 2026 for Santa Clara Valley Water District-sponsored and Santa Clara Valley Water District-supported projects and priorities.

Motion: Approve the Fiscal Year 2023-24 Safe, Clean Water and Natural Flood Protection Program Annual Report (Annual Report) with text adjustments; authorize staff to submit the Annual Report to the Independent Monitoring Committee for its review; and authorize staff to update the Annual Report with audited financials, as contained in Item 4.2; and approve the revised recommended funding requests for federal Fiscal Years 2025 and 2026 for Santa Clara Valley Water District-sponsored and Santa Clara Valley Water District-supported projects and priorities, as contained in Item 4.3.

Move to Approve: Jim Beall
Second: Richard Santos
Yeas: Jim Beall, Rebecca Eisenberg, Barbara F. Keegan, Richard Santos, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: Tony Estremera, John L. Varela
Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

The Yeas have it, and the motion passed.

5. BOARD OF DIRECTORS:

5.1. Approve the Appointment of a Santa Clara Valley Water District Voting Representative to Vote on the Proposed Amended and Restated Bylaws of the Association of California Water and Provide Direction to Approve the Amended and Restated Bylaws.

Recommendation: A. Appoint a delegate as the Santa Clara Valley Water District voting representative to vote on the Proposed Amended and Restated Bylaws of the Association of California Water Agencies; and
B. Provide direction to the voting representative to approve the proposed Amended and Restated Bylaws.

Motion: Appoint Director John L. Varela as a delegate to the Santa Clara Valley Water District voting representative to vote on

the Proposed Amended and Restated Bylaws of the Association of California Water Agencies.

Move to Approve: Nai Hsueh
Second: Richard Santos
Yeas: Jim Beall, Rebecca Eisenberg, Barbara F. Keegan, Richard Santos, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: Tony Estremera, John L. Varela
Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

Motion: Provide direction to the voting representative to approve the proposed Amended and Restated Bylaws.

Move to Approve: Jim Beall
Second: Richard Santos
Yeas: Jim Beall, Rebecca Eisenberg, Barbara F. Keegan, Richard Santos, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: Tony Estremera, John L. Varela
Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

The Yeas have it, and the motion passed.

5.2. Approve the Fiscal Year 2025 Santa Clara Valley Water District Youth Commission Work Plan Including the October 16, 2024, Youth Commission's Project Recommendations.

Recommendation: Consider and approve the Fiscal Year 2025 Santa Clara Valley Water District Youth Commission Work Plan with recommendations resulting from the October 16, 2024, Youth Commission's meeting to:

- A. Creekside Community Care Initiative: Project aims to reduce waste in creeks, promote responsible waste management, and raise awareness about the environmental impact of trash;
- B. Youth Commission Education Outreach Program: Project aims to promote Valley Water programs among students, such as purified water, refill station grants, and environment-related policies; and
- C. Creek Stewardship and Water Quality Outreach: Project aims to collect water quality data and promote the Access Valley Water app and cleanup events.

Kristen Yasukawa, Civic Engagement Manager, reviewed the information on this Item, per the attached Board Agenda Memo.

Move to Approve: Richard Santos
Second: Nai Hsueh
Yeas: Jim Beall, Rebecca Eisenberg, Barbara F. Keegan, Richard Santos, Nai Hsueh

Nays: None
Abstains: None
Recuses: None
Absent: Tony Estremera, John L. Varela
Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

The Yeas have it, and the motion passed.

5.3. Board Committee Reports.

The Board reviewed the information on the July 15, 2024, Environmental and Water Resources Committee, September 16, 2024, Capital Improvement Program Committee, and October 7, 2024, Agricultural Water Advisory Committee meeting summaries and agendas contained in Handouts 5.3-A through 5.3-C, respectively, 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:**

None.

8. **ASSISTANT CHIEF EXECUTIVE OFFICER:**

8.1. Approve Amendment No. 11 to Agreement No. A3555A with Black and Veatch Corporation for Project Management Services for the Anderson Dam Seismic Retrofit Project No. 91864005, the Calero Dam Seismic Retrofit Project No. 91874004, the Guadalupe Dam Seismic Retrofit Project No. 91894002, and the Almaden Dam Improvements Project No. 91854001, Increasing the Not-to-Exceed Fee by \$6,715,358 for a Revised Total of Not-to Exceed Fee of \$35,547,362, and Extending the Agreement Term to April 30, 2026 (Morgan Hill, District 1).

Recommendation: Approve Amendment No. 11 to Agreement No. A3555A (Agreement) with Black and Veatch Corporation for project management services for the Anderson Dam Seismic Retrofit Project No. 91864005, the Calero Dam Seismic Retrofit Project No. 91874004, the Guadalupe Dam Seismic Retrofit Project No. 91894002, and the Almaden Dam Improvements Project No. 91854001, increasing the not-to-exceed fee by \$6,715,358 for a revised total of not-to-exceed fee of \$35,547,362, and extending the Agreement term to April 30, 2026.

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

Move to Approve: Jim Beall
Second: Richard Santos
Yeas: Jim Beall, Rebecca Eisenberg, Barbara F. Keegan, Richard Santos, Nai Hsueh
Nays: None
Abstains: None
Recuses: None
Absent: Tony Estremera, John L. Varela

Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.
The Yeas have it, and the motion passed.

9. EXTERNAL AFFAIRS:

None.

10. CHIEF EXECUTIVE OFFICER:

10.1. CEO and Chiefs' Reports.

The Board noted the information without any formal action.

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 any formal action.

14. BOARD MEMBER REPORTS/ANNOUNCEMENTS:

Director Keegan reported attending a Special Audit meeting; a special Water Supply and Conservation Demand Management (WSCDM) meeting; and an Anderson Dam Tour.

Chairperson Hsueh reported attending the aforementioned WSCDM meeting; a Board Policy and Monitoring, and Capital Improvement Committee meetings; a San Francisquito Joint Powers Authority meeting; a Santa Clara Valley Water (Valley Water) Veterans Day event; and various meetings with staff.

Vice Chairperson Santos reported attending the aforementioned Valley Water Veterans Day event and a Homeowners Association meeting.

Director Beall reported attending a Communications Briefing and a Valley Water Breast Cancer Awareness event.

15. CLERK REVIEW AND CLARIFICATION OF BOARD REQUESTS:

Michele King, Clerk, Board of Directors, read the new Board Member Request into the record.

16. ADJOURN:

- 16.1 Adjourn to the 11:00 a.m. Closed Session and Regular Meeting on November 26, 2024, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.

Chairperson Hsueh adjourned the meeting in recognition of National Native American Heritage and Military Families Month, at 3:40 p.m., to the 11:00 a.m. Closed Session and 1:00 p.m. Regular Meeting on November 26, 2024, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, and via Zoom teleconference.

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date: Month DD, YYYY

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