



BOARD OF DIRECTORS MEETING

# MINUTES

REGULAR MEETING  
TUESDAY, JANUARY 24, 2017  
4:00 PM

(Paragraph numbers coincide with agenda item numbers)

**1. CALL TO ORDER:**

A Regular Meeting and Closed Session of the Santa Clara Valley Water District Board of Directors was called to order in the District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, at 4:00 p.m.

**1.1. Roll Call.**

Board members in attendance were Tony Estremera, Gary Kremen, Barbara Keegan, and Richard Santos, constituting a quorum of the Board.

Staff members in attendance were N. Camacho, Interim Chief Executive Officer (Interim CEO), S. Yamamoto, District Counsel, M. King, Clerk/Board of Directors, R. Callender, A. Cheung, A. Comelo, J. Fiedler, V. Gin, C. Hakes, G. Hall, B. Hopper, L. Orta, K. Oven, M. Richardson, D. Taylor, and S. Tippetts.

Chairperson Varela was excused from attending.

Vice Chairperson Santos facilitated the meeting.

Directors Hsueh and LeZotte arrived as noted below.

Vice Chairperson Santos announced that the Board would adjourn to Closed Session for consideration of Item 1.2.

**4:00 PM**

**1.2. CLOSED SESSION**

Pursuant to Government Code 54957

Public Employment

Title of employee being reviewed - Chief Executive Officer

Directors Hsueh and LeZotte arrived during Closed Session.

## **2. TIME CERTAIN:**

### **6:00 PM**

Upon return to Open Session, the same Board members, including Directors Hsueh and LeZotte, but excluding Chairperson Varela, and staff were present.

#### **2.1. District Counsel Report.**

Ms. Michele King, Clerk/Board of Directors, reported that the Board met in Closed Session with all members present, including Chairperson Varela via telephone, and gave direction to staff.

#### **2.2. Pledge of Allegiance/National Anthem.**

Ms. Glenna Brambill, Management Analyst II, performed God Bless America.

#### **2.3. Orders of the Day.**

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

#### **2.4. Time Open for Public Comment on any Item not on the Agenda.**

Mr. Bassam Kassab, San Jose resident, acknowledged the Board's adoption of Resolution 10-42, banning travel to the state of Arizona, and requested that the Board consider adopting a resolution banning travel to the states of Kansas, Mississippi, North Carolina, and Tennessee based on gender equality issues.

Vice Chairperson Santos requested that staff prepare an agenda item for Board consideration to restrict use of District funds for District business travel to the states of Kansas, Mississippi, North Carolina, and Tennessee, due to recent laws passed that discriminate against sexual orientation, gender identity, and gender expression. (Board Member Request R-17-0002)

#### **2.5. Santa Clara Valley Water District Government Relations Program Update and Legislative Outlook.**

- Recommendation:
- A. Receive information on the 2016 Santa Clara Valley Water District (District) Government Relations Advocacy and Stakeholder Engagement Program; and
  - B. Provide input on current and future challenges, goals and accomplishments since the last presentation to the Board of Directors.

Mr. Rick Callender, Deputy Administrative Officer, reviewed the information on this item, per the attached Board Agenda Memorandum.

The Board noted the information without formal action.

### **3. CONSENT CALENDAR:**

Vice Chairperson Santos moved the agenda to Item 3.5.

- 3.5. Adopt Plans and Specifications and Authorize Advertisement for Bids for the Installation of Cathodic Protection Rectifiers and Deep-Well Anodes on the Pacheco Conduit, Project No. 91214010.

- Recommendation:
- A. Adopt Plans and Specifications and Authorize Advertisement for Bids for the Installation of Cathodic Protection Rectifiers and Deep-Well Anodes on the Pacheco Conduit per the Notice to Bidders; and
  - B. Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

The Board continued Item 3.5 to a future meeting.

Vice Chairperson Santos returned the agenda to the Consent Calendar where the Board considered Consent Calendar Items 3.1 through 3.4, and 3.6 under one motion.

- 3.1. Resolution Authorizing the Conveyance of Real Estate Property to the City of Morgan Hill (District 1).

- Recommendation:
- A. Adopt the Resolution AUTHORIZING CONVEYANCE OF REAL PROPERTY RIGHTS TO THE CITY OF MORGAN HILL, by a majority vote;
  - B. Approve and authorize the Interim Chief Executive Officer (Interim CEO) to execute the Agreement For Purchase and Sale Of Real Property From the Santa Clara Valley Water District to the City Of Morgan Hill for the conveyance of District real property referred to as APN 767-07-042 and APN 767-08-003 based upon the terms and conditions as set forth in the Agreement, per Section 31 of the District Act; and
  - C. Approve and authorize the Interim CEO to execute the Grant Deeds for the conveyance of property rights referred to as APN 767-07-042 and APN 767-08-003 (District Real Estate File No. 5012-145.1 and 5012-83.1).

- 3.2. Resolution Rescinding Resolution No. 16-67 and Authorizing the Interim Chief Executive Officer to Execute a Grant Agreement with the State Water Resources Control Board for a Stormwater Grant Under Proposition 1 for the Stormwater Resources Plan for the Santa Clara Basin in Santa Clara County.

Recommendation: Adopt a RESOLUTION RESCINDING RESOLUTION NO. 16-67 AND AUTHORIZING THE INTERIM CHIEF EXECUTIVE OFFICER TO EXECUTE A GRANT AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR A STORM WATER GRANT UNDER PROPOSITION 1 FOR THE STORMWATER RESOURCE PLAN FOR THE SANTA CLARA BASIN IN SANTA CLARA COUNTY.

- 3.3. Resolution Commemorating February 2017 as Black History Month.

Recommendation: Adopt the Resolution COMMEMORATING FEBRUARY 2017 AS BLACK HISTORY MONTH.

- 3.4. Budget Adjustment in the Amount of \$988,000 from the Budget of the West Branch Llagas Creek Animal Damage Repair Project, Project No. 50314001 (Morgan Hill) (District 1), to the El Camino Storm Drain Erosion Project, Project No. 20374002 (Sunnyvale) (District 5).

Recommendation: A. Approve addition of the El Camino Storm Drain Erosion Repair Project, Project No. 20374002, to the Erosion Repair Program in the Fiscal Year 2017-2021 Capital Improvement Program (CIP);

B. Approve a budget adjustment in the amount of \$988,000, transferring all unspent funds from the West Branch Llagas Creek Animal Damage Repair Project, Project No. 50314001 (Morgan Hill) (District 1) to the El Camino Storm Drain Erosion Repair Project (Project); and

C. Approve removal of the West Branch Llagas Creek Animal Damage Repair Project from the Erosion Repair Program for Fiscal Year 2017 in the Fiscal Year 2017-2021 Capital Improvement Program (CIP).

3.6. CEO Bulletins for the Weeks of January 6-12, and 13-19, 2017.

Recommendation: Accept the CEO Bulletins.

Motion: Approve Consent Calendar Items 3.1 through 3.4, and 3.6, under one motion, as follows: adopt Resolution No. 17-05, AUTHORIZING CONVEYANCE OF REAL PROPERTY RIGHTS TO THE CITY OF MORGAN HILL, by roll call vote, as contained in Item 3.1; adopt Resolution No. 17-06, RESOLUTION RESCINDING RESOLUTION NO. 16-67 AND AUTHORIZING THE INTERIM CHIEF EXECUTIVE OFFICER TO EXECUTE A GRANT AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR A STORM WATER GRANT UNDER PROPOSITION 1 FOR THE STORMWATER RESOURCE PLAN FOR THE SANTA CLARA BASIN IN SANTA CLARA COUNTY, by roll call vote, as contained in Item 3.2; adopt Resolution No. 17-07, COMMEMORATING FEBRUARY 2017 AS BLACK HISTORY MONTH, by roll call vote, as contained in Item 3.3; approve addition of the El Camino Storm Drain Erosion Repair Project, Project No. 20374002, to the Erosion Repair Program in the Fiscal Year 2017-2021 Capital Improvement Program, approve a budget adjustment in the amount of \$988,000, and approve removal of the West Branch Llagas Creek Animal Damage Repair Project from the Erosion Repair Program for Fiscal Year 2017 in the Fiscal Year 2017-2021 Capital Improvement Program, as contained in Item 3.4; and accept the CEO Bulletins, as contained in Item 3.6.

Move to Approve: Barbara Keegan  
Second: Linda J. LeZotte  
Yeas: Tony Estremera, Gary Kremen, Linda J. LeZotte, Barbara Keegan, Richard Santos, Nai Hsueh  
Nays: None  
Abstains: None  
Recuses: None  
Absent: John L. Varela  
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

Vice Chairperson Santos moved the agenda to Item 5.1.

## REGULAR AGENDA:

### 5. WATER UTILITY ENTERPRISE:

#### 5.1. Update on 2016 Water Supply and Drought Response and Initial 2017 Outlook Scenarios.

- Recommendation:
- A. Receive, review, and discuss updated information on 2016 water supply and drought response and initial 2017 Outlook Scenarios; and
  - B. Consider, discuss, and provide direction to staff on the following water use reduction options appropriate through June 30, 2017, including:
    - i. Adopting a new resolution calling for water use reduction from 2013 that may range from 5 percent to 20 percent that recommends the retail water agencies, local municipalities, and the County of Santa Clara implement voluntary measures needed to achieve the target; OR
    - ii. Continuing the existing Resolution 16-55 (Attachment 3) that includes a call for 20 percent, a three day per week watering restriction, and recommends the retail water agencies, local municipalities, and the County of Santa Clara implement mandatory measures as needed to reach the target; OR
    - iii. Taking necessary steps to implement alternative water use reduction actions deemed appropriate based on the current water supply conditions and outlook scenarios.

Mr. Garth Hall, Deputy Operating Officer, reviewed the information on this item, per the attached Board Agenda Memorandum and presented the information contained in Supplemental Attachment 1, Slides 1-10 and 13, and Mr. Jerry De La Piedra, Water Supply Plan and Conservation Manager, presented information on Slides 11-12.

Three statements expressing support for suspension of water use restrictions were received from Mr. Anthony Eulo, City of Morgan Hill, Ms. Mary Joe Townsend, Campbell resident, and Mr. Tim Guster, Great Oaks Water Company.

Mr. Pat Kerns, Los Gatos resident, expressed opposition to regulating water use in the Town of Los Gatos.

Motion: Approve revising Resolution 16-55 to maintain the 20 percent water reduction and previously identified watering restrictions, remove implementation of mandatory measures, and incorporate in a numerated list the State's current prohibitions and language that allows for enactment of any future State amended prohibitions; and direct staff to bring back a revised resolution at the January 31, 2017 Special meeting.

Move to Approve: Tony Estremera  
Second: Linda J. LeZotte  
Yeas: Tony Estremera, Gary Kremen, Linda J. LeZotte, Barbara Keegan, Richard Santos, Nai Hsueh  
Nays: None  
Abstains: None  
Recuses: None  
Absent: John L. Varela  
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

Vice Chairperson Santos returned the agenda to Item 4.1.

**6. WATERSHEDS: None.**

**4. BOARD OF DIRECTORS:**

**4.1. Fiscal Year 2017 Board Policy Planning and Performance Monitoring Calendar.**

Recommendation: Review and revise the Fiscal Year 2017 Board Policy Planning and Performance Monitoring Calendar.

Ms. King reviewed the information on this item, per the attached Board Agenda Memorandum.

The Board noted the information without formal action.

**4.2. Board Committee Reports.**

There were no Board Committee Reports.

**5.2. Budget Adjustment in the amount of \$3,356,000 for the Rinconada Water Treatment Plant Residuals Management Project, Project No. 93294051, (Los Gatos), (District 7).**

Recommendation: Approve a budget adjustment in the amount of \$3,356,000 from the Water Utility Operating and Capital Reserve to the Fiscal Year 2016-17 Project budget.

Mr. Christopher Hakes, Assistant Officer, reviewed the information on this item, per the attached Board Agenda Memorandum

Move to Approve: Barbara Keegan  
Second: Nai Hsueh  
Yeas: Tony Estremera, Gary Kremen, Linda J. LeZotte, Barbara Keegan, Richard Santos, Nai Hsueh  
Nays: None  
Abstains: None  
Recuses: None  
Absent: John L. Varela  
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

## **7. CHIEF EXECUTIVE OFFICER:**

### **7.1. Board Confirmation of New Chief Operating Officer of Administrative Services.**

Recommendation: Confirm the appointment of Susan Stanton as the new Chief Operating Officer of Administrative Services for the Santa Clara Valley Water District.

Ms. Norma Camacho, Interim Chief Executive Officer, reviewed the information on this item, per the attached Board Agenda Memorandum.

Move to Approve: Tony Estremera  
Second: Gary Kremen  
Yeas: Tony Estremera, Gary Kremen, Linda J. LeZotte, Barbara Keegan, Richard Santos, Nai Hsueh  
Nays: None  
Abstains: None  
Recuses: None  
Absent: John L. Varela  
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

### **7.2. Chief Executive Officer Report.**

Mr. Dale Jacques, Emergency and Security Manager, distributed the attached Storm Report identified as Handout 7.2-A herein. Copies of the Handout were distributed to the Board and made available to the public.

Mr. Jim Fiedler, Chief Operating Officer, reported on recent storm activity impacts on reservoir levels and associated water release schedules.

Ms. Angela Cheung, Deputy Operating Officer, announced a scheduled shutdown of the Rinconada Water Treatment Plant (RWTP) in preparation for construction on the RWTP Reliability Improvement Project, and confirmed that retailers were notified in advance.



Ms. Melanie Richardson, Interim Chief Operating Officer, reported having met with City of San Jose staff, discussed the upcoming City of San Jose Sustainability Study Session and Design Build Open House events, and confirmed the next Joint Meeting with the City of San Jose and the District was tentatively scheduled for April 28, 2017, at the District Headquarters Building Boardroom.

**8. ADMINISTRATION:**

None.

**9. DISTRICT COUNSEL:**

None.

**10. ADJOURN:**

**10.1. Board Member Reports/Announcements.**

Director LeZotte reported attending the National Water Rates Institute annual meeting, several Water Rates meetings with constituents, and a Santa Clara Valley Joint Powers Authority Board meeting.

Director Estremera reported attending the Successor Agency to the City of San Jose Redevelopment Agency meeting, and an Environmental and Water Resources Committee meeting.

Director Hsueh reported attending Landscape and Agricultural Water Advisory Committee meetings, the aforementioned Environmental and Water Resources Committee meeting, and a Groundbreaking Event for Permanente Creek.

Director Hsueh requested that staff prepare for the Chairperson's signature, thank you letters to water retailers, commending them on their efforts to meet 20 percent conservation goals (Board Member Request R-17-0001).

Director Kremen reported attending a San Luis Delta Mendota Water Authority Board meeting, and the aforementioned Groundbreaking Event for Permanente Creek.

Vice Chairperson Santos reported attending a Regional Water Quality Control Board Hearing, and the aforementioned San Luis Delta Mendota Water Authority Board meeting.

**10.2. Clerk Review and Clarification of Board Requests.**

Ms. King read the new Board member requests into the record.

- 10.3. Adjourn to Special Meeting at 12:00 p.m., on January 31, 2017, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

The Board noted that since publication of the agenda the schedule for the next meeting had changed from 12:00 p.m. to 1:00 p.m. on January 31, 2017.

Vice Chairperson Santos adjourned the meeting at 8:15 p.m., to the Special Meeting at 1:00 p.m., on January 31, 2017, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Michele L. King, CMC  
Clerk/Board of Directors

Approved:

Date: 03/14/2017