



BOARD OF DIRECTORS MEETING

# MINUTES

**CLOSED SESSION AND REGULAR MEETING  
TUESDAY, JANUARY 23, 2018  
4:00 PM**

(Paragraph numbers coincide with agenda item numbers)

**1. CALL TO ORDER:**

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

**1.1. Roll Call.**

Board members in attendance were Tony Estremera, Gary Kremen, Linda J. LeZotte, Barbara Keegan, Richard Santos, John L. Varela, and Nai Hsueh, constituting a quorum of the Board.

Staff members in attendance were N. Camacho, Chief Executive Officer (CEO), S. Yamamoto, District Counsel, M. King, Clerk/Board of Directors, K. Arends, M. Baratz, B. Broome, R. Callender, A. Cheung, A. Comelo, A. Fulcher, R. Gibson, V. Gin, C. Hakes, G. Hall, N. Hawk, B. Hopper, N. Nguyen, K. Oven, M. Richardson, A. Rouhani, D. Taylor, S. Tikekar, and T. Yoke.

Chairperson Santos declared time open for public comment on Item 2.1.

Nine statements expressing concerns regarding fair and moderate labor negotiations were received from: Mr. Stanley Young, International Federation of Professional and Technical Engineers Local 21 (IFPTE Local 21); Mr. John Tucker, American Federation of State, County and Municipal Employees Local 101 (AFSCME Local 101); and the following staff members: Ms. Marisela Benitez, Ms. Debra Butler, Mr. George Cook, Mr. Jim Crowley, Ms. Samantha Greene, Ms. Cindy Kao, and Mr. Roger Pierno.

Mr. Tucker submitted the attached letter identified as Handout 2.1-A, herein. Copies of the Handout was distributed to the Board and made available to the public.

Chairperson Santos presented an *On-The-Spot Award* to Ms. Candice Kwok-Smith, Board Support Officer.

Chairperson Santos confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1 and 2.2. Upon return to Open Session, the same Board members and staff were present.

**2. TIME CERTAIN:**

**4:00 PM**

**2.1. CLOSED SESSION CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6(a)

Agency Designated Representatives: Norma Camacho, Anil Comelo, Michael Baratz, Laura Harbert, Dania Torres Wong, Esq.

Employee Organizations: Employees Association, Engineers Society, Professional Managers Association

**2.2. CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL  
EXISTING LITIGATION**

Government Code Section 54956.9(a)

Name of case: Jean Marie White and Bryan N. Rodriguez v. SCVWD;

County of Santa Clara; City of San Jose, Does 1-100-Case No. 18CV321600

Name of case: Charles Lewis Powell and Jolene Powell v. SCVWD; County of Santa Clara; city of San Jose, Does 1-100-Case No. 18CV32

**6:00 PM**

**2.3. District Counsel Report.**

Mr. Stan Yamamoto, District Counsel, reported that in regards to Items 2.1 and 2.2, the Board met in Closed Session with all members present, and gave direction to staff.

**2.4. Pledge of Allegiance/National Anthem.**

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

**2.5. Orders of the Day.**

Chairperson Santos 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.**

Chairperson Santos declared time open for public comment on any item not on the agenda.

Ms. Jackie Davison, City of Sunnyvale, reviewed and distributed the attached PowerPoint Presentation, School's Goin' Green, identified as Handout 2.6-A, herein. Copies of the Handout were distributed to the Board and made available to the public. Ms. Davison presented an award to the District from the California Storm Water Association for Exemplary Leadership, Outstanding Projects, Activities, and Contributions.

Mr. Doug Muirhead, Morgan Hill resident, was presented a Certificate of Appreciation for his commitment to engagement at the District.

Chairperson Santos moved the agenda to Item 2.8.

2.8. Public Hearing - Board of Directors' Consideration of Directors' Meeting Compensation Amount for Calendar Year 2018.

- Recommendation:
- A. Conduct a Public Hearing to allow members of the public to provide comments relevant to the Directors' meeting compensation amount for calendar year 2018;
  - B. Close the Public Hearing; and
  - C. Provide direction to the Clerk of the Board relevant to the Directors' meeting compensation amount for calendar year 2018.

Chairperson Santos opened the Public Hearing.

Chairperson Santos declared time open for public comment.

Mr. Muirhead, expressed support for increased Directors' Compensation.

Chairperson Santos closed the Public Hearing.

Motion: Approve an increase to the Directors' compensation by five (5) percent in accordance with the California Water Code § 20200-20207.

Move to Approve: Tony Estremera

Second: Nai Hsueh

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

Nays: None

Abstains: None

Recuses: None

Absent: None

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

Chairperson Santos returned the agenda to Item 2.7.

2.7. State of the District (Chairperson Santos).

Chairperson Santos provided a State of the District address.

2.9. Santa Clara Valley Water District Government Relations Program Update and Legislative Outlook.

Recommendation: That the Board receives information on the 2017 Santa Clara Valley Water District government relations advocacy and stakeholder engagement program, and the 2018 Legislative Outlook from the Office of Government Relations staff and state and federal contract representatives.

Ms. Rachael Gibson, Deputy Administrative Officer, reviewed the information on this item, per the attached Board Agenda Memorandum, and per the information contained in Attachment 4.

Ms. Julie Minerva, Carpi and Clay, provided a legislative Outlook for Federal Administrative Agencies; Mr. Mark Kadesh, Mark Kadesh & Associates, provided a Congressional Outlook for Federal Water Policy; and Ms. Monica Miller, Sacramento Advocates, LLC, provided a legislative Outlook for the State.

The Board noted the information without formal action.

**3. CONSENT CALENDAR:**

The Board considered Consent Calendar Items 3.1 through 3.6 and 3.8, under one motion.

3.1. Cost Sharing Agreement with Santa Clara County, Midpeninsula Regional Open Space District, and Guadalupe Rubbish Disposal, Inc. for Guadalupe River Watershed Mercury Total Maximum Daily Load Coordinated Monitoring Program and Consultant Agreement for Mercury Monitoring.

- Recommendation:
- A. Approve the Cost Sharing Agreement by and between the Santa Clara Valley Water District, the County of Santa Clara, Midpeninsula Regional Open Space District and Guadalupe Rubbish Disposal, Inc. to fund implementation of the Guadalupe River Coordinated Monitoring Program required by the San Francisco Bay Regional Water Quality Control Board (Regional Board) under its Section 13267 California Water Code;
  - B. Authorize the District Chief Executive Officer (CEO) to execute the Cost Sharing Agreement; and
  - C. Authorize the CEO to negotiate and execute a Consultant Agreement for an amount not-to-exceed \$350,000 for the development and implementation of a plan meeting the requirements of the Regional Board for Mercury monitoring in the Guadalupe River Watershed.

- 3.2. Notice of Completion of Contract and Acceptance of Work of the Fluoridation at Water Treatment Plants Project at the Penitencia and Santa Teresa Water Treatment Plants, Kiewit Infrastructure West Co., Inc., Contractor, Project No. 93084011, Contract No. C0610 (San Jose).

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 to the Santa Clara County Clerk-Recorder.

- 3.3. Notice of Completion of Contract and Acceptance of Work for Construction of the Palo Alto Flood Basin Tide Gate Structure Improvements Project, Dixon Marine Services Inc., Contractor, Project No. 10394001, Contract No. C0630 (Palo Alto) (District 7).

Recommendation:   A.     Receive information on the change of scope and suspension of work for the Palo Alto Flood Basin Tide Gate Structure Improvements Project;

                          B.     Accept the revised scope of work as complete; and

                          C.     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.

- 3.4. Claim of Sentry Insurance on behalf of D Tek Manufacturing.

Recommendation:   Deny the claim.

- 3.5. Claim of Bryon Chapman, represented by Thomas E. Frankovich, APLC.

Recommendation:   Deny the claim.

- 3.6. Claim of Thomas Wingens, 4355 Monterey Rd., LLC.

Recommendation:   Deny the claim.

- 3.7. Moved to Item 5.4

- 3.8. CEO Bulletins for the Weeks of January 5-11 and 12-18, 2018.

Recommendation:   Accept the CEO Bulletins.

Motion:               Approve Consent Calendar Items 3.1 through 3.6 and 3.8, under one motion as follows: approve and authorize the CEO to execute the Cost Sharing Agreement with County of Santa Clara, Midpeninsula Regional Open Space

District, and Guadalupe Rubbish Disposal, and authorize the District CEO to negotiate and execute a Consultant Agreement, as contained in Item 3.1; accept and direct the Clerk to file the Notices of Completion of Contracts and Acceptance of Work for the Fluoridation at Water Treatment plants, and Palo Alto Flood Basin Tide Gate Structure Improvements, as contained in Items 3.2 and 3.3; deny the claims of Sentry Insurance, Bryon Chapman, and Thomas Wingens, as contained in Items 3.4, 3.5, and 3.6; and accept the CEO Bulletins, as contained in Item 3.8.

Move to Approve: Linda J. LeZotte  
Second: Tony Estremera  
Yeas: Tony Estremera, Gary Kremen, Linda J. LeZotte, Barbara Keegan, Richard Santos, John L. Varela, Nai Hsueh  
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. Fiscal Year 2018 Board Policy Planning and Performance Monitoring Calendars.**

Recommendation: Review, discuss and revise, if necessary, the Fiscal Year 2018 Board Policy Planning and Performance Monitoring Calendars.

Ms. Michele King, Clerk/Board of Directors, reviewed the information on this item, per the attached Board Agenda Memorandum.

The Board noted the information without formal action.

##### **4.2. Board Finalization of the Revised Risk Assessment Scope of Work for the On-Call Audit Program with Board Independent Auditor, TAP International, Inc.**

Recommendation: A. Provide input and approve the Revised Risk Assessment Scope of Work, as recommended by the Board Audit Committee (Committee), for the On-Call Audit Program with Board Independent Auditor, TAP International, Inc. (TAP International); and  
B. Direct the Committee to meet with TAP International to:

1. Review the finalized list of identified risk assessments, as adopted by the Committee and amended by feedback from the Board;
2. Solicit TAP International recommendations on internal vs external execution of audits, costs, feasibility, and timelines; and
3. Develop an execution plan to complete the risk assessments adopted by the Board.

Ms. Karna DuQuite, Program Administrator, reviewed the information on this item, per the attached Board Agenda Memorandum, and Ms. Denise Callahan, TAP International, reviewed the corresponding presentation materials contained in Attachment 1.

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

#### 4.3. Board Committee Reports.

The Board noted the information contained within the Agricultural Water Advisory Committee Meeting Summary for January 8, 2018, identified as Handout 4.3-A, herein. Copies of the Handout was distributed to the Board and made available to the public.

### 5. WATER UTILITY ENTERPRISE:

- 5.1. Agreement with Brown & Caldwell Inc., a California Corporation, for Consultant Services for the Countywide Water Reuse Master Plan, Project No. 91101004.

Recommendation: Approve an Agreement with Brown and Caldwell for Consultant Services in the amount of not-to-exceed \$1,981,000 for the development of a Countywide Water Reuse Master Plan.

Mr. Luis Jaimes, Senior Project Manager, reviewed the information on this item, per the attached Board Agenda Memorandum, and per the information contained in Attachment 2.

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

5.2. Budget Adjustment in the Amount of \$1,500,000 to the Pacheco Conduit Inspection and Rehabilitation Project, Project No. 91214001 (Unincorporated County) (District 1).

Recommendation: Approve a budget adjustment transferring \$1,500,000 to the Pacheco Conduit Inspection and Rehabilitation Project No. 91214001, from the Fiscal Year 2018 Budget of the 10-year Pipeline Inspection and Rehabilitation Project, Project No. 95084002.

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

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

5.3. Update for the Anderson Dam Seismic Retrofit Project - Project No. 91864005 (Morgan Hill) (District 1).

Recommendation: Receive an update for the Anderson Dam Seismic Retrofit Project.

Ms. Katherine Oven, Deputy Operating Officer, reviewed the information on this item, per the attached Board Agenda Memorandum, and the corresponding presentation materials contained in Attachment 1 were reviewed by staff as follows: Ms. Oven, reviewed Slides 1 through 6 and Slides 13 through 16, and Mr. Chuck Anderson, President Schaaf and Wheeler, reviewed Slides 7 through 12.

Director Keegan requested that staff provide an update to the Board on the status of the Dams Program, including any level of analysis performed on potential interim repair solutions that could be implemented prior to completing projects (Board Member Request No. R-18-0004).



The Board noted the information without formal action.

- 5.4. Update on the Condition of the Almaden Valley Pipeline Inspection and Rehabilitation Project (San Jose, Los Gatos, Unincorporated Santa Clara County) (Districts 4 and 7); Determine that the Condition of the Almaden Valley Pipeline Continues to Constitute an Emergency; and Budget Adjustment of \$4,523,942 from the 5-Year Pipeline Inspection and Rehabilitation Project (Project No. 95084001) to the 10-Year Pipeline Inspection and Rehabilitation Project (Project No. 95084002).

- Recommendation:
- A. Receive an update on the Almaden Valley Pipeline Inspection and Rehabilitation Project;
  - 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 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); and
  - C. Approve a budget adjustment transferring \$4,523,942 to the 10-year Pipeline Inspection and Rehabilitation Project, Project No. 95084002, from the 5-Year Pipeline Inspection and Rehabilitation Project, Project No. 95084001.

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

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

## 6. WATERSHEDS:

None.

## 7. EXTERNAL AFFAIRS:

- 7.1. Recommended Positions on Federal Legislation: HR 4419 (Newhouse) - Bureau of Reclamation and Bureau of Indian Affairs Water Project Streamlining Act; S1696 (Udall) - Smart Energy and Water Efficiency Act; HR 3859 (Waters) - Drinking Water Infrastructure for Job Creation Act; HR 3009 (Duncan) -

Sustainable Water Infrastructure Investment Act; and S1137 (Cardin) - Clean Safe Reliable Water Infrastructure Act.

- Recommendation:
- A. Adopt a position of "Support and Amend" on: HR 4419 (Newhouse) - Bureau of Reclamation and Bureau of Indian Affairs Water Project Streamlining Act;
  - B. Adopt a position of "Support" on: S1696 (Udall) - Smart Energy and Water Efficiency Act;
  - C. Adopt a position of "Support" on: HR 3859 (Waters) - Drinking Water Infrastructure for Job Creation Act;
  - D. Adopt a position of "Support" on: HR 3009 (Duncan) - Sustainable Water Infrastructure Investment Act; and
  - E. Adopt a position of "Support" on S1137 (Cardin) - Clean Safe Reliable Water Infrastructure Act.

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

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

## **8. CHIEF EXECUTIVE OFFICER:**

### **8.1. Chief Executive Officer Report.**

Ms. Angela Cheung, Deputy Operating Officer, reported that a joint mailer with San Jose Water Company regarding an Almaden Valley Pipeline and Santa Teresa Water Treatment Plant offline occurrence, had been sent to affected constituents.

Ms. Melanie Richardson, Chief Operating Officer, reported that the South San Francisco Shoreline Project Consistency Determination permit had been approved.

Mr. Rick Callender, Chief of External Affairs, reported that the Youth Commission application process had been opened to the public and would close on February 16, 2018; provided a status on two Requests for Proposals for the Safe, Clean Water Program Objectives B7 and D3; informed the Board that Assembly Bill

1889, District Act Update, was introduced last week; and informed the Board that the District's new External Website would launch on January 30, 2018.

**9. ADMINISTRATION:**

**9.1. Fiscal Year 2016-17 Year-End Closing Budget Adjustment and Fiscal Year 2017-18 Mid-Year Budget Adjustment.**

- Recommendation:   A.    Approve the Fiscal Year 2016-17 year-end closing budget adjustment; and
- B.    Approve the Fiscal Year 2017-18 mid-year budget adjustment.

Mr. Darin Taylor, Chief Financial Officer, reviewed the information on this item, per the attached Board Agenda Memorandum.

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

**10. DISTRICT COUNSEL:**

None.

**11. ADJOURN:**

**11.1. Board Member Reports/Announcements.**

Director Varela reported attending a Special Board Policy and Planning Committee (BPPC) meeting.

Director Hsueh reported attending the aforementioned Special BPPC meeting; Capital Improvement Plan Committee (CIP), and Environmental and Water Resources Committee (EWRC) meetings; a Water Conservation and Demand Management Work Plan meeting; and various meetings with staff.

Director Estremera reported attending the aforementioned EWRC meeting; the Special Board meeting with Countywide Water Retailers, and a Recycled Water Committee (RWC) meeting.

Director Kremen reported attending the aforementioned RWC meeting, and Special Board Meeting with Countywide Water Retailers; Westlands Solar Park meeting; and a Special and Regular San Luis Delta Mendota Water Authority Board meetings.

Director Keegan reported attending the aforementioned Special Board Meeting with Countywide Water Retailers; and Santa Clara Valley (SCV) Habitat Joint Governing and Implementation Board meeting.

Director LeZotte reported attending the aforementioned CIP Committee, EWRC, and SCV Habitat Joint Governing and Implementation Board meetings; Sunnyvale Redevelopment Agency Oversight Board meeting; various meetings with staff; and serving as presenter at the South Bay Resilience Tour.

Chairperson Santos reported attending various meetings with staff.

11.2. Clerk Review and Clarification of Board Requests.

Ms. King read the new Board Member Request into the record.

11.3. Adjourn to Regular Meeting at 1:00 p.m., on February 13, 2018, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Chairperson Santos adjourned the meeting in honor and recognition of all forms of labor, particularly minority labor, and its contribution to building the foundation of early Santa Clara County, at 8:10 p.m., to the Regular Meeting at 1:00 p.m., on February 13, 2018, 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: March 13, 2018