



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, APRIL 24, 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, John L. Varela, and Nai Hsueh, constituting a quorum of the Board.

Chairperson Santos was excused from attending; and Director Estremera arrived as noted below.

During Chairperson Santos' absence, the meeting was facilitated by Vice Chairperson LeZotte.

Staff members in attendance were S. Yamamoto, District Counsel, M. King, Clerk/Board of Directors, J. Aranda, R. Chan, A. Comelo, A. Fulcher, V. Gin, C. Hakes, B. Hopper, N. Nguyen, L. Orta, K. Oven, D. Taylor, and S. Tikekar. Ms. Nina Hawk, Chief Operating Officer, represented Ms. Norma Camacho, Chief Executive Officer; Mr. Kurt Arends, Deputy Operating Officer, represented Ms. Hawk; Mr. Ngoc Nguyen, Deputy Operating Officer, represented Ms. Melanie Richardson, Chief Operating Officer; and Mr. Meda Okelo, Civic Engagement Manager, represented Mr. Rick Callender, Chief of External Affairs.

Director Estremera arrived.

Vice Chairperson LeZotte confirmed that Items 2.1 and 2.2 had been moved to the April 27, 2018 meeting and that the Board would adjourn to Closed Session for consideration of Items 2.3 and 2.4. Upon return to Open Session, the same Board members and staff were present.

2. TIME CERTAIN:

4:00 PM

2.3. CLOSED SESSION

**CONFERENCE WITH LEGAL COUNSEL CONFERENCE WITH REAL
PROPERTY NEGOTIATORS**

Pursuant to Government Code Section 54956.8:

Setting Negotiation Parameters for Acquiring Property Interest from Lupe Duffy
(APN 764-32-022) in Santa Clara County

Negotiators: Norma Camacho, Chief Executive Officer; Katherine Oven, Deputy
Operating Officer, Water Utility, Capital Division; Stephen Ferranti, Engineering
Unit Manager; Bill Magleby, Senior Real Estate Agent.

2.4. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

Pursuant to Government Code Section 54956.9(d)(4)

6:00 PM

2.5. District Counsel Report.

Mr. Joseph Aranda, Assistant District Counsel, reported that in regards to
Items 2.3 and 2.4, the Board met in Closed Session with all members present,
excluding Chairperson Santos, and gave direction to staff.

2.6. Pledge of Allegiance/National Anthem.

Vice Chairperson LeZotte led all present in reciting the Pledge of Allegiance.

2.7. Orders of the Day.

Vice Chairperson LeZotte confirmed that Item 3.4 would be considered after
Item 2.9, and Item 3.8 would be considered after the Consent Calendar.

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

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

Mr. Richard McMurtry, Laguna de Santa Rosa Watershed Foundation, suggested
that the Board hold a workshop to rectify the extirpation of steelhead trout in the
watersheds.

**2.9. Presentation of Resolutions For Inspiration and Recognition of Science and
Technology (FIRST) Lego League Teams.**

Recommendation: Adopt the Resolutions EXPRESSING APPRECIATION TO
THE FIRST LEGO LEAGUE TEAMS: the Alpha Wolves;
the Battle Chickens; the Hydrabots; the Hydrabots; the

Krazy Argo Kids; the Lego Leprechauns; the Mindstorm Minions; the Techno Wizards; and the Xbots.

Ms. Janet Hedley, Public Information Representative II, reviewed the information on this item, per the attached Board Agenda Memorandum.

Motion: Adopt Resolution Nos. 18-13 through 18-21 EXPRESSING APPRECIATION TO THE FIRST LEGO LEAGUE TEAMS: the Alpha Wolves; the Battle Chickens; the Hydrabots; the Hydrobots; the Krazy Argo Kids; the Lego Leprechauns; the Mindstorm Minions; the Techno Wizards; and the Xbots, respectively, by roll call vote.

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

Vice Chairperson LeZotte moved the agenda to Item 3.4.

3.4. Membership Nominations for Committee Appointment to the Santa Clara Valley Water District Youth Commission (SCVWD Youth Commission).

Recommendation: Consider nominations for a two-year membership appointment of the 21 selected Applicants to the SCVWD Youth Commission.

Ms. Glenna Brambill, Management Analyst II, reviewed the information on this item, per the attached Board Agenda Memorandum.

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

Vice Chairperson LeZotte returned the agenda to Item 2.10.

2.10. Public Hearing to Consider the Santa Clara Valley Water District's Draft Fiscal Years 2019-2023 Five-Year Capital Improvement Program.

- Recommendation:
- A. Open the public hearing to receive comments regarding the Santa Clara Valley Water District's (District) Draft FY 2019-2023 Five-Year Capital Improvement Program (CIP); and
 - B. Continue the public hearing to the Board's Budget Work Study sessions currently set for April 26 and 27 and the regularly scheduled Board Meeting on May 8, 2018.

Vice Chairperson LeZotte opened the Public Hearing and declared time open for public comment.

Ms. Emma Bonasera, of undisclosed residency, requested that the Board expedite the pace of the projects necessary to restore fisheries.

Vice Chairperson LeZotte continued the public hearing to the April 26, 2018, Special Board meeting.

- 2.11. Public Hearing - Annual Report on the Protection and Augmentation of Water Supplies - February 2018 and Recommended Groundwater Production and Other Water Charges for Fiscal Year 2018-2019 (FY 2018-19) (Continued from April 12, 2018).

- Recommendation:
- A. Continue the public hearing pursuant to Section 26.6 of the District Act to consider the District FY 2018-19 Annual Report on the Protection and Augmentation of Water Supplies (PAWS Report), and consider public comments from groundwater producers and any interested persons regarding the PAWS Report;
 - B. Direct staff to review the PAWS Report with, and solicit comments from the District's advisory committees; and
 - C. Hear public comments from groundwater producers and any interested persons regarding such report; and
 - D. Close the public hearing.

Vice Chairperson LeZotte opened the public hearing and acknowledged receipt of the attached comment letters from Mr. Mike Wasserman and Mr. Dave Cortese, Santa Clara County Board of Supervisors; Mr. Mike Flaughner, Santa Clara Valley Open Space Authority; and Mr. Dhruv Khanna, Kirigin Cellars, identified as Handouts 2.11-A through 2.11-D herein, respectively. Copies of the Handouts were distributed to the Board and made available to the public.

Mr. Darin Taylor, Chief Financial Officer, reviewed the information on this item per the attached Board Agenda Memorandum, and corresponding presentation materials contained in Supplemental Attachment 1.

Vice Chairperson LeZotte declared time open for public comments.

Mr. Doug Muirhead, Morgan Hill resident, requested information on whether the Board was considering revisions to the 1974 surface water rules and regulations.

Two statements expressing opposition to ground water production charge rate increases were received from Mr. Druuv Khana, Morgan Hill resident; and Mr. Alex Kinnett, Director Open Space Authority.

Vice Chairperson LeZotte closed the Public Hearing.

Motion: The Board requested staff to pursue investigating the three suggestions listed on page 3 of the PowerPoint presentation on Open Space Credit and bring back to the Board for future policy discussion.

Move to Approve: Tony Estremera

Second: Nai Hsueh

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

Nays: None

Abstains: None

Recuses: None

Absent: Richard Santos

Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

3. CONSENT CALENDAR:

The Board considered Consent Calendar Items 3.1 through 3.3, 3.5 through 3.7, and 3.9.

3.1. Resolution Adopting the Santa Clara Valley Water District Local Hazard Mitigation Plan.

Recommendation: Adopt the Resolution ADOPTING THE SANTA CLARA VALLEY WATER DISTRICT LOCAL HAZARD MITIGATION PLAN.

3.2. Adopt Plans and Specifications and Authorize Advertisement for Bids for the Construction of the Stevens Creek Bank and Access/Trail Road Repair, Downstream of El Camino Real, (SR 82) Project, Project No. 62062003, Task No. 1062, Contract No. C0638, (Mountain View) (District 7). (Moved from April 12, 2018 Agenda)

Recommendation: A. Adopt Plans and Specifications and Authorize Advertisement for Bids for Construction of the Stevens Creek Bank and Access/Trail Road Repair, Downstream of El Camino Real, (SR 82) (Project) per the Notice to Bidders; and
B. Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

3.3. Membership Nomination for Committee Appointment to the Environmental and Water Resources Committee.

Recommendation: Consider nomination for a two-year membership appointment of Mr. Charles Ice to the Environmental and Water Resources Committee.

3.5. Memorandum of Understanding By and Between Google LLC and the Santa Clara Valley Water District to Negotiate a Cost-Sharing Agreement for a Portion of the District's Sunnyvale East and West Channels Flood Protection Project, Project No. 26074002 (Sunnyvale), (District 3).

Recommendation: Approve the Memorandum of Understanding By and Between Google LLC and the Santa Clara Valley Water District to Negotiate a Cost-Sharing Agreement for a Portion of the District's Sunnyvale East and West Channels Flood Protection Project.

3.6. Update on the Condition of the Almaden Valley Pipeline Inspection and Rehabilitation Project, and Determine that the Condition of the Almaden Valley Pipeline Continues to Constitute an Emergency (San Jose, Los Gatos, Unincorporated Santa Clara County) (Districts 4 and 7).

Recommendation: A. Receive an update on the Almaden Valley Pipeline Inspection and Rehabilitation Project; 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 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).

3.7. CEO Bulletins for the Weeks of April 6-12, and 13-19, 2018.

Recommendation: Accept the CEO Bulletins.

3.9. Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 3.1 through 3.3, 3.5 through 3.7, and 3.9, under one motion, as follows: adopt Resolution No. 18-22, ADOPTING THE SANTA CLARA VALLEY WATER DISTRICT LOCAL HAZARD MITIGATION PLAN, by roll call vote, as contained in Item 3.1; adopt Plans and Specifications and Authorize Advertisement for Bids for the Construction of Stevens Creek Bank and Access/Trail Road Repair, downstream of El Camino Real, per the Notice to Bidders and authorize the designated engineer to issue addenda, as necessary, during the bidding process, as contained in Item 3.2;

approve nomination for a two-year membership appointment of Mr. Charles Ice to the Environmental and Water Resources Committee, as contained in Item 3.3; approve the Memorandum of Understanding by and between Google LLC and the Santa Clara Valley Water District to negotiate a Cost-Sharing Agreement for a portion of the District's Sunnyvale East and West Channels Flood Protection Project, as contained in Item 3.5; determine that there is a need to continue the emergency action declared by the CEO on December 5, 2017 for the Almaden Valley Pipeline Inspection and Rehabilitation Project, by a four-fifths vote, as contained in Item 3.6; accept the CEO bulletins, as contained in Item 3.7; and approve the minutes, as contained in Item 3.9.

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

Vice Chairperson LeZotte returned the agenda to Item 3.8.

3.8. Agricultural Water Advisory Committee's (AWAC) Recommendations and Associated Staff Analysis from the Committee's special February 26, 2018 and regular April 2, 2018, Meetings.

Recommendation: Consider and act on the following recommendations by the Agricultural Water Advisory Committee:

- A. Strongly recommend that the Open Space Credit Policy be maintained as is;
- B. Direct staff to provide an in-depth analysis and response on the Open Space Authority's letter and Mr. Dhruv Khanna's memo, and report back to the Committee for their response and action;
- C. Direct staff to provide a more equitable analysis of the impacts of development throughout the county consisting of the ecosystem's benefit of agriculture;
- D. Direct staff to review the audio of the February 26, 2018 meeting and capture those key comments that were discussed, and prepare a response and report back to the Committee; and
- E. Recommend limiting the increase of the Agricultural Groundwater Production Charge not to exceed 7%.

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

Motion:	Approve staff's analysis of the Committee's recommendations, as contained in Item 3.8.
Move to Approve:	Nai Hsueh
Second:	Tony Estremera
Yeas:	Tony Estremera, Gary Kremen, Linda J. LeZotte, Barbara Keegan, John L. Varela, Nai Hsueh
Nays:	None
Abstains:	None
Recuses:	None
Absent:	Richard Santos
Summary:	6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

4.1. Fiscal Year 2018 Board Policy Planning and Performance Monitoring Calendars.

Recommendation: Review and approve 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 Committee Reports.

The Board noted the information without formal action.

5. WATER UTILITY ENTERPRISE:

Mr. Kurt Arends, Acting Chief Operating Officer, reviewed the information on Items 5.1 and 5.2, per the attached Board Agenda Memorandums.

5.1. Rate Agreement with the Power and Water Resources Pooling Authority for Participation in Westlands Solar Park Project.

Recommendation:

- A. Authorize the Chief Executive Officer to negotiate, and after making the necessary CEQA responsible agency findings, execute a 20-year Rate Agreement with the Power and Water Resources Pooling Authority (PWRPA) for the purchase of solar power from the Westlands Solar Park Project;
- B. Receive a report on results from PWRPA-SCVWD Solar Generation RFP Phase II; and
- C. Provide direction to staff for local solar development.

Motion: The Board authorized Recommendation A, and under recommendation C, requested staff to follow up with the City of San Jose on their intention to use the Advanced Purification Center Land for renewable energy.

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

5.2. Update on Capture of Stormflow in the Uvas-Llagas Watershed (Responding to Board Member Request R-18-0005).

Recommendation: Receive update and provide direction to staff.

The Board noted the information without formal action.

6. WATERSHEDS:

None.

7. EXTERNAL AFFAIRS:

Ms. Mita Prakash, Program Administrator, reviewed the information on Items 7.1 and 7.2, per the attached Board Agenda Memorandums.

7.1. Recommended Position on State Legislation: AB 2283 (Holden) Turf Removal Tax Exemption; AB 3170 (Friedman) Sales and Use Tax Exemptions: Water Efficiency; SB 929 (McGuire) Special Districts: Internet Websites; and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

Recommendation: A. Adopt a position of "Support" on: AB 2283 (Holden) Turf Removal Tax Removal Tax Exemption;
B. Adopt a position of "Support" on: AB 3170 (Friedman) Sales and Use Tax Exemptions: Water Efficiency; and
C. Adopt a position of "Support" on: SB 929 (McGuire) Special Districts: Internet Websites.

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

Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

7.2. Consideration of a Position on the City of San Jose's Measure B: Evergreen Senior Housing Initiative Ordinance and General Plan Amendment.

Recommendation: That the Board consider taking a position on the City of San Jose's Measure B "Evergreen Senior Housing Initiative" Ordinance and General Plan Amendment, and provide direction to staff.

Motion: The Board took a position of opposition on the City of San Jose's Measure B "Evergreen Senior Housing Initiative" Ordinance and General Plan Amendment.

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

8. CHIEF EXECUTIVE OFFICER:

8.1. CEO and Chiefs' Report.

Mr. Arends updated the Board regarding a Metropolitan Water District pipeline replacement project; and the April 20, 2018 California Water Commission Proposition 1 Application report.

Mr. Ngoc Nguyen, Deputy Operating Officer, informed the Board that the Lake Cunningham Flood Detention Certification Project had received a fully executed grant agreement from the Natural Resources Conservation Service; and that construction on the Rancho San Antonio County Park Detention Basin Project, one of the elements of the Permanente Creek Flood Protection Project, had been halted due to the discovery of human remains. He confirmed that the Army Corps of Engineers, State Historic Preservation Officer, Mr. Andrew Galvan, Ohlone Indian Tribe member, and Santa Clara County were working closely to exhume the remains.

Mr. Anil Comelo, Interim Chief Operating Officer Administrative Services, updated the Board on the Request for Proposal processes for the PeopleSoft and replacement of internal security camera system projects.

Mr. Meda Okelo, Acting Chief of External Affairs, updated the Board on the status of AB-1889, SB-881, and SB 1301.

9. ADMINISTRATION:

None.

10. DISTRICT COUNSEL:

None.

11. ADJOURN:

11.1. Board Member Reports/Announcements.

Director Hsueh reported attending Environmental and Water Resources Committee (EWRC), Diversity and Inclusion Ad Hoc Committee, and Board Policy and Planning Committee (BPPC) meetings; and a South County Public Hearing on Groundwater Production Charges.

Director Estremera reported attending the aforementioned South County Public Hearing on Groundwater Production Charges and EWRC meeting; a Recycled Water Policy Advisory Committee (RWPAC) meeting; and a Green Team Earth Day event.

Director Keegan reported attending the aforementioned BPPC meeting; a Cal WaterFix meeting; and the San Francisco Bay Area Planning and Urban Research Public Forum.

Director Kremen reported attending the aforementioned Cal WaterFix and RWPAC meetings; a Steelhead Trout Issues meeting; A San Luis Delta Mendota Water Authority Strategic Planning Advisory meeting; and a Permanente and Hale Creeks Channel Widening Work public meeting.

11.2. Proposed Future Board Member Agenda Items.

Director Varela requested that staff come back with discussion on how California water managers are dealing with water used to grow cannabis; how the District's Open Space Credit could be affected; and whether there could be additional revenue for the District (Board Member Request 18-0011).

11.3. Clerk Review and Clarification of Board Requests.

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

- 11.4. Adjourn to Special Meeting at 6:00 p.m., on April 26, 2018, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Vice Chairperson LeZotte adjourned the meeting at 8:10 p.m., to the 6:00 p.m. Special meeting on April 26, 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: July 10, 2018