



BOARD OF DIRECTORS MEETING

MINUTES

**SPECIAL MEETING
WEDNESDAY, MAY 2, 2018
5:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

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, R. Callender, R. Chan, R. Gibson, G. Hall, N. Hawk, M. Richardson, E. Soderlund, and D. Taylor. Acting Human Resource Manager M. Baratz represented Acting Chief Operating Officer, Administrative Services, A. Comelo.

1.2. Pledge of Allegiance/National Anthem.

Chairperson Santos led all present in reciting the Pledge of Allegiance.

1.3. 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.

Mr. Gary Wesley, Mountain View resident, expressed opposition to Senate Bill 827.

2. TIME CERTAIN:

5:00 PM

2.1. Update on the California WaterFix, Authorization to Execute Agreements, Designation of District Representative, and Adoption of CEQA Findings.

- Recommendation:
- A. Receive an update on the California WaterFix (WaterFix);
 - B. Consider the potential environmental effects of the project as discussed in the Lead Agency's Final Environmental Impact Report and adopt the Resolution, MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT TO AUTHORIZE EXECUTION OF AGREEMENTS RELATING TO DESIGN, CONSTRUCTION, AND FINANCING OF THE CALIFORNIA WATERFIX PROJECT;
 - C. Consider the potential costs and benefits of the WaterFix to Santa Clara County and adopt the Resolution, AUTHORIZING SUPPORT OF, AND PARTICIPATION IN, CALIFORNIA WATERFIX;
 - D. Approve and Authorize the Chief Executive Officer (CEO) to execute a Capacity Interest Option Agreement with Metropolitan Water District of Southern California that is in substantial conformance with the Capacity Interest Option Agreement provided in Attachment 1;
 - E. Approve and authorize the Board to execute a Joint Powers Agreement Forming the Delta Conveyance Design and Construction Joint Powers Authority (Design and Construction JPA) that is in substantial conformance to the agreement provided in Attachment 2, and designate a District representative and alternate to serve on the Board of Directors of the Design and Construction JPA for the first two years following formation;
 - F. Direct the CEO to negotiate terms and conditions for the District to participate in the WaterFix Financial Arrangements (See section 4.3), including a joint powers authority for financing construction of the WaterFix and bring the necessary agreements to the Board for approval;
 - G. Delegate authority to the CEO to negotiate terms and conditions and execute an agreement between the Department of Water Resources and the District for preconstruction capital costs for the WaterFix for a District contribution of up to \$3.5 million (Gap Funding Agreement);
 - H. Direct staff to continue participating in WaterFix discussions to further develop agreements and contract amendments to protect the District's investment; and
 - I. Direct staff to evaluate and negotiate long term water transfers, water supply alternatives and storage opportunities related to WaterFix, and bring terms and conditions to Board for consideration.

Ms. Norma Camacho, Chief Executive Officer, reviewed the information on this item, per the attached Board Agenda Memo, and the corresponding materials contained in Attachment 9 were reviewed as follows: Ms. Camacho reviewed Slides 1 through 4; Ms. Nina Hawk, Chief Operating Officer, Water Utility, reviewed Slides 5 through 36; and Ms. Karla Nemeth, Department of Water Resources Director, reviewed Slide 37.

Mr. Garth Hall, Deputy Operating Officer, Mr. Darin Taylor, Chief Financial Officer, Mr. Erick Soderlund, Assistant District Counsel, Ms. Cindy Kao, Imported Water Unit Manager, Ms. Francis Brewster, Senior Water Resources Specialist, and Ms. Nemeth, provided further comments and responded to Board member questions.

Four statements expressing support for the California WaterFix were received as follows: Mr. Josue Garcia, San Benito and Santa Clara Counties Building and Trades Council; Mr. Mike Mielke, Silicon Valley Leadership Group; Ms. Olivia Navarro, Laborers Local 270; and Mr. Eddie Truong, The Silicon Valley Organization.

Forty statements expressing opposition to the California WaterFix were received as follows: Mr. Wesley; Mr. Evan Idemoto, Ms. Christine Donnelly, Ms. Joanie Francis, Ms. Linda Ruthruff, and Ms. Mary Gill, San Jose residents; Mr. Les Kishler, Los Gatos resident; Ms. Cheriell Jensen and Mr. Sean Murphy, Saratoga residents; Mr. William Donnelly and Ms. Mei-Ling Stefan, Sunnyvale residents; Mr. John F. Delgado, San Martin resident; Ms. Swanee Edwards, Morgan Hill resident; Mr. Michael Frost, San Carlos resident; Ms. Katrina Lomax, Brentwood resident; Mr. Christopher Carlson, Green Party Candidate for Governor of California; Ms. Dorelle Morgan and Mr. Jeff Depew, Friends of the River; Ms. Barbara Barrigan-Parrilla, Restore the Delta; Ms. Mariah Looney, South Central Delta Water Agency/Land; Ms. Esperanza Vielma, Café Coop; Mr. Tim Stroshane, California Sportsfishing Protection Alliance and California water Impact Network; Ms. Nora Kovaleski, Environmental Water Caucus; Mr. Dick Allen and Ms. Margaret Blair, Protect Our Water; Ms. Kathryn Mathewson, VIVA Foundation and Secret Gardens; Mr. Kyle Jones, Ms. Katja Irvin, and Mr. James Eggers, The Sierra Club; Ms. Andria Ventura, Clean Water Action; Mr. Ben Eichenbert, San Francisco Baykeeper; Ms. Jacklyn Shaw, Lauchland Shaw Vineyards; Mr. Roger Castillo, Salmon and Steelhead Restoration Group; Ms. Deirdre Des Jardins, California Water Research; Ms. Barbara Daly, North Delta Community Area Residents for Environmental Stability; and Ms. Ann Claspell, Ms. Beverly Turner, Ms. Meg Giberson, and Mr. David Poeschel, of undisclosed residencies or affiliations.

Chairperson Santos acknowledged receipt of the following materials: three letters expressing support for the California WaterFix, identified as Handout 2.1-A herein; eighty five letters and emails expressing opposition to the California WaterFix, identified as Handout 2.1-B herein; a memorandum from Directors Estremera, Keegan, and Kremen identified as Handout 2.1-C herein; three letters submitted during the comment periods of Mr. Murphy, Ms. Irvin, and Ms. Des Jardins, identified as Handouts 2.1-D through 2.1-F herein; and photos submitted during the comment period of Ms. Daly, identified as Handout 2.1-G herein. Copies of the Handouts were distributed to the Board and made available to the public.

Ms. Irvin requested the District document its interpretation of the Delta Reform Act requirement to reduce reliance of the Delta, and how the District plans to conform.

Director Keegan requested that staff investigate the alleged safety risks associated with abandoned gas wells in the tunnel alignment, as stated in Handout 2.1-F, the letter from Ms. Des-Jardin (Board Member Request No. R-18-0010).

Directors Estremera and Varela requested that staff agendaize discussion on water affordability, including rate structures for economically challenged individuals.

Director Hsueh requested that staff come back with more information on whether a one tunnel alternative addresses reverse flow fishery issues.

Motion:	Continue discussion on Item 2.1 to a 9:30 a.m., May 8, 2018 Special Meeting.
Move to Continue:	John L. Varela
Second:	Gary Kremen
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.

3. ADJOURN:

3.1. Clerk Review and Clarification of Board Requests.

Ms. Michele King, Clerk/Board of Directors, read the new Board Member Requests into the record.

3.2. Adjourn to 11:00 a.m. Closed Session and 1:00 p.m. Regular Meeting on May 8, 2018, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Chairperson Santos adjourned the meeting at 10:15 p.m., to the special meeting at 9:30 a.m. on May 8, 2018, at 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

mm:0524a-mn

05/02/18