



BOARD OF DIRECTORS MEETING

# MINUTES

**SPECIAL MEETING - SAFE, CLEAN WATER  
WEDNESDAY, MAY 23, 2018  
4:00 PM**

(Paragraph numbers coincide with agenda item numbers)

**1. CALL TO ORDER:**

A Special Meeting 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, Linda J. LeZotte, Barbara Keegan, Richard Santos, John L. Varela, and Nai Hsueh, constituting a quorum of the Board.

Director Kremen was excused from attending.

Staff members in attendance were N. Camacho, Chief Executive Officer, M. King, Clerk/Board of Directors, A. Comelo, V. Gin, N. Hawk, N. Nguyen, M. Richardson, D. Taylor, S. Tikekar, S. Tippetts, and T. Yoke. Senior Assistant District Counsel L. Orta represented District Counsel S. Yamamoto, and Assistant Administrative Officer R. Gibson represented Chief of External Affairs R. Callender.

**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. There was no one present who wished to speak.

**2. TIME CERTAIN:**

**4:00 PM**

- 2.1. Public Hearing on the Proposed Modifications to Project A2: Safe, Clean Water Partnerships and Grants (Nitrate Treatment System Rebate Program); and Project E4: Upper Penitencia Creek Flood Protection of the Safe, Clean Water and Natural Flood Protection Program (Continued from April 10, 2018).

- Recommendation:
- A. Conduct the public hearing on the proposed modifications to Project A2: Safe, Clean Water Partnerships and Grants (Nitrate Treatment System Rebate Program); and Project E4: Upper Penitencia Creek Flood Protection of the Safe, Clean Water and Natural Flood Protection Program;
  - B. Adopt the resolution APPROVING MODIFICATION TO THE NITRATE TREATMENT SYSTEM REBATE PROGRAM OF THE SAFE, CLEAN WATER PARTNERSHIPS AND GRANTS OF THE SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION PROGRAM; and
  - C. Adopt the resolution APPROVING MODIFICATION TO THE UPPER PENITENCIA CREEK FLOOD PROTECTION PROJECT OF THE SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION PROGRAM.

Chairperson Santos opened the public hearing.

Ms. Jessica Collins, Supervising Program Administrator, reviewed the information on this item, per the attached Board Agenda Memo; and Ms. Vanessa De La Piedra, Groundwater Management Manager, and Mr. Afshin Rouhani, Water Policy and Planning Manager, reviewed the information contained in Attachments 3 and 4.

Chairperson Santos acknowledged receipt of the attached correspondence from Mr. Doug Muirhead, Morgan Hill resident, identified as Handout 2.1-A herein; and Director Varela read into the record the attached correspondences from the San Martin Neighborhood Alliance, identified as Handout 2.2-A herein, and Mr. Robert Benich, Morgan Hill resident, identified as Handout 2.2-B herein. Copies of the Handouts were distributed to the Board and made available to the public.

- Motion:
- Adopt Resolution No. 18-27, APPROVING MODIFICATION TO THE NITRATE TREATMENT SYSTEM REBATE PROGRAM OF THE SAFE, CLEAN WATER PARTNERSHIPS AND GRANTS OF THE SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION PROGRAM, by roll call vote, and take no action on Recommendation C.

Move to Adopt: Tony Estremera  
 Second: John L. Varela  
 Yeas: Tony Estremera, Linda J. LeZotte, Barbara Keegan,  
 Richard Santos, Nai Hsueh  
 Nays: John L. Varela  
 Abstains: None  
 Recuses: None  
 Absent: Gary Kremen  
 Summary: 5 Yeas; 1 Nays; 0 Abstains; 1 Absent.

Chairperson Santos closed the public hearing.

- 2.2. Funding reallocation of approximately \$650,000 of surplus funds in Safe, Clean Water and Natural Flood Protection Program Fund 26 Reserves (Fund 26 Reserves) resulting from the Project A2: Safe, Clean Water Partnerships and Grants (Nitrate Treatment System Rebate Program) modification (pending Board approval of May 23, 2018 Agenda Item 2.1) to other Project(s) within the Safe, Clean Water and Natural Flood Protection Program.

Recommendation: If the Board approves the modification to the Nitrate Treatment System Rebate Program Key Performance Indicator (May 23, 2018 Agenda Item 2.1), staff recommends that the Board:

- A. Reallocate approximately \$650,000 of surplus funds in Fund 26 Reserves to Project B4 Good Neighbor Program: Encampment Cleanup (Encampment Cleanup Project); or
- B. Provide direction to staff as to the disposition of all or a portion of the approximately \$650,000 of surplus funds in Fund 26 Reserves.

Ms. Kristen Yasukawa, Management Analyst, reviewed the information on this item, per the attached Board Agenda Memo and presentation materials contained in Attachment 1.

Chairperson Santos acknowledged receipt of the aforementioned Handouts 2.2-A and 2.2-B.

Motion: Approve reallocating \$650,000 of surplus funds in Fund 26 Reserves to Project B4 Good Neighbor Program: Encampment Cleanup (Encampment Cleanup Project) and refer to the Homeless Encampment Ad Hoc Committee to come back to the Board with recommendations on how the reallocated funding should be spent.

Move to Approve: Tony Estremera  
 Second: Barbara Keegan

Director Keegan requested that staff investigate opportunities for District participation in the City of San Jose Department of Parks and Recreation and Neighborhood Services working group to review the Park Ranger Program.

Additionally, Director Keegan requested that staff investigate the feasibility of amending building or permit codes, or engaging voluntary participation to include bottled water filling stations in new development.

Chairperson Santos momentarily tabled discussion on Item 2.2 and moved the agenda to Item 2.3.

Discussion on Item 2.2 resumed as noted below.

- 2.3. Provide Direction on the Operational Approach for the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water) Project B4 Good Neighbor Program: Encampment Cleanup for Fiscal Years 2019 - 2028 (FYs 19-28); and Approve the Transfer of up to 90 Percent of the FY18 Net Rental Income from Properties Purchased Through the Watershed and Stream Stewardship Fund (Fund 12) to Fund the Encampment Cleanup Project in FY 19.

- Recommendation:
- A. Select one of the following operational approaches for the Encampment Cleanup Project for FYs 19-28, or provide such other direction as the Board deems appropriate:
    - 1. Limit the number of cleanups each year to the Key Performance Indicator (KPI) target of 52;
    - 2. Limit the number of cleanups each fiscal year based upon the funding available by committing 90 percent of the net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties) to pay for this expense; or
    - 3. Aim to meet the community demand for cleanups in FY19 dependent upon available financial resources, and budget for anticipated community demand through Fund 12 for FYs 20-28; and
  - B. Approve the transfer of up to 90 percent of the FY 18 net rental income from Fund 12 rental properties to fund the Encampment Cleanup Project in FY19.

Ms. Collins reviewed the information on this item, as contained in the attached Board Agenda Memo, and presentation materials contained in Attachment 1.

Chairperson Santos returned the agenda to Item 2.2.

Consideration of Item 2.3 resumed as noted below.

- 2.2. Funding reallocation of approximately \$650,000 of surplus funds in Safe, Clean Water and Natural Flood Protection Program Fund 26 Reserves (Fund 26 Reserves) resulting from the Project A2: Safe, Clean Water Partnerships and Grants (Nitrate Treatment System Rebate Program) modification (pending Board approval of May 23, 2018 Agenda Item 2.1) to other Project(s) within the Safe, Clean Water and Natural Flood Protection Program.

- Recommendation: If the Board approves the modification to the Nitrate Treatment System Rebate Program Key Performance

Indicator (May 23, 2018 Agenda Item 2.1), staff recommends that the Board: A. Reallocate approximately \$650,000 of surplus funds in Fund 26 Reserves to Project B4 Good Neighbor Program: Encampment Cleanup (Encampment Cleanup Project); or B. Provide direction to staff as to the disposition of all or a portion of the approximately \$650,000 of surplus funds in Fund 26 Reserves

The Board resumed consideration of Item 2.2, and the previously recorded motion by Director Estremera, with second by Director Keegan, was revised as follows:

Motion: Approve Recommendation A, reallocating approximately \$650,000 of surplus funds in Fund 26 Reserves to Project B4 Good Neighbor Program: Encampment Cleanup (Encampment Cleanup Project).

Move to Approve: Tony Estremera

Second: Barbara Keegan

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

Nays: None

Abstains: None

Recuses: None

Absent: Gary Kremen

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

- 2.3. Provide Direction on the Operational Approach for the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water) Project B4 Good Neighbor Program: Encampment Cleanup for Fiscal Years 2019 - 2028 (FYs 19-28); and Approve the Transfer of up to 90 Percent of the FY18 Net Rental Income from Properties Purchased Through the Watershed and Stream Stewardship Fund (Fund 12) to Fund the Encampment Cleanup Project in FY 19.

Recommendation: A. Select one of the following operational approaches for the Encampment Cleanup Project for FYs 19-28, or provide such other direction as the Board deems appropriate:

1. Limit the number of cleanups each year to the Key Performance Indicator (KPI) target of 52;
2. Limit the number of cleanups each fiscal year based upon the funding available by committing 90 percent of the net rental income from properties purchased through Watersheds Fund 12 (Fund 12 rental properties) to pay for this expense; or
3. Aim to meet the community demand for cleanups in FY19 dependent upon available financial resources, and budget for anticipated community demand through Fund 12 for FYs 20-28; and

- B. Approve the transfer of up to 90 percent of the FY 18 net rental income from Fund 12 rental properties to fund the Encampment Cleanup Project in FY19.

The Board resumed consideration of Item 2.3.

Motion: Approve transferring up to 90 percent of the FY 18 net rental income from Fund 12 rental properties, to the FY 19 budget of the Project B4 Good Neighbor Program: Encampment Cleanup, to be combined with any unspent portion of the \$650,000 surplus funds transferred by Board approval of Item 2.2, Recommendation A, and carried over from FY 18; and refer Recommendation A, Options 1-3 to the Homeless Encampment Ad Hoc Committee.

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

The Board requested that staff come back with proposals for funding the Project B4 Good Neighbor Program: Encampment Cleanup beyond FY 19, and investigate opportunities for partnerships and other funding options.

2.4. Draft 5-Year Implementation Plan for Fiscal Years 2019-2023 for the Safe, Clean Water and Natural Flood Protection Program.

Recommendation: A. Approve the proposed schedule adjustment to one project in the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water);  
B. Approve the proposed text adjustments to specific projects in the Safe, Clean Water Program;  
C. Approve the Flood Protection Key Performance Indicator (KPI) Selection Process; and  
D. Provide direction to staff on the draft 5-Year Implementation Plan (draft 5-Year Plan) for Fiscal Years 2019-2023 (FYs 19-23) for the Safe, Clean Water Program.

Ms. Collins reviewed the information on this item, per the attached Board Agenda Memo and presentation materials contained in Attachment 2.

Director Keegan requested that future key performance indicators not begin with the word *Aims*.

Director Hsueh suggested that Priorities D4 and D6 may not be accomplishable within five years, and requested that staff bring discussion on these items back to the Board during the next Board of Directors Budget Work Study session.

Motion: Approve Recommendations A and B; Approve the Flood Protection KPI Selection Process contained in Recommendation C; direct staff to revise the KPI description language proposed in Recommendation C, to remove the word Aims; and Approve the KPI description language as amended.

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

Chairperson Santos requested that staff work with Director Varela to better understand representation and outreach issues in San Martin, in preparation for the July 2018 District community meeting in San Martin.

### **3. ADJOURN:**

#### **3.1. Clerk Review and Clarification of Board Requests.**

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

Director Hsueh requested that staff review Handout 2.1-A to consider the recommendations made by Mr. Muirhead.

#### **3.2. Adjourn to Special Board Leadership Study Session at 9:00 a.m. on June 8, 2018, at the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.**

Chairperson Santos adjourned the meeting at 6:00 p.m. to the 9:00 a.m. Special Board Leadership Study Session, on June 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:

mm:0614b-mn

05/23/18

7

**THIS PAGE INTENTIONALLY LEFT BLANK**