



BOARD OF DIRECTORS MEETING

MINUTES

**REGULAR MEETING
TUESDAY, JULY 10, 2018
11:00 AM**

(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, 5700 Almaden Expressway, San Jose, California, at 11:00 a.m.

1.1. Roll Call.

Board members in attendance were Linda J. LeZotte, Barbara Keegan, Richard Santos, and John L. Varela, constituting a quorum of the Board.

Directors Estremera, Hsueh, and Kremen arrived as noted below.

Staff members in attendance were N. Camacho, Chief Executive Officer (CEO), M. King, Clerk/Board of Directors, J. Aranda, K. Arends, E. Aryee, R. Callender, R. Chan, A. Comelo, A. Fulcher, R. Gibson, C. Hakes, G. Hall, N. Hawk, B. Hopper, K. Oven, D. Taylor, and T. Yoke. Deputy Operating Officer N. Nguyen represented Chief Operating Officer M. Richardson, and Senior Assistant District Counsel L. Orta represented District Counsel S. Yamamoto.

Chairperson Santos confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1 through 2.3. During Closed Session, Directors Estremera, Hsueh, and Kremen arrived. Upon return to Open Session, the same Board members, including Directors Estremera, Hsueh, and Kremen, and staff were present.

2. TIME CERTAIN:

11:00 AM

- 2.1. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4)
Number of Potential Cases Unspecified.
- 2.2. CLOSED SESSION
CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8:
Property: Real property owned by the Santa Clara Valley Water District at ten reservoirs and multiple percolation ponds throughout Santa Clara County.
Negotiators: Norma Camacho, Chief Executive Officer; Nina Hawk, Chief Operating Officer, Water Utility; Rick Callender, Chief of External Affairs; Sue Tippets, Deputy Operating Officer; Sue Turner, Real Estate Services Unit Manager
Under Negotiation: Setting negotiation parameters for terms of a Master Reservoir Lease/Partnership Agreement with the County of Santa Clara
- 2.3. CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Silicon Valley Foundation for a Better Environment v. SCVWD
Santa Clara County Superior Court, Case No. 17CV31886

1:00 PM

- 2.4. District Counsel Report.
- Mr. Brian Hopper, Senior Assistant District Counsel, reported that in regards to Items 2.1 and 2.2, and Ms. Rita Chan, Assistant District Counsel, reported that in regards to Item 2.3, the Board met in Closed Session with all members present and gave direction to staff.
- 2.5. Pledge of Allegiance/National Anthem.
- Ms. Chan led all present in reciting the Pledge of Allegiance.
- 2.6. Orders of the Day.
- Chairperson Santos confirmed that there were no changes to the Orders of the Day.
- 2.7. 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.

2.8. ITEM REMOVED FROM AGENDA

Update on California WaterFix; Approve and Execute the Delta Conveyance Finance Authority Joint Powers Agreement; and Adopt Resolution for Approval of the Delta Conveyance Finance Authority Joint Powers.
(Considered on July 6, 2018)

The Board noted that Item 2.8 had been removed from the agenda after Board consideration of the matter on July 6, 2018.

3. CONSENT CALENDAR:

The Board removed Item 3.5 from the Consent Calendar for individual consideration, and considered Consent Calendar Items 3.1 through 3.4. and 3.6 through 3.8, under one motion.

- 3.1. Resolution Authorizing Acquisition of Fee Interests in Real Property, and Agreements to Purchase Tax Defaulted Properties from Santa Clara County, Assessor's Parcel Numbers: 015-01-013 and 015-02-007, District File Numbers: 3015-682, 3015-683.

Recommendation: A. Adopt a Resolution AUTHORIZING ACQUISITION OF FEE INTERESTS IN REAL PROPERTY for Assessor's Parcel Numbers 015-01-013 and 015-02-007;
 B. *Approve the purchase price, as determined by the County of Santa Clara pursuant to California Revenue and Taxation Code Sections 3793.1 and 3802, estimated to be approximately \$58,900; and
 C. Authorize the CEO to execute the Agreements to Purchase Tax Defaulted Properties and the related documents necessary to effect the terms and conditions of the Agreements for Assessor's Parcel Numbers 015-01-013 and 015-02-007.

- 3.2. Amendments to Grant Agreement Nos. 3976R, 3990R, and 3991R, with Acterra Stewardship, a Fiscally-Sponsored Project of Acterra: Action for a Healthy Planet, a Non-Profit 501(c)(3) Organization ("Grantee"), to Transfer Safe, Clean Water Grant Agreements 3976R, 3990R, and 3991R to Grassroots Ecology.

Recommendation: A. Approve Amendment No. 1 to the Grant Agreement A3976R ("Agreement") between the Santa Clara Valley Water District ("District") and Acterra Stewardship, a fiscally-sponsored project of Acterra: Action for a Healthy Planet, a non-profit 501(c)(3) organization ("Grantee") to transfer the Grant Agreement to Grassroots Ecology;
 B. Approve Amendment No. 1 to the Grant Agreement A3990R ("Agreement") between the Santa Clara Valley Water District ("District") and Acterra Stewardship, a fiscally-sponsored project of Acterra: Action for a Healthy Planet, a non-profit 501(c)(3) organization

- ("Grantee") to transfer the Grant Agreement to Grassroots Ecology;
- C. Approve Amendment No. 1 to the Grant Agreement A3991R ("Agreement") between the Santa Clara Valley Water District ("District") and Acterra Stewardship, a fiscally-sponsored project of Acterra: Action for a Healthy Planet, a non-profit 501(c)(3) organization ("Grantee") to transfer the Grant Agreement to Grassroots Ecology; and
- D. Authorize the Chief Executive Officer to execute the amendments for the above listed Agreements.

3.3. Agreement with Ecology Action for the Graywater Installation Program, Project No. 91151001.

Recommendation: Approve and Authorize the Chief Executive Officer to execute the Agreement with Ecology Action for the Graywater Installation Program for a not-to-exceed fee of \$198,077.

3.4. Recommendation to Support Water Research Foundation's Request for the Direct Potable Reuse Initiative.

Recommendation: A. Approve the recommendation to support the Direct Potable Reuse Initiative;

B. Approve the Pledge Confirmation Form committing \$100,000 to the Water Research Foundation's Direct Potable Reuse Initiative with \$50,000 payable in Fiscal Year 2019, and \$50,000 payable in FY 2020; and

C. Authorize the Chief Executive Officer or her designee to execute the Pledge Confirmation Form committing \$100,000 to the Water Research Foundation's Direct Potable Reuse Initiative.

3.6. Revision to 2018 Board Committee Appointments - Board Audit Committee.

Recommendation: Approve the revised Board Committee Appointment for the Board Audit Committee.

3.7. CEO Bulletins for the Weeks of June 22-28, and June 29 through July 5, 2018.

Recommendation: Accept the CEO Bulletins.

3.8. Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 3.1 through 3.4 and 3.6 through 3.8 under one motion, as follows: Adopt Resolution No. 18-47, AUTHORIZING ACQUISITION OF FEE INTERESTS IN REAL PROPERTY for Assessor's

Parcel Numbers 015-01-013 and 015-02-007, approve the purchase price, as determined by the County of Santa Clara and estimated to be approximately \$58,900, and authorize the CEO to execute the Agreements to Purchase Tax Defaulted Properties and the related documents necessary to effect the terms and conditions of the Agreements, as contained in Item 3.1; approve and authorize the CEO to execute Amendments Nos. 1 to Grant Agreements A3976R, A3990R, and A3991R with Acterra Stewardship to transfer the Grant Agreements to Grassroots Ecology, as contained in Item 3.2; approve and authorize the CEO to execute the Agreement with Ecology Action for the Graywater Installation Program for a not-to-exceed fee of \$198,077, as contained in Item 3.3; approve the recommendation to support the Direct Potable Reuse Initiative and authorize the CEO or her designee to execute the Pledge Confirmation Form committing \$100,000 to the Water Research Foundation's Direct Potable Reuse Initiative with \$50,000 payable in Fiscal Year 2019, and \$50,000 payable in FY 2020, as contained in Item 3.4; approve the revised Board Committee Appointment for the Board Audit Committee, as contained in Item 3.6; accept the CEO Bulletins, as contained in Item 3.7; and approve the minutes, as contained in Item 3.8.

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

Chairperson Santos returned the agenda to Item 3.5.

3.5. 5-Year Implementation Plan for Fiscal Years 2019-2023 for the Safe, Clean Water and Natural Flood Protection Program.

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

Directors Hsueh and LeZotte advised the Board that the Capital Improvement Program (CIP) Committee would discuss and prepare recommendations to the Board during its September 10, 2018, meeting, on the complete list of projects the Board would need to consider for the next 5-Year Implementation Period of the Safe, Clean Water Program.

Motion: Approve revising the 5-Year Implementation Plan for Fiscal Years 2019-2023 for the Safe, Clean Water and Natural Flood Protection Program and refer to the CIP Committee to come back to the Board with recommendations on the complete list of projects the Board will consider for the next 5-Year Implementation Period of the Safe, Clean Water Program.

Move to Approve: Nai Hsueh
Second: Linda J. LeZotte
Yeas: Tony Estremera, Nai Hsueh, Barbara Keegan, Gary Kremen, Linda J. LeZotte, Richard Santos, John L. Varela
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. Board Committee Reports.

Director Hsueh reported attending the July 9, 2018 CIP Committee meeting, and requested that staff add to the Board Performance Monitoring Calendar comprehensive staff reports on the Rinconada Water Treatment Plant Reliability Improvement and Permanente Creek Flood Protection Projects.

5. WATER UTILITY ENTERPRISE:

5.1. Notice of Completion of Contract and Acceptance of Work for the Penitencia Delivery Main and Penitencia Force Main Seismic Retrofit Project, Ranger Pipelines, Inc., Contractor, Project Nos. 94384002 and 92224001, Contract No. C0611 (San Jose) (District 3).

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.

Mr. Tim Bramer, Construction Manager, reviewed the information on this item per the attached Board Agenda Memorandum, and per the materials contained in Attachment 4.

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

6. WATERSHEDS:

Mr. Roger Narsim, Capital Engineering Manager, reviewed the information on Items 6.1 and 6.2, per the attached Board Agenda Memorandums.

- 6.1. Resolution Adopting the Final Initial Study/Negative Declaration, Project Approval, and Adopt Plans and Specifications and Authorize Advertisement for Bids for Construction of the Uvas Creek Levee Rehabilitation Project Phase 1, Project No. 62084001, Task No. 5175, Contract No. C0643, (Gilroy) (District 1).

Recommendation:

- A. Consider the environmental effects of the Uvas Creek Levee Rehabilitation Project as discussed in the Final Initial Study/Negative Declaration;
- B. Adopt a Resolution ADOPTING THE FINAL INITIAL STUDY/NEGATIVE DECLARATION FOR THE UVAS CREEK LEVEE REHABILITATION PROJECT;
- C. Approve the Uvas Creek Levee Rehabilitation Project;
- D. Adopt Plans and Specifications and Authorize Advertisement for Bids for Construction of the Uvas Creek Rehabilitation Project, Phase 1 per the Notice to Bidders; and
- E. Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

Motion:

Adopt a Resolution No. 18-48, ADOPTING THE FINAL INITIAL STUDY/NEGATIVE DECLARATION FOR THE UVAS CREEK LEVEE REHABILITATION PROJECT; Approve the Uvas Creek Levee Rehabilitation Project; Adopt Plans and Specifications and Authorize Advertisement for Bids for Construction of the Uvas Creek Rehabilitation Project, Phase 1 per the Notice to Bidders; and Authorize the Designated Engineer to issue addenda, as necessary, during the bidding process.

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

Director Keegan left the meeting and returned as noted below.

- 6.2. Report of Bids Received and Award of Construction Contract to PMK Contractors, LLC in the sum of \$1,650,750 for Construction of the Matadero Creek Sediment Removal and Erosion Repair Project from West Bayshore Road to Louis Road (Palo Alto); and San Tomas Aquino Creek Erosion Repair Project, from Virginia Avenue to Smith Creek confluence (San Jose and Campbell), and from Williams Road to USGS Gage (San Jose), Project No. 62084001, Task No. 5188, Contract No. C0642, (Palo Alto, Campbell, and San Jose) (District 2, 4, and 7).

- Recommendation:
- A. Ratify Addenda No.1, No. 2, No. 3 and No. 4 to the Contract Documents for the Matadero Creek Sediment Removal & Erosion Repair and San Tomas Aquino Creek Erosion Repair Project (Project);
 - B. Approve the District paying additional Project costs up to \$288,447 for rebuilding the damaged bank under West Bayshore Road at Matadero Creek exceeding funds provided by an Agreement between City of Palo Alto and District;
 - C. Waive a minor irregularity in PMK Contractors, LLC's bid;
 - D. Award the Construction Contract to PMK Contractors, LLC in the sum of \$1,650,750 subject to approval of the Notice of Proposed Work under the Stream Maintenance Program 2; and
 - E. Approve a contingency sum of \$165,075 and authorize the Chief Executive Officer (CEO) or designee to approve individual change orders up to the designated amount; or
 - F. Reject all bids.

Director LeZotte requested that staff investigate and come back with information on an alleged depression in the Williams Road surface, at the San Tomas Aquino Creek under crossing.

- Motion:
- Approve Recommendations A through E, as follows:
 - A. Ratify Addenda No.1, No. 2, No. 3 and No. 4 to the Contract Documents for the Matadero Creek Sediment Removal & Erosion Repair and San Tomas Aquino Creek Erosion Repair Project (Project);

- B. Approve the District paying additional Project costs up to \$288,447 for rebuilding the damaged bank under West Bayshore Road at Matadero Creek exceeding funds provided by an Agreement between City of Palo Alto and District;
- C. Waive a minor irregularity in PMK Contractors, LLC's bid;
- D. Award the Construction Contract to PMK Contractors, LLC in the sum of \$1,650,750 subject to approval of the Notice of Proposed Work under the Stream Maintenance Program 2; and
- E. Approve a contingency sum of \$165,075 and authorize the Chief Executive Officer (CEO) or designee to approve individual change orders up to the designated amount.

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

Director Keegan returned.

7. **EXTERNAL AFFAIRS:**

None.

8. **CHIEF EXECUTIVE OFFICER:**

8.1. CEO and Chiefs' Report.

Ms. Nina Hawk, Chief Operating Officer, reported on Pacheco Reservoir Expansion Project funding efforts, and confirmed comments on the third and final draft of the Bay Delta Plan.

Mr. Nguyen distributed and reviewed the attached Stream Maintenance Report, identified as Handout 8.1-A herein and provided an update on the Permanente Creek Flood Protection Project. Copies of the Handout were distributed to the Board and made available to the public.

Mr. Rick Callender, Chief of External Affairs, provided an update on District-sponsored legislative bills and District water truck activities, displayed a promotional video featuring the recent Multi-Agency Trails Summit hosted by the District, and reviewed and distributed the attached Communications Report identified as Handout 8.1-B herein. Copies of the Handout were distributed to the Board and made available to the public.

9. ADMINISTRATION:

None.

10. DISTRICT COUNSEL:

None.

11. ADJOURN:

11.1. Board Member Reports/Announcements.

Director Varela reported attending the Special Joint Meeting with Guadalupe Coyote Resource Conservation District (Joint GCRCD meeting); the aforementioned Multi-Agency Trails Summit; a District Employee Resource Group (ERG) Veterans' Awareness event; and County Agricultural Preservation Taskforce, and Board Policy Planning Committee (BPPC) meetings. He advised the Board of his representation of the City of Morgan Hill (City) during the City's recent 4th of July Parade, and of a recent appointment to Association of California Water Agency Region 5 Board.

Director Hsueh reported attending the aforementioned Joint GCRCD meeting, District ERG Veterans' Awareness event, Multi-Agency Trails Summit, and BPPC meeting.

Director Estremera reported attending the aforementioned District ERG Veterans' Awareness event, a meeting with members of the Regional Water Control Board, and various meetings with central valley farmers and SemiTropic partners.

Director Kremen reported attending the aforementioned Joint GCRCD meeting, a media interview regarding the Pacheco Reservoir Expansion Project, various meetings in Sacramento, a San Luis and Delta Mendota Water Authority meeting, and meetings with various constituents and consultants.

Director Keegan reported attending the aforementioned Multi-Agency Trail Summit and Joint GCRCD and BPPC meetings, and reported participating in the Rose White and Blue Parade.

Director LeZotte reported attending the aforementioned Multi-Agency Trail Summit, Joint GCRCD meeting, and Rose White and Blue Parade.

Chairperson Santos reported participating in the aforementioned meeting with representatives of the Regional Water Quality Control Board and District ERG Veterans' Awareness event.

11.2. Proposed Future Board Member Agenda Items.

None.

11.3. Clerk Review and Clarification of Board Requests.

None.

11.4. Adjourn to the 1:00 p.m. Regular meeting, on August 14, 2018, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Chairperson Santos adjourned the meeting at 2:05 p.m., to the 1:00 p.m. Regular meeting, on August 14, 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: August 14, 2018

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