



BOARD OF DIRECTORS MEETING

MINUTES

**CLOSED SESSION AND REGULAR MEETING
TUESDAY, OCTOBER 23, 2018
5:00 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 5:00 p.m.

1.1 Roll Call.

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

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

Director Estremera arrived as noted below.

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

2. TIME CERTAIN:

5:00 PM

Vice Chairperson LeZotte confirmed that the Board would adjourn to Closed Session for consideration of Item 2.1.

During Closed Session, Director Estremera arrived.

**2.1. CLOSED SESSION
THREAT TO PUBLIC SERVICES OR FACILITIES**

Pursuant to Government Code Section 54957

Consultation with: Alex Gordon, Emergency Services and Security Manager;
Sudhanshu Tikekar, Deputy Administrative Officer; Michael Cook, Information
Technology Manager; Raymond Fields, Project Manager.

Upon return to Open Session Director Estremera left the meeting and returned as noted below, and the same Board members and staff, excluding Chairperson Santos and Director Estremera, were present.

6:00 PM

2.2. District Counsel Report.

Mr. Stan Yamamoto, District Counsel, reported that in regard to Item 2.1, the Board met in Closed Session with all members present, excluding Chairperson Santos and including Director Estremera, and took no reportable action.

Director Estremera returned.

2.3. Pledge of Allegiance/National Anthem.

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

2.4. Orders of the Day.

Vice Chairperson LeZotte confirmed that there were no changes to the Orders of the Day.

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

3. CONSENT CALENDAR:

The Board considered Consent Calendar Items 3.1 through 3.7, under one motion.

3.1. Consultant Agreement with MNS Engineers, Inc. for Project Integration and Support Services for a Not-To-Exceed Fee of \$797,297 for the Rinconada Water Treatment Plant Reliability Improvement Project, Project No. 93294057 (Los Gatos) (District 7).

Recommendation: Approve the Consultant Agreement with MNS Engineers, Inc., for Project Integration and Support Services for the Rinconada Water Treatment Plant Reliability Improvement Project for a not-to-exceed fee of \$797,297.

3.2. Resolution Revising the District's 2018 Conflict of Interest Code.

Recommendation: Adopt the Resolution AMENDING THE CONFLICT OF INTEREST CODE FOR THE SANTA CLARA VALLEY WATER DISTRICT INCLUDING THE APPENDICES WHEREIN THE POSITIONS REQUIRED TO FILE STATEMENTS OF ECONOMIC INTERESTS ARE DESIGNATED.

- 3.3. Amendment No. 3 to Grant Agreement No. A3710R, with City of Gilroy for the Ronan Channel Interim Trail Project - Phase I (Gilroy) (District 1).

Recommendation: A. Approve Amendment No. 3 to the Grant Agreement A3710R between the Santa Clara Valley Water District and City of Gilroy to;

- i. Extend the Agreement by 12 months through December 30, 2019;
- ii. Reallocate funds from the Landscape & Wayfinding Design Task to the Construction Task; and

B. Authorize the Chief Executive Officer to execute Amendment No. 3 to the Agreement.

- 3.4. Santa Clara Valley Water District Certified as a Great Place to Work.

Recommendation: Receive information regarding the Santa Clara Valley Water District's certification as a Great Place to Work.

- 3.5. Pacheco Reservoir Expansion Project Commemorative Plaque.

Recommendation: Authorize the District Chair to execute the proposed letter to the Pacheco Pass Water District, confirming the District's willingness to salvage, relocate and display the existing bronze plaque commemorating construction of the existing North Fork Dam, on or around the new Pacheco Dam, once constructed.

- 3.6. CEO Bulletins for the Weeks of October 5-11 and October 12-18, 2018.

Recommendation: Accept the CEO Bulletins.

- 3.7. Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 3.1 through 3.7, under one motion, as follows: approve the Consultant Agreement with MNS Engineers, Inc., for Project Integration and Support Services for the Rinconada Water Treatment Plant Reliability Improvement Project for a not-to-exceed fee of \$797,297, as contained in Item 3.1; adopt Resolution No. 18-58, AMENDING THE CONFLICT OF INTEREST CODE FOR THE SANTA CLARA VALLEY WATER DISTRICT INCLUDING THE APPENDICES WHEREIN THE POSITIONS REQUIRED TO FILE STATEMENTS OF ECONOMIC INTERESTS ARE DESIGNATED, by roll call vote, as contained in Item 3.2; approve and authorize the CEO to execute Amendment No. 3 to the Grant Agreement between the District and City of Gilroy extending the agreement by 12 months, and reallocating funds from Landscape and Wayfinding Design Task, as contained in Item 3.3; accept information

regarding the District's certification as a Great Place to Work, as contained in Item 3.4; authorize the District Chair to execute proposed letter to the Pacheco Pass Water District to salvage, relocate and display the existing bronze plaque once the new Pacheco Dam is constructed, as contained in Item 3.5; accept the CEO Bulletins, as contained in Item 3.6; and approve the minutes, as contained in Item 3.7.

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

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

Ms. Michele King, Clerk/Board of Directors, reviewed the information on Items 4.1 and 4.2 per the attached Board Agenda Memorandums.

- 4.1. Vacancy on the Santa Clara Valley Water District Public Facilities Financing Corporation Board of Directors Resulting from the Resignation of Anthony Bennetti; Resolution of Appreciation for Mr. Bennetti; and Appointment of Replacement.

Recommendation: A. Accept Resignation of Public Facilities Financing Corporation Director Anthony Bennetti;
B. Adopt the Resolution EXPRESSING APPRECIATION TO ANTHONY BENNETTI;
C. Discuss the Public Facilities Financing Corporation Board of Directors vacancy and provide direction to the Clerk of the Board as to how the Board wishes to fill the vacancy; and
D. Adopt a Resolution FILLING THE VACANCY ON THE PUBLIC FACILITIES FINANCING CORPORATION BOARD OF DIRECTORS.

Motion: Accept the Resignation of Public Facilities Financing Corporation Director Anthony Bennetti; and adopt Resolution 18-59, EXPRESSING APPRECIATION TO ANTHONY BENNETTI, by roll call vote.

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

Nays: None
Abstains: None
Recuses: None
Absent: Richard Santos
Summary: 6 Yeas; 0 Nays; 0 Abstains; 1 Absent.

Motion: Refer to staff to advertise the vacancy on the Public Facilities Financing Corporation Board of Directors, and extend an invitation to Mr. Jan F. Garrod to include his application for the open position.

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

4.2. Fiscal Year 2019 Board Policy Planning and Performance Monitoring Calendars.

Recommendation: Review, discuss, and revise the Fiscal Year 2019 Board Policy Planning and Performance Monitoring Calendars.

Mr. Stan Williams, Poseidon Water, requested information on when the next quarterly report of the Countywide Water Reuse Master Plan would be brought to the Board; discussed Poseidon Water's efforts to gage levels of interest by stakeholder groups to the purified water program; and suggested the Santa Clara and San Benito Counties Building and Trades Councils be added to the stakeholders' group.

The Board noted the information without formal action.

4.3. Board Committee Reports.

Director Varela reported attending an Agricultural Preservation Task Force meeting, which he explained consisted of South County members and continue to meet until December 2018 with the goal of finding a funding mechanism to preserve agriculture in South County and solve farm worker housing issues.

Director Kremen reported attending a Water Storage Exploratory Committee meeting where he received an update on the Sites and Los Vaqueros Reservoir Expansion projects.

Director Hsueh reported attending a Capital Improvement Program Committee meeting, where she participated in a review of consultant agreements agendized for Board approval as Items 5.1 and 6.1, herein.

Vice Chairperson LeZotte reported attending an Environmental Water Resources Committee meeting where she received an update on the Fisheries Aquatic

Habitat Collaborative Effort, and confirmed the Committee's request to comment on the Draft Environmental Impact Report.

Director Estremera reported attending the Delta Conveyance Design and Construction Authority Committee meeting, and confirmed the Committee's plan to recruit a new Chief Executive Officer and plan a work study session on purchasing policies that focus on transparency and veteran accommodation.

The Board noted the attached summary of the September 26, 2018 Board Audit Committee meeting, without formal action.

5. WATER UTILITY ENTERPRISE:

5.1. Budget Adjustment for the Pacheco Reservoir Expansion Project, Project No. 91954002 (Santa Clara County).

Recommendation: Approve a Budget Adjustment to transfer \$13.7 million to the Water Utility Pacheco Reservoir Expansion Project (91954002) from the Rinconada Water Treatment Plant Reliability Improvement Project (93294057), while reducing the General Fund Pacheco Reservoir Expansion Study Project (60954001) by \$13.7 million.

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

5.2. Update on the Anderson Dam Seismic Retrofit Project; and Amendment No. 6 to Agreement No. A3676A with URS Corporation, for Design Services for a Not-To-Exceed Fee of \$6,001,293, Resulting in a Total Not-To-Exceed Fee of \$23,387,219, for the Anderson Dam Seismic Retrofit Project, Project No. 91864005 (Morgan Hill) (District 1).

Recommendation: A. Receive an update on the Anderson Dam Seismic Retrofit Project; and
B. Approve Amendment No. 6 to Agreement No. A3676A with URS Corporation for design services for the Anderson Dam Seismic Retrofit Project, for a not-to-exceed fee of \$6,001,293, resulting in a total not-to-exceed fee of \$23,387,219 and extend the Agreement term.

Ms. Katherine Oven, Deputy Operating Officer, reviewed the information on this item per the attached Board Agenda Memorandum, and the presentation materials contained in Attachment 1 were reviewed as follows: Ms. Oven

reviewed Slides 1 through 5; and Mr. Rick Hopkins, District Contractor, Dam Safety Program, reviewed Slides 6 through 10.

Mr. Doug Muirhead, Morgan Hill resident, expressed concern with delays to the Anderson Dam Seismic Retrofit Project.

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

6. WATERSHEDS:

- 6.1. Budget Adjustment in the Amount of \$1,197,115 from the Upper Penitencia, Coyote-Dorel Project Reserves (Project No. 40324005 in Fund 12) and Amendment No. 5 to Agreement No. A3345A with Mott MacDonald for Professional Engineering Services for Design to increase the total not-to-exceed (NTE) fee by \$1,197,115 for the Permanente Creek Flood Protection Project (Project No. 26244001 in Fund 26) (Cupertino and Mountain View) (Districts 5 and 7).

Recommendation: A. Approve a budget adjustment transferring an amount of \$1,197,115 from the Upper Penitencia, Coyote-Dorel Project Reserves (Project No. 40324005 in Fund 12) to the Permanente Creek Flood Protection Project; and
B. Approve Amendment No. 5 to Agreement No. A3345A with Mott MacDonald for Professional Engineering Services for Design of the Permanente Creek Flood Protection Project (Project No. 26244001 in Fund 26) to increase the total not-to-exceed (NTE) fee by \$1,197,115 to a total not-to-exceed fee of \$6,890,158.

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

7. EXTERNAL AFFAIRS:

- 7.1. Update on District-Wide Signage Inventory, District Branding, and Plans for Pre-Construction, Construction and Post-Construction Project Signage.

Recommendation: Receive an update on District-wide signage inventory program, District branding, and plans for pre-construction, construction and post-construction project signage.

Mr. Meda Okelo, Civic Engagement Manager, reviewed the information on this item per the attached Board Agenda Memorandum, and the presentation materials contained in Attachment 1 were reviewed as follows: Mr. Okelo reviewed Slides 1 through 4; and Ms. Linh Hoang, Communications Manager, reviewed Slides 5 through 7.

The Board noted the information without formal action.

7.2. Tagline and Name to be Used to Represent the Santa Clara Valley Water District as Part of a Potential Rebranding Effort.

Recommendation: Approve a tagline and name to be used to represent the Santa Clara Valley Water District as part of a potential rebranding effort.

Ms. Hoang reviewed the information on this item per the attached Board Agenda Memorandum, and per the presentation materials contained in Attachment 1 and Supplemental Attachment 1.

Motion: Approve *Valley Water* as the name to be used to represent the Santa Clara Valley Water District, and direct staff to investigate Supplemental Agenda Memorandum Page 2, Options 4 and 5, and return to the Board for approval.

Move to Approve: Tony Estremera

Second: John L. Varela

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

Nays: None

Abstains: None

Recuses: None

Absent: Richard Santos

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

Director Keegan left the meeting and did not return.

7.3. Approval of Fiscal Year 2019 Grants for Safe, Clean Water Program for Restore Wildlife Habitat (Priority D3) Projects.

Recommendation: A. Review and discuss staff's recommendations for the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) Project D3— Grants and Partnerships to Restore Wildlife Habitat and Provide Access to Trails Project (Project D3) Fiscal Year 2019 (FY19) Restore Wildlife Habitat grants
Option 1: Fund two projects at 100% of their requested amount

- Option 2: Fund three projects at 100% of their requested amount (the two original projects + the additional request received by staff from South Bay Clean Creeks Coalition)
- Option 3: Fund six projects at 100% of their requested amount and one project at 35% of their requested amount (per the grantee's own request)
- B. Authorize the Chief Executive Officer, following California Environmental Quality Act compliance, to approve and execute FY19 Restore Wildlife Habitat grant agreements for seven projects at a funding level based on one of the three options provided by staff as outlined in the Board Agenda Memorandum;
- C. Authorize the Chief Executive Officer to execute no-cost extensions (up to 12 months) in the grant agreements as outlined in the Board Agenda Memorandum;
- D. Authorize staff to bring a proposal to the Board Policy and Planning Committee to provide direction on a standard process of allocating grant awards for future grant cycles; and
- E. Approve and authorize the Chief Executive Officer to execute a budget adjustment to draw funds from Project D3's allocation in the Safe, Clean Water Program Operating and Capital Reserves to cover the incremental change in the recommended funding amount from what was budgeted.

Ms. Sherilyn Tran, Program Administrator, reviewed the information on this item per the attached Board Agenda Memorandum.

Motion:	Approve Staff Recommendation A, Option 3, and Staff Recommendations B through E.
Move to Approve:	Tony Estremera
Second:	John L. Varela
Yeas:	Tony Estremera, Nai Hsueh, Gary Kremen, Linda J. LeZotte, John L. Varela
Nays:	None
Abstains:	None
Recuses:	None
Absent:	Barbara Keegan, Richard Santos
Summary:	5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

Ms. Rachael Gibson, Deputy Administrative Officer, reviewed the information on Items 7.4, 7.5, and 7.6 per the attached Board Agenda Memorandums.

7.4. Discussion and Adoption of 2019 Legislative Policy Proposals and Legislative Guiding Principles.

Recommendation: Approve recommended 2019 Legislative Policy Proposals and 2019 Legislative Guiding Principles for the first year of the two-year legislative session in the state Legislature, and the first year of the two-year session in the 116th Congress; and for local and regional legislative efforts.

Motion: Direct staff to revise the proposed 2019 Legislative Guiding Principles to include language that supports municipal and industrial water taking precedent over agricultural water use; approve the 2019 Legislative Guiding Principles as amended; and approve the 2019 Legislative Policy Proposals as presented.

Move to Approve: John L. Varela
Second: Nai Hsueh
Yeas: Tony Estremera, Nai Hsueh, Gary Kremen, Linda J. LeZotte, John L. Varela
Nays: None
Abstains: None
Recuses: None
Absent: Barbara Keegan, Richard Santos
Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

7.5. Recommended Positions on Federal Legislation

Recommendation: Adopt a position of "Support" on H.R. 6752 (Speier) San Francisco Bay Restoration Act.

Move to Adopt: John L. Varela
Second: Nai Hsueh
Yeas: Tony Estremera, Nai Hsueh, Gary Kremen, Linda J. LeZotte, John L. Varela
Nays: None
Abstains: None
Recuses: None
Absent: Barbara Keegan, Richard Santos
Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

7.6. Federal Appropriations Requests for Federal Fiscal Years 2019 and 2020.

Recommendation: Adopt the recommended federal Fiscal Years (FYs) 2019 and 2020 appropriations requests for District-sponsored and District-supported projects.

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

Summary: 5 Yeas; 0 Nays; 0 Abstains; 2 Absent.

8. CHIEF EXECUTIVE OFFICER:

8.1. CEO and Chiefs' Report.

Ms. Nina Hawk, Chief Operating Officer, introduced newly-hired and promoted classified employees to the Board; reported on Department of Water Resources work on the Southbay Aqueduct; and announced that the Water Resources Control Board, Drinking Water Division would participate in a joint meeting with Local Agency Formation Commission (LAFCO) and County of Santa Clara staff to discuss groundwater basin management.

Mr. Ngoc Nguyen, Acting Chief Operating Officer, reviewed and distributed the attached Stream Maintenance Program Report, identified as Handout 8.1-A herein. Copies of the Handout were distributed to the Board and made available to the public.

Ms. Gibson reviewed and discussed the attached Legislative Update, 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 Gilroy Chamber of Commerce, LAFCO, Morgan Hill City Council, and Board Policy and Planning Committee (BPPC) meetings; a NASA Ames Research Park tour; the District Abilities Awareness Employee Resource Group Autism Awareness event; and various meetings with staff.

Director Hsueh reported attending the aforementioned BPPC meeting; Capital Improvement Plan (CIP) and Environmental and Water Resources Committee meetings; and various meetings with staff.

Director Estremera reported attending the aforementioned CIP meeting; Fish and Aquatic Habitat Collaborative Effort Ad Hoc and Delta Conveyance Design and Construction Authority Committee meetings; Senter Monterey and McLaughlin Corridor Neighborhood Associations meetings; and various meetings with staff.

Director Kremen reported attending a Delta Conveyance Finance Authority Committee meeting and various meetings with staff; and reported participating in

a San Luis Delta-Mendota Water Authority Special Board of Directors Meeting teleconference.

11.2. Proposed Future Board Member Agenda Items.

None.

11.3. Clerk Review and Clarification of Board Requests.

Ms. King confirmed that there were no new Board Member Requests.

11.4. Adjourn to Rescheduled Regular Meeting at 6:00 p.m., on November 20, 2018, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Vice Chairperson LeZotte adjourned the meeting at 8:15 p.m., to the Rescheduled Regular Meeting at 6:00 p.m., on November 20, 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: