



BOARD OF DIRECTORS MEETING

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# MINUTES

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**11:00 AM CLOSED SESSION AND 1:00 PM REGULAR MEETING  
TUESDAY, DECEMBER 10, 2019  
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 (Valley Water) Board of Directors was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, at 11:00 a.m.

**1.1 Roll Call.**

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

Director Tony 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, R. Blank, T. Bramer, R. Callender, M. Cook, G. De La Piedra, R. Fuller, R. Gibson, C. Hakes, G. Hall, N. Hawk, B. Hopper, L. Infante, M. Lugo, L. Orta, M. Richardson, D. Taylor, B. Yerrapotu, and T. Yoke.

**2. TIME CERTAIN:**

**11:00 AM**

Chairperson LeZotte confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1 and 2.2.

During Closed Session, Director Estremera arrived.

Upon return to Open Session, the same Board Members, including Director Estremera, and staff were present.

- 2.1 CLOSED SESSION  
CONFERENCE WITH LEGAL COUNSEL  
Pursuant to Government Code section 54956.9(d)(2)  
Significant Exposure to Litigation
- 2.2 CLOSED SESSION  
PUBLIC EMPLOYEE APPOINTMENT  
Title: Chief Executive Officer  
Ref: Government Code 54957(b)(1)

**1:00 PM**

- 2.3 District Counsel Report.

Mr. Stan Yamamoto, District Counsel, reported that in regard to Items 2.1 and 2.2, the Board met in Closed Session with all members present and gave direction to staff.

- 2.4 Pledge of Allegiance/National Anthem.

Director Kremen led all present in reciting the Pledge of Allegiance.

- 2.5 Orders of the Day.

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

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

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

Mr. Doug Muirhead, Morgan Hill Resident, expressed concern that the Board's report on discussions held on the Anderson Dam Seismic Retrofit Project while in Washington, D.C., differed from reports on the same discussion given by the Morgan Hill City Mayor, and expressed the opinion that the Federal Permitting Improvement Steering Council was disconnected from Anderson Dam Seismic Retrofit Project permitting issues.

Mr. Felix Sukhovitsky, representing Ms. Marina Lipkind, Los Altos resident, submitted the attached request for Board consideration of relinquishing a segment of the easement held by Valley Water on his property, identified as Handout 2.6-A herein. Copies of the Handout were distributed to the Board and made available to the public.

Chairperson LeZotte referred Handout 2.6-A to staff.

Mr. Walter Hayes, Palo Alto resident, suggested that Valley Water use the Measure E site in Palo Alto as the potential site for the Advanced Water Purification Plant, and submitted the attached letter, identified as Handout 2.6-B herein. Copies of the Handout were distributed to the Board and made available to the public.

2.7 Approval of Partnership Agreement Between the Santa Clara Valley Water District, the City of Palo Alto, and the City of Mountain View to Advance Resilient Water Reuse Programs in Santa Clara County.

- Recommendation:
- A. Adopt a Resolution Making Responsible Agency Findings Pursuant to the California Environmental Quality Act (CEQA) Based on the Environmental Impact Report for the City of Palo Alto Recycled Water Project and the addendum prepared by the City of Palo Alto; and
  - B. Authorize the Chief Executive Officer to execute the Agreement Between the Santa Clara Valley Water District, the City of Palo Alto, and the City of Mountain View to Advance Resilient Water Reuse Programs in Santa Clara County (Agreement).

Mr. Gerald De La Piedra, Assistant Officer, reviewed the information on this item, per the attached Board Agenda Memorandum, and per the information contained in Attachment 3.

Mr. Dennis Murphy, Sustainable Silicon Valley, expressed support for approval of the partnership agreement, and suggested the agreement be termed the *North County Water Resiliency Agreement*, or NiCe Water in acronym.

Motion: Adopt a Resolution No. 19-74 MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR PARTNERSHIP AGREEMENT TO ADVANCE RESILIENT WATER REUSE PROGRAMS IN SANTA CLARA COUNTY, by roll call vote; and authorize the Chief Executive Officer to execute the Agreement Between the Santa Clara Valley Water District, the City of Palo Alto, and the City of Mountain View to Advance Resilient Water Reuse Programs in Santa Clara County.

Move to Adopt: Tony Estremera  
Second: Gary Kremen  
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 LeZotte declared a brief recess. Upon reconvening the meeting, the same Board members, excluding Director Kremen. were present.

Director Kremen returned as noted below.

### 3. CONSENT CALENDAR:

The Board considered Consent Calendar Items 3.1 through 3.4 under one motion.

- 3.1 Approve the Board of Directors' Quarterly Expense Report for the Quarter Ending September 30, 2019.

Recommendation: A. Review the Board of Directors' Quarterly Expense Report for the Quarter Ending September 30, 2019; and  
B. Approve the report, if the reimbursements comply with Board Policy.

- 3.2 Adopt Revisions to the Board Governance Policy Executive Limitation 5 required by Assembly Bill (AB) 707 (Kalra) Valley Water Contracting.

Recommendation: Review and adopt proposed revisions to the Board Governance Policy Executive Limitation (EL) 5 in accordance with AB 707 (Kalra) effective January 1, 2020.

- 3.3 Accept the CEO Bulletins for the Weeks of November 22-28, and November 29 Through December 5, 2019.

Recommendation: Accept the CEO Bulletins.

- 3.4 Approval of Minutes.

Recommendation: Approve the minutes.

Motion: Approve Consent Calendar Items 3.1 through 3.4, under one motion, as follows: Approve the Board of Directors' Quarterly Expense Report for the Quarter ending September 30, 2019, as contained in Item 3.1; adopt revisions to the Board Governance Policy Executive Limitation 5 required by Assembly Bill (AB) 707 (Kalra) Valley Water Contracting, as contained in Item 3.2; accept the CEO Bulletins, as contained in Item 3.3; and approve the minutes, as contained in Item 3.4.

Move to Approve: Richard Santos

Second: Barbara Keegan

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

Nays: None

Abstains: None

Recuses: None

Absent: Gary Kremen

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

## REGULAR AGENDA:

### 4. BOARD OF DIRECTORS:

- 4.1 Review of Board Governance Policy, GP-9.2.1, Governance Process, Board Committee Structure, Board Members Representation on Board Standing and Ad Hoc Committees.

Recommendation: Review Board Governance Policy, GP-9.2.1, Governance Process, Board Committee Structure, Board Members Representation on Board Standing and Ad Hoc Committees and make revisions as the Board deems necessary.

Ms. Michele King, Clerk, Board of Directors, reviewed the information on this item, per the attached Board Agenda Memorandum.

Director Kremen returned.

Motion: Approve the proposed changes to Board Governance Policy GP-9.2.1, Governance Process, Board Committee Structure, as contained in the attached Board Agenda Memorandum, Page 2, Potential Policy Revision section, Paragraph 2.

Move to Approve: Richard Santos  
Second: Tony Estremera  
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.

- 4.2 Board Committee Reports.

Standing Reports (Verbal Reports):

1. Delta Conveyance Design and Construction Authority (DCA) Update
2. Delta Conveyance Finance Authority (Finance Authority) Update

Board Committees (Summary or Meeting Agenda):

3. Board Audit Committee (BAC)
4. Board Policy and Planning Committee (BPPC)
5. Capital Improvement Program (CIP) Committee
6. Coyote Flood Risk Reduction (CFRR) Ad Hoc Committee
7. Diversity and Inclusion (D&I) Ad Hoc Committee
8. Fishery and Aquatic Habitat Collaborative Effort (FAHCE) Ad Hoc Committee
9. Homeless Encampment Ad Hoc Committee (HEAHC)
10. Recycled Water Committee (RWC)
11. Water Conservation and Demand Management (WCDM) Committee
12. Water Storage Exploratory Committee (WSEC)

Board Advisory Committees (Summary or Meeting Agenda):

13. Agricultural Water Advisory Committee (AWAC)
14. Environmental and Water Resources Committee (EWRC)
15. Santa Clara Valley Water Commission (Water Commission)
16. Youth Commission

Board Joint Committees (Summary or Meeting Agenda):

17. Joint Recycled Water Advisory Committee (JRWAC) (Sunnyvale)
18. Joint Recycled Water Advisory Committee (JRWAC) (East PA/PA/MV)
19. Joint Recycled Water Policy Advisory Committee (JRWPAAC)  
(SJ/SC/TPAC)
20. Joint Water Resources Committee (JWRC) (Gilroy/Morgan Hill)
21. San Felipe Division Reach One

External Committees/Agencies (Verbal Report):

22. ACWA and ACWA Joint Powers Insurance Authority
23. Baylands Shoreline Steering Committee
24. California WaterReuse Association
25. Joint Venture Silicon Valley Board of Directors
26. Landscape Committee
27. Local Agency Formation Commission (LAFCO)
28. Northern California Latino Water Coalition
29. Pajaro River Watershed Flood Protection Authority
30. Redevelopment Dissolution Countywide Oversight Board of  
Santa Clara County
31. Safe, Clean Water Independent Monitoring Committee (IMC)
32. San Francisquito Creek JPA
33. Santa Clara County Water Retailers
34. Santa Clara Valley Habitat Conservation Plan JPA
35. San Luis and Delta-Mendota Water Authority Board and Delta Habitat  
Conservation & Conveyance Plan Steering Committee
36. Santa Clara County Emergency Operations Area Council
37. Santa Clara County Recycling and Waste Reduction Commission
38. Santa Clara County Special Districts Association
39. South County Regional Wastewater Authority (SCRWA)
40. Station Area Advisory Group (SAAG)
41. Zone 7, EBRPD, ACWD, SCVWD, LARPD and Tri-Valley Conservancy  
Liaison Committee

In regard to Handouts 4.2.4-A, 4.2.5-A, 4.2.5-B, 4.2.12-A, and 4.2.3-A, Chairperson LeZotte acknowledged receipt of the attached BPPC, CIP, WSEC, and BAC meeting agendas and summaries. Copies of the Handouts were distributed to the Board and made available to the public.

Director Estremera reviewed and distributed the attached DCA meeting summary, identified as Handout 4.1.1-A, herein. Copies of the Handout were distributed to the Board, and made available to the public.

Director Kremen reported attending a Water Storage Exploratory Committee (WSEC) meeting and advised the Board of the WSEC's intentions to invite representatives from other local water agencies to engage in discussion; and advised the Board of his receipt of constituent concerns that lights from the San Francisquito Creek Flood Protection Project would shine too brightly on neighboring residences.

Director Santos reported observing a Water Retailers Committee meeting and commended the level of participation and engagement he witnessed among Valley Water staff and water retailer participants.

Director Hsueh reviewed the attached November 18, 2019 Capital Improvement Program (CIP) meeting summary, identified as Handout 4.2-A herein, and discussed the Committee's efforts to monitor progress of capital projects that have been identified to have budget or scheduling issues.

Director Varela reported attending the Association of California Water Agencies (ACWA) Fall Conference, discussed his and Director Estremera's participation in a Diversity and Inclusion meeting at the conference, and discussed the formation of an ACWA Latino Caucus which would be enacted by ACWA as a formal association committee during the Spring 2020 ACWA Conference.

Chairperson LeZotte reported attending a Special District Association meeting, and discussed changes to the Association's bylaws.

**5. WATER UTILITY ENTERPRISE:**

None.

**6. WATERSHEDS:**

The Board considered Items 6.1, 6.2, and 6.3 without staff presentation.

- 6.1 Approve the Agreement with Environmental Science Associates (ESA) for On-Call Planning & Design Services for Water Resources and Stewardship Agreement, CAS File No. 5017, for a not-to-exceed fee of \$1,000,000; and approve the Agreement with GEI Consultants for On-Call Planning and Design Services for Water Resources and Stewardship Agreement, CAS File No. 4968, for a not-to-exceed fee of \$1,000,000.

- Recommendation:
- A. Approve the On-Call Planning & Design Services for Water Resources & Stewardship Agreement with Environmental Science Associates (ESA), for a not-to-exceed fee of \$1,000,000 for the initial base term of four years, with the option to renew for up to one year, at the sole discretion of the District, for an additional amount of \$500,000; and
  - B. Approve the On-Call Planning & Design Services for Water Resources & Stewardship Agreement with GEI Consultants, Inc. (GEI), for a not-to-exceed fee of \$1,000,000 for the initial base term of four years, with the option to renew for up to one year, at the sole discretion of the District, for an additional amount of \$500,000.

Move to Approve: Nai Hsueh  
 Second: Richard Santos  
 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.

- 6.2 Budget Adjustment in the Amount of \$320,000; Approve an Increase of \$12,591.63 to the Construction Contract Contingency Sum; and Accept the Project as Complete for the Cunningham Flood Detention Facility Certification Project (Construction Stage 1 - Milestones 1 and 1a), Gordon N. Ball, Contractor, Project No. 40264011, Contract No. C0641 (San Jose) (District 1).

Recommendation: A. Approve a Fiscal Year 2020 budget adjustment in the amount of \$320,000 from Fund 12 Watershed Stream Stewardship Fund to the Cunningham Flood Detention Facility Project;  
 B. Approve an increase of \$12,591.88 to the construction contract contingency sum;  
 C. Accept the work as complete on the Cunningham Flood Detention Facility Certification Project (Construction Stage 1 - Milestones 1 and 1a), Project No. 40264011, Contract No. C0641; and  
 D. Direct the Clerk of the Board to sign the Notice of Completion of Contract and Acceptance of Work for Construction Stage 1 - Milestones 1 and 1a and submit for recording to the County of Santa Clara Office of the Clerk-Recorder.

Move to Approve: John L. Varela  
 Second: Richard Santos  
 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.

- 6.3 Budget Adjustment in the Amount of \$3 Million from Fund 12 Watershed and Stream Stewardship Operating and Capital Reserves to the South San Francisco Bay Shoreline Project, Project No. 00044026 (District 3).

Recommendation: Approve a budget adjustment in the amount of \$3 million from Fund 12 Watersheds Stream Stewardship Operating and Capital Reserves to the South San Francisco Bay Shoreline Project, Project No. 00044026.



Director Kremen requested that staff include in future items pertaining to budget adjustments, information on the balance that would be left in the fund(s) that money is proposed to for transfer out of, if the proposed budget adjustment is approved.

Move to Approve: Richard Santos  
Second: Tony Estremera  
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.

## **7. EXTERNAL AFFAIRS:**

### **7.1 Opportunities to Enhance and Update the Safe, Clean Water and Natural Flood Protection Program by Evaluating a Future Funding Measure.**

Recommendation: A. Receive information on opportunities to strengthen and update the existing Safe, Clean Water and Natural Flood Protection Program;  
B. Receive information on the feasibility of developing and placing a future funding measure on the November 2020 ballot;  
C. Receive information of next steps towards developing a future funding measure and program, which will be brought to the Board for consideration in 2020; and  
D. Provide staff direction on considerations and next steps for developing a funding measure to continue and extend an existing special parcel tax for continued funding of the Safe, Clean Water and Natural Flood Protection Program for potential placement on the November 2020 ballot.

Ms. Marta Lugo, Assistant Officer, reviewed the information on this item, per the attached Board Agenda Memorandum.

Director Keegan left the meeting and returned as noted below.

Motion: Approve expressing support for staff to explore potential opportunities to place a Safe, Clean Water and Natural Flood Protection Program ballot measure on the November 2020 ballot; come back to Board, beginning at the February 2020 Board Strategic Planning Session, with regular updates on the Next Steps identified in the attached Board Agenda Memorandum, Page 5; and include in staff's first presentation back to the Board, information on the feasibility of pursuing future funding as general tax ballot measure.

Move to Approve: Nai Hsueh  
 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.

7.2 2019 Update on Programs and Activities in the Office of Civic Engagement.

Recommendation: Receive information and updates on the programs and activities in the Office of Civic Engagement.

Ms. Sherilyn Tran, Civic Engagement Manager, reviewed the information on this item, per the attached Board Agenda Memorandum, and per the information contained in Attachment 1.

The Board noted the information without formal action.

**8. CHIEF EXECUTIVE OFFICER:**

8.1 Planning for Fiscal Year 2020-21 Budget Process.

Recommendation: Receive and discuss the Fiscal Year 2020-21 budget process overview.

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

The Board noted the information without formal Action.

8.2 CEO and Chiefs' Report.

Mr. Rick Callender, Chief of External Affairs, distributed and reviewed the attached Office of Civic Engagement and Office of Communications Reports, identified respectively as Handouts 8.2-B and 8.2-C herein; reported on the recent formation of a Federal Permit Improvement Steering Council (FPISC); confirmed that staff would work with the FPISC on Anderson Dam Seismic Retrofit Project permit issues; and reported on a meeting with Congresswoman Zoe Lofgren, and other federal delegates, during the Board's recent visit to Washington, D.C. Copies of the Handouts were distributed to the Board and made available to the public.

Ms. Melanie Richardson, Chief Operating Officer, distributed and reviewed the attached Storm Report, identified as Handout 8.2-A herein. Copies of the Handout were distributed to the Board and made available to the public; and Ms. Rechelle Blank, Assistant Officer, provided an update on the South San Francisco Bay Shoreline Project.

Ms. Nina Hawk, Chief Operating Officer, provided an update on regulatory and participating agency discussions regarding utilization of the South Bay Aqueduct to convey water from the Los Vaqueros Reservoir Expansion Project; reported on discussions with Bay Area Regional Reliability regarding two potential water transfer pilot programs between the San Francisco Public Utilities Commission and Alameda County Water District, and between the Bay Area Water Supply and Conservation Agency, Contra Costa Water District, and Valley Water, for Hetch Hetchy and Central Valley Water Project water, respectively; and reported on the water transfer pilot project between the San Joaquin River Exchange Contractors and Valley Water.

**9. ADMINISTRATION:**

None.

**10. DISTRICT COUNSEL:**

None.

**11. ADJOURN:**

**11.1 Board Member Reports/Announcements.**

Directors Estremera, Keegan, Kremen, and Varela reported attending the Association of California Water Agencies Annual Conference.

Vice Chairperson Hsueh left the meeting and did not return.

**11.2 Proposed Future Board Member Agenda Items.**

Director Kremen requested that staff agendaize discussion on public art, including information on the CalTrans Transportation Art Policy.

**11.3 Clerk Review and Clarification of Board Requests.**

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

**11.4 Adjourn to Special Meeting at 10:00 a.m., on December 17, 2019, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.**

Chairperson LeZotte adjourned the meeting at 4:00 p.m., to the 10:00 a.m. Special Board meeting on Tuesday, December 17, 2019, in the Valley Water Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose.

Michele L. King, CMC  
Clerk, Board of Directors

Approved:

Date:

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12/10/19

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