



BOARD OF DIRECTORS MEETING

---

# MINUTES

---

**CLOSED SESSION AND REGULAR MEETING  
TUESDAY, JANUARY 28, 2020  
4:00 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 (Valley Water) Board of Directors was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, at 4:00 p.m.

**1.1. Roll Call.**

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

Director Barbara Keegan 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, A. Baker, B. Broome, R. Callender, G. De La Piedra, A. Fulcher, R. Fuller, R. Gibson, G. Hall, V. Gin, N. Hawk, M. Lugo, H. McMahon, N. Nguyen, D. Taylor, B. Yerrapotu, and T. Yoke. Mr. Chris Hakes, Deputy Operating Officer, represented Ms. Melanie Richardson, Chief Operating Officer.

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

**2. TIME CERTAIN:**

**4:00 PM**

Director Keegan arrived.

**2.1. CLOSED SESSION  
PUBLIC EMPLOYEE APPOINTMENT  
Title: Chief Executive Officer  
Ref.: Government Code 54957(b)(1)**

## 6:00 PM

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

### 2.2. District Counsel Report.

Ms. Michele King, Clerk, Board of Directors, reported that in regard to Item 2.1, the Board met in Closed Session with all members present, and took no reportable action.

### 2.3. Pledge of Allegiance/National Anthem.

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

### 2.4. Orders of the Day.

Chairperson Hsueh confirmed that Item 3.2 would be considered after Item 2.4 and moved the Agenda to Item 3.2.

### 3.2. Deny Claim of Kiara Jones.

Recommendation: Deny the claim.

Ms. Kiara Jones, Claimant, reviewed the nature of her claim and advised the Board that an estimate for repairs was pending.

Motion: Continue the item to a future meeting and allow the claimant 30 days to submit an estimated cost for repairs.

Move to Continue: Gary Kremen

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.

Chairperson Hsueh returned the Agenda to Item 2.5.

### 2.5. Time Open for Public Comment on any Item not on the Agenda.

Chairperson Hsueh declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

2.6. Santa Clara Valley Water District Government Relations Program Update and Legislative Outlook.

- Recommendation:
- A. Receive information on the 2019 Santa Clara Valley Water District (Valley Water) government relations advocacy and stakeholder engagement program; and
  - B. Provide input on current and future challenges, goals, and accomplishments since the last presentation to the Board of Directors.

Ms. Rachael Gibson, Deputy Administrative Officer, reviewed the information on this item, per the attached Board Agenda Memorandum, and reviewed the presentation materials contained in Attachment 4.

Valley Water Legislative Consultants Ms. Julie Minerva, Carpi & Clay, Mr. Dave Ramey, Kadesh & Associates, Ms. Monica Miller, Sacramento Advocates, LLC, and Ms. Carolyn Veal-Hunter, Sloat Higgins Jensen & Associates, discussed the Federal Administrative, Policy and Legislative, State Legislative, and Anderson Bill outlooks, respectively.

The Board noted the information without formal action.

2.7. Follow-up Discussion of the Preliminary Fiscal Year (FY) 2020-21 Groundwater Production Charge Analysis (Continued from January 14, 2020).

- Recommendation: Discuss and provide direction on the preliminary FY 2020-21 Groundwater Production Charge analysis prepared by staff.

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.

Mr. Dhruv Khanna, Kirigin Cellars, requested that the Board consider allocating funds to agricultural, versus industrial, water needs.

Mr. Doug Muirhead, Morgan Hill resident, suggested the Board review the 2015 South County Recycled Water Master Plan when considering issues associated with governance of recycled water programs in South County.

- Motion: Approve proceeding with Preliminary Groundwater Charge Increase Scenario 4 with an 8.6 percent in North County and 5.3 percent in South County as contained in Attachment 1, Page 6.

- Move to Approve: Nai Hsueh  
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 Hsueh requested that staff agendize Board discussion on issues associated with the governance of recycled water programs in South County, including discussion on the 2015 South County Recycled Water Master Plan, and upon conclusion of the Board's discussion schedule follow-up discussions at a future Joint Water Resources Committee meeting (Board Member Request No. R-20-0003).

### 3. CONSENT CALENDAR:

Chairperson Hsueh noted that Item 3.2 had already been considered by the Board and removed Item 3.4 from the Consent Calendar for individual consideration, and the Board considered Consent Calendar Items 3.1 and 3.3, under one motion.

- 3.1. Adopt the Resolution Amending Resolution No. 19-05 to Amend the Easement Deed from Silicon Valley Club, LLC, for APN 015-45-013 and 015-45-24, File No. 3015-684 (San Jose) (District 3) (Continued from January 14, 2020).

Recommendation: A. Adopt the Resolution AMENDMENT TO RESOLUTION NO. 19-05 TO AMEND EXHIBIT A, THE EASEMENT DEED FROM Silicon Valley Club, LLC (APN 015-45-013 and 015-45-24, File No. 3015-684); and  
B. Authorize the Chief Executive Officer (CEO) to accept the amended Easement Deed from Silicon Valley Club, LLC.

- 3.3. Deny Claim of Hooman Sotoodeh.

Recommendation: Deny the claim.

Motion: Approve Consent Calendar Items 3.1 and 3.3, under one motion, as follows: Adopt Resolution No. 20-06, AMENDMENT TO RESOLUTION NO. 19-05 TO AMEND EXHIBIT A, THE EASEMENT DEED FROM SILICON VALLEY CLUB, LLC, by roll call vote, as contained in Item 3.1; and Deny the claim of Hooman Sotoodeh, as contained in Item 3.3.

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.

The Board considered Item 3.4 without a staff presentation.

- 3.4. Accept the CEO Bulletins for the Weeks of January 10-16, and; January 17-23, 2020.

Recommendation: Accept the CEO Bulletins.

Director LeZotte requested that staff provide her with a report on findings that resulted from the Joint Emergency Action Plan with San Jose training and exercise on Ross Creek, reported in Attachment 1, Item 3.

Move to Accept:	Linda J. LeZotte
Second:	Barbara Keegan
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:**

Ms. King reviewed the information on Items 4.1 and 4.2, per the attached Board Agenda Memorandums.

- 4.1. Review Fiscal Year 2020 Board Policy Planning and Performance Monitoring Calendars.

Recommendation:	A.	Review, discuss, and revise the Fiscal Year 2020 Board Policy Planning and Performance Monitoring Calendars; and
	B.	Review survey questions, discuss and provide input and direction on preferred process for scheduling Board meetings to discuss agenda items that require lengthy Board discussions, for scheduling closed sessions, and BAO evaluation frequencies.

The Board made the following requests of staff:

- Schedule Special Board Meetings on the third Tuesday of each month, beginning at 10:00 a.m.;
- Allow extra time for Closed Sessions, with the understanding that the Open Session start time may be delayed; and
- Schedule Board Appointed Officer evaluations every 2 months.

The Board noted the information without formal action.

4.2. Review Proposed Board Performance Framework (Continued from January 14, 2020).

Recommendation: Review and approve the proposed Board Performance Framework.

Move to Approve: John L. Varela

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.

4.3. Board Committee Reports.

In regard to Handouts 4.3.1-A, 4.3.2-A, 4.3.4-A, 4.3.14-A, and 4.3.32-A, Chairperson Hsueh acknowledged receipt of the attached DCA and DCFA, Summaries, BPPC and EWRC agendas, and SFCJPA Letter. Copies of the Handouts were distributed to the Board, and made available to the public.

Director LeZotte reported on the Financial Stability Working Group's (FSWG) efforts to identify and come back to the Board with strategies to achieve the Board's goals and objectives for affordable and effective levels of costs and services. She reported that while discussing these strategies, the FSWG identified opportunities for implementation of Ends and Executive Limitations Policies, and CEO Interpretations, that support the Board's financial stability goals, and requested the Board refer further discussion to the Board Policy Planning Committee.

Motion: Refer to the Board Policy and Planning Committee to discuss Ends and Executive Limitations Policies, and CEO Interpretations, that support the Board's financial stability goals.

Move to Refer: Linda J. LeZotte

Second: Barbara Keegan

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.

- 4.4. Consider Agricultural Water Advisory Committee's Recommendation and Associated Staff Analysis from the Committee's Joint Meeting with the Santa Clara County Farm Bureau on December 16, 2019.

Recommendation: Consider and act on the following recommendation by the Agricultural Water Advisory Committee: That the Board of Directors endorse the Collaborative Team (Team), that is comprised of the Agricultural Water Advisory Committee (AWAC), The SCC Farm Bureau, SCC Open Space Authority, and other external stakeholders and interested agencies/parties, in its effort to explore alternative funding for water projects that ensure groundwater agricultural water rate stability through a measure patterned after Measure P, adopted by City of Mountain View voters in November 2018. The Committee will research Measure P and return to the Committee for further discussion.

Mr. Taylor reviewed the information on this item, per the attached Board Agenda Memorandum.

Mr. Khanna explained that the Agricultural Water Advisory Committee sought the Board's endorsement to begin a process to explore potential funding to continue the offset of agricultural water rates, separately from the Open Space Credit. He also explained that the Committee understood this to be the direction it received from the Board.

Motion: Deny the Agricultural Water Advisory Committee Collaborative Team's request for endorsement, and authorize staff to provide necessary, appropriate technical data and assistance to the Agricultural Water Advisory Committee and Collaborative Team.

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

The motion was withdrawn.

Chairperson Hsueh suggested that the matter be resolved without formal action by denying the Agricultural Water Advisory Committee Collaborative Team's request for endorsement and directing staff to provide necessary, appropriate technical data and assistance to the Agricultural Water Advisory Committee and Collaborative Team.

## **5. WATER UTILITY ENTERPRISE:**

- 5.1. Update on the Condition of the Almaden Valley Pipeline and Determination that the Condition of the Almaden Valley Pipeline Continues to Constitute an Emergency (San Jose) (District 7).

Recommendation: A. Receive an update on the Almaden Valley Pipeline; and

- B. Determine by a four-fifths vote of the Board that there is a need to continue the emergency action declared by the Chief Executive Officer (CEO) on December 23, 2019, pursuant to California Public Contract Code 22050, to repair the Almaden Valley Pipeline.

Mr. Aaron Baker, Deputy Operating Officer, reviewed the information on this item, per the attached Board Agenda Memorandum.

Move to Approve: Tony Estremera  
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.

5.2. MOVED TO ITEM 6.3

The Board noted that Item 5.2 was moved to 6.3.

**6. WATERSHEDS:**

- 6.1. Update on the Palo Alto Flood Basin Tide Gate Structure Improvements Project, Project No. 10394001 (Palo Alto, District 7).

Recommendation: Receive an Update on the Palo Alto Flood Basin Tide Gate Structure Improvements Project.

The Board continued Item 6.1 to the February 11, 2020 Regular Meeting.

The Board considered Item 6.2 and 6.3 without a staff presentation.

- 6.2. Authorize the Chief Executive Officer to Negotiate and Execute the Agreement with Horizon Water and Environment, LLC, for Environmental Planning and Permitting Services for the Anderson Dam Seismic Retrofit Project, Project No. 91864005, for an amount not-to-exceed \$4,500,000 (Morgan Hill) (District 1).

Recommendation: Authorize the Chief Executive Officer to negotiate and execute an Agreement with Horizon Water and Environment, LLC, for Environmental Planning and Permitting Services for the Anderson Dam Seismic Retrofit Project for an amount not-to-exceed \$4,500,000.

Motion: Continued Item 6.2 to the February 4, 2020 Special Meeting.

Move to Continue: 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.

- 6.3. Authorize the Chief Executive Officer to Negotiate and Execute a Single Source Consultant Services Agreement with Stantec Consulting Services, Inc. for a not-to-exceed amount of \$397,753 for services related to Pursuing Outside Funding Sources in support of the Pacheco Reservoir Expansion Project, Project No. 91954002. (PREVIOUSLY LISTED AS ITEM 5.2)

Recommendation: Authorize the Chief Executive Officer to negotiate and execute a single source consultant services agreement (Agreement) with Stantec Consulting Services, Inc. for a not-to-exceed amount of \$397,753 to provide services related to pursuing a Water Infrastructure Finance and Innovation Act (WIFIA) loan and investigating other potential funding sources for the Pacheco Reservoir Expansion Project that does not substantially differ from the agreement attached to this memorandum.

Move to Authorize: 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.

## 7. EXTERNAL AFFAIRS:

- 7.1. Receive a Brief Program Update and Approve Budget Adjustment in the Amount of \$773,200 to the Fiscal Year 2020 Budget of the Safe Clean Water Renewal Project, Project No. 62061049.

Recommendation: A. Receive brief update on new program development for a potential future funding measure;  
B. Approve a budget adjustment in the amount of \$773,200 to the Fiscal Year 2020 Budget of the Safe Clean Water Renewal Project; and  
C. Receive information on general taxes versus special taxes following the Board request for information at the December 10, 2019 Board meeting.

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

Director LeZotte requested that staff provide a breakdown of how funds transferred by the proposed budget adjustment would be allocated (Board Member Request No. R-20-0002).

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.

## **8. CHIEF EXECUTIVE OFFICER:**

### **8.1. CEO and Chiefs' Report.**

Ms. Norma Camacho, Chief Executive Officer, reported that the Lake Retrievement Alteration Agreement had been issued by the California Department of Fish and Wildlife for operation and maintenance of the Alamitos Diversion Structure.

Mr. Chris Hakes, Acting Chief Operating Officer, distributed and reviewed the attached Storm Report, identified as Handout 8.1-B, herein. Copies of the Handout were distributed to the Board and made available to the public.

Ms. Nina Hawk, Chief Operating Officer, introduced Mr. Heath McMahon, newly appointed Deputy Operating Officer for the Water Utility Capital Division.

Ms. Tina Yoke, Chief Operating Officer, distributed and reviewed the attached Cal Office of Emergency Services Coronavirus flyer, identified as Handout 8.1-C, herein, and reported on efforts to protect Valley Water staff. Copies of the Handout were distributed to the Board and made available to the public.

Mr. Rick Callender, Chief of External Affairs, distributed and reviewed the attached Legislative Update, identified as Handout 8.1-A, 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 a media interview on Groundwater Benefit Zones; and a Water Storage Exploratory Committee (WSEC) meeting.

Director Santos reported attending the aforementioned WSEC meeting; and Water Commission, Recycled Water Committee (RWC), and Berryessa Citizen's Advisory Council meetings.

Director Estremera reported attending the aforementioned RWC meeting; Quarterly Water Retailers, Environmental Water Resources Committee (EWRC), Delta Conveyance Authority (DCA) Board, and DCA Stakeholder Engagement Committee meetings; and a meeting with San Jose Vice Mayor Chappie Jones.

Chairperson Hsueh reported attending the aforementioned Quarterly Water Retailers, EWRC, and Water Commission meetings; Board Audit Committee (BAC), Capital Improvement Program (CIP) Committee, Board Policy and Planning Committee (BPPC), Agricultural Water Advisory Committee, and Financial Sustainability Group meetings; and various meetings with staff.

Director LeZotte reported attending the aforementioned CIP, BPPC, EWRC, Water Commission, and Financial Sustainability Group meetings; a Santa Clara Valley Habitat Joint Governing and Implementation Board meeting; a Fish and Aquatic Habitat Collaborative Effort (FAHCE) meeting; an Almaden Lake Improvement Project Public Environmental Impact Report meeting; and various meetings with staff.

Director Keegan reported attending the aforementioned FAHCE, BPPC, RWC, Financial Sustainability Group, DCA Board, and DCA Stakeholder Engagement Committee meetings; a Delta Conveyance Finance Authority Board meeting; a Guadalupe Coyote Resource Conservation District Coyote Tour; and various meetings with staff.

Director Kremen reported attending the aforementioned BAC, RWC, DCA Board, and WSEC meetings; a regular and special San Luis and Delta-Mendota Water Authority (SLDMWA) Board meetings; a San Francisquito Joint Powers Authority Board meeting; a site visit with Ms. Marina Lipkind; a Los Gatos Mayor and Town Manager meeting; and various meetings with staff.

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

Chairperson Hsueh requested that staff agendize the South County Recycled Water Master Plan for Board discussion; and that staff come back with status of the Anderson Dam Seismic Retrofit Project at the February 4, 2020 Special Meeting.

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

Ms. Michele King read the new Board Member Requests into the record.

- 11.4. Adjourn to Regular Meeting at 1:00 p.m., on February 11, 2020, in the Santa Clara Valley Water District Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California.

Chairperson Hsueh adjourned the meeting at 9:35 p.m., to the 2:00 p.m. Special meeting on Tuesday, February 4, 2020, in the Valley Water Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose.

Michele L. King, CMC  
Clerk, Board of Directors

Approved:

Date: 03/10/2020