



BOARD OF DIRECTORS MEETING

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# MINUTES

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**CLOSED SESSION AND REGULAR MEETING  
TUESDAY, OCTOBER 13, 2020  
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 Tony Estremera, Nai Hsueh, and Richard Santos. Board members participating by teleconference were Barbara Keegan, Gary Kremen, Linda J. LeZotte, and John L. Varela, constituting a quorum of the Board.

Staff in attendance was M. Meredith, Deputy Clerk of the Board. Staff participating by teleconference were R. Callender, Chief Executive Officer, S. Yamamoto, District Counsel, M. King, Clerk, Board of Directors, A. Baker, I. Bella, M. Cook, G. De La Piedra, R. Fuller, R. Gibson, V. Gin, A. Gschwind, C. Hakes, B. Hopper, L. Infante, M. Lugo, H. McMahon, L. Orta, M. Richardson, D. Rocha, D. Taylor, S. Tippets, and T. Yoke.

**2. TIME CERTAIN:**

**11:00 AM**

Chairperson Hsueh confirmed that the Board would adjourn to Closed Session for consideration of Items 2.1 through 2.3.

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

**2.1 CLOSED SESSION  
PUBLIC EMPLOYEE EMPLOYMENT  
Pursuant to Government Code Section 54957(b)(1)  
Title: District Counsel**

- 2.2 CLOSED SESSION  
CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION  
Pursuant to Government Code Section 54956.9(d)(4) - One Potential Case
- 2.3 CLOSED SESSION  
CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION  
Pursuant to Government Code Section 54956.9(d)(1):  
White, et al. v. SCVWD, et al. (Santa Clara Co. Superior Court, No. 18CV321600  
(Lead))

**1:00 PM**

- 2.4 District Counsel Report on Closed Session.

Chairperson Hsueh reported that in regard to Item 2.1, the Board met in Closed Session with all members present and gave direction to the Board Chairperson.

Mr. Andrew Gschwind, Assistant District Counsel, reported that in regard to Item 2.2, the Board met in Closed Session with all members present and took no reportable action.

Mr. Stanly Yamamoto, District Counsel, reported that in regard 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. Michelle Meredith, Deputy Clerk of the Board, led all present in reciting the Pledge of Allegiance.

- 2.6 Orders of the Day.

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

- 2.8 Adopt Resolution Expressing Appreciation to Norma J. Camacho.

Recommendation: Adopt the Resolution EXPRESSING APPRECIATION TO  
NORMA J. CAMACHO.

Mr. Rick Callender, Chief Executive Officer, reviewed the information on this item, per the attached Board Agenda Memo.

The Board members individually and collectively thanked Ms. Camacho for her service, and wished her well in her retirement.

Motion: Adopt Resolution No. 20-81, EXPRESSING APPRECIATION TO NORMA J. CAMACHO, by roll call vote.

Move to Adopt: Gary Kremen  
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.

2.9 Receive Information and Authorize Staff to Proceed with Execution of Bank Line(s) of Credit with Aggregate Stated Amount Not to Exceed \$200 Million.

Recommendation: A. Receive information regarding bank line(s) of credit solicitation;  
B. Authorize staff to proceed with execution of bank line(s) of credit with aggregate stated amount not to exceed \$200 Million;  
C. Authorize a deposit of up to \$14 million in a Certificate of Deposit Account Registry Service (CDAR) account with Bank of San Francisco, earning 0.45% per year for three-years; and  
D. Authorize staff to offer special incentives to California based small community banks to fully subscribe the \$20 million syndicated community banks loan capacity.

Ms. Charlene Sun, Treasury and Debt Manager, reviewed the information on this item, per the attached Board Agenda Memo.

Move to Authorize: Gary Kremen  
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.

**3. CONSENT CALENDAR:**

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

3.1 Adopt Resolution Declaring October 17-24, 2020, as California Flood Preparedness Week in Santa Clara County.

Recommendation: Adopt the Resolution DECLARING THE WEEK OF OCTOBER 17 - 24, 2020, AS CALIFORNIA FLOOD PREPAREDNESS WEEK IN SANTA CLARA COUNTY.

- 3.2 Adopt Resolution Setting Time and Place of a Public Hearing on the Engineer's Report and CEQA Exemption Determination for the Penitencia Water Treatment Plant Rehabilitation of Flocculation and Sedimentation Basins Project, Project No. 93764004, (San Jose) (District 3).

Recommendation: Adopt the Resolution SETTING TIME AND PLACE OF PUBLIC HEARING ON THE ENGINEER'S REPORT AND CEQA EXEMPTION DETERMINATION FOR THE PENITENCIA WATER TREATMENT PLANT REHABILITATION OF FLOCCULATION AND SEDIMENTATION BASINS PROJECT to occur on October 27, 2020, at 6:00 PM by teleconference Zoom meeting.

- 3.3 Accept the CEO Bulletins for the Weeks of September 11-24, and September 25 - October 8, 2020.

Recommendation: Accept the CEO Bulletin.

- 3.4 Approval of Minutes.

Recommendation: Approve the minutes.

Motion: The Board considered Consent Calendar Items 3.1 through 3.4, under one motion, as follows: adopt Resolution No. 20-82, DECLARING THE WEEK OF OCTOBER 17 - 24, 2020, AS CALIFORNIA FLOOD PREPAREDNESS WEEK IN SANTA CLARA COUNTY, by roll call vote, as contained in Item 3.1; adopt Resolution No. 20-83, SETTING TIME AND PLACE OF PUBLIC HEARING ON THE ENGINEER'S REPORT AND CEQA EXEMPTION DETERMINATION FOR THE PENITENCIA WATER TREATMENT PLANT REHABILITATION OF FLOCCULATION AND SEDIMENTATION BASINS PROJECT, by roll call vote, to occur on October 27, 2020, at 6:00 PM by teleconference Zoom meeting, 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: 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.

## REGULAR AGENDA:

### 4. BOARD OF DIRECTORS:

#### 4.1 Approve Fiscal Year 2020 Board Performance Report.

- Recommendation:
- A. Review and provide feedback, if necessary, on the Fiscal Year 2020 Board Performance Report; and
  - B. Approve the Fiscal Year 2020 Board Performance Report.

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

Director LeZotte requested that staff provide her with a list of the subjects and locations of the 19 Editorial Columns listed as an accomplishment in the *Board Provides Linkage to the Community* Section of the Fiscal Year 2020 Board Performance Report (Board Member Request No. R-20-0011).

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 Consider Recommendations Resulting from the September 16, 2020, Board Audit Committee Meeting to Approve Initiation of the Permitting Best Practices Audit (Permits Provided to Requestors); Approve TAP International, Inc. as Auditor for the Permitting Best Practices Audit; and Approve Changes Recommended by the Board Audit Committee to the TAP Annual Audit Work Plan.

- Recommendation:
- Consider recommendations resulting from the September 16, 2020, Board Audit Committee meeting and:
- A. Approve Initiation of the Permitting Best Practices Audit (Permits Provided to Requestors);
  - B. Approve TAP International, Inc. to be the auditor for the Permitting Best Practices Audit; and
  - C. Approve Changes Recommended by the Board Audit Committee to the TAP Annual Audit Work Plan.

Mr. Darin Taylor, Chief Financial Officer, reviewed the information on this item, per the attached Board Agenda Memos.

Move to Approve: John L. Varela  
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.

4.3 Consider Recommendations Resulting from the September 16, 2020, Board Audit Committee Meeting and Approve Proposed Updates to the Board Audit Committee Audit Charter.

Recommendation: Consider recommendations resulting from the September 16, 2020, Board Audit Committee Meeting and approve the proposed updates to the Board Audit Committee Audit Charter.

Mr. Brian Hopper, Senior Assistant District Counsel, reviewed the information on this item, per the attached Board Agenda Memos, and Ms. Denise Callahan, TAP International, responded to Board member questions.

Move to Approve: Linda J. LeZotte  
Second: The motion did not receive a second and was lost.

Director Estremera expressed concern with language contained in Attachment 1, Page 5, Revised Section 8 (previously Section 7), Lines 8 and 9, reading **Valley Water's retention of an Independent Auditor shall not preclude the retention of additional Auditors to perform individual audits**. He requested that the language be revised to indicate that Valley Water **will retain additional auditors** to perform additional audits, when deemed necessary by the Board, and further expressed concern that the aforementioned section should also reiterate that the Board Audit Committee investigates and brings recommendations for additional auditors to the full Board for approval, consistent with the language already established in Attachment 1, Page 8, Article VI, Item 1.

The Board directed staff to come back with the revisions requested by Director Estremera, and continued the item to a future meeting.

4.4 Board Committee Reports.

Chairperson Hsueh acknowledged publication of the attached Committee Meeting Summaries and Agendas, identified as Handouts 4.4-A through 4.4-G herein, and confirmed receipt of the attached Regional Water Quality Control Board (RWQCB) Meeting Summary, identified as Handout 4.4-H herein. Copies of Handout 4.4-H were distributed to the Board and made available to the public.

Director Estremera confirmed that new leadership had been introduced at the aforementioned RWQCB meeting, and that statements confirming the desire to

work collaboratively with Valley Water had been expressed by the RWQCB Board and leadership participants.

4.5 Proposed Future Board Member Agenda Items.

None.

**5. WATER UTILITY ENTERPRISE:**

Mr. Heath McMahon, Deputy Operating Officer, reviewed the information on Items 5.1 and 5.2, per the attached Board Agenda Memos.

5.1 Report of Bids Received and Award of Construction Contract to C. Overaa & Co., for the Santa Teresa Water Treatment Plant Air Wash Pipeline Replacement Project, Project No. 93764004, Contract No. C0662 (San Jose, District 7).

Recommendation:   A. Ratify Addenda No. 1, 2, and 3 to the Contract Documents for the Santa Teresa Water Treatment Plant Air Wash Pipeline Replacement Project;  
                              B. Award the Construction Contract to C. Overaa & Co. in the sum of \$1,457,000; and  
                              C. Approve a contingency sum of \$145,700 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

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 Report of Bids Received and Award of Construction Contract to Con-Quest Contractors, Inc., for the Central and Parallel East Pipelines Inspection and Rehabilitation Project, Project No. 95084002, Contract No. C0661 (San Jose and Unincorporated Santa Clara County), (Districts 1, 2, 4, 6, and 7).

Recommendation:   A. Ratify Addenda Nos. 1 and 2 to the Contract Documents for the Central and Parallel East Pipelines Inspection and Rehabilitation Project; and  
                              B. Award the Construction Contract to Con-Quest Contractors, Inc., in the sum of \$7,905,580; and  
                              C. Approve a contingency sum of \$1,185,837 and authorize the Chief Executive Officer or designee to approve individual change orders up to the designated amount.

Move to Approve:	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.

**6. WATERSHEDS:**

None.

**7. ASSISTANT CHIEF EXECUTIVE OFFICER:**

- 7.1 Approve Amendment No. 4 to Agreement No. A3675A with GEI Consultants, Inc., for Planning and Environmental Consultant Services for Calero and Guadalupe Dams Seismic Retrofits Project, Project No. 91084020 (San Jose) (District 1).

Recommendation:	Approve Amendment No. 4 to Agreement No. A3675A with GEI Consultants, Inc., for Planning and Environmental Consultant Services for Calero and Guadalupe Dams Seismic Retrofits Project, to increase the not-to-exceed fee by \$2,709,970, resulting in a total not-to-exceed fee of \$8,929,811.
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Mr. Chris Hakes, Deputy Operating Officer, reviewed the information on this item, per the attached Board Agenda Memo.

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. EXTERNAL AFFAIRS:**

None.



## 9. CHIEF EXECUTIVE OFFICER:

### 9.1 Board Confirmation of the Chief Operating Officer, Water Utility Enterprise.

Recommendation: Confirm the appointment of Aaron Baker as the Chief Operating Officer of Water Utility Enterprise for the Santa Clara Valley Water District.

Mr. Callender reviewed the information on this item, per the attached Board Agenda Memo.

The Board individually and collectively congratulated Mr. Baker on his appointment as Chief Operating Officer, Water Utilities.

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.

### 9.2 Update on COVID-19 Response.

Mr. Alex Gordon, Emergency and Security Manager, reported on the County of Santa Clara Department of Public Health's recent determination to allow Santa Clara County to move to the Orange Tier of COVID-19 response; and confirmed that there would be no change to Valley Water's current methods of operating.

### 9.3 CEO and Chiefs' Report.

Mr. Baker reported that Ms. Karen Koppett, Senior Water Conservation Specialist, had been announced as the City of San Jose's Climate Smart 2020 Water Champion of the Year and would be recognized by San Jose City Council for her outstanding leadership to implement, plan, and promote innovative water conservation efforts within the City of San Jose, and encourage peers and partners in engagement.

Ms. Sue Tippetts, Acting Chief Operating Officer, Watersheds, advised the Board that written Stream Maintenance Reports would be provided to the Board monthly, and provided a verbal report on the issuance of recent permits that would allow work to continue on the South Bay Shoreline Project.

Ms. Tina Yoke, Chief Administrative Officer, reported that the name of Valley Water's *Office of Talent and Inclusion* had reverted back to *Office of Human Resources*, and that the job title *Chief People Officer* had reverted back to *Chief Human Resources Officer*, and advised the Board of the recent promotions of Ms. Ingrid Bella, new Interim Human Resources Officer, Ms. Felicia Hernandez, New Business Support and Warehouse Unit

Manager, and Mr. Gordon, new Assistant Officer of Emergency, Security and Safety. She additionally reported that a second internet service provider had been secured for overflow and backup Valley Water internet usage, and that no impacts to Valley Water facilities was anticipated with the upcoming Pacific Gas and Electric Company Public Safety Power Shutoffs.

Ms. Rachael Gibson, Acting Chief of External Affairs, reviewed the information contained in the attached Office of Civic Engagement and Communications Updates, and Valley Water-hosted National Association for the Advancement of Colored People Certification Program for Just and Equitable Sea Level Rise and Flood Management Response, identified as Handouts 9.3-A through 9.3-C herein.

**10. ADMINISTRATION:**

None.

**11. DISTRICT COUNSEL:**

None.

**12. ADJOURN:**

**12.1 Board Member Reports/Announcements.**

Director Varela reported attending various Association of California Water Agency Region 5 Board meetings and Anderson Dam-related staff and community meetings; and the Valley Water District 1 *Meet the CEO* Zoom event.

Director Keegan reported attending Recycled Water Committee (RWC), Fish and Aquatic Habitat Collaborative Effort (FAHCE), Board Policy and Planning Committee (BPPC), and Board Audit Committee (BAC) meetings; a Project Labor Agreement (PLA) working group meeting; a Delta Conveyance Authority (DCA) Board meeting preparation call; an interview with a District 2 Safe, Clean Water Independent Monitoring Committee member candidate; the Zoom retirement celebration for former Chief Operating Officer Garth Hall; and various meetings with staff.

Director Santos reported attending a Berryessa Citizens Advisory Committee, Agricultural Water Advisory Committee, Landscape Committee, and Regional Water Quality Control Board meetings.

Director LeZotte reported attending the aforementioned BPPC and FAHCE meetings; a Water Conservation and Demand Management Committee meeting; a well webinar; a Local Agency Formation Commission (LAFCO) meeting; and various meetings with staff.

Director Estremera reported attending the aforementioned RWC, FAHCE, PLA, and DCA meetings; a Redevelopment Agency Oversight Committee meeting; the Valley Water District 6 *Meet the CEO* Zoom event; and various meetings with staff.

Director Kremen reported attending San Luis Delta-Mendota Water Authority (SLDMWA) and San Francisquito Creek Joint Powers Authority meetings; a meeting with the DCA Finance Committee Executive Director; the Valley Water District 7 *Meet the CEO* Zoom event, and other District 7 community events; and various meetings with staff.

Chairperson Hsueh explained that she had mistakenly left her calendar at home and would report out on her participation in Valley Water-related meetings and activities from September 22 to October 13, 2020 meetings, during the October 27, 2020 regular Board meeting.

12.2 Clerk Review and Clarification of Board Requests.

Ms. Michelle Meredith, Deputy Clerk of the Board, confirmed that there were no new Board Member Requests.

12.3 Adjourn to Regular Meeting at 6:00 p.m., on October 27, 2020, to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20.

Chairperson Hsueh adjourned the meeting at 2:40 p.m., in memory of Mr. Steve Harris, Valley Water Control System Technician, to the 6:00 p.m. Regular Meeting on October 27, 2020, in the Valley Water Headquarters Building Boardroom, at 5700 Almaden Expressway, San Jose.

Michele L. King, CMC  
Clerk, Board of Directors

Approved:

Date:

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