



BOARD OF DIRECTORS MEETING

MINUTES

**SPECIAL MEETING
TUESDAY, NOVEMBER 17, 2020
1:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A Special 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 1:00 p.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. King, Clerk, Board of Directors. Staff participating by teleconference were R. Callender, Chief Executive Officer, S. Yamamoto, District Counsel, J. Aranda, A. Baker, M. Cook, G. De La Piedra, A. Fulcher, R. Gibson, V. Gin, A. Gschwind, C. Hakes, B. Hopper, L. Infante, H. McMahon, L. Orta, M. Richardson, D. Rocha, D. Taylor, S. Tippetts, and T. Yoke.

1.2 Pledge of Allegiance/National Anthem.

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

1.3 Orders of the Day.

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

1.4 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. TIME CERTAIN:

1:00 PM

Mr. Vincent Gin, Deputy Operating Officer, reviewed the information on Items 2.1 and 2.2, per the attached Board Agenda Memos; and Mr. Dana Jacobson, Senior Water Resources Specialist, reviewed the corresponding presentation materials contained in Attachment 3 to each item, respectively.

- 2.1 Receive an Update on the Second Amendment to Valley Water's Central Valley Project Contract, Adopt the Resolution Approving the Second Amendment, and Authorize the Chief Executive Officer to Execute the Second Amendment.

Recommendation:

- A. Receive information on the Second Amendment to Valley Water's Central Valley Project Contract;
- B. Adopt the Resolution APPROVING THE SECOND AMENDMENT TO CONTRACT BETWEEN UNITED STATES AND SANTA CLARA VALLEY WATER DISTRICT FOR WATER SERVICE AND OPERATION AND MAINTENANCE OF CERTAIN WORKS OF THE SAN FELIPE DIVISION; and
- C. Authorize the Chief Executive Officer to execute the Second Amendment.

Director Keegan requested staff come back to the full Board of Directors with an update on the Semitropic Groundwater Banking Program, including an overview of information previously given to the Board's Water Storage Exploratory Committee.

Motion: Adopt Resolution No. 20-89, APPROVING THE SECOND AMENDMENT TO CONTRACT BETWEEN UNITED STATES AND SANTA CLARA VALLEY WATER DISTRICT FOR WATER SERVICE AND OPERATION AND MAINTENANCE OF CERTAIN WORKS OF THE SAN FELIPE DIVISION, by roll call vote; and authorize the Chief Executive Officer to execute the Second Amendment.

Move to Adopt: 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.

2.2 Adopt Resolution Making Responsible Agency Findings and Approving State Water Project Contract Amendment for Water Management, and Authorize the Chief Executive Officer to Execute the Amendment and File Notice of Determination.

Recommendation: A. Receive information and discuss the proposed State Water Project Water Supply Contract Amendment for Water Management (Water Management Tools Amendment);
B. Adopt the Resolution (1) MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO CEQA FOR THE FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) AND ADOPTING CEQA FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS; AND (2) APPROVING THE PROPOSED STATE WATER PROJECT CONTRACT AMENDMENT FOR WATER MANAGEMENT, AMENDMENT NO. 25 TO VALLEY WATER'S WATER SUPPLY CONTRACT WITH THE DEPARTMENT OF WATER RESOURCES; and
C. Authorize the Chief Executive Officer to execute Amendment No. 25 to Valley Water's State Water Project Water Supply Contract and file Notice of Determination.

Motion: Adopt Resolution No. 20-90, MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO CEQA FOR THE FINAL ENVIRONMENTAL IMPACT REPORT (FEIR) AND ADOPTING CEQA FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS; AND APPROVING THE PROPOSED STATE WATER PROJECT CONTRACT AMENDMENT FOR WATER MANAGEMENT, AMENDMENT NO. 25 TO VALLEY WATER'S WATER SUPPLY CONTRACT WITH THE DEPARTMENT OF WATER RESOURCES, by roll call vote; and authorize the Chief Executive Officer to execute Amendment No. 25 to Valley Water's State Water Project Water Supply Contract and file Notice of Determination.

Move to Adopt: 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.

2.3 Monitoring and Assessment Program Evaluation of Los Vaqueros Reservoir Expansion, Sites Reservoir, and Delta Conveyance Project.

- Recommendation:
- A. Receive and discuss information regarding the Los Vaqueros Reservoir Expansion Project, Sites Reservoir Project, and Delta Conveyance Project;
 - B. Authorize the Chief Executive Officer (CEO) to execute Amendment 2 to the 2019 Multi-Party Agreement for Los Vaqueros Reservoir Expansion Project, which includes a contract extension through December 2021 and a cost-share not to exceed \$1,013,661;
 - C. Authorize the CEO to execute the Second Amendment to 2019 Reservoir Project Agreement with Sites Project Authority and the Project Agreement Members for a participation level of 0.2 percent with a \$50,000 cost share; and
 - D. For the Delta Conveyance Project:
 - i. Approve a provisional participation percentage in the Project of 2.73 percent and authorize the CEO to increase Valley Water's provisional participation percentage up to a total of 3.23 percent if additional shares become available;
 - ii. Adopt the Resolution APPROVAL OF PROVISIONAL PARTICIPATION PERCENTAGE AND AUTHORIZING NEGOTIATION AND EXECUTION OF A FUNDING AGREEMENT FOR PRELIMINARY PLANNING AND DESIGN COSTS RELATED TO A POTENTIAL DELTA CONVEYANCE PROJECT;
 - iii. Authorize the CEO to negotiate and execute a funding agreement with the Department of Water Resources committing up to \$4,034,001 for Project environmental planning and design costs incurred in Calendar Years 2021 and 2022, with an option to commit up to an additional \$6,972,348, upon future approval of the Board, for Project environmental planning and design costs incurred in Calendar Years 2023 and 2024; and
 - iv. Approve and Authorize the CEO to execute the Amended and Restated Joint Powers Agreement Forming the Delta Conveyance Design and Construction Authority.

Mr. Gin reviewed the information on this item, per the attached Board Agenda Memo, and the corresponding presentation materials contained in Attachment 21 were reviewed by staff as follows: Mr. Gin reviewed Slides 1 through 8, and Slide 40; Ms. Samantha Greene, Senior Water Resources Specialist, reviewed Slides 9 through 14; and Ms. Cindy Kao, Imported Water Manager, reviewed Slides 15 through 39.

Chairperson Hsueh acknowledged receipt of the attached written comments from various members of the public, identified as Handouts 2.3-A through 2.3-O herein, which expressed opposition to the attached Board Agenda Memorandum's Recommendation D, regarding the Delta Conveyance Project.

Ms. Michele King, Clerk, Board of Directors, acknowledged receipt of the attached three additional comments received through Zoom chat, identified as Handout 2.3-P herein.

Copies of the Handouts were distributed to the Board and made available to the public.

Six statements expressing opposition to Board approval of recommended actions associated with the Delta Conveyance Project were received from: Mr. Brandon Dawson, Sierra Club of California; Mr. Heinrich Albert and Mr. William Martin, Sierra Club San Francisco Bay Chapter Water Committee; Mr. Layne Fajeau, and Ms. Arlene Nunez Garcia, Environmental Science students at University California, Berkley, and San Jose State University, respectively; and Ms. Osha Meserve, attorney representing various reclamation and water districts in the delta, and Friends of Stone Lakes National Wildlife Refuge.

Three statements expressing support for Board approval of recommended actions associated with the Delta Conveyance Project were received from: Mr. Frank Biehl, San Benito and Santa Clara Counties Building and Trades Council; Mr. James Thuerwachter, California Alliance for Jobs; and Mr. Kyle Griffith, Californians for Water Security Coalition.

Motion: Authorize the Chief Executive Officer (CEO) to execute Amendment 2 to the 2019 Multi-Party Agreement for Los Vaqueros Reservoir Expansion Project, which includes a contract extension through December 2021 and a cost-share not to exceed \$1,013,661.

Move to Adopt: 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.

Motion: Authorize the CEO to execute the Second Amendment to 2019 Reservoir Project Agreement with Sites Project Authority and the Project Agreement Members for a participation level of 0.2 percent with a \$50,000 cost share.

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

Director LeZotte explained that she voted in opposition to the item because she believed that between Valley Water's other water storage assets and investments, the Delta, and increased conservation, Valley Water's water supply portfolio was sufficiently diverse and did not warrant the size of investment needed with Sites Reservoir.

Motion: Approve a Delta Conveyance Project provisional participation percentage in the Project of 2.73 percent and authorize the CEO to increase Valley Water's provisional participation percentage up to a total of 3.23 percent if additional shares become available; Adopt Resolution No. 20-91, APPROVAL OF PROVISIONAL PARTICIPATION PERCENTAGE AND AUTHORIZING NEGOTIATION AND EXECUTION OF A FUNDING AGREEMENT FOR PRELIMINARY PLANNING AND DESIGN COSTS RELATED TO A POTENTIAL DELTA CONVEYANCE PROJECT, by roll call vote; authorize the CEO to negotiate and execute a funding agreement with the Department of Water Resources committing up to \$4,034,001 for Project environmental planning and design costs incurred in Calendar Years 2021 and 2022, with an option to commit up to an additional \$6,972,348, upon future approval of the Board, for Project environmental planning and design costs incurred in Calendar Years 2023 and 2024; and authorize the CEO to execute the Amended and Restated Joint Powers Agreement Forming the Delta Conveyance Design and Construction Authority.

Move to Adopt: 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.

3. ADJOURN:

3.1 Clerk Review and Clarification of Board Requests.

Ms. Michele King, Clerk, Board of Directors, confirmed that there were no new Board Member Requests.

3.2 Adjourn to 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting, on November 24, 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 3:30 p.m., to the 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting, on November 24, 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.

Michele L. King, CMC
Clerk, Board of Directors

Approved:

Date: 01/12/2021

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