



CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE MEETING

MINUTES

December 11, 2017
10:00 A.M.

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Capital Improvement Program (CIP) Committee was called to order at 10:00 a.m., on December 11, 2017, in the Santa Clara Valley Water District Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

1. Call to Order/Roll Call

Committee members in attendance were District 6 Director Tony Estremera, District 4 Director Linda LeZotte, and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance were J. Aranda, Assistant District Counsel, M. Meredith, Deputy Clerk, H. Desai, V. Gutierrez, C. Hakes, N. Hawk, K. Oven, B. Redmond, D. Taylor, and S. Tikekar

2. 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.

3. Approval of Minutes

The Committee considered the minutes of the November 27, 2017 meeting.

Chairperson Hsueh requested that the minutes be amended as follows: on Page 2, Item 4.1, Paragraph 4, Lines 3 through 5, revise to read *...potential solution would be to enter into cooperative agreements with ~~its retail providers the cities~~, whereby the ~~retailers cities~~ could agree to adopt and impose these fees on developments within their jurisdiction...*; on Page 3, Bullet 1, Lines 1 through 3, revise to read *Suspend work on Upper Penitencia Creek Project, Coyote Creek to Dorel Drive, ~~in Fiscal Year 2019~~, and provide approximately \$2 million ~~to fully fund the for planning phase starting in the Fiscal Year 2020 if funding is available~~.*; and on Page 3, Bullet 3, Lines 2 and 3, revise to read *Coordinate Safe, Clean Water and Natural Flood Protection Program **Change Management** processes ~~to suspend for the~~ Upper Penitencia Creek Project, **upon Board approval of Committee recommendations**.*

It was moved by Director Estremera, seconded by Director LeZotte, and unanimously carried that the minutes be approved as amended.

4. Action Items

4.1. Review and Discuss Preliminary Fiscal Years (FY) 2019-23 Capital Improvement Program (CIP) in Advance of it Being Presented to the Board of Directors

Ms. Katherine Oven, Deputy Operating Officer, reviewed the information on this item per attached Committee Agenda Memo, and Ms. Beth Redmond, Capital Program Planning and Analysis Manager, distributed and reviewed the information on the attached Preliminary FY19-23 CIP, identified as Handout 4.1-A herein. Copies of the Handout were distributed to the Committee and made available to the public.

Ms. Redmond explained that Handout 4.1-A replaced Item 4.1, Attachment 1, and had been revised to include a watermark indicating the information as draft. She noted that on Page 11, dollar amounts shown for the Expedited Purified Water Program were based on an assumption of Public-Private Partnership funding, and confirmed that staff would continue reviewing costs for other proposed projects so that accurate cost projections are included in the Preliminary FY19-23 CIP when it is presented to the Board of Directors (Board) on January 9, 2018.

The Committee made the following requests:

- Staff is to come back with information on the renegotiation of the 2004 Cost Share Agreement between the District and the City of Gilroy for the South County Recycled Water Expansion Project;
- Staff is to make clear during the January 9, 2018 Preliminary CIP presentation to the Board, what portions of the SCADA project are funded;
- Staff is to more clearly communicate during the January 9, 2018 presentation to the Board, information on the Fisheries and Aquatic Habitat Collaborative Effort Stevens Creek Fish Passage Enhancement Project, the Stevens Creek Fish Barrier Removal Project, and the Multi-Port Project, to demonstrate that no double-funding of projects has occurred and to provide assurance that priority work is being funded;
- Staff is to examine the South Bay Salt Pond Restoration Project and the South Bay Salt Ponds Infrastructure Improvement Project, evaluate what work is being performed in each project and whether the work should be funded as a capital or operations project;
- Staff is to review and revise the manner in which unfunded projects (Attachment 3) are presented so it is clear to the Board and the public which projects will be funded and transferred to the Preliminary CIP list, which projects remain unfunded, and the urgency or priority of the unfunded projects.

It was moved by Director LeZotte, seconded by Director Estremera, and unanimously carried that the Committee recommend the preliminary Fiscal Year 2019-2023 CIP be presented to the Board of Directors on January 9, 2018.

Mr. Christopher Hakes, Assistant Officer, reviewed the information on Items 4.2 and 4.3, per the attached Committee Agenda Memos.

4.2. Review and Discuss Revisions to the Capital Improvement Program Priority Ranking Criteria and Related Prioritization Outcomes.

It was moved by Director LeZotte, seconded by Director Estremera, and unanimously carried that the Committee recommend the revised CIP Priority Ranking Criteria be presented to the Board of Directors on January 9, 2018.

4.3. Update on Rinconada Water Treatment Plant Reliability Improvement Project.

The Committee noted the information, without formal action.

4.4. 2017-18 Consultant Agreements and Amendments to Existing Consultant Agreements. (K. Oven)

Ms. Oven reviewed the information on this item, per the attached Committee Agenda Memo.

Chairperson Hsueh suggested that staff consider the feasibility of utilizing a multiple-project Request for Proposal process for the Third-Party Construction Quality Assurance/Quality Control Consultant Services Contracts for the Anderson, Calero, Guadalupe, and Almaden Dam Seismic Retrofit/Improvement Projects.

The Committee expressed support for staff's proposal to incorporate limited construction management services to Black and Veatch for the Anderson, Calero, Guadalupe, and Almaden Dam Seismic Retrofit/Improvement Projects.

5. Review and Discuss 2017 and 2018 Committee Work Plans.

Item 5 was continued to the January 2018, CIP meeting.

6. Discussion of Next Committee Meeting Agenda and Schedule.

Chairperson Hsueh requested that the January 8, 2018, CIP Committee meeting be rescheduled to January 18, 2018, at 11:00 a.m.

7. Clerk's Review and Clarification of Committee Requests.

Ms. Michelle Meredith, Deputy Clerk of the Board, read the new Committee requests into the record.

8. Adjourn.

Chairperson Hsueh adjourned the meeting at 11:30 a.m. to the rescheduled meeting at 11:00 a.m. on January 18, 2018, in the District Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

[original signed by]
Michelle Meredith
Deputy Clerk of the Board

Approved: 01/18/18