



CAPITAL IMPROVEMENT PROGRAM COMMITTEE

MINUTES

THURSDAY, JANUARY 3, 2019
10:00 AM

(Paragraph numbers coincide with agenda item numbers)

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

1. CALL TO ORDER:

1.1 Roll Call.

Committee members in attendance were District 4 Director L. LeZotte, District 6 Director T. Estremera, and District 5 Director N. Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance were J. Abadilla, K. Arends, A. Baker, R. Blank, J. Collins, N. Dominguez, C. Hakes, N. Hawk, N. Nguyen, L. Orta, K. Oven, B. Redmond, M. Richardson, L. Rossiter, A. Tikekar and T. Yoke.

1.2. 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.

2. APPROVAL OF MINUTES:

2.1. Approval of November 19, 2018 and December 10, 2018 Meeting Minutes.

The Committee considered the attached minutes of the November 19, 2018 and December 10, 2018 meetings.

Ms. Natalie Dominguez, Assistant Deputy Clerk II, noted the following information and corrections to the minutes:

- Handout 2.1-A, November 19, 2018 Capital Improvement Program Committee Minutes were being submitted to replace Item 2.1, Attachment 1, as the correct version of minutes for approval; and
- Noted the following administrative corrections to the December 20, 2018 Minutes:

- Page 1, meeting title will be corrected to read **~~Board of Directors~~Capital Improvement Program Committee** Meeting, and
- Page 3, Item 4.2, Line 1, will be corrected to read: Adjourn to **~~Regular~~Special** Meeting at 10:00 a.m., on **~~December 10, 2018~~January 3, 2019**.

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

3. ACTION ITEMS:

3.1 Calero Dam Seismic Upgrade and Water Reliability Analysis.

Chairperson Hsueh noted that this item was being presented to formulate a response to Director Kremen's email of November 13, 2018, identified as Handout 3.1-A, herein, requesting information regarding Calero's function and value to the District.

Mr. Kurt Arends, Deputy Operating Officer, Mr. Chris Hakes, Deputy Operating Officer, Ms. Nina Hawk, Chief Operating Officer, and Ms. Katherine Oven, Deputy Operating Officer, reviewed the information on this item per the Committee Agenda Memo.

The Committee requested that staff develop a more complete analysis of Calero's function and value, and alternatives to retrofit including associated costs to rehabilitate and improve Calero Dam vs. decommissioning the dam.

The Committee requested staff prepare a visual presentation to demonstrate how Calero Dam's rehabilitation could benefit the District's annual water supply and operational reliability, and the role Calero plays in storing and delivering water to the treatment plants, providing flood protection, benefits to the environmental and recreational use.

Mr. William Sherman, WRATES, discussed criteria used to determine seismic risk relative to major events. The Committee referred Mr. Sherman's comments to staff for further offline discussion.

The Committee requested that staff's response to Director Kremen's email be provided to the Committee at their February 11, 2019 meeting, and then be provided to the full Board at a subsequent meeting.

Chairperson Hsueh moved the agenda to Item 3.5, No. 3, Calero Dam Seismic Retrofit – Amendment 4 to Agreement No. A3902G with HDR Engineering, Inc., for Design Consultant Services, Project No. 91874004.

3.5. Capital Consultant Agreements and Amendments.

Mr. Arends, Mr. Chris Hakes, and Ms. Oven reviewed the information on this item per the Committee Agenda Memo.

The Committee requested staff pause the consultant's progress and revise the item to clarify the driving factors of the amendment, e.g., relocation of the historic Bailey Fellows House, for the Board.

Chairperson Hsueh returned the agenda to Item 3.2

3.2. Capital Project Monitoring – Planning/Feasibility.

Ms. Oven, Mr. Ngoc Nguyen, Deputy Operating Officer, Mr. Hakes and Mr. Sudhanshu Tikekar, Deputy Operating Officer, reviewed the information on this item per the Committee Agenda Memo. The corresponding materials in Attachment 1 were reviewed by staff as follows: Ms. Oven reviewed Items 1 through 3 and 5 through 8; Mr. Hakes reviewed Items 4 and 12, Mr. Nguyen reviewed Items 9 through 11 and 13 through 18, and Mr. Tikekar, reviewed Items 19 and 20.

Ms. Melanie Richardson, Chief Operating Officer, Watersheds, reported that Watershed Resources Stewardship would be moving from Mr. Nguyen to the leadership of Ms. Lisa Bankosh, Assistant Operating Officer. Ms. Richardson noted that support staff in the Watershed Stewardship and Planning Division would begin supporting both planning and design vs. one single element.

The Committee noted the information, without formal action.

3.3. Draft Preliminary Fiscal Years 2020-2024 Capital Improvement Program.

Mr. Nguyen and Ms. Oven reviewed the information on this item per the Committee Agenda Memo. The corresponding materials in Attachment 1 were reviewed by staff as follows: Ms. Oven reviewed changes to the Preliminary Capital Improvement Program document format regarding the legend key, project drivers, and Column A description, and reviewed Water Supply Projects on Pages 24 and 25; Mr. Nguyen reviewed Flood Protection and Water Resources Stewardship projects contained on pages 26 through 30; Ms. Tiny Yoke, Chief Administrative Officer, reviewed Buildings and Grounds Projects contained on Page 31.

Ms. Redmond clarified that the projects in the preliminary CIP have been incorporated into most of the water rate scenarios to be presented to the Board at the January 8 Board meeting. Ms. Hawk clarified that the Preliminary CIP content could change based on Board discussions and any direction to staff at the January 8 meeting.

The Committee requested staff identify issues and cost before adding the project to the Preliminary CIP, and directed staff to bring the proposed project to the full Board for consideration and approval to add to the Preliminary CIP later.

3.4. Anderson Dam Improvement Updates.

The Committee continued Item 3.4 to the January 14, 2019 Regular meeting, and resumed discussion of Item 3.5.

3.5. Capital Consultant Agreements and Amendments.

The Committee continued Item 1, Lenihan and Stevens Creek Dam Safety Evaluations to the January 14, 2019 agenda.

Item 2, On-Call Surveying and Mapping Services: Mr. Nguyen reviewed the information on this item per the Committee Agenda Memo and explained that the purpose of agreement was to supplement land surveying and mapping services during peak periods where in-house resources cannot meet the demand for District projects. He noted that the previous agreement expired on December 31, and that staff was recommending the agreement to supplement services over the next three years. The Committee noted the information without formal action.

Chairperson Hsueh noted that Item 3 had been discussed following Item 3.1, Calero Dam Seismic Upgrade and Water Reliability Analysis. Mr. Hakes confirmed that the agreement was in effect through 2020, and that staff would bring an item to the Committee in February 2019.

3.6 2018 and 2019 Capital Improvement Committee Work Plans.

Chairperson Hsueh reviewed the information on this item per the Committee Agenda Memo, and the corresponding materials contained in Attachments 1 and 2. She confirmed the next Capital Improvement Program Committee meeting was scheduled for Monday, January 14, 2019 and 11:00 a.m.

4. **INFORMATION ITEMS:** None.

5. **ADJOURN:**

5.1. Clerk's Review and Clarification of Committee Requests and Recommendations.

Ms. Natalie Dominguez, Assistant Deputy Clerk II, confirmed there were no formal requests or recommendations captured for Board consideration. The following Committee requests were entered into the record:

In regard to Item 3.1:

The Committee requested that staff develop a more complete analysis of Calero's function and value, and alternatives to retrofit including associated costs to rehabilitate and improve Calero Dam vs. decommissioning the dam.

The Committee requested staff prepare a visual presentation to demonstrate how Calero Dam's rehabilitation could benefit the District's annual water supply and operational reliability, and the role Calero plays in storing and delivering water to the treatment plants, providing flood protection, benefits to the environmental and recreational use.

The Committee requested that staff's response to Director Kremen's email be provided to the Committee at their February 11, 2019 meeting, and then be provided to the full Board at a subsequent meeting.

In regard to Item 3.3.

The Committee requested staff identify issues and cost before adding the project to the Preliminary CIP, and directed staff to bring the proposed project to the full Board for consideration and approval to add to the Preliminary CIP later.

In regard to Item 3.6:

The Committee requested staff pause the consultant's progress and revise the item to clarify the driving factors of the amendment, e.g., relocation of the historic Bailey Fellows House, for the Board.

- 5.2 Adjourn to Rescheduled Regular Meeting at 11:00 a.m. on January 14, 2019, in the Santa Clara Valley Water District Headquarters Board Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Chairperson Hsueh adjourned the meeting at 12:00 p.m. to the Rescheduled Regular Meeting at 11:00 a.m., on January 14, 2019, in the Santa Clara Valley Water District Headquarters Board Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

[original signed by]
Natalie F. Dominguez, CMC
Assistant Deputy Clerk

Approved: January 14, 2019