



CAPITAL IMPROVEMENT PROGRAM COMMITTEE MEETING

MINUTES

**MONDAY JUNE 10, 2019
10:00 AM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Program Committee (Committee) was called to order in the Valley Water Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California, at 10:00 a.m.

1. CALL TO ORDER/ROLL CALL

Committee members in attendance were District 2 Director B. Keegan, District 6 Director T. Estremera, and District 5 Director N. Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance were K. Arends, E. Aryee, M. Baratz, J. Collins, M. Ganjoo, C. Hakes, B. Hopper, J. Martin, E. Meeks, M. Meredith, N. Nguyen, D. Taylor, P. Trieu, K. Uyeda, and T. Yoke.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA

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

3. APPROVAL OF MINUTES

The Committee considered the attached minutes of the April 17, 2019 meeting. It was moved by Director LeZotte, seconded by Director Estremera, and unanimously carried that the minutes be approved as presented.

4. ACTION ITEMS

4.1 Information on Project Labor Agreements (Continued From April 17, 2019).

Recommendation:

- A. Receive information responding to the April 17, 2019 Committee request for clarification of conflicting information supporting and opposing Project Labor Agreements (PLAs);
- B. Receive a presentation from Mr. Todd Kyger, PLA Administrator, San Francisco Public Utilities Commission (SFPUC); and
- C. Discuss a recommendation to the Board of Directors whether the District should use PLAs on Santa Clara Valley Water (Valley Water) project(s).

Mr. Michael Baratz, Labor Relations Officer, reviewed the information on this item, per the attached Committee Agenda Memo.

In regard to Recommendation B, Mr. Baratz advised the Committee that the originally scheduled guest speaker, Mr. Todd Kyger, had been unable to attend and introduced Mr. Jonathan Holtzman, Esq., Renne Public Law Group, who had been invited to address the Committee instead.

Mr. Baratz distributed the attached memorandum from Mr. Holtzman, identified as Handout 4.1-A herein. Copies of the Handout were distributed to the Committee and made available to the public.

Mr. Holtzman reviewed information on Renne Public Law Group's observations regarding PLA cost control, and other issues, as contained in Handout 4.1-A, Pages 1 and 2, Items 1 through 3; and offered suggestions on PLA best management practices, as contained in Handout 4.1-A, Pages 2 through 4, Items 4 and 5.

Mr. Holtzman further encouraged the Committee to consider focusing PLA efforts on large-scale projects only, and suggested using Valley Water's Five Year Capital Improvement Plan as a tool for identifying PLA projects.

One comment expressing support for PLAs was received from Mr. David Bini, Santa Clara and San Benito Counties Buildings and Construction Trades Council; and one statement expressing opposition to PLAs was received from Ms. Nicole Goehring, Association of Builders and Contractors, Northern California Chapter.

The Committee continued discussion to the July 8, 2019 meeting, and made the following requests:

- That Committee members email to the Clerk by June 17, 2019, any questions they may have, related to Holtzman's suggestions;
- That Project Management and Labor Relations staff work collaboratively to come back during the July 8, 2019 meeting, with responses to questions submitted to the Clerk and an overview of Valley Water-specific pros and cons associated with PLAs; and
- That staff prepare a summary of any additional concerns regarding how PLAs would affect Valley Water and its projects.

4.2 Capital Project Monitoring – Design.

Recommendation: Receive and discuss information regarding the status of capital projects in the design phase.

Mr. Chris Hakes, Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo; and the corresponding information contained in Attachment 2 was reviewed as follows: Mr. Hakes reviewed Page 1, Water Utilities, Lines 1 through 10; Mr. Ngoc Nguyen, Deputy Operating Officer, reviewed Page 1, Flood Protection, Lines 11 through 20, and Water Resources Stewardship, Lines 21 through 23; Ms. Tina Yoke, Chief Operating Officer Administrative Services, reviewed Page 1, Buildings and IT, Line 24; and Ms. Phuong Trieu, Systems Development and Support Manager, reviewed Page 2, Buildings and IT, Line 25.

The Committee noted the information, without formal action.

4.3 Upcoming Capital Agreements and Amendments.

Recommendation: Receive information on upcoming consultant agreements and/or amendments that staff will be recommending for Board approval and provide direction as needed.

Mr. Nguyen reviewed the information on this item, per the attached Committee Agenda Memo.

Chairperson Hsueh requested that staff come back with a summary of projects that are currently in design, but planned to enter construction during the calendar year 2019, and information on plans for in-house versus consultant services use for construction contract management services.

4.4 2019 Capital Improvement Program Committee Work Plan.

Recommendation: Review the 2019 Capital Improvement Program Committee Work Plan and make revisions as necessary.

Chairperson Hsueh requested that the 2019 Committee Workplan be revised as follows:

- Move the July 2019 discussions on Public Private Partnership (P3) Delivery, and Upcoming Consultant Agreement and Amendment Monitoring, to the August 2019 meeting;
- Add to July 2019, the continued discussion on Project Labor Agreements;
- Remove the July 2019 discussion on Project Ranking Criteria; and
- Come back during the August 2019 meeting with discussion on CIP Project Validation Process, in lieu of discussion on CIP Project Ranking Criteria.

5. INFORMATION ITEMS

None.

6. CLERK'S REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS AND RECOMMENDATIONS:

The new Committee Recommendations and Requests were not read into the record.

7. ADJOURN

Chairperson Hsueh adjourned the meeting at 12:05 p.m., to the next scheduled meeting at 10:00 a.m. on July 8, 2019, in the Valley Water Headquarters Building Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

Michelle Meredith
Deputy Clerk of the Board

Approved: