

**CAPITAL IMPROVEMENT PROGRAM COMMITTEE MEETING**

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# MINUTES

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**MONDAY, December 13, 2021  
11:00 AM**

(Paragraph numbers coincide with agenda item numbers)

**1. CALL TO ORDER:**

A regular meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Program Committee (Committee) was called to order via Zoom video teleconference at 11:10 a.m.

**1.1 Roll Call.**

Committee members in attendance by Zoom teleconference were District 4 Director Linda LeZotte and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

District 6 Director Tony Estremera arrived as noted below.

Staff members in attendance by Zoom teleconference were: District Counsel Juan C. Orellana, J. Aranda, A. Baker, S. Berning, W. Blackard, R. Blank, J. Bourgeois, T. Chinte, J. Codianne, J. Collins, M. Cook, N. Dominguez, A. Fraumeni, C. Hakes., O. Leonardo, J. Martin, H. McMahon, C. Narayanan, A. Nichols, S. Peters, M. Potter, M. Richardson, K. Struve, D. Taylor, S. Tippetts, B. Yerrapotu, and T. Yoke.

Chairperson Hsueh moved the agenda to Item 3.1.

**3. APPROVAL OF MINUTES**

**3.1. Approval of November 15, 2021 Capital Improvement Program Committee Meeting Minutes.**

Recommendation: Approve the minutes.

The Committee considered the attached minutes of the November 15, 2021, Capital Improvement Committee meeting. Director Hsueh requested Page 4, Paragraph 2, Bullet No. 4 be revised to reflect the Water Supply Master Plan project list.

It was moved by Director LeZotte, seconded by Chairperson Hsueh, and carried by roll call vote to approve the minutes as amended. Director Estremera was absent.

Chairperson Hsueh returned the agenda to Item 2.

## **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.

## **4. ACTION ITEMS**

### **4.1. Review Draft Preliminary Five-Year Capital Improvement Program for Fiscal Years 2023-2027**

Recommendation: Review and discuss the Draft Preliminary Five-Year Capital Improvement Program for Fiscal Years 2023-2027 and provide recommendations to staff as needed.

Ms. Jessica Collins, Watersheds Business Planning and Analysis Unit Manager, reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachment 3 were reviewed as follows: Ms. Collins reviewed Slides 1 through 10 and 19, and Mr. Darin Taylor Chief Financial Officer reviewed Slides 11 through 17.

Staff provided an overview of the annual Capital Improvement Program (CIP) process, and reviewed the CIP Evaluation Team's recommendations, new/revised/administrative project plan updates, financial analysis by fund, Pacheco Reservoir Expansion Project (PREP) near-term budget surplus, fund impacts, and next steps.

Regarding Attachment 3, Slide 4, Chairperson Hsueh asked for and received clarification on staff's recommendation for the Tepid Water System for Emergency Shower/Eyewash Stations at water treatment plants, Long-Term Purified Water Program Elements and Pacheco Pumping Plant Back-Up Power.

Director Estremera arrived.

Regarding Attachment 3, Slide 9, Chairperson Hsueh asked for and received clarification on the FAHCE implementation project and Ogier and Metcalf Pond mitigation construction costs. Chairperson Hsueh requested that Attachment 2, Page 9, be revised for better clarity and to eliminate redundancies with regard to the FAHCE implementation and Metcalf and Ogier ponds projects.

Regarding Attachment 3, Slide 12, Director LeZotte asked for and received clarification regarding the Pacheco Reservoir Expansion Project's inclusion in the current CIP, and project funding and implementation.

Regarding Attachment 3, Slide 17, Chairperson Hsueh recommended staff add an additional column to describe planned expenditures per year, and Director Estremera requested staff use another term to describe surplus funds, e.g., unspent committee funds.

It was moved by Director Estremera, seconded by Director LeZotte, and carried by roll call vote to convey to the Valley Water Board of Directors that the Committee has performed a thorough review of the Draft Preliminary Five-Year CIP for Fiscal Years 2023-2027 and project plan changes, which caused the project schedule and project estimated cost changes, and supports staff's recommended preliminary CIP, and supports suggested changes to the presentation as described above.

4.2. Receive Information on Upcoming Consultant Agreement Amendments for Capital Projects.

Recommendation: Receive information on Upcoming Consultant Agreement Amendments for capital projects.

Ms. Rechelle Blank, Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo.

It was moved by Director LeZotte, seconded by Director Estremera, and carried by roll call vote to support staff's recommendations for proposed amendments to the following consultant agreements:

- Amendment No. 3 to Agreement A3936A with Associated Right of Way Services, inc., for On-Call Real Estate Services (Time Extension)
- Amendment No. 5 to Agreement A3851A between the Santa Clara Valley Water District and Environmental Science Associates for the Almaden Lake Project Environmental Consultant Services, Project No. 26044001 (Time Extension)

4.3. Receive Information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

Recommendation: Receive information on Change Orders to Anderson Dam Tunnel Project Construction Contract.

Chairperson Hsueh noted there were no change orders reported for the month of November 2021.

- 4.4. Receive a Status Update on the Implementation of Recommendations from the 2015 Consultant Contracts Management Process Audit Conducted by Navigant Consulting, Inc. (Navigant), the Fiscal Year 2017-2018 (FY17-18) status update Consultant Contracts Improvement Process and subsequent mid-year update for the Fiscal Year 2020-2021 (FY20-21) Consultant Contracts Improvement Process.

Recommendation: Receive a mid-year status update on the implementation of the recommendations made by Navigant in the 2015 Consultant Contracts Management Process Audit and the FY17-18 Consultant Contracts Improvement Process.

Ms. Tina Yoke, Chief Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo and corresponding presentation materials contained in Attachment 2.

Ms. Yoke reviewed the Consultant Contracts Management Process Audit key findings, accomplishments, work in progress and the audit status.

Regarding Attachment 2, Slide 9, Chairperson Hsueh asked for and received an explanation regarding goals to reach certain timelines, and industry or comparable agency standards. Ms. Yoke explained that she and her team were reviewing Valley Water's applicable key performance indicators and would make adjustments as necessary.

Director Estremera asked for and received an explanation regarding data gathering. Ms. Yoke explained how procurement requests were being monitored from the time they were submitted through approval and consultant performance.

It was noted that staff would provide an update on consultant contract compliance in March 2022.

- 4.5. Review 2021 and 2022 Capital Improvement Program Committee Work Plans and 2022 Proposed Meeting Schedule.

Recommendation: A. Review the 2022 Capital Improvement Program Committee Draft Work Plan and make adjustments, as necessary; and  
B. Confirm date for next CIP Meeting.

Chairperson Hsueh reviewed the information on this item, per the attached Committee Agenda Memo and corresponding presentation materials contained in Attachments 1 through 3.

The Committee made the following adjustments to the 2022 Work Plan:

- Add: Update on Consultant Contract Compliance – March 2022
- Add: Capitol Project Monitoring – Design/Permitting – January 2022

The Committee noted the 2022 Meeting Schedule with a correction to change the March 14 meeting to March 21, 2022.

4.6. Review Capital Project Monitoring - Design and Permitting Report.  
(Continued from November 15, 2021)

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

Chairperson Hsueh continued item 4.6 to the January 10, 2022 agenda.

**5. INFORMATION ITEMS.**

None.

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

Ms. Natalie Dominguez, Assistant Deputy Clerk II, read the new Committee Recommendations and Requests into the record, as follows:

Regarding Item 4.1:

- The Committee requested the following revisions to the presentation:
  - Attachment 3, Page 9: Revise for better clarity and to eliminate redundancies with regard to the FAHCE implementation and Metcalf and Ogier ponds projects.
  - Attachment 3, Slide 17: Add an additional column to describe planned expenditures per year, and use another term to describe surplus funds, e.g., unspent committee
- Convey to the Valley Water Board of Directors that the Committee has performed a thorough review of the Draft Preliminary Five-Year CIP for Fiscal Years 2023-2027 and project plan changes, which caused the project schedule and project estimated cost changes, and supports staff's recommended preliminary CIP, and supports suggested changes to the presentation as described above.

Regarding Item 4.2:

The Committee support staff's recommendations for proposed amendments to the following consultant agreements:

- Amendment No. 3 to Agreement A3936A with Associated Right of Way Services, inc., for On-Call Real Estate Services (Time Extension)
- Amendment No. 5 to Agreement A3851A between the Santa Clara Valley Water District and Environmental Science Associates for the Almaden Lake Project Environmental Consultant Services, Project No. 26044001 (Time Extension)

**7. ADJOURN**

7.1. Adjourn to Rescheduled Regular Meeting at 11:00 a.m., on January 10, 2022.

Chairperson Hsueh adjourned the meeting at 1:05 p.m., to the special meeting scheduled to occur at 11:00 a.m. on Monday, January 10, 2022.

Natalie F. Dominguez, CMC  
Assistant Deputy Clerk

Approved: