



CAPITAL IMPROVEMENT PROGRAM COMMITTEE

AMENDED MINUTES

WEDNESDAY, AUGUST 13, 2018
10:00 AM

(Paragraph numbers coincide with agenda item numbers)

A regular 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.

1. CALL TO ORDER/ROLL CALL:

1.1. Roll Call.

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

District 6 Director T. Estremera arrived as noted below.

Staff members in attendance were L. Orta, Senior Assistant District Counsel, T. Yoke, Interim Chief Operating Officer, Administrative Services, N. Dominguez, V. Gin, C. Hakes, G. Hall, N. Nguyen, K. Oven, B. Redmond, C. Sun, D. Taylor, and S. Tikekar.

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.

Chairperson Hsueh acknowledged receipt of the attached written comments from Mr. Doug Muirhead, Morgan Hill resident, regarding the August 14, 2017, Committee Item 4.1, identified as Handout 1.2-A, herein. Copies of the Handout were distributed to the Committee and made available to the public.

The Committee referred the Handout to staff to prepare a response, and requested staff provide the Committee with a copy of the response as an information item at the next meeting.

Director Estremera arrived.

2. APPROVAL OF MINUTES:

2.1. Approval of July 9, 2018, Meeting Minutes.

The Committee considered the attached minutes of the July 9, 2018, meeting. It was moved by Director LeZotte, seconded by Director Estremera, and unanimously carried that the minutes of July 9, 2018, be approved as presented.

3. ACTION ITEMS:

3.1 Discuss Environmental Justice Factor in the Prioritization Criteria for Capital Projects.

Mr. Ngoc Nguyen, Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo, and corresponding presentation materials contained in Attachments 1 through 3.

The Committee discussed the definition of economically disadvantaged communities provided by the California Department of Housing and Community Development and whether the definition met District objectives. Directors LeZotte and Estremera will look into and may send additional information on economically disadvantaged communities to staff for consideration.

The Committee requested staff investigate utilizing environmental justice criteria as a standalone category to demonstrate the Board's focus and emphasis in the decision-making process regarding the **Clean, Safe Water grant approval criteriacapital project implementation.**

Mr. Tim Guster, Great Oaks Water Company, inquired as to whether environmental justice considerations looked at the economic impact of the Capital Improvement Program on certain geographic locations within the District's jurisdiction.

Chairperson Hsueh explained that it was the Board's intent that when it allocates financial resources it needs to consider economically disadvantaged communities making sure that those communities are getting equal, and in some cases, additional resources from the overall allocation to have a positive impact on those communities.

3.2 Update on Alternative Revenue Sources for Water Utility and Watershed Projects.

Director LeZotte reviewed the information on this item, per the attached Committee Agenda Memo.

The Committee requested that discussion of Alternative Financing for Water Utility Enterprise projects be referred to the District Act Work Group.

3.3 Capital Projects Status Updates – Design.

Ms. Katherine Oven, Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachments 1 through 4 where reviewed by staff as follows: Ms. Oven reviewed Attachment 1, Capital Project Monitoring Report, Items 1 through 8, 11, 14 and 15, Attachment 2, Calero and Guadalupe Dams Seismic Retrofit Projects, Attachment 3, Construction Schedules for Dam Seismic Retrofit and Dam Improvements Projects, and Attachment 4, Upcoming Consultant Agreements or Amendments, Item 3; Mr. Nguyen reviewed Attachment 1, Capital Project Monitoring Report, Items 9, 10, 12, 13 and 16 through 18; Ms. Tina Yoke, Interim Chief Operating Officer, Administrative Services, reviewed Attachment 1, Capital Project Monitoring Report, Items 19 through 22; and Mr. Chris Hakes, Acting Deputy Officer, reviewed Attachment 4, Upcoming Consultant Agreements or Amendments, Items 1 and 2.

The Committee requested staff convey the Committee's support of the dam retrofit proposed project schedules to the full Board of Directors.

Mr. William Sherman, San Jose resident, discussed possible project risks and expressed appreciation for staff's efforts to help him better understand the projects.

The Committee noted the information, without formal action.

3.4 2018 Capital Improvement Committee Work Plan.

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

The Committee requested the 2018 Committee Work Plan be revised as follows:

- Remove Alternative Financing Water Utility Enterprise Projects from the Committee's Work Plan;
- Add a discussion regarding regulatory permits for projects in the Coyote Watershed; and
- Add a presentation on projects using a design/build approach.

Chairperson Hsueh confirmed the following upcoming meetings:

- September 10, 2018, at 10:00 a.m., at District Headquarters;
- October 15, 2018, at 10:00 a.m., at District Headquarters (rescheduled from October 8, 2018); and
- November 19, 2018, at 10:00 a.m., at District Headquarters (rescheduled from November 12, 2018).

4. INFORMATION ITEMS:

4.1. Response to Public Comment from D. Muirhead.

Chairperson Hsueh acknowledged staff's response to Mr. Muirhead's July 3, 2017 comments regarding the anticipated community impacts and availability of funding confidence levels for projects in the Fiscal Year 18-19 Five-Year Capital Improvement Plan.

The Committee noted the information without formal action.

5. ADJOURN:

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

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

Regarding Item 1.2:

The Committee referred the Handout to staff to prepare a response, and requested staff provide the Committee with a copy of the response as an information item at the next meeting.

Regarding Item 3.1:

Directors LeZotte and Estremera will look into and may send additional information on economically disadvantaged communities to staff for consideration.

The Committee requested staff investigate utilizing environmental justice criteria as a standalone category to demonstrate the Board's focus and emphasis in the decision-making process regarding the Clean, Safe Water grant approval criteria.

Regarding Item 3.2:

The Committee requested that discussion of Alternative Financing for Water Utility Enterprise projects be referred to the District Act Work Group.

Regarding item 3.3:

The Committee requested staff convey the Committee's support of the dam retrofit proposed project schedules to the full Board of Directors.

Regarding Item 3.4:

The Committee requested the 2018 Committee Work Plan be revised as follows:

- Remove Alternative Financing Water Utility Enterprise Projects from the Committee's Work Plan;
- Add a discussion regarding regulatory permits for projects in the Coyote Watershed; and
- Add a presentation on projects using a design/build approach.

5.2. Adjourn to Regular Meeting at 10:00 a.m., on September 10, 2018, 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 11:45 a.m., to the next regular meeting at 10:00 a.m., on September 10, 2018, in the District Headquarters Board Conference Room A-124, 5700 Almaden Expressway, San Jose, California.

[original signed by]

Natalie F. Dominguez, CMC
Assistant Deputy Clerk II

Approved: September 10, 2018