



CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE MEETING

MINUTES

**MONDAY June 12, 2017
10:00 AM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Capital Improvement Program (CIP) Committee was held at 10:00 a.m. on June 12, 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 4 Director Linda LeZotte, District 6 Director Tony Estremera, and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Also in attendance were District staff members Nicole Berrocal, Todd Bridgen, Hemang Dusai, Chris Hakes, Anthony Mendiola, Michelle Meredith, Ngoc Nguyen, Leslie Orta, Katherine Oven, Afshin Rouhani, Darin Taylor, and Sudhanshu 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 May 8, 2017 meeting.

Chairperson Hsueh requested that the minutes be revised to remove Bullets 2 and 3 from Page 2, Bullet Set 1, under the heading ...*the Committee made the following requests:*

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

4. ACTION ITEMS

4.1 REVIEW AND DISCUSS PROJECTS AND FUNDING IN THE WATERSHED CAPITAL PROGRAM (FUND 12 & FUND 26) FOR THE FISCAL YEAR 2018-22 CAPITAL IMPROVEMENT PROGRAM.

Mr. Ngoc Nguyen, Interim Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memorandum and corresponding attachment materials.

By deriving unfunded project information from Attachments 1 and 2, facilitating Committee and staff discussion on finance options, and using the whiteboard in the room, Chairperson Hsueh devised the following lists:

Capital Improvement Program Commitments Without Adequate Funding

Line No.	Project Description
2	San Francisquito Creek (Hwy 101 to Searsville Dam) from 30 year protection to 100 year protection
6	Coyote Creek (Montague – 280 [Tully])
7	Upper Penitencia (Coyote Confluence to Dorel Dr.)
8	Llagas Creek Reach 14 (East Little Llagas Creek)
9	SF Bay Shoreline EIA 1 – 10
10	Berryessa (Lower Pen Confluence – Calaveras) Phase 3 Calera Creek & Tularcitos
11	Watershed Assets Rehabilitation
13	Almaden Lake/Creek Separation
14a	Ogier Ponds Lake/Creek Separation
14b	Metcalf Pond
14c	Stevens Creek Multiple Fish Barriers
15	Construct 3 Geomorphic Designed Projects for Bank Stability
16	Conservation of Habitat Land

Financial Resources

Board Authority	Outside District Control
Stop Project	Redevelopment \$
Min. Effort Until Funding is Available	Federal, State and Local Funding
Reduce Project Scope	
Planned FAHCE Implementation \$	
Open Space Credit ~\$9M/year	
SCW D4 Fish Habitat and Passage Improvement	
SCW D6 Creek Restoration and Stabilization	
SCW D7 Conservation of Habitat Lands	

The Committee identified Line Nos. 6, 7, 10, 11, and 13, and 14a, 14b, and 14c, as priorities, and requested that staff investigate the feasibility of the following alternative funding sources:

- For Line No. 13, Redevelopment Agency funding.
- For Line Nos. 14a, 14b, 14c, FAHCE funding.
- For Line Nos. 10, 11, Open Space Credit reductions.
- For Line No. 7, FAHCE or SCW D4, D6, or D7.
- For Line No. 13, possible components for FAHCE funding.
- For Lines No. 15 and 16, incorporate as a component of Line No. 7.

Additionally, the Committee made the following requests of staff:

- Staff is to approach the County to establish estimated future Redevelopment Successor Agency funding that may become available, for future planning processes.
- Staff is to come back with information regarding the number of parcels to be protected by the Lower and Upper Berryessa Creek Projects.
- Staff is to come back with proposals for reducing the Open Space Credit in a logical manner and that minimize impacts to the agricultural community.
- Staff is to come back with information regarding potential impacts of not undertaking the East Little Lagas Project.
- Staff is to come back with information on activities that are included and schedule for the \$140 M estimated for FAHCE implementation.
- Staff is to investigate opportunities to complete Line Nos. 15 and 16, Construction of three geomorphic designed projects for bank stability, and conservation of habitat land, as part of Line No. 7, Upper Penitencia Creek (Coyote Confluence to Dorel Dr.).
- Staff is to investigate the possibility of FAHCE funding for Line No. 7, Upper Penitencia Creek (Coyote Confluence to Dorel Dr.).

Chairperson Hsueh continued discussion to the July 10, 2017 meeting.

4.2 RECEIVE INFORMATION ON CAPITAL PROJECT CONSULTANT AGREEMENTS

Ms. Katherine Oven, Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memorandum; confirmed her intent to regularly brief the Committee on amendments to consultant agreements prior to bringing them to the Board; and provided a brief status on amendments planned to be brought to the Board during the July 11, 2017 regular meeting, for the Anderson Dam and Calero Dam Seismic Retrofit Projects.

Director LeZotte requested that staff include the following information in future Board items for amendments to consultant agreements: a statement that confirms the amendment does not include work already included in the original scope of work; more detail as to why the amendment is necessary; and information on any portion of the project scope or funding that was not completed within the original agreement and is included in the amendment at hand.

Director Estremera confirmed, consistent with his role as the Board Audit Committee Chairperson, that he would place the Consultant Contract Management Process Audit, dated March 10, 2015, by Navigant, on an upcoming Board Audit Committee agenda, to determine if gaps identified by the audit had been successfully resolved.

Chairperson Hsueh confirmed she would advise the Board of the Committee's recommendation to refer the Navigant audit to the Board Audit Committee.

5. REVIEW AND DISCUSS 2017 COMMITTEE WORK PLAN

The Committee noted the Work Plan without formal action.

6. DISCUSSION OF NEXT COMMITTEE MEETING AGENDA AND SCHEDULE

Chairperson Hsueh confirmed that the next Committee meeting would be held on July 10, 2017, at 10:00 a.m.

7. ADJOURN

Chairperson Hsueh adjourned the meeting at 11:45 a.m., to the 10:00 a.m., Monday July 10, 2017, meeting, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose.

[Original Signed By]

Michelle Meredith
Deputy Clerk of the Board

Approved: 07/10/17