

February 23, 2016

**TO: SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION PROGRAM,
INDEPENDENT MONITORING COMMITTEE**

Jurisdiction

District 1

District 2

District 3

District 4

District 5

District 6

District 7

Appointment

Member

Julie Hutcheson

Marc Klemencic

Kathleen Sutherland

Mark Espinoza

Tony Santos

Debbie Cauble

Hon. Joe Head

Bill Hoeft

Eileen McLaughlin

Hon. Patrick Kwok

Hon. Dan McCorquodale

Tess Byler

Kit Gordon

Jimmy Nguyen

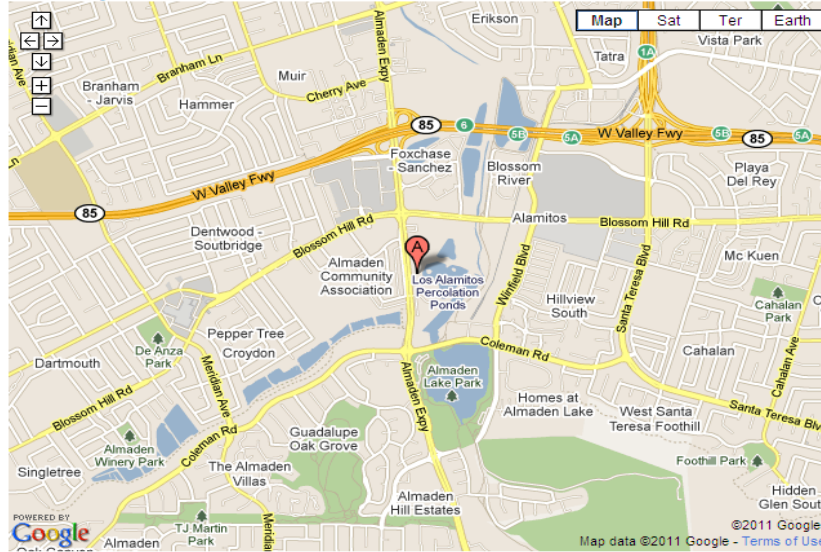
The Safe, Clean Water and Natural Flood Protection Program, Independent Monitoring Committee meeting is scheduled to be held on **Wednesday, March 2, 2016, at 4:00 p.m.**, in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California. Dinner will be served.

Enclosed are the meeting agenda and corresponding materials. Copies of this packet will be available at the meeting. The meeting packet can also be viewed on-line at <http://www.valleywater.org/SCWIMCmeetings.aspx>.

Please confirm your attendance by contacting Glenna Brambill at 1-408-630-2408, or gbrambill@valleywater.org.

Enclosures

Santa Clara Valley Water District - Headquarters Building
5700 Almaden Expressway, San Jose, CA 95118



From Oakland:

- Take 880 South to 85 South
- Take 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Morgan Hill/Gilroy:

- Take 101 North to 85 North
- Take 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- Cross Blossom Hill Road
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Sunnyvale:

- Take Highway 87 South to 85 North
- Take Highway 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From San Francisco:

- Take 280 South to Highway 85 South
- Take Highway 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Downtown San Jose:

- Take Highway 87 - Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (first traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Walnut Creek, Concord and East Bay areas:

- Take 680 South to 280 North
- Exit Highway 87-Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**Committee Officers**

Kathy Sutherland, Committee Chair
Patrick Kwok, Committee Vice Chair

Board Representative

Barbara Keegan, Board Representative
John L. Varela, Board Alternate

AGENDA

Safe, Clean Water and Natural Flood Protection Program (SCW)
Independent Monitoring Committee

WEDNESDAY, March 2, 2016

4:00 p.m.

Santa Clara Valley Water District
Headquarters Building Boardroom
5700 Almaden Expressway
San Jose, CA 95118

1. Call to Order (Chair Sutherland)
2. Roll Call (Committee Liaison)
3. Time Open for Public Comment on Any Item Not on Agenda
4. Approval of Minutes – January 27, 2016, meeting
5. Presentation by staff (Rechelle Blank/Debra Caldon) on Project D4 and the interconnectivity among the following topics:
 - a. Water rights
 - b. Almaden Lake Improvements Project (creek/lake separation project)
 - c. Fisheries and Aquatic Habitat Collaborative Effort (FAHCE)
6. Review IMC's Draft Report 2 of the FY15 SCW Annual Report (Chair Sutherland)
7. Approve Finalization of Draft Report 2 (Chair Sutherland)
8. Next Steps
 - d. IMC Report on the FY15 SCW Annual Report Finalized by March 10, 2016
 - e. IMC Chair presents IMC Report to Board of Directors on March 22, 2016
9. Review and Clarification of Action Items (Committee Liaison)
10. Adjourn

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SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION PROGRAM
INDEPENDENT MONITORING COMMITTEE

DRAFT MINUTES

WEDNESDAY, JANUARY 27, 2016

(Paragraph numbers coincide with agenda item numbers)

A regularly scheduled meeting of the Safe, Clean Water and Natural Flood Protection Program Independent Monitoring Committee was held on January 27, 2016, in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

1. CALL TO ORDER

Chair Kathleen Sutherland called the meeting to order at 4:14 p.m. Chair Kathleen Sutherland called the meeting to order at 4:26 p.m.

2. ROLL CALL

No Quorum at 4:16 p.m. Quorum was established at 4:26 p.m. with the following:

Members in attendance were:

<u>Jurisdiction</u>	<u>Representative</u>	<u>Representative</u>
District 1	Julie Hutcheson*	
District 2	Marc Klemencic	Kathleen Sutherland
District 4	Hon. Joe Head	
District 5	Bill Hoeft	Eileen McLaughlin
District 6	Hon. Patrick S. Kwok	
District 7	Tess Byler	
Appointment	Jimmy Nguyen*	

Members not in attendance were:

<u>Jurisdiction</u>	<u>Representative</u>
District 3	Tony Santos
District 4	Debra Cauble
District 6	Hon. Dan McCorquodale
District 7	Kit Gordon

*Committee Members arrived as indicated below.

No Board members were in attendance.

Staff members in attendance were: Ricardo Barajas, Rechelle Blank, Glenna Brambill, Brett Calhoun, Jessica Collins, Jerry De La Piedra, Vanessa De La Piedra, Chris Elias, Stephen Ferranti, Jesus Nava, Ngoc Nguyen, Katherine Oven, Melanie Richardson, Marynka Rojas, Darin Taylor, Paul Thomas, Doug Titus, Jose Villarreal, Kristen Yasukawa, and Sarah Young.

3. TIME OPEN FOR PUBLIC COMMENT

There was no one present who wished to speak.

*Mr. Jimmy Nguyen arrived at 4:25 p.m.

4. APPROVAL OF MINUTES

It was moved by Mr. Bill Hoeft, and seconded by Ms. Eileen McLaughlin, and unanimously voted to approve the minutes of the December 2, 2015, Safe, Clean Water and Natural Flood Protection Program Independent Monitoring Committee meeting, as presented.

5. PLANNING GRANTS UPDATE

Ms. Sarah Young presented the Committee with an update on the grants program.

6. OUTCOME OF SUBCOMMITTEE MEETINGS

The Subcommittee Chairs presented the Committee with an overview of their respective Priorities (Hon. Patrick Kwok for Priorities A and B, Mr. Bill Hoeft for Priorities C and E, Ms. Eileen McLaughlin for Priority D, Mr. Jimmy Nguyen for Other Projects). Ms. Rechelle Blank, Mr. Brett Calhoun, Ms. Jessica Collins, Ms. Vanessa De La Piedra, Mr. Chris Elias, Ms. Katherine Oven, Ms. Melanie Richardson, Mr. Darin Taylor Ms. Sarah Young were available to answer questions.

Hon. Patrick Kwok left the meeting at 5:40 p.m., and did not return.

Hon. Joe Head left the meeting at 5:45 p.m., and did not return.

*Ms. Julie Hutcheson arrived at 6:03 p.m.

7. NEXT STEPS

a. Updated Schedule

Ms. Jessica Collins reviewed the updated schedule along with key deadlines.

b. Draft Report 2 (Next Meeting)

Chair Kathleen Sutherland informed the next Committee meeting would be, Wednesday, March 2, 2016 at 4:00 p.m. to review the Draft Report 2.

8. REVIEW AND CLARIFICATION OF ACTION ITEMS

Ms. Glenna Brambill reported there were no action items for Board consideration.

9. ADJOURNMENT

Chair Kathleen Sutherland adjourned the meeting at 6:41 p.m.

Glenna Brambill
Office of the Clerk of the Board

Approved:

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Safe, Clean Water and Natural Flood Protection Program

Independent Monitoring Committee

Kathy Sutherland, Chair
Patrick Kwok, Vice Chair

Lonnie Gross
Tony Santos
Kit Gordon

Joe Head
Tess Byler
Bill Hoeft

Marc Klemencic
Julie Hutcheson
Jimmy Nguyen

Dan McCorquodale
Eileen McLaughlin
Debra Cauble

March XX 2016

To: Santa Clara Valley Water District Board of Directors,

The Independent Monitoring Committee (IMC) is pleased to present its second annual report of the *Safe, Clean Water and Natural Flood Protection Program* (SCW) FY 2014-15 to the Board.

The IMC consists of members of the public appointed by the Santa Clara Valley Water District Board of Directors (Board). Its annual report is intended to add further transparency and public accountability to the implementation of the SCW program. The IMC reviews the SCW annual report after it has been presented to and accepted by the Board. The IMC report looks back at the prior year to ensure that funds from SCW are spent according the voter approved priorities identified in Measure B and that projects are moving forward in a timely manner. The IMC understands the importance of its role and is committed to a thoughtful and thorough review of the SCW program's annual report. The IMC's findings also include recommendations to help meet the priorities of the program within the approved budget. Its report is presented to the Board and is available to the public.

The first IMC report for FY 2013-14 identified general challenges and concerns with the timing of the report, the permitting process, the uncertainty of partnerships for large capital projects, and the impact of climate extremes. We are very pleased that District staff presented the FY 2014-15 report to the Board for acceptance in September of 2015 and to the IMC for review in November of 2015. The IMC understands that issues of the permitting process, partnerships and climate extremes are complex and frequently beyond the control of the District yet they greatly impact the District's ability to complete projects on time and on budget.

The IMC met on December 2, 2015, and agreed to continue the subcommittee reporting process and re-elected the Chair and Vice Chair (Ms. Kathy Sutherland and Hon. Patrick Kwok respectively). District staff presented information regarding the change management process, an update on the regulatory permitting process, an overview of the Valley Habitat Plan and the SCW grant program as requested by the IMC at the close of the FY 2013-14 annual review. At the request of the committee, District staff also provided opportunities for IMC members to visit select SCW project sites over the summer months.

Subcommittees met with District staff during the first two weeks of January 2016 and presented the findings to the IMC as a whole on January 27, 2016. IMC members agreed that Chairs of each subcommittee lead by the Chair of the IMC draft the second IMC report to the Board. The draft report was presented to the IMC as a whole on March 2, 2016, for final review and approval.

The Challenges, Concerns and IMC General Recommendations from Year 1, with the exception of the Timing of the Annual Report, will likely continue throughout the entire SCW program.

The Annual Report Format recommendations in Year 2 call for additional information to improve the depth of future reports and better demonstrate overall trends in spending and accomplishments.

Attached is a review of each specific project and IMC would like to note the following areas of concern:

- Nitrate System Rebate Program
- Aggressive use of funding for creek and river trash removal leading to the high probability of no funding during the final years of SCW
- Proposed improvements to fish passage and to reduce mercury concentration in target fish at Almaden Lake
- Limited role of the IMC regarding the Anderson Dam Seismic Retrofit since the KPI is limited to providing funding
- Berryessa Creek Flood Protection and the importance to the opening of the Berryessa BART station

The detailed comments, concerns and recommendations are attached.

With its review of the Safe, Clean Water and Natural Flood Protection Fiscal Year 2014-2015 Year 2 report completed, the IMC agrees with the status of the projects, is pleased with the incorporated recommendations from Year 1 and the improved content of the report and thanks the Board and staff for the support of the IMC recommendations in Year 1. The IMC encourages the Board to give strong consideration to implementing its recommendations for Year 2.

The IMC thanks District staff for their support facilitating the meetings, answering questions, and providing additional information.

Sincerely,

Kathleen Sutherland, Chair
Independent Monitoring Committee

Challenges, Concerns and IMC General Recommendations

Updated from the first annual report

Timing of the Annual Report –

The IMC thanks staff for providing the second annual report within the requested timeframe.

Challenges and concerns regarding Permitting, Partnerships and Climatic Extremes as described below in the IMC's first Annual Report will likely continue throughout the life of the SCW program. The IMC thanks staff for their support of the recommendations for improvement in each of these areas.

Permitting –

The majority of capital projects in the Annual Report require permits from regulatory agencies and obtaining these permits in a timely manner can be a challenge. Permit delays can increase construction costs and erode the public's trust.

- The IMC recommends the District continue to look for new ways to reduce or eliminate permitting delays and provide the public with clear information about the timeline for each project including specific information about how long the District has been waiting for permits from other agencies and steps taken to address the delays.
- The IMC recommends staff develop an action plan to make sure all options to address permit delays have been explored and include that information in the next Annual Report.

Partnerships –

Large capital projects cannot be funded solely by the District and can rely heavily on funds from outside agencies. There are two areas which can prove challenging to the successful completion of these types of projects.

Funding – Funding from outside agencies is not always guaranteed nor is it always delivered at the projected time.

Local Priorities –

- The IMC recommends the District continue to develop projects that reflect our local priority of enhancing and improving the condition of our rivers and creeks while providing the necessary flood protection.

Climatic Extremes -

Drought

The effect of the drought on stream flow, water quality and vegetation restoration has created challenges for meeting specific KPIs in several projects. For the District as a whole, the immediate need for staff to address the impacts of the drought on available water has diverted staff time from the program to the pressing need to conserve and find other sources of water.

- The IMC recommends the District re-evaluate the timing and costs of projects significantly affected by the drought.
- The IMC recommends the District provide information about how the need to address our critical water shortage has affected staff time for the Safe, Clean Water and Natural Flood Protection Program.

IMC Recommendations - Annual Report Format

Annual Financial Summary Fiscal Year

Expand this information to include columns for total budgeted amount for the entire SCW program (15 years) and % of the total budgeted amount spent to date.

Key Performance Indicators (KPI) - completed

Clearly identify completed KPIs with month and year completed for each project.

Confidence Level –

Where appropriate also include separate Confidence Level for Permitting, Funding, Scheduling, and Jurisdictional Complexity.

Format all Confidence Level sections as in Project A1. (See page 39)

Additional IMC Support –

- Continue to provide opportunities for IMC members to visit projects to obtain a clearer understanding of each Project.
- Provide more information and presentations when appropriate regarding the following projects:
 - A2 – Nitrate Treatment System Rebate Program including detailed outreach information to well users
 - B1 – Trash map presentation
 - D2 – Presentation on plant palettes and possible users
 - D4- Fish Habitat and Passage Improvement including information regarding Water Rights, creek/lake separation at Almaden Lake and the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE),
- Report from the Board Ad Hoc committee focused on addressing needs of the homeless and the impacts to the rivers and creeks.
- Provide information regarding how and when the IMC can best make recommendations to revise KPIs.



Priority A
Ensure a Safe, Reliable Water Supply

Project:		Status:	Comment:
A1	Main Avenue and Madrone Pipelines Restoration	On Target	<p>IMC agrees with project status. Recommendations are:</p> <ul style="list-style-type: none">- IMC requests that in the FY2016 Annual Report, the financial explanation reflects the 2012 estimated cost, adjusted for inflation to 2018, because the project completion date has been moved up from 2025 to 2018.- IMC recommends that the FY2016 Annual Report include the explanation that this is partial funding, with Water Utility Enterprise fund paying for the remainder of the total project cost.

Project:		Status:	Comment:
A2	Safe, Clean Water Partnerships and Grants	On Target	<p>IMC agrees with project status. Recommendations are:</p> <p><u>Water Conservation Grant Program</u> Include table of grants in next year's report.</p> <p><u>Nitrate Treatment System Rebate Program</u> The cost/benefit ratio is of concern for the Nitrate Treatment System Rebate Program. Despite staff efforts and an increase in the rebate incentive, there has not been an equivalent response from the targeted community. Labor for the project cost approximately \$24,000, while only \$1,049 in rebates were issued. The IMC recommends that the district continue to find new ways to reach out to the community and will reevaluate the project status next year.</p>
A3	Pipeline Reliability Project	Scheduled to begin in 2025	<p>IMC agrees with project status. Recommendations are:</p> <ul style="list-style-type: none"> - The IMC requests that the Board consider the financial benefits/impacts of moving this project up to an earlier date, subject to staff availability or outsourcing opportunities. Additionally, there may be opportunity to do individual sites in conjunction with other water district projects.



Priority B Reduce Toxins, Hazards and Contaminants in Our Waterways

Safe, Clean Water
and Natural Flood Protection

Project:		Status:	Comment:
B1	Impaired Water Bodies Improvement	On Target	IMC agrees with status. No recommendation, however IMC suggests: <ul style="list-style-type: none">– Staff present on trash maps during the first IMC meeting for review of the FY2016 Annual Report.
B2	Interagency Urban Runoff Program	On Target	IMC agrees with status. No recommendation.
B3	Pollution Prevention Partnership and Grants	On Target	IMC agrees with status. No recommendation.

Project:		Status:	Comment:
B4	Good Neighbor Program: Illegal Encampment Cleanup	On Target	<p>IMC agrees with status. Recommendations are:</p> <ul style="list-style-type: none"> - Ad Hoc Committee review and analyze project funding trajectory in light of the complexity of the issue and potential funding sources within and outside of the water district. - Measure B funds be used according to KPI's, unless project is modified through a public hearing. - Staff presentation during the first IMC meeting for review of the FY2016 Annual Report on funding trajectory and Ad Hoc Committee outcomes. - FY2016 project report should include comment on funding trajectory. - FY2016 project report should include total amount of trash removed per year using consistent measurement throughout SCW projects, where applicable.
B5	Hazardous Materials Management and Response	On Target	IMC agrees with status. No recommendation.
B6	Good Neighbor Program: Remove Graffiti and Litter	On Target	<p>IMC agrees with status. Recommendations are:</p> <ul style="list-style-type: none"> - FY2016 project report should include total amount of trash removed per year using consistent measurement throughout SCW projects, where applicable. - Include a graph showing year to year amounts of litter/trash collected/removed.
B7	Support Volunteer Cleanup Efforts and Education	On Target	IMC agrees with status. No recommendation.



Priority C

Protect our Water Supply from Earthquakes and Natural Disasters

Project:		Status:	Comment:
C1	Anderson Dam Seismic Retrofit	On Target	IMC agrees with status. No recommendation.
C2	Emergency Response Upgrades	On Target	IMC agrees with status. No recommendation.

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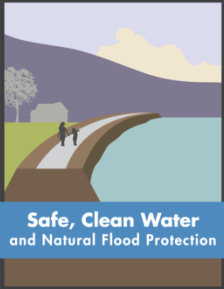


Priority D

Restore Wildlife Habitat and Provide Open Space

Project:		Status:	Comment:
D1	Management of Revegetation Projects	On Target	IMC agrees with status. No recommendation.
D2	Revitalize Stream, Upland and Wetland Habitat	On Target	<p>IMC agrees with status. No recommendation, however IMC suggests:</p> <ul style="list-style-type: none"> – Staff present on the plant palette and possible users during the first IMC meeting for review of the FY2016 Annual Report. – Staff creates a matrix of the plant palette by species (animal, insect, bird) and that it be made available on the website. – Staff includes maps of Stream Maintenance Program locations on the website.
D3	Grants and Partnerships to Restore Wildlife Habitat and Provide Access to Trails	On Target	<p>IMC agrees with status. No recommendation, however IMC suggests:</p> <ul style="list-style-type: none"> – Staff add column to the FY2016 Annual Report table to show total project cost. – Staff edits the description of the Outdoor Learning Center and Creek Side Valley Loop Trail project to emphasize the trail/trail access and open space components.

Project:		Status:	Comment:
D4	Fish Habitat and Passage Improvement	On Target	<p>IMC agrees with status. No recommendation, however:</p> <ul style="list-style-type: none"> - To better understand the present scope of the project, the IMC has requested a presentation on and relationship among: <ul style="list-style-type: none"> o Water rights o Almaden Lake Improvements Project (creek/lake separation project) o Fisheries and Aquatic Habitat Collaborative Effort (FAHCE)
D5	Ecological Data Collection and Analysis	On Target	<p>IMC agrees with status. No recommendation, however IMC suggests:</p> <ul style="list-style-type: none"> - Staff make available other forms of public notice/educational material highlighting the success and value of the Project and other SCW projects.
D6	Creek Restoration and Stabilization	Scheduled to start FY18	IMC agrees with status. No recommendation.
D7	Partnerships for the Conservation of Habitat Lands	On Target	IMC agrees with status. No recommendation.
D8	South Bay Salt Ponds Restoration Partnership	On Target	IMC agrees with status. No recommendation.



Priority E

Provide Flood Protection to Homes, Businesses, Schools and Highways

Project:		Status:	Comment:
E1	Vegetation Control and Sediment Removal for Flood Protection	On Target	IMC agrees with status. No recommendation, however, IMC did note an error in the title of the graph on page 75 of the FY2015 Annual Report.
E2	Emergency Response Planning	On Target	IMC agrees with status. No recommendation.
E3	Flood Risk Reduction Studies	On Target	IMC agrees with status. No recommendation.
E4	Upper Penitencia Creek Flood Protection Coyote Creek to Dorel Drive – San José	Adjusted	IMC agrees with status. No recommendation.
E5	San Francisquito Creek Flood Protection San Francisco Bay to Middlefield Road – Palo Alto	On Target	IMC agrees with status. IMC recognizes: <ul style="list-style-type: none"> – The challenges brought on by the jurisdictional complexity of this project. While Safe, Clean Water is a key funding source, the District is only one of five entities that comprise the joint powers authority, which is the decision making authority for the project.

Project:		Status:	Comment:
E6	Upper Llagas Creek Flood Protection Buena Vista Avenue to Wright Avenue – Morgan Hill, San Martin, Gilroy	Adjusted	IMC agrees with status. IMC recommends: <ul style="list-style-type: none"> – Adding Phase 1 to the schedule and updating the map to show project reaches.
E7	San Francisco Bay Shoreline Study Milpitas, Mountain View, Palo Alto, Santa Clara and Sunnyvale	On Target	IMC agrees with status. IMC recommends that the FY2016 Annual Report include: <ul style="list-style-type: none"> – Geographic area as part of the project description. – An explanation that EIAs 1-10 are a moving target and will be separated out. – Clarification of the planning process.
E8	Upper Guadalupe River Flood Protection Highway 280 to Blossom Hill Road – San José	On Target	IMC agrees with status. IMC recommends that the FY2016 Annual Report include: <ul style="list-style-type: none"> – An updated map showing the project reaches.



Other Capital Flood Protection Projects and Clean, Safe Creeks Grants Projects

Project:	Status:	Comment:
Permanente Creek Flood Protection San Francisco Bay to Foothill Expressway – Mountain View	Adjusted	IMC agrees with status. No recommendation.
Sunnyvale East and Sunnyvale West Channel Flood Protection San Francisco Bay to Inverness Way and Almanor Avenue -- Sunnyvale	Adjusted	IMC agrees with status. No recommendation.
Berryessa Creek Flood Protection Calaveras Boulevard to Interstate 680 – Milpitas and San José	On Target	IMC agrees with status. No recommendation.
Coyote Creek Flood Protection Montague Expressway to Interstate 280 – San José	Not On Target	IMC agrees with status. No recommendation.
Calabazas Creek Flood Protection Miller Avenue to Wardell Road – Sunnyvale	On Target	IMC agrees with status. No recommendation.
Clean, Safe Creeks Grants Projects	On Target	IMC agrees with status. No recommendation.