

CAPITAL IMPROVEMENT PROGRAM COMMITTEE MEETING

AMENDED MINUTES

MONDAY, OCTOBER 19, 2020
10:00 AM

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER/ROLL CALL

A regular meeting of the Santa Clara Valley Water District (Valley Water) Capital Improvement Program Committee (Committee) was called to order via Zoom video conference at 10:00 a.m.

1.1 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.

Staff members in attendance were Michele King, Clerk, Board of Directors, J. Aranda, A. Baker, L. Bankosh, S. Berning, W. Blackard, R. Blank, J. Collins, M. Cook, J. Del La Piedra, N. Dominguez, R. Fuller, M. Ganjoo, C. Hakes, L. Hoang, J. Martin, H. McMahon, A. Nicholas, L. Orta, M. Potter, M. Richardson, L. Rossiter, D. Taylor, S. Tippets 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 item not on the agenda.

Mr. William Sherman, San Jose resident discussed questions he received from his community regarding **Proposition Measure S**, Safe, Clean Water and Natural Flood Protection Program, regarding why this measure on the ballot now and why it is presented as an ongoing program and does not have a sunset date to end the program.

The Committee referred Mr. Sherman's questions to staff to prepare a response.

3. APPROVAL OF MINUTES.

3.1. Approval of September 14, 2020 Meeting Minutes.

Recommendation: Approve the minutes.

The Committee considered the attached minutes of the September 19, 2020 meeting. It was moved by Director LeZotte, seconded by Director Estremera, and carried that the minutes be approved as presented.

4. ACTION ITEMS

4.1. Capital Project Monitoring - Design.

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

Chair Hsueh reviewed the information on this item, per the attached Committee Agenda Memo, and corresponding presentation materials contained in Attachment 1 were reviewed by staff as follows: Mr. Chris Hakes, Deputy Operating Officer, reviewed items 1 through 3, Mr. Heath McMahon, Deputy Operating Officer reviewed Items 4 through 9, Ms. Rechelle Blank, Deputy Operating Officer, reviewed Items 10 – 22.

Regarding Item 8, South County Recycled Water Pipeline, staff reported the project design is nearing 100 percent completion and ready for advertisement in 2021. The Committee advised staff of the Board's long-term concern of continued investments in the South County recycled water program, and that it was likely the Board would not approve advertisement until agreements are reached with Morgan Hill/Gilroy on governance issues. Staff reported they were working to resolve issues with governance structure, policy, and project cost share. Letters have been sent to the cities of Gilroy and Morgan Hill inviting them to meet with Valley Water to discuss the project.

The Committee noted the information without formal action.

4.2. Review Capital Project Delivery Process.

Recommendation: A. Review and discuss the addition of the following Board engagement points into the Capital Project Delivery Process for capital projects with unusually complex fiscal, jurisdictional, environmental, or community considerations:

- i. During the Planning/Feasibility Phase, after identification of the Feasible Alternatives, but before selection of the Recommended Alternative, bring forward a presentation to the Capital Improvement Program (CIP) Committee regarding the Feasible Alternatives and staff's initially proposed Recommended Alternative

- and, if recommended by the CIP Committee, present to the Board for feedback in order to inform the selection of the Recommended Alternative; and
 - ii. For the projects for which the Board provided feedback regarding the Recommended Alternative, should changes to the project occur during the Planning and initial Design Phases that result in a significant deviation from the Recommended Alternative, staff will return to both the CIP Committee and the Board to provide information and receive feedback, as necessary, prior to the public review of the California Environmental Quality Act (CEQA) document.
- B. Recommend presenting these additional Board engagement/approval points to the Board for consideration, or provide alternative recommendations and feedback, as necessary.

Ms. Jessica Collins, Business Planning and Analysis Manager, reviewed the information on this item, per the attached Committee Agenda Memo, and corresponding presentation materials contained in Attachment 1.

The Committee directed staff modify the Project Delivery Process (Attachment 1) to differentiate between Board engagement information and action points and bring this back to the Committee for further discussion.

The Committee directed staff identify current projects per the Project Delivery Process that are good candidates for Board engagement during the planning/design phase.

4.3. Overview of the Annual Capital Improvement Program Process and Integrated Financial Planning Schedule for Capital Projects, and Review of the Fiscal Year 2021-22 (FY22) Currently Unfunded Projects.

- Recommendation:
- A. Receive overview of the Annual Capital Improvement Program Process and Integrated Financial Planning Schedule; and
 - B. Review list of Currently Unfunded Capital Projects.

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

The Committee requested the Preliminary Capital Improvement Program presentation to the Board include a clear depiction of the status of the South County Recycled Water Pipeline project and funding scenario.

4.4. Receive information on Upcoming Consultant Agreement Amendments for Capital Projects.

Recommendation: Receive information on upcoming consultant agreement amendments for capital projects.

Ms. Lisa Bankosh, Acting Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo.

The Committee noted the information without formal action.

4.5. Review 2020 Capital Improvement Committee Work Plan.

Recommendation: Review the 2020 Capital Improvement Program Committee Work Plan, and make adjustments as necessary.

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

Chair Hsueh noted the following items to be included in the November 9, 2020 CIP Committee agenda, in addition to standing items:

- Capital Project Monitoring – Planning/Feasibility
- Review Project Delivery Process for Capital Projects
- Review Significant Project Plan Updates

5. INFORMATION ITEMS.

None.

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

Ms. Natalie Dominguez, Assistant Deputy Clerk II, confirmed there were no new Committee Recommendations and Requests for Board consideration.

The following direction to staff was recorded:

Item 4.2:

- The Committee directed staff modify the Project Delivery Process (Attachment 1) to differentiate between Board engagement (information) and action points and bring this back to the Committee for further discussion.
- The Committee directed staff identify current projects per the Project Delivery Process that are good candidates for Board engagement during the planning/design phase.

Item 4.3:

The Committee requested the Preliminary Capital Improvement Program presentation to the Board include a clear depiction of the status of the South County Recycled Water Pipeline project and funding scenario.

7. ADJOURN

Chairperson Hsueh adjourned the meeting at 11:40 a.m., to the next scheduled meeting at 10:00 a.m., on Monday, November 9, 2020, via Zoom video teleconference.

[original signed by]
Natalie F. Dominguez, CMC
Assistant Deputy Clerk II

Approved: 11/9/20