

**CAPITAL IMPROVEMENT PROGRAM COMMITTEE MEETING**

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# MINUTES

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**MONDAY, MAY 17, 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 11:00 a.m.

1.1 Roll Call.

Committee members attending by videoconference: District 4 Director Linda LeZotte and District 6 Director Tony Estremera. Committee members in attendance in Conference Room A-124: District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

Staff members in attendance in Conference Room A-124: N. Dominguez, Assistant Deputy Clerk II. Staff attending by videoconference: J. Aranda, E. Aryee, A. Baker, S. Berning, R. Blank, J. Bourgeois, T. Bridgen, J. Collins, M. Cook, S. Ferranti, A. Fraumeni, B. Ganjoo, M. Ganjoo, A. Gschwind, C. Hakes, J. Martin, H. McMahon, D. Montenegro, D. Mody, C. Narayanan, M. Potter, M. Richardson, L. Rossiter, D. Taylor, S. Tippetts, K. Williams, K. Wong, 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. There was no one present who wished to speak.

**3. APPROVAL OF MINUTES**

3.1. Approval of April 26, 2021 Meeting Minutes.

Recommendation: Approve the minutes.

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

#### 4. ACTION ITEMS

##### 4.1. Review Capital Project Monitoring – Design and Permitting Report

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

Mr. Chris Hakes, Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo, and corresponding presentation materials contained in Attachment 1 were reviewed as follows: Mr. Hakes reviewed Item 1 and 2; Mr. Heath McMahon, Deputy Operating Officer reviewed Items 3 through 10, Ms. Rechelle Blank, Deputy Operating Officer, reviewed Items 11 through 22.

Regarding Item 8, South County Recycled Water Pipeline, Chairperson Hsueh asked for and received clarification on the governance issues with regard to Gilroy and Morgan Hill, and grant funding.

Regarding Item 14, E8: Upper Guadalupe River – SPRR to Blossom Hill Road, Director LeZotte asked for and received clarification of Alternative Milestone meetings with regard to United States Army Corps of Engineers (USACE) project partnership.

Regarding Item 17, San Francisco Bay Shoreline, EIA 11 – Alviso Slough to Coyote Creek Bypass, Director LeZotte asked for and received clarification regarding the City of San Jose's sludge ponds and Pacific, Gas and Electric's utility lines; and Chairperson Hsueh asked for and received clarification of the bid process being managed by the USACE.

The Committee noted the information, without formal action.

##### 4.2. Anderson Dam Tunnel Project Construction Contract Contingency Sum Delegated Authority.

Recommendation: Receive information and discuss delegating authority for the Anderson Dam Tunnel Project change order contingency sum.

Mr. Hakes reviewed the information on this item, per the attached Committee Agenda Memo.

It was moved by Chairperson Hsueh, seconded by Director Estremera, and unanimously carried by roll call vote that the Committee recommend the Board consider delegating authority for the Anderson Dam Tunnel Project change order contingency sum not-to-exceed a total of \$40,000,000 as follows:

- Unit Manager – Up to \$100,000
- Assistant Operating Officer – Up to \$100,000
- Deputy Operating Officer – Up to \$500,000

- Assistant Chief Operating Officer - \$2,500,000
- Chief Operating Officer - \$5,000,000

The Committee requested to receive a regular monthly report regarding the project's accumulated contingency totals.

4.3. Receive Information on Consultant Agreement Amendments for Capital Projects.

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

Mr. Heath McMahon, Deputy Operating Officer, reviewed the information on this item, per the attached Committee Agenda Memo.

Mr. McMahon clarified that consultant agreement amendments intended for a time extension only may be executed by Chief Executive Officer before or after report out to the Committee.

The Committee noted the information without formal action.

4.4. Review 2021 Capital Improvement Committee Work Plan.

Recommendation: Review the 2021 Capital Improvement Program Committee Work Plan and make adjustments as necessary.

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

The Committee requested to cancel the June 21, 2021 meeting and that items scheduled for June be included in the July 19, 2021 or other future agendas.

**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 4.2:

- The Committee recommends the Board consider delegating authority for the Anderson Dam Tunnel Project change order contingency sum not-to-exceed a total of \$40,000,000 as follows:

- Unit Manager – Up to \$100,000
  - Assistant Operating Officer – Up to \$100,000
  - Deputy Operating Officer – Up to \$500,000
  - Assistant Chief Operating Officer - \$2,500,000
  - Chief Operating Officer - \$5,000,000
- The Committee requested to receive a regular monthly report regarding the project's accumulated contingency totals.

## **7. ADJOURN**

- 7.1. Adjourn to Regular Meeting at 11:00 a.m., on June 21, 2021, to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive order N-29-20.

Chairperson Hsueh adjourned the meeting at 1:00 p.m., to the July 19, 2021 meeting to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive order N-29-20.

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

Approved: July 19, 2021