



CAPITAL IMPROVEMENT PROGRAM (CIP) COMMITTEE MEETING

MINUTES

**MONDAY, SEPTEMBER 18, 2017
12:30 PM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Capital Improvement Program (CIP) Committee was held at 12:30 p.m., on September 18, 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, and District 5 Director Nai Hsueh, Chairperson presiding, constituting a quorum of the Committee.

District 6 Director Tony Estremera arrived as noted below.

Staff members in attendance were C. Hakes, L. Orta, K. Oven, M. Meredith, N. Nguyen, M. Richardson, D. Taylor, and S. 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 continued approval of the minutes of October 18, 2017, to the next regular meeting.

Director Estremera arrived.

4. Action Items

- 4.1 Alternative Funding Scenarios for the Committee's Priority Projects (Coyote Creek – Montague to Tully, Almaden Lake Improvements, Ogier and Metcalf Ponds/Creek Separation, Stevens Creek Fish Passage Barrier Improvements).

Staff reviewed the information on this item, per the attached Committee Agenda Memorandum, as follows: Mr. Ngoc Nguyen, Assistant Officer, reviewed Page 1, Summary and Page 2, Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) Implementation Funding; Mr. Darin Taylor, Chief Financial Officer, reviewed Page 2, Redevelopment Successor Agency Revenues, and Page 3,

Open Space Credit; and Mr. Nguyen and Ms. Beth Redmond, Capital Program Planning and Analysis Manager, reviewed Attachment 2.

Chairperson Hsueh and Director LeZotte requested staff **ensure research** the nexus between environmental stewardship projects and water **rights charges, or other water utilities, is demonstrated when project funding is proposed.** Staff was directed to return to the committee with an analysis identifying the requirements for establishing a nexus between the identified stewardship projects and the Water Utility.

Directors Estremera and LeZotte agreed that the district should remain flexible about allocation of expected subventions funding, particularly if grants or other funding sources are available for flood protection projects and can replace otherwise committed subvention funds.

The Committee provided direction to staff as follows:

- Staff to prepare a clarifying statement that Water Utility Funds can be used for environmental projects where a nexus to water rights or water supply issues exist.;
- Staff to prepare an analysis that includes high, low and mid-range Open Space Credit scenarios;
- Staff to revise Attachment 2 to include additional clarifying details about all available funding and the results achieved by each scenario.
- Provide information on the expectation of receiving subventions and grants.

The Committee noted the information without formal action.

4.2 Revenue Options Assessment.

Mr. William Statler, Consultant, reviewed the information on this item, per the attached Committee Agenda Memorandum; and reviewed Attachment 2, providing an analysis of potential new revenue sources, which could help fund high priority projects that are currently unfunded for both watersheds and water utility.

The Committee provided direction to staff as follows:

- Staff to take Mr. Statler's presentation to the Water Retailers Committee and receive feedback; and
- Staff to explore Developer Impact Fees further, consult with District Counsel, and place the item in the Committee Work Plan parking lot to bring a recommendation back to the Committee at a future meeting.

The Committee noted the information without formal action.

5. Review and Discuss 2017 Committee Work Plan

The Committee reviewed the 2017 Work Plan and made the following adjustments:

Refer the item regarding improvements to the District website for ease of public accessibility to and comprehension of flood information, including real-time data during storm events, to the Coyote Creek Flood Risk Reduction Ad Hoc Committee.

6. Clerk's Review and Clarification of Committee Requests.

Ms. Michelle Meredith, Deputy Clerk of the Board, confirmed there were no formal requests for Board consideration.

7. Discussion of Next Committee Meeting Agenda and Schedule.

The Committee rescheduled the October 9, 2017, meeting to 2:00 p.m. on Wednesday, October 18, 2017.

8. Adjourn

Chairperson Hsueh adjourned the meeting at 2:30 p.m., to the rescheduled regular meeting at 2:00 p.m., on Wednesday, October 18, 2017, in the Santa Clara Valley Water District Headquarters Building, Conference Room A-124, 5700 Almaden Expressway, San Jose.

[original signed by]
Natalie F. Dominguez
Board Administrative Assistant II

Approved: 10/18/17