



Santa Clara Valley Water District Board Policy and Monitoring Committee Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: <https://valleywater.zoom.us/j/81170871803>

REGULAR MEETING AGENDA

**Tuesday, April 21, 2026
11:00 AM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

BOARD COMMITTEE MEMBERS:

Nai Hsueh, Chairperson
Director District 5
Shiloh Ballard, Vice Chairperson
Director District 2
Tony Estremera, Member
Director District 6

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available to the public through the legislative body agenda web page at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 630-2277.

COMMITTEE LIAISONS:

Candice Kwok-Smith
ckwok-smith@valleywater.org
Theresa Chinte
tchinte@valleywater.org
Stephanie Simunic
COB Liaison
1-408-630-2408
ssimunic@valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

Santa Clara Valley Water District
Board Policy and Monitoring Committee
REGULAR MEETING
AGENDA

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IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as a “hybrid” meetings, conducted in-person as well as by telecommunication, and is compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while still maintaining transparency and public access, members of the public have an option to participate by teleconference/video conference or attend in-person. To observe and participate in the meeting by teleconference/video conference, please see the meeting link located at the top of the agenda. If attending in-person, you are required to comply with Ordinance 22-03 - AN ORDINANCE OF THE SANTA CLARA VALLEY WATER DISTRICT SPECIFYING RULES OF DECORUM FOR PARTICIPATION IN BOARD AND COMMITTEE MEETINGS located at <https://s3.us-west-2.amazonaws.com/valleywater.org.if-us-west-2/f2-live/s3fs-public/Ord.pdf>

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee during public comment or on any item listed on the agenda, may do so by filling out a Speaker Card and submitting it to the Clerk or using the “Raise Hand” tool located in the Zoom meeting application to identify yourself in order to speak, at the time the item is called. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and granted speaking access to address the Board.

- Members of the Public may test their connection to Zoom Meetings at: <https://zoom.us/test>
- Members of the Public are encouraged to review our overview on joining Valley Water Board Meetings at: <https://www.youtube.com/watch?v=TojJpYCxXm0>

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This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has

not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:

<https://valleywater.zoom.us/j/81170871803>

Meeting ID: 811 7087 1803

Join by Phone:

1 (669) 900-9128, 81170871803#

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

Notice to the public: Members of the public who wish to address the Board/Committee on matters not listed on the agenda may do so by completing a Speaker Card and submitting it to the Clerk, or by using the "Raise Hand" feature within the Zoom meeting application to request recognition. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and, when recognized, will be granted speaking access to address the Board/Committee.

Public comments shall be limited to three (3) minutes per speaker, or such other time as determined by the Chair. State law does not permit the Board/Committee to take action on, or engage in extended discussion of, any item not appearing on the posted agenda, except as otherwise authorized under applicable law. If Board/Committee action is requested, the matter may be scheduled for consideration at a future meeting.

All public comments requiring a response will be referred to staff for a written reply. The Board/Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

- 3.1. Approval of the March 17, 2026 Board Policy and Monitoring Committee (BPMC) Minutes. [26-0345](#)
Recommendation: Approve the March 17, 2026 BPMC Minutes.
Manager: Wendy Ho, 408-630-3874
Attachments: [Attachment 1: 03172026 BPMC Minutes](#)
Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

- 4.1. Review Proposed Revisions to the Key Performance Indicators for Projects E5, D1, F3, and F6 of the Safe, Clean Water and Natural Flood Protection Program. [26-0323](#)
Recommendation: A. Review and provide input on staff's proposed revisions to the Key Performance Indicators for Projects E5, D1, F3, and F6 of the Safe, Clean Water and Natural Flood Protection Program; and
B. Recommend that staff's proposed revisions be presented to the full Board for approval as shown below in strikethrough and red font.
Manager: Luz Penilla, 408-630-2228
Attachments: [Attachment 1: Audit Report](#)
[Attachment 2: PowerPoint](#)
Est. Staff Time: 25 Minutes
- 4.2. Provide Feedback for the Upcoming Audit of the Board Appointed Officers Complaint Process. [26-0348](#)
Recommendation: Provide feedback for the upcoming audit of the Board Appointed Officers Complaint Process.
Manager: Director Nai Hsueh
Attachments: [Attachment 1: BAO Complaint Flow Chart](#)
[Attachment 2: BAO Complaint Process Roles and Responsibilities](#)
[Attachment 3: 03172026 BAO Complaint Process Questions](#)
Est. Staff Time: 20 Minutes

- 4.3. Review and Provide Feedback on the Board Work Plan. [26-0361](#)

Recommendation: Review and provide feedback to staff as needed on the Board Work Plan and the Work Plan development process.

Manager: Theresa Chinte, 408-630-2714

Attachments: [Attachment 1: FY26 Board Work Plan](#)

Est. Staff Time: 5 Minutes

- 4.4. Review and Discuss the 2026 Board Policy and Monitoring Committee (BPMC) Work Plan and Make Adjustments as Necessary, and Confirm the Committees Next Meeting Date. [26-0346](#)

Recommendation: Review and discuss the 2026 BPMC Work Plan and make adjustments as necessary, and confirm the Committees next meeting date.

Manager: Wendy Ho, 408-630-3874

Attachments: [Attachment 1: 2026 BPMC Committee Work Plan](#)

Est. Staff Time: 5 Minutes

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

6. ADJOURN:

- 6.1. Adjourn. The Next Regular Meeting is Scheduled at 11:00 a.m., on Tuesday May 19, 2026.



Santa Clara Valley Water District

File No.: 26-0345

Agenda Date: 4/21/2026
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM
Board Policy and Monitoring Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Approval of the March 17, 2026 Board Policy and Monitoring Committee (BPMC) Minutes.

RECOMMENDATION:

Approve the March 17, 2026 BPMC Minutes.

SUMMARY:

In accordance with the Ralph M. Brown Act, a summary of Committee discussions, and details of all actions taken by the Board Policy and Planning Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Committee's meetings.

ENVIRONMENTAL JUSTICE IMPACT:

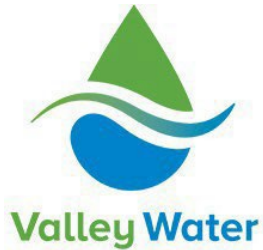
The approval of minutes is not subject to environmental justice impact analysis.

ATTACHMENTS:

Attachment 1: 03172026 BPMC Minutes

UNCLASSIFIED MANAGER:

Wendy Ho, 408-630-3874



BOARD POLICY AND MONITORING
COMMITTEE MEETING

DRAFT MINUTES

**REGULAR MEETING
TUESDAY, MARCH 17, 2026
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) Board Policy and Monitoring Committee (Committee) was called to order by Chairperson Hsueh in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference, at 11:03 a.m.

1.1. Roll Call.

Committee members in attendance were: District 5 Director Nai Hsueh, Chairperson presiding, District 2 Director Shiloh Ballard, Vice Chairperson, and District 6 Director Tony Estremera.

Staff members in attendance were: Roseryn Bhudsabourg, Mark Bilski, Rita Chan, Theresa Chinte, Jessica Collins, Meenakshi Ganjoo, Rachael Gibson, Walter Gonzalez, Mark Greene, Christopher Hakes, Wendy Ho, Candice Kwok-Smith, Marta Lugo, Sadie Lum, Linda Mason, Patrice McElroy, Nicole Merritt, Carmen Narayanan, Carlos Orellana, Mark Poole, Mike Potter, Melanie Richardson, Stephanie Simunic, Darin Taylor, Tina Yoke.

Public in attendance Allan Highstreet (NBS).

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 February 9, 2026 Board Policy and Monitoring Committee (BPMC) Minutes.

Recommendation: Approve the February 9, 2026 BPMC minutes.

The BPMC considered the minutes of the February 9, 2026 BPMC meeting.

Public Comments: None.

It was moved by Vice Chairperson Ballard and seconded by Director Estremera and unanimously carried that the minutes be approved as submitted.

4. REGULAR AGENDA:

4.1 Receive Update on Final Results for the Flood Control and Water Supply Development Impact Fee Analyses and Provide Recommendation to the Board as needed.

Recommendation: Receive update on final results for the Flood Control and Water Supply Development Impact Fee Analyses and provide recommendations to the Board as needed.

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

Allan Highstreet and Darin Taylor were available to answer questions.

Public Comment: None.

The Committee received the information, took no formal action, and with staff input discussed the following: clarification of legislation and enforcement and authority, utilization of the Valley Water Government Relations team to engage local jurisdictions relating to planning the next phase, land use collaboration, differences between north and south county water supply, and implementation challenges.

Darin Taylor stated that staff efforts will continue following the discussion on the Impact Fee Analysis. The next steps—including items raised during this discussion—will be incorporated into a memo for the full Board, who can review and determine whether the recommendation is sufficiently robust to move forward.

Chairperson Hsueh moved the agenda to Item 4.3.

4.3 Receive and Discuss Board Member Travel Policy.

**Recommendation: A. Receive and discuss Board Member travel policies to determine if additional language is necessary related to cancellations.
B. Provide direction to staff as needed;
C. Recommend additions to GP-10 be presented to the full Board for approval.**

Candice Kwok-Smith reviewed the information on the item, per the attached Committee Agenda Memo, and reviewed the information contained in Attachment 1.

Candice Kwok-Smith and Carlos Orellana were available to answer questions.

Public Comment: None.

The Committee received and discussed the language additions contained in Attachment 1 relating to timing of cancellations and how they affect reimbursement responsibilities, and adding language that states the Board Chairperson will determine who is responsible for non-refundable expenses.

It was moved by Director Estremera and seconded by Vice Chairperson Ballard, and unanimously approved, that the recommended additional language (including that the Board Chairperson will determine who is responsible for the non-refundable expenses) and edits to GP-10 are presented to the full Board for approval.

Chairperson Hsueh moved the agenda to Item 4.2.

4.2 Provide Feedback for the Upcoming Audit of the Board Appointed Officers Complaint Process.

Recommendation: Provide feedback for the upcoming audit of the Board Appointed Officers Complaint Process.

Chairperson Hsueh reviewed the information on the item per the attached Committee Agenda Memo.

Candice Kwok-Smith, Melanie Richardson, Patrice McElroy, and Linda Mason were available to answer questions.

Public Comment: None.

The Committee received the information, took no formal action, and with staff input discussed the following: pre-investigation process, management of investigation process, need for a project manager, time and legal constraints, expanding the scope of the Ethics and Conduct Ad Hoc Committee, communication issues between different parties, issue of legal privilege, change management, and having a fair and time-bound process.

The Committee stated the item will be continued.

Chairperson Hsueh moved the agenda to Item 4.4.

4.4 Review and Discuss the 2026 Board Policy and Monitoring Committee (BPMC) Work Plan and Make Adjustments as Necessary.

Recommendation: Review and discuss the 2026 BPMC Work Plan and make adjustments as necessary.

The Committee reviewed the information on this item, per the attached Committee Agenda Memo and per the information contained in Attachment 1, and took no formal action.

Public Comment: None

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

Stephanie Simunic stated that for Item 4.3, relating to the Board Member travel Policy, suggested edits were approved (including using the word “shall” instead of “may” in GP-10.6.3.6.1.2, and adding the Board Chairperson will determine who is responsible for non-refundable expenses) and for Item 4.2, relating to the BAO complaint process, the item will be continued.

6. ADJOURN:

6.1. Adjourn.

Chairperson Hsueh adjourned the meeting at 1:14 p.m.

Date Approved:

Stephanie Simunic
Assistant Deputy Clerk II



Santa Clara Valley Water District

File No.: 26-0323

Agenda Date: 4/21/2026

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM Board Policy and Monitoring Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Review Proposed Revisions to the Key Performance Indicators for Projects E5, D1, F3, and F6 of the Safe, Clean Water and Natural Flood Protection Program.

RECOMMENDATION:

- A. Review and provide input on staff's proposed revisions to the Key Performance Indicators for Projects E5, D1, F3, and F6 of the Safe, Clean Water and Natural Flood Protection Program; and
- B. Recommend that staff's proposed revisions be presented to the full Board for approval as shown below in strikethrough and **red font**.

SUMMARY:

In November 2020, Santa Clara County voters approved Measure S, renewing Valley Water's Safe, Clean Water and Natural Flood Protection Program (SCW Program or Program). This measure provides continued funding through a special parcel tax for projects delivering safe water, natural flood protection, and environmental stewardship. The SCW Program, effective July 1, 2021, replaced the 2012 Safe, Clean Water and Natural Flood Protection Program in its entirety, carrying forward funding for previously identified capital projects and replacing other projects with comparable initiatives.

The Program addresses six community priorities:

- **Priority A:** Ensure a Safe, Reliable Water Supply
- **Priority B:** Reduce Toxins, Hazards, and Contaminants in Our Waterways
- **Priority C:** Protect Our Water Supply and Dams from Earthquakes and Other Natural Disasters
- **Priority D:** Restore Wildlife Habitat and Provide Open Space
- **Priority E:** Provide Flood Protection to Homes, Businesses, Schools, Streets, and Highways
- **Priority F:** Support Public Health and Public Safety for Our Community

Each priority includes specific operational and capital projects, along with associated Key Performance Indicators (KPIs). The KPIs enable Valley Water to monitor progress of specific projects, identify potential issues, and maintain accountability. As the Program progresses, adjustments or modifications to the projects and sometimes the KPIs may be necessary due to inflation, regulatory changes, or evolving project conditions. Valley Water follows a Board-approved change control process for implementing any adjustments and modifications to the Program, which was last updated by the Board on February 24, 2026. Adjustments are changes to the Safe, Clean Water Program's project text or funding allocation that do not impact the delivery of any project KPI, or changes to a project schedule. Adjustments may include change(s) to a KPI when the purpose of such change(s) is to clarify the project KPI to be consistent with the applicable project description in the approved Program. Modifications are changes to project description, project KPI, or funding allocation that impact the delivery of any project KPI.

SCW Program Performance Audit

To ensure accountability and transparency to voters, Measure S requires the Valley Water Board of Directors to obtain an independent professional audit of the SCW Program at least once every five years. Although an independent audit is required at least every five years, the Independent Monitoring Committee (IMC) requested an earlier review of the Program, and the Board concurred.

PMA Consultants (Auditor) conducted the independent audit, which assessed Program implementation during its first three years and evaluated governance, compliance, transparency, and progress toward meeting the Program's priorities and KPIs.

On November 12, 2025, the Board received the Safe, Clean Water Performance Audit Report (Audit Report), covering the period from July 1, 2021, through June 30, 2024 (Attachment 1). The audit report includes nine findings, two of which provide recommendations for Valley Water to evaluate whether to modify the KPIs for several projects to ensure that they are financially sustainable, remain aligned with current project activities, and that their descriptions clearly articulate the project's scope and deliverables. At the November 12 meeting, the Board directed the Chair to work with the CEO to identify and assign to an appropriate Board committee the task of reviewing the Auditor's findings and evaluating whether any KPI revisions are necessary. The Board Policy and Monitoring Committee (BPMC) was assigned to first review staff's proposed revisions to project KPIs determined to be appropriate in response to the Audit Report before they are presented to the full Board.

Below is a summary of staff's evaluation and recommendations in response to the independent audit findings relating to KPIs.

Audit Report Finding #7: Project E5 - San Francisquito Creek Flood Protection, San Francisco Bay to Upstream of Highway 101 - Palo Alto

Auditor's Finding

In Finding 7, the Auditor noted that the KPIs for Project E5 are misaligned with Valley Water's role and authority because the "KPI holds Valley Water accountable for delivering a specific community

outcome (protecting parcels from a 70-year flood event), yet Valley Water no longer has the direct control or authority to ensure this outcome is achieved” and the “KPI, as currently worded, does not accurately reflect Valley Water’s role as a funding partner.” The current KPIs for Project E5 are:

1. Preferred project with federal, state and local funding: Protect more than 3,000 parcels by providing 1% (100-year) flood protection.
2. With state and local funding only: Protect approximately 3,000 parcels by providing 1% (100-year) flood protection downstream of Highway 101, and approximately 1.4% (70-year) protection upstream of Highway 101.

Based on its findings, the Auditor recommended that Valley Water re-evaluate the KPI for Project E5 and consider options for shifting the KPI from an outcome-based metric to one that measures Valley Water’s specific, controllable contributions, such as a funding or partnership-based deliverable.

Staff’s Evaluation and Proposed Revisions to the KPIs

Staff agrees that Valley Water is not the lead agency responsible for delivery of Project E5. The project description makes clear that the project is sponsored by the San Francisquito Creek Joint Powers Authority (SFCJPA), of which Valley Water is a member agency, in partnership with the U.S. Army Corps of Engineers.

However, at the request of the SFCJPA, due to significant regulatory requirements and construction complexities, Valley Water led construction of the San Francisco Bay to Highway 101 portion of the project, which provided 1% flood protection to parcels in Palo Alto and ecosystem benefits to neighboring communities. The SFCJPA decided that because of Valley Water’s expertise in capital project delivery, it was the member agency best suited to lead this effort. Construction of this portion of the project (Reach 1) was completed in 2019.

Nevertheless, with only one seat on the five-member SFCJPA Board, Valley Water’s control over the project continues to be related to its financial contributions as the auditor accurately noted.

Since Valley Water has fulfilled its funding obligations required in KPI#1 for Reach 1, but no federal funding is available at this time to support the delivery of KPI#1 for Reach 2, staff recommends removing KPI#1 and revising KPI#2 to allow flexibility as the SFCJPA continues to design and plan the implementation of the remainder of the project. To align with the Auditor’s recommendation that KPIs for this project should focus on deliverables within Valley Water’s control, staff also proposes revising KPI#2 to focus on Valley Water’s funding contributions rather than project development and delivery and making clear in the KPI that Valley Water’s financial contributions should be commensurate with the value of the benefits that the project will provide for Santa Clara County. Below are staff’s recommended revisions to the KPIs:

- ~~1. Preferred project with federal, state and local funding: Protect more than 3,000 parcels by providing 1% (100-year) flood protection.~~
- ~~2. With state and local funding only: Protect approximately 3,000 parcels by providing 1% (100-~~

year) flood protection downstream of Highway 101, and approximately 1.4% (70-year) protection upstream of Highway 101. Provide the San Francisquito Creek Joint Powers Authority a portion of funds commensurate with the project's benefits to Santa Clara County, to provide flood protection along San Francisquito Creek.

Because these proposed revisions involve the removal of a KPI and a clarification of Valley Water's role from implied project lead to funding contributor, both of which arguably impact the delivery of a KPI, they meet the definition of a "modification" in the current Change Control Process. Consequently, a public hearing is required to formalize these updates.

Audit Report Finding #9: Project D1 - Management of Riparian Planting and Invasive Plant Removal Project and Project F3 -- Flood Risk Assessment Studies

Auditor's Finding

In Finding 9, the Auditor identified two projects where existing KPIs do not fully reflect project activities that are currently undertaken. The Auditor noted that the KPIs for these two projects could be enhanced for clarity and scope to better align with current project activities and deliverables. The first is Project D1, in which its KPI#3 focuses exclusively on *Arundo donax*, failing to credit Valley Water for the removal of other high-priority invasive species. The second project is Project F3, in which its KPI#2 references FEMA standards, which could be misinterpreted as requiring Valley Water to produce an official FEMA regulatory map, when the primary deliverable within Valley Water's control is a planning map for Valley Water for internal use.

Staff's Evaluation and Proposed Revision to Project D1, KPI#3

Current Project D1, KPI#3 reads: "Remove 25 acres of *Arundo donax* throughout the county over a 15-year period." This current language does not reflect the broader Project D1 description, which states that the project "includes targeted control of especially damaging non-native, invasive plant species such as *Arundo donax* throughout the county." While the project description cites *Arundo donax* as a primary example, it was never intended to be the sole metric for success. Restricting the KPI to a single species overlooks the essential work performed to control other high-priority invasive plants.

To better reflect the project's objective of comprehensive invasive species management, staff recommends the following revision to KPI#3:

"Remove Targeted control of 25 acres of damaging non-native, invasive plant species, such as *Arundo donax* throughout the county over a 15-year period."

Because the purpose of this revision is to clarify the KPI such that it will be consistent with the project description, such revision meets the definition of an "adjustment" under the current Change Control Process (approved by the Board on February 24, 2026), and thus no formal public hearing would be required. However, should the BMPC agree with staff's recommendation, staff will present the proposed adjustment to the Board at a future Board meeting.

Staff's Evaluation and Proposed Revision to Project F3, KPI#2

Current Project F3, KPI#2 reads “Annually, update floodplain maps on a minimum of three (3) creek reaches in accordance with new FEMA standards.” The Auditor expressed concern that the current phrasing could be misinterpreted as requiring Valley Water to produce official FEMA regulatory maps, which is a task outside of Valley Water’s jurisdiction. The intent of this KPI is to ensure that Valley Water’s internal floodplain maps are updated to remain consistent with FEMA standards. To eliminate any ambiguity, staff proposes adding "Valley Water’s" to the KPI language. Specifically, staff proposes the following revised KPI#2:

“Annually, update **Valley Water’s** floodplain maps on a minimum of three (3) creek reaches in accordance with new FEMA standards.”

Because the change aims at clarifying the KPI to more accurately reflect existing project description and activities, the revision meets the definition of an “adjustment” rather than a “modification”, and thus no public hearing would be required. Similar to Project D1 as discussed above, should the BPMC agree with staff’s recommendation, staff will present the proposed adjustment to the Board at a future Board meeting.

Audit Report Finding #9 (cont.): Project F1 - Vegetation Control and Sediment Removal for Capacity

Auditor’s Finding

In Finding 9, the Auditor also pointed out that the KPI for this project represents a perpetual maintenance commitment and raised concern that an open-ended commitment of this nature could pose long-term financial commitment and risks for the Program. The Auditor recommended that Valley Water evaluate this KPI to ensure that it is financially sustainable.

Staff’s Evaluation and Recommendation

The current KPI for this project states: “Maintain completed flood protection projects for flow conveyance.” While Valley Water has a legal obligation to maintain its flood protection projects in perpetuity once they are built, the intent of this KPI is not for Valley Water *to commit to expending Safe, Clean Water Program revenue* to maintain completed flood protection projects in perpetuity. The intent of this KPI is that Valley Water will dedicate funds collected through the Safe Clean Water Program to maintain our flood protection projects during the current 15-year program financial cycle. The Program’s projects, KPIs and funding allocations will be revisited every 15-Year’s as required by Measure S. With this clarification, staff does not recommend revising the KPI.

Staff Recommended: Project F6 -- Good Neighbor Program: Graffiti and Litter Removal and Public Art

In addition to the Audit Report findings and recommendations referenced above, staff has identified a need to revise Project F6’s KPI#3 (along with its Description and Benefit Sections), which currently authorizes grant funding for public art on Valley Water property to deter graffiti and litter. While it was

not part of the Board's direction regarding the Audit Report, staff is including this recommendation in the BPMC's review and it will be included in the Board's review of the other proposed changes.

Staff proposes expanding the scope of this KPI#3. This change would allow funding for eligible art projects throughout Santa Clara County, moving beyond Valley Water-owned infrastructure and property. The goal is to leverage public art as a tool for community education on water and environmental stewardship, while deterring graffiti and litter.

The current KPI#3 reads "Provide up to \$1.5 million over 15 years to implement public art projects on Valley Water property and infrastructure."

Staff proposes the following revision for KPI#3:

"Provide up to \$1.5 million over 15 years to implement **or fund** public art projects ~~on Valley Water property and infrastructure.~~"

To maintain consistency with the proposed revision to KPI#3, staff recommends the following revisions to the Project F6 description:

"This project allows Valley Water to continue responding to requests for cleanup of illegal dumping, trash and graffiti on Valley Water's property and rights-of-way. Cleanup efforts include graffiti removal from floodwalls, concrete embankments, signs, structures and other Valley Water assets, as well as maintaining, repairing and installing fences and gates so that Valley Water structures and facilities remain safe and clean. The project also funds installation and maintenance of public art projects, such as murals, ~~to beautify Valley Water property and infrastructure,~~ **to in public spaces throughout Santa Clara County to educate the public about water and environmental stewardship, which in turn will also** help deter graffiti and litter."

Staff also proposes revising the 5th bullet under the Benefits section of the Program project page to read:

"Helps deter graffiti and litter by implementing public art projects ~~to beautify Valley Water property and infrastructure~~ **in public spaces while providing opportunities to educate the public about water and environmental stewardship throughout Santa Clara County.**"

These proposed revisions expand the scope of the initial project and will impact how the KPI is measured. Therefore, this change qualifies as a "modification" under the current Change Control Process. Consequently, a public hearing is required to formalize these updates.

Conclusion

Staff requests that the Committee review the proposed KPI revisions and provide input as it deems necessary. If the BPMC agrees with staff's recommendations, staff will bring these proposals to the Board for approval. The Committee's input on any proposed KPI revisions (if any) will be incorporated in staff's recommendations to the full Board. As indicated above, modifications would require noticed public hearings, while adjustments could be approved by the Board in a regular agenda item without

a hearing. The Board's review and consideration of all proposed changes will follow the Change Control Process. The proposed modifications will be presented to the Board in alignment with the updated public outreach process and timeline as outlined in the Change Control Process, while the proposed adjustments will be incorporated into the Safe, Clean Water Program FY 2027-31 Five-Year Implementation Plan and presented to the Board for consideration at a regular board meeting in June 2026.

ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice impacts associated with this item.

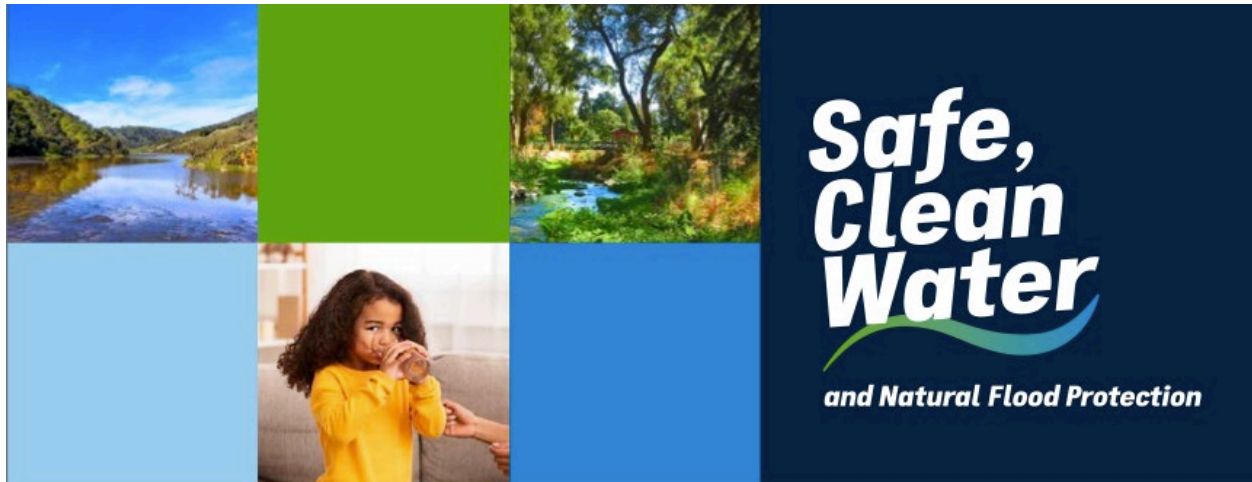
ATTACHMENTS:

Attachment 1: Audit Report

Attachment 2: PowerPoint

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Santa Clara Valley Water District

Safe, Clean Water and Natural Flood Protection Program (Measure S)

Performance Audit Report FY22 – FY24

FINAL DRAFT

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EXECUTIVE SUMMARY

A. Introduction

The Santa Clara Valley Water District (Valley Water) ensures current and future water supplies, protects water resources from contaminants, provides flood protection, safeguards infrastructure from natural disasters, and restores ecosystems within Santa Clara County. In November 2020, voters in Santa Clara County approved Measure S, establishing the renewed Safe, Clean Water and Natural Flood Protection Program (SCW Program). This measure provides continued funding via a special parcel tax for projects delivering safe water, natural flood protection, and environmental stewardship. The renewed SCW Program, effective July 1, 2021, replaced the previous 2012 Safe, Clean Water and Natural Flood Protection Program in its entirety, carrying forward funding for previously identified capital projects and replacing other projects with comparable initiatives under the renewed program structure.

To ensure accountability and transparency, Measure S requires the Valley Water Board of Directors to conduct independent professional audits of the SCW Program at least every five years while the program is in effect. In fulfillment of this requirement, Valley Water engaged PMA Consultants to conduct this independent performance audit of the renewed SCW Program.

B. Overall Audit Objectives

The primary objective of this independent performance audit was to assess the renewed Safe, Clean Water and Natural Flood Protection (SCW) Program for the period covering July 1, 2021, through June 30, 2024. The audit evaluated key aspects of program implementation, including:

- **Governance and Transparency:** The audit evaluated the effectiveness of overall program governance, managerial oversight and independent monitoring, including the roles of the Board of Directors and the Independent Monitoring Committee (IMC), and assessed the transparency and accuracy of public reporting on program progress and outcomes.
- **Compliance:** The audit verified the program's compliance with key provisions of the Measure S tax measure. This included assessing whether funds were collected and expended appropriately and whether the Board-approved Change Control Process was properly implemented for project adjustments, modifications and non-implementation.
- **Performance:** The audit assessed Valley Water's progress toward meeting the SCW Program's six priorities and its key performance indicators (KPIs). This assessment included deep-dive reviews of a sample of projects to evaluate project management effectiveness in meeting scope, budget, and schedule commitments.

The remainder of this report provides the detailed procedures, findings, and recommendations resulting from this work.

C. Summary of Key Findings

The audit concluded that Valley Water has established the formal governance, oversight, and reporting structures mandated by Measure S, and the audit identified several noteworthy practices demonstrating effective program management. The audit also resulted in nine findings that identified opportunities for improvement. The key findings, which are summarized below, focus on opportunities to improve the processes for reporting project progress and to strengthen the governance of complex partnerships and program oversight.

Key findings are summarized below:

- **Opportunity to Improve Reporting for SCW Program Projects:** The audit identified opportunities to improve the processes used to report on the funding allocations and schedules for SCW Program projects. For project funding allocations, the methods for reconciling adjustments can be improved to ensure more accurate and timely reporting in the SCW Annual Report. Similarly, for project schedules, improving the reconciliation of changes approved in the Capital Improvement Program's Five-Year Plan (CIP Plan) would make it easier for stakeholders to trace the impact of adjustments on the delivery of project KPIs.
- **Governance and Partnership Complexity:** The audit identified governance challenges with the San Francisquito Creek flood protection project (Project E5), where Valley Water's evolution from project lead to funding partner has resulted in a misalignment between its accountability for a specific outcome and its current role and authority. Additionally, opportunities were identified to enhance the effectiveness of the Independent Monitoring Committee (IMC), and a prior audit recommendation regarding the Conflict of Interest policy for the IMC remains unresolved.

D. Summary of Key Recommendations

The recommendations in this report are intended to support Valley Water's continuing efforts to maintain and enhance a robust, transparent, and effective oversight and governance framework for the SCW Program. The key recommendations are:

- **Improve Reporting Processes and Transparency:** Strengthen the processes for reporting on SCW Program projects by requiring a formal reconciliation of all funding allocations and schedule changes. This will ensure changes approved through the CIP Plan are accurately translated and reported, improving the clarity and transparency of the SCW Annual Report.

- **Strengthen Governance and Partnership Management:** Enhance the management of key external partnerships, such as on the San Francisquito Creek flood protection project (Project E5), by developing tools to better track strategic decisions and risks, and continuing efforts to align project KPIs with Valley Water's evolving role. Strengthen the processes for recruiting IMC members and resolve the outstanding Conflict of Interest policy issue.

D. Findings, Recommendations, and Management Responses Overview

Our procedures identified improvement opportunities that are listed in the following table and presented in detail in the Procedures, Findings, and Recommendations section of this report. All improvement opportunities are also summarized in Appendix C.

Summary of observations	Detail on Page #
<p>1. <u>The Program is Operating in Compliance with Key Measure S Provisions, with One Minor Procedural Discrepancy Noted</u></p> <p>The audit identified a minor procedural discrepancy in how Valley Water files Measure S tax resolutions with Santa Clara County.</p>	14
<p>2. <u>Process for Reconciling SCW Project Funding Allocations with CIP Adjustments Needs Improvement to Enhance Reporting Reliability.</u></p> <p>The process for reconciling SCW capital project funding allocations with CIP Plan adjustments needs improvement to support accurate and timely reporting in the SCW Annual Report.</p>	15
<p>3. <u>A Clearer Crosswalk is Needed between CIP and SCW Schedule Adjustments</u></p> <p>A clearer crosswalk is needed between CIP and SCW schedule adjustments to improve transparency and traceability.</p>	18
<p>4. <u>A Prior Audit Recommendation Regarding the IMC Conflict of Interest Policy Remains Unresolved</u></p> <p>A prior audit recommendation to implement a conflict-of-interest policy for the Independent Monitoring Committee (IMC) remains unresolved.</p>	21
<p>5. <u>Ongoing Vacancies on the Independent Monitoring Committee Impact its Effectiveness</u></p> <p>Ongoing vacancies on the Independent Monitoring Committee have created challenges in meeting quorum requirements and distributing workload.</p>	21

Summary of observations	Detail on Page #
<p>6. <u>Management of Key Partnership Projects Could Be Enhanced</u></p> <p>Valley Water’s current management tools are not fully suited to its evolving role as a funding partner in externally led projects like Project E5.</p>	23
<p>7. <u>The KPI for a Key Partnership Project is Misaligned with Valley Water's Role and Authority</u></p> <p>The KPI for Project E5 does not reflect Valley Water's current role as a funding partner and may overstate its accountability for project outcomes.</p>	24
<p>8. <u>Performance Data Impacted by Inconsistent Data Entry and Reporting</u></p> <p>Discrepancies in operational data reporting for Projects D1 and F5 stemmed from inconsistent data entry and compilation.</p>	24
<p>9. <u>KPIs that are Open-Ended or Do Not Fully Reflect Program Activities Pose Long-Term Financial and Communication Risks</u></p> <p>There is an opportunity to improve KPIs to ensure long-term financial sustainability and clearer communications. Project F1.1's KPI represents a perpetual maintenance commitment, and KPIs for Projects D1 and F3 could be enhanced for clarity and scope.</p>	25

I. INTRODUCTION

A. Background on the Safe, Clean Water and Natural Flood Protection Program

In November 2020, Santa Clara County voters approved Measure S, establishing the renewed Safe, Clean Water and Natural Flood Protection Program (hereafter referred to as the "SCW Program" or "the Program"). This measure replaced the prior 2012 program of the same name and the original 2000 Clean, Safe Creeks and Natural Flood Protection Plan. Effective July 1, 2021, the renewed SCW Program provides a dedicated and continuous funding source through a special parcel tax levied on properties within the Santa Clara Valley Water District (Valley Water).

The purpose of the special tax is to fund projects and activities aligned with Valley Water's core mission areas. These missions include ensuring safe and reliable water supplies, protecting water resources from toxins, providing natural flood protection, safeguarding infrastructure from natural disasters, and restoring creek and bay ecosystems. The renewed Program's priorities were developed with community and stakeholder engagement to ensure alignment with the priorities of Santa Clara County residents. The Program operates on 15-year financial planning cycles and includes specific projects with Key Performance Indicators (KPIs) to monitor long-term performance and maintain accountability. As part of this long-term framework, Measure S also mandates that the Board of Directors evaluate the continued need for the special tax every fifteen years, ensuring ongoing public oversight.

The renewed SCW Program is organized around six key priorities that guide the allocation of funds and the execution of specific projects. The six priorities are:

- **Priority A: Ensure a Safe, Reliable Water Supply:** Focuses on upgrading water infrastructure, supporting water conservation efforts, and ensuring emergency water supply reliability.
- **Priority B: Reduce Toxins, Hazards, and Contaminants in Our Waterways:** Addresses water quality through pollution reduction, hazardous material response, supporting volunteer cleanups, and managing urban runoff.
- **Priority C: Protect Our Water Supply and Dams from Earthquakes and Other Natural Disasters:** Centers on the seismic retrofitting of critical infrastructure like Anderson Dam to ensure public safety and water supply security.
- **Priority D: Restore Wildlife Habitat and Provide Open Space:** Includes projects for managing vegetation, revitalizing habitats, improving fish passage, supporting ecological data collection, restoring natural creek functions, and conserving habitat lands.

- **Priority E: Provide Flood Protection to Homes, Businesses, Schools, Streets, and Highways:** Concentrates on major capital construction projects to reduce flood risk in vulnerable areas, often involving partnerships with federal and state agencies.
- **Priority F: Support Public Health and Public Safety for Our Community:** Encompasses a range of multi-benefit projects, including vegetation and sediment management for flood channel capacity, emergency response planning, encampment cleanups, and community grant programs.

B. Audit Objectives and Methodology

As mandated by Measure S, the primary objective of this performance audit was to provide the Board of Directors, stakeholders, and the public with an independent and transparent assessment of the renewed Safe, Clean Water and Natural Flood Protection (SCW) Program. The audit was designed to evaluate program governance, compliance, transparency, and performance since the renewed program's inception.

To achieve these objectives, the audit team performed procedures aligned with the key tasks outlined in the Scope of Work. The methodology for each major area of the audit is described below.

Prior Audit Documentation Review: The audit commenced with a review of prior audits of the 2012 Safe, Clean Water Program, including an initial audit dated June 1, 2017, and a closeout performance audit dated March 25, 2024. The findings from those reports were discussed with Valley Water management to provide context and inform the scope and focus of the current audit. Based on this review, it was determined that no modifications were needed to the planned scope of work.

Reporting and Transparency Review: To assess the program's transparency, the audit team reviewed public-facing documents, including financial reports and project status updates, to evaluate their accuracy and clarity. The audit also included a review of the Independent Monitoring Committee's (IMC) roles and responsibilities as outlined in the SCW Program Resolution, along with related documentation such as meeting minutes and annual reports.

Program Oversight and Governance Review: The audit team evaluated the effectiveness of the program's governance framework and managerial oversight mechanisms. This included conducting interviews with key personnel, including members of the Board of Directors, the IMC, and Valley Water management, to understand oversight roles and responsibilities. The procedures also included assessing compliance with key provisions of the Measure S tax measure by reviewing financial data to determine if funds were collected and expended appropriately. Finally, the audit evaluated whether Valley Water is properly implementing the Board-approved Change Control Process for program adjustments.

Program and Project Performance Assessment: This phase of the audit assessed whether Valley Water is making reasonable progress toward meeting the Program's six priorities and associated Key Performance Indicators (KPIs). The methodology involved a multi-step process:

- **Project Selection:** To facilitate the review of program execution and progress, a representative sample of projects was selected from the renewed SCW Program. A judgmental sampling approach was used to select approximately one-third of the projects while ensuring diversity across several criteria, including representation from each of the program's six priorities, project budget size, and project complexity. The initial selection was discussed with Valley Water staff, leading to minor refinements to ensure adequate coverage.
- **Project Deep Dives:** For each selected project, the audit team performed deep-dive reviews to evaluate project management effectiveness. This included obtaining and evaluating project management artifacts (e.g., schedules, budgets, progress reports) and assessing performance against scope, schedule, budget, and KPIs. These procedures were designed to identify any deficiencies or challenges, such as funding delays or hyper-escalation, and to form a basis for recommending improvements.

C. Audit Scope and Period

The scope of this audit focused exclusively on the renewed SCW Program. The audit period covered program activities from July 1, 2021, through June 30, 2024, which aligns with the first three fiscal years of the program's implementation. This report reflects audit activities and the status of findings and recommendations as of July 28, 2025—the date fieldwork was completed. It does not reflect any subsequent developments or client actions occurring after that date.

To provide further clarity, the scope of this audit did not include: a review of the prior 2012 Safe, Clean Water Program, other than for historical context; an opinion on Valley Water's overall financial statements, as this was a performance audit, not a financial statement audit; a deep-dive review of every project within the SCW Program portfolio, as our work was based on a representative sample; or a technical validation of project designs or construction quality. Furthermore, the audit focused on assessing progress toward the formal Key Performance Indicators (KPIs) defined in the Measure S program text and did not include an evaluation of the ultimate attainment of the separate project "Benefits" that are also described in the SCW Annual Report. The audit assessed whether Valley Water is making "reasonable progress" toward its KPIs based on activities and evidence from the audit period; the objective was not to conclude on the ultimate achievement of long-term KPIs but to evaluate the program's management and progress to date.

D. Acknowledgements

The audit team wishes to thank the many individuals at Valley Water who contributed to this performance audit. We appreciate the time and effort provided by the Safe, Clean Water Program team and other staff, whose cooperation and responsiveness were essential to our work.

II. COMMENDATIONS

In addition to the findings and recommendations detailed later in this report, the audit identified several practices that demonstrate effective program management and oversight. These practices are highlighted to provide a balanced assessment of the program and to acknowledge areas of strength that support the successful implementation of the Safe, Clean Water Program.

- **Established and Transparent Governance Structure:** The audit confirmed that Valley Water has established the formal, multi-faceted governance structure mandated by Measure S, consisting of the Board of Directors, the Independent Monitoring Committee (IMC), and dedicated program staff. The Board provides ultimate oversight and decision-making authority, utilizing its standing committees for more detailed review of SCW projects. The IMC serves its mandated role of providing independent annual review and recommendations directly to the Board, and its operations are transparent, with information such as meeting dates, agendas, and minutes made publicly available. This overall structure creates a continuous cycle of oversight encompassing strategic planning, financial governance, and project monitoring.
- **Adherence to Annual Reporting Requirements:** Valley Water adheres to the Measure S requirements for both annual rate-setting and annual financial reporting. For each year of the audit period, the CEO prepared and published the SCW Annual Rate-Setting Report, which was formally accepted by the Board of Directors at a public meeting. Similarly, the Chief Financial Officer filed a fiscal year report with the Board in compliance with the required deadline. These annual reports contained the mandated information, including the amount of funds collected and expended and the status of authorized projects.
- **Public Access to Information:** Valley Water uses multiple channels to provide the public with access to program information. These include a monthly Valley Water eNewsletter with over 50,000 subscribers, project-specific email lists and public meetings, and the SCW Program webpages. These webpages feature an archive page that contains all program reports, change control documents, five-year implementation plans, and audit reports. Additionally, the SCW Program project pages are updated at least once each quarter.
- **Comprehensive Capital Project Management Framework:** The audit observed that SCW-funded capital projects are managed under a comprehensive framework guided by the Capital Improvement Program (CIP) Program Manual. This framework provides a strong foundation for project execution, including detailed work plans, phase-based delivery procedures, and a clear hierarchy of oversight meetings. While the findings in

this report identify opportunities to improve the reconciliation between the CIP and the SCW Program's external reporting, the underlying project management structure is a key strength.

- **Effective Performance of Operational Projects:** The audit of selected projects indicated that six of the seven¹ active operational, maintenance (e.g., performance-based), and fiscal-based projects included in our sample of projects are consistently meeting or exceeding their annual Key Performance Indicator (KPI) targets.
- **Strategic Use of Tiered KPIs for Risk Management:** The audit identified that the use of a tiered KPI structure for certain complex capital projects, which includes both a preferred KPI and a "local-funding-only" alternative, serves as an effective risk management tool, providing a pre-approved path for project progress under different funding scenarios.

¹ See Finding 9 on page 25 regarding Project D1 (Management of Riparian Planting and Invasive Plant Removal).

III. PROCEDURES, FINDINGS AND RECOMMENDATIONS

This section of the report presents the summary of findings and recommendations resulting from our audit procedures. The findings are organized by the major audit objectives outlined in Section I.

A. Reporting and Transparency

This area of the audit focused on assessing the transparency and accuracy of reporting on the renewed SCW Program's progress and outcomes, including the public disclosure of financial information, project status updates, and the roles and responsibilities of the Independent Monitoring Committee (IMC).

Procedures Performed

To evaluate reporting and transparency, audit procedures included reviewing key documents required by Measure S. This involved examining the Annual Rate-Setting Reports prepared by Valley Water's CEO for each year of the audit period to confirm they included the required proposed tax rates. We also reviewed the annual fiscal year reports prepared by the Chief Financial Officer to verify they were filed on time and contained the required information on funds collected and expended, and the status of funded projects. Additionally, the audit reviewed the operations of the Independent Monitoring Committee (IMC). Procedures included examining the public availability of meeting schedules, agendas, and minutes, and reviewing Valley Water's Conflict of Interest policy applicable to the IMC.

B. Program Oversight and Governance

This area of the audit focused on evaluating the overall program governance and the effectiveness of managerial oversight mechanisms. The audit also verified compliance with key provisions of the Measure S tax measure and the implementation of the Board-approved Change Control Process.

Procedures Performed

To evaluate program oversight and governance, our audit procedures were designed to assess the framework from multiple perspectives:

- **Review of the Governance Framework:** We reviewed the governance structure mandated by Measure S and established in Valley Water documentation. To understand the roles, responsibilities, and effectiveness of this structure, we conducted interviews with members of the Board of Directors, the Independent Monitoring Committee (IMC), and key Valley Water management and staff.

- **Assessment of Compliance:** To assess compliance with key provisions of Measure S, we reviewed publicly available documentation, including Annual Reports and Board meeting materials, to evaluate adherence to the measure's requirements. This included assessing whether program funds were collected and expended appropriately.
- **Evaluation of the Change Control Process:** We reviewed the Board-approved Change Control Process and examined a sample of project adjustments and modifications made during the audit period to determine if the process was being implemented as designed.

Findings, Recommendations and Management Responses

Finding 1: The Program is Operating in Compliance with Key Measure S Provisions, with One Minor Procedural Discrepancy Noted.

Issue: The audit's review of compliance with key Measure S provisions found that Valley Water adheres to the primary procedural, financial control, and reporting mandates. A minor discrepancy was noted regarding Measure S, Provision C, which specifies that tax resolutions be filed with the "Auditor-Controller" and the "County Recorder." Current practice involves filing these documents with the County Clerk-Recorder's Office and the County Tax Assessor's Office. This variance appears related to changes in County departmental structures since Measure S was drafted. While the specific titles of the offices differ, the filings appear to achieve the functional intent of the provision by ensuring the relevant county entities are formally notified for billing and recording purposes.

Risk: Without formal documentation explaining the variance between the procedural text in Measure S and current practice, there is a risk of perceived non-compliance with the voter-approved measure. Such perceived non-compliance may make it more difficult for future such initiatives to pass.

Recommendation: To address the minor discrepancy in filing offices for tax resolutions, Valley Water should formally document its assessment that the current process meets the functional intent of Measure S, Provision C. Furthermore, standard clarifying language should be incorporated into future Board resolutions to explicitly state the specific County offices where certified copies will be filed. These actions will enhance transparency by creating a clear and complete public record, demonstrating the Program's adherence to Measure S requirements.

Management's Response: Agree. Management agrees with the recommendation and staff will implement this recommendation.

Responsible Party: Chief Financial Officer (CFO), Financial Planning & Management Services Division.

Completion Date: Q4, FY26 for FY2026-2027 Annual Rate Setting Report (May 2026).

Finding 2: Process for Reconciling SCW Project Funding Allocations with CIP Adjustments Needs Improvement to Enhance Reporting Reliability.

Issue: To support Valley Water's ongoing efforts to improve the Safe, Clean Water (SCW) Program, this finding identifies an opportunity to enhance the reporting of long-term project funding allocation adjustments. Primarily there is a need to strengthen the procedural methods for reconciling CIP Plan adjustments to project funding allocations in order to increase data accuracy and reliability. Additionally, there is an opportunity to clarify the language in the Board-approved Change Control Process to specify what information regarding these adjustments will be reported and where information related to budget adjustments and changes to project funding allocations will be made publicly available. This issue is specific to the program's capital projects, as our audit work found no similar material discrepancies in the reporting for operational projects. Our audit of the SCW Program's capital project budgets found that the cumulative "Board Appv'd Adj" figures reported in Appendix A-1.2 of the SCW Annual Reports for FY23, and FY24 did not reconcile to supporting documentation. We were unable to determine the magnitude of the reconciliation discrepancies as performance of detailed reconciliations was outside the scope of our procedures, and staff's efforts to update the reconciliation is ongoing. In response to our inquiries, staff indicated they had identified an error in the methodology used for their detailed review of Board-approved adjustments, which was initiated as part of the FY24 reporting cycle. As staff explained, this methodology used the Capital Improvement Program's Five-Year Plan (CIP Plan) as the baseline for identifying funding allocation adjustments instead of the SCW Program's 5-Year Implementation Plan. While the Change Control Process for capital projects appropriately uses the CIP Plan cycle for approving changes, there is an opportunity to improve the methods used to identify, reconcile, and report those approved changes within the SCW Annual Report in an accurate and timely manner. Staff have been proactive in addressing this issue and plan to restate and republish the FY23 and FY24 annual reports once their detailed review and reconciliation is complete. The following recommendations are intended to support these ongoing improvement efforts.

Risk: When the funding allocation data presented in the SCW Annual Report is not presented in an accurate, complete, and timely manner, there is a risk that public accountability is diminished. This condition could have an impact on effective oversight by the Board.

Recommendation: To help ensure the accuracy, completeness and timeliness of the SCW Program's long-term budgetary reporting, we recommend that Staff revise the methods and processes used to identify, reconcile and report funding allocation adjustments within the SCW Annual Reports. This revised process should include:

1. **A Corrected and Auditable Baseline:** Complete an updated, comprehensive review and reconciliation of all Board-approved funding allocation adjustments made since FY22,

starting from the SCW 5-Year Implementation Plan. This corrected baseline must be documented and used for all future reporting.

2. **A Formal Reconciliation Procedure:** For any CIP change affecting a SCW project, a standard procedure must be followed to formally document the specific impact on the SCW Program's 15-year allocation. This reconciliation and supporting documentation must be retained as auditable evidence.
3. **Independent Review:** This SCW-specific reconciliation should be reviewed and approved by management before the SCW Annual Report is finalized.
4. **Accurate and Transparent Reporting:** Ensure the "Board Appv'd Adj" column in Appendix A-1.2 and its corresponding footnotes accurately reflect the reconciled, cumulative adjustments to only the renewed SCW Program funding allocations, clearly distinguishing it from the total project costs reported in the CIP Plan.
5. **Informed Board Approval of the CIP Plan:** When presenting the annual CIP Plan for Board approval, management should include a summary schedule that explicitly quantifies how proposed CIP planned expenditures will impact the 15-year funding allocations of the corresponding SCW Program projects. This ensures the Board is fully informed of the SCW Program implications at the time of the CIP decision.
6. **Clarify the Change Control Process Policy:** In conjunction with the procedural improvements, update the language in the Board-approved Change Control Process to better clarify how fiscal year budget adjustments and changes to project funding allocation will be made publicly available through reporting and posting on the Program's web page.

Management's Response: Agree. Management agrees with the recommendation. Staff will address the recommendation as follows:

1. **A Corrected and Auditable Baseline:** As noted in the report, staff is proactively addressing this issue. Staff completed a detailed review and reconciliation of all Board-approved funding allocation adjustments made since FY22 and republished the FY23 and FY24 annual reports. Staff is also implementing measures to strengthen and enhance processes for identifying, reconciling, and reporting funding allocation adjustments to Safe, Clean Water projects.
2. **A Formal Reconciliation Procedure:** Currently, the standard process for capital projects follows the annual Capital Improvement Program's Five-Year Plan (CIP Plan) development cycle, which includes Change Management Memos (CMMs) outlining scope, schedule and budget adjustments, financial analysis to determine fund impacts, CIP evaluation team review, recommendations for Board approval, and activation of the Change Control Process for any changes that affect any key performance indicators (KPIs). To address the audit recommendation and enhance accountability, staff plans to

strengthen this process by implementing a requirement for the CMMs to clearly identify impacts on Safe, Clean Water projects and developing a standardized reconciliation template to clearly quantify and document any SCW-related financial impacts from CIP changes. These documents will be retained as auditable evidence.

3. **Independent Review:** The SCW annual report is approved by the management, including Deputy Operating Officers, Chiefs, CFO, ACEO, and the CEO, prior to Board approval. The CFO will review and validate the standardized reconciliation template being developed prior to its implementation to clearly quantify and document any SCW-related financial impacts from the CIP Plan planned expenditure changes.
4. **Accurate and Transparent Reporting:** In future annual reports, staff will ensure that the Board Approved Adjustment column in Appendix A-1.2 and its footnotes accurately reflect that the reconciled, cumulative adjustments are specifically related to the renewed SCW Program funding allocations. It will clearly differentiate these adjustments from the total capital project reported in the CIP Plan.
5. **Informed Board Approval of the CIP:** The current Annual Process for Development of the CIP Five-Year Plan (CIP Plan Process) for Safe, Clean Water projects will be enhanced to implement the recommendation. Currently, staff brings to the Board all project scope, schedule, and cost changes. The Project Plan Updates attachment is presented every year to the Board to provide details regarding the changes incorporated into the CIP Plan and all Safe, Clean Water projects are noted with a reference to the SCW project number. Furthermore, through the financial modeling presented and discussed as part of the preliminary CIP plan and rate-setting process, staff assesses and determines if there are any impacts on the fund's health that would trigger the Safe, Clean Water Program's Change Control Process.

To enhance clarity and visibility, staff plans to implement the following changes:

- a. Currently, any changes to the scope, schedule, or costs of a capital project must be documented through a Change Management Memo (CMM). This memo is submitted by the Project Manager to the Deputy Operating Officer for approval. The CMM template is being updated to specifically identify if the proposed change affects the scope, schedule, or cost of a SCW project. The memo will specify whether the change impacts the project KPI(s), the scheduled delivery date, or funding allocations. If any of these elements are affected, the CMM will indicate this, alerting staff to initiate the Change Control Process.
- b. The Project Plan Updates provided to the Board as part of the CIP Plan development will include information specific to each SCW project scope, schedule, or cost change. It will capture the impact of these changes and clearly state if it triggers the Program's Change Control Process.

- c. Similarly, for Operating projects, the Budget Adjustment Form is being updated to clearly specify whether the requested adjustment is for an SCW project and whether it impacts the project's funding allocations and/or KPI delivery. If any of these elements are affected, the form will indicate this, alerting staff to initiate the Change Control Process.
6. **Clarify the Change Control Process Policy:** The Safe, Clean Water Program Change Control Process is being enhanced to expand opportunities for public engagement. The enhancement will include updating language to better clarify how fiscal year budget adjustments and changes to project funding allocation will be made publicly available through reporting and posting on the Program's web page. The enhanced Change Control Process, first presented to the Board in June 2025, is scheduled for formal approval in FY26 Q2.

These enhancements will ensure that all CIP planned expenditure changes affecting SCW projects are transparently assessed, clearly documented, and readily available for audit purposes.

Additional Clarification: It should be clarified that the SCW Annual Report is retrospective in nature and does not serve as a forward-looking planning document. Its primary purpose is to transparently report on progress and expenditures for public accountability. Accurate and complete financial information in the report is indeed vital for transparency and monitoring, and we are committed to achieving that. However, it is important to note that the data presented in the SCW Annual Report does not directly influence budget or funding decisions. These determinations are made through a separate, forward-looking process, namely, the long-term forecast and the financial modeling that supports the development of the CIP Plan and the rate-setting process. As part of this process, staff evaluate whether any funding needs impact the overall health of the SCW Fund and, if so, whether those impacts warrant action through the established Change Control Process.

Responsible Party: CFO, Financial Planning & Management Services Division (1, 3, 4, and 5.c) ; and Assistant Officer (AO), Office of Integrated Water Management – Business Planning and Analysis Unit (2, 5.a, 5.b, and 6).

Completion Date: Q4, FY26.

Finding 3: A Clearer Crosswalk is Needed between CIP and SCW Schedule Adjustments

Issue: Similar to the budget reporting process, there is an opportunity to enhance the transparency of project schedule reporting by providing a clearer crosswalk between the schedules presented in the CIP Plan and those in the SCW Annual Report. Additionally, there is an opportunity to clarify the language in the Board-approved Change Control Process to specify

what information will be reported and where information related to adjustments to project schedules will be made publicly available. The SCW Change Control Process appropriately uses the CIP Plan as the primary vehicle for approving schedule changes for capital projects. However, the two reports are prepared on different bases and at different times, which can make it challenging for an external stakeholder to independently reconcile the information. As management explained, a key reason for these differences is the timing of when each report is produced. The CIP Plan is adopted in May and reflects planned schedules and expenditures for the upcoming fiscal year. In contrast, the SCW Annual Report is published after the fiscal year has ended and reflects actual project developments. This can lead to situations where a project's schedule is adjusted in the SCW Annual Report based on year-end progress, but that change is not yet reflected in the already-published CIP Plan.

Risk: While this approach is reasonable for internal management, and the schedules in the SCW Annual Report are clear, the lack of a formal, public-facing reconciliation between these two reporting methodologies makes it difficult for stakeholders to independently trace the impact of a schedule change approved in the CIP Plan on the delivery of a project's KPI. This places the burden of reconciling the different reporting frameworks on the reader and reduces the ease with which stakeholders can track the impact changes to the CIP plans will have on the project's KPI schedule.

Recommendation: To improve the clarity and consistency of project schedule reporting, we recommend that Valley Water:

1. Continue the practice of clearly and visually differentiating the milestone for achieving a project's KPI from the milestones for other project phases (e.g., design, plant establishment, closeout) in the SCW Annual Report's schedule graphics.
2. Provide a clear reconciliation on the SCW Program webpage that illustrates and explains how Board-approved changes to capital project construction schedules in the CIP Plan impact the delivery schedule for the corresponding SCW Program KPI.
3. When presenting the annual CIP Plan for Board approval, explicitly report on how proposed schedule changes will affect the KPI delivery dates for SCW projects, ensuring the Board understands the direct impact on program commitments at the time of their decision.
4. In conjunction with the procedural improvements, update the language in the Board-approved Change Control Process to better clarify how adjustments to project schedules will be made publicly available through reporting and posting on the Program's web page.

Management's Response: Agree. Management agrees with the recommendation and will implement the following:

1. **Differentiated milestones:** In the Safe, Clean Water Program Annual Report schedule graphics, Valley Water will continue the practice of clearly and visually differentiating the milestone for achieving a project's KPI from the milestones for other project phases (e.g., design, plant establishment, closeout).
2. **Schedule Reconciliation:** At the end of each fiscal year, staff will provide the Board with a summary of all schedule adjustments impacting KPI delivery, including those approved as part of the Board's approval of the CIP Plan. Currently, these schedule adjustments are reported in the SCW Program annual report. Going forward, a consolidated summary will also be available to the public on the Program's webpage.
3. **CIP Plan Impacts on KPI Delivery:** The current CIP Plan Process for SCW projects will be enhanced to implement the recommendation. Currently, staff brings to the Board all project scope, schedule, and cost changes. The Project Plan Updates attachment is presented every year to the Board to provide details regarding the changes incorporated into the CIP Plan and all SCW projects are identified through the SCW project number.

To enhance clarity and visibility, staff plans to implement the following changes:

- a. The CMM template is being updated to specifically identify if the proposed change affects the scope, schedule, or cost of a SCW project. The memo will specify whether the change impacts the project KPI(s), the scheduled delivery date, or funding allocations. If any of these elements are affected, the CMM will indicate this, alerting staff to initiate the Change Control Process.
 - b. The Project Plan Updates provided to the Board as part of the CIP Plan development will include information specific to each SCW project scope, schedule, or cost change. It will capture the impact of these changes and clearly state if it triggers the Program's Change Control Process.
4. **Clarify the Change Control Process Policy:** The Safe, Clean Water Program Change Control Process is being enhanced to expand opportunities for public engagement. The enhancement will include updating language to better clarify how adjustments to project schedules will be made publicly available through reporting and posting on the Program's webpage. The enhanced Change Control Process, first presented to the Board in June 2025, is scheduled for formal approval in FY26 Q2.

Responsible Party: AO, Office of Integrated Water Management – Business Planning and Analysis Unit

Completion Date: Q4, FY26.

Finding 4: A Prior Audit Recommendation Regarding the IMC Conflict of Interest Policy Remains Unresolved

Issue: A 2024 closeout audit of the prior Safe, Clean Water Program recommended that Valley Water develop a conflict-of-interest policy for the Independent Monitoring Committee (IMC) to manage real or perceived conflicts. During our audit period, we noted that Valley Water is actively working to address this recommendation. However, a formal, updated Conflict of Interest framework specifically for the IMC has not yet been finalized and implemented.

Risk: Without a formal, implemented conflict-of-interest policy tailored to the specific advisory role of the IMC, there is a risk that real or perceived conflicts could arise. This could potentially undermine the credibility of the committee's independent oversight function and diminish public trust in the governance of the SCW Program.

Recommendation: We recommend that Valley Water finalize and implement a formal Conflict of Interest framework for the Independent Monitoring Committee.

Management's Response: Agree. Management agrees with the recommendation and on Sept. 23, 2025, the Board adopted a resolution establishing new conflict of interest disclosure requirements for IMC members.

Responsible Party: AO, Office of Integrated Water Management – Business Planning and Analysis Unit; and Clerk of the Board (COB), Office of the Clerk of the Board.

Completion Date: Q2, FY26.

Finding 5: Ongoing Vacancies on the Independent Monitoring Committee Impact its Effectiveness

Issue: Interviews with members of the Independent Monitoring Committee (IMC) highlighted operational challenges that could impact the effectiveness of this key oversight body. Members noted that ongoing vacancies on the committee have created difficulties in consistently attaining a quorum for meetings and have led to an uneven distribution of workload.

Risk: The operational challenges facing the IMC, including persistent vacancies, could hinder its ability to consistently and effectively fulfill its mandated oversight responsibilities. This could lead to delays in the IMC's annual review process, reduce the depth of its analysis, and ultimately weaken a key component of the SCW Program's public accountability framework.

Recommendation: To support Valley Water's ongoing efforts to ensure the effectiveness of the Independent Monitoring Committee, we recommend that management partner with the Board of Directors to enhance the processes for recruiting committee members. This could include:

- **Enhancing Recruitment:** Exploring additional recruitment strategies beyond standard website postings to identify, attract, and recruit qualified candidates to fill committee vacancies in a timely manner. This could involve targeted outreach to subject matter experts or community organizations.

Management's Response: Agree. Management agrees with the recommendation and staff will explore additional recruitment strategies in partnership with the Board of Directors.

Responsible Party: COB, Office of the Clerk of the Board.

Completion Date: Q4, FY26; and will be implemented on an ongoing basis.

C. Program and Project Performance

This area of the audit focused on assessing whether Valley Water is making reasonable progress toward meeting the SCW Program's six priorities and their associated Key Performance Indicators (KPIs). This assessment was based on detailed reviews of a representative sample of projects to evaluate project management effectiveness and the adequacy of the KPIs themselves.

Procedures Performed

To evaluate program and project performance, the audit team performed the following procedures:

- **Assessed Progress Toward KPIs:** We assessed Valley Water's progress toward meeting the Program's six priorities by evaluating the reported progress for a selection of projects against their established KPIs. Our assessment included a review of progress documented in the FY22, FY23, and FY24 SCW Annual Reports and an evaluation of documented project challenges and risks impacting KPI achievement.
- **Reviewed KPI Adequacy and Structure:** We reviewed the KPIs for the selected projects to determine their adequacy and inherent achievability. This review included an assessment of each KPI's clarity and measurability, its alignment with the corresponding Program Priority, and its structure in measuring project outputs (e.g., construction deliverables) versus community outcomes (e.g., parcels protected).
- **Evaluated Project Management:** We performed deep-dive reviews of the selected projects to understand and evaluate how each is being managed. This included conducting interviews with Project Managers and other key staff to discuss the management of project scope, budget, schedule, and progress toward achieving KPIs.

- **Verified Project Artifacts:** We obtained and evaluated a variety of project management artifacts, such as project plans, work-tracking reports, budget vs. actual expenditure reports, and risk assessments. The purpose of this review was to identify process strengths, deficiencies, and challenges, and to obtain evidence supporting the reported progress towards reported project milestones.

Findings, Recommendations and Management Responses

Finding 6: Management of Key Partnership Projects Could Be Enhanced

Issue: For Project E5 (San Francisquito Creek Flood Protection), Valley Water's role has evolved from project lead to that of a primary funder and influential partner within the San Francisquito Creek Joint Powers Authority (SFCJPA). The project's existing management mechanisms, which are designed for direct project execution, may not be the most effective tools for managing this evolving role. This presents an opportunity to supplement existing processes with a more strategic tool to effectively track risks to Valley Water's investment, coordinate its positions on key issues, and document decisions within the multi-agency partnership.

Risk: Without a formal mechanism to track and manage its position on key decisions within the partnership, there is a risk that Valley Water may not be able to effectively influence project outcomes, protect its financial investment, or ensure alignment with its strategic goals. This could lead to a misalignment of priorities between Valley Water and the lead agency, potentially impacting the project's success and the return on public funds.

Recommendation: To effectively manage its role in externally led partnerships like Project E5, Valley Water should develop and implement a 'Strategic Decision & Risk Log' to formalize its partnership management. This tool would serve as a formal mechanism to 1) identify and monitor the key technical, funding, and governance decisions being managed by the partner agency; 2) formally document Valley Water's official position on each critical issue; 3) identify the associated risks to Valley Water's investment and policy goals; and 4) define and track a proactive position strategy.

Management's Response: Agree. Management agrees with the recommendation and where applicable, staff will develop and implement a Strategic Decision & Risk Log to formalize its partnership management.

Responsible Party: Chief Operating Officer (COO), Watersheds.

Completion Date: Q4, FY26.

Finding 7: The KPI for a Key Partnership Project is Misaligned with Valley Water's Role and Authority

Issue: The KPI for Project E5 holds Valley Water accountable for delivering a specific community outcome (protecting parcels from a 70-year flood event), yet Valley Water no longer has the direct control or authority to ensure this outcome is achieved. The transfer of project leadership to the SFCJPA means the KPI, as currently worded, does not accurately reflect Valley Water's role as a funding partner, making it an inadequate measure of its performance and accountability for the public funds invested.

Risk: When a project's KPI is not aligned with Valley Water's actual role and authority, there is a risk that the organization will be held accountable for outcomes it cannot control. This can lead to a misrepresentation of Valley Water's performance, diminish public accountability, and make it difficult to accurately assess the effectiveness of its contributions to the project.

Recommendation: Valley Water should continue to formalize the re-evaluation of the Project E5 KPI to align it with current realities. This evaluation should consider options for shifting the KPI from an outcome-based metric to one that measures Valley Water's specific, controllable contributions, such as a funding or partnership-based deliverable.

Management's Response: Agree. Management agrees with the recommendation and staff will reevaluate Project E5: San Francisquito Creek Flood Protection KPIs to determine how best to reflect current realities. If it is determined that modifications to the KPIs are required, management will propose them in accordance with the Change Control Process.

Responsible Party: COO, Watersheds.

Completion Date: Q4, FY26.

Finding 8: Performance Data Impacted by Inconsistent Data Entry and Reporting

Issue: For the two projects noted below, the performance information included in the SCW Annual Reports does not align with detailed operational activities performed. Our audit identified an opportunity to improve the processes for entering data into the Maximo work management system and compiling data from the system for reporting.

- **Project D1 (Management of Riparian Planting and Invasive Plant Removal),** Variances exist between the operational data recorded in the Maximo work management system and the summary figures published in the SCW Annual Reports because of incorrect summary information being pulled from the system. While these variances did not materially affect the project's overall achievement of its KPI targets for the years reviewed, this represents an opportunity to strengthen procedural controls.

- **Project F5 (Good Neighbor Program: Encampment Cleanup)**, Our sample of work orders reviewed identified instances where the amount of work recorded in completed work orders differed from the amount of work expected and actually performed. These differences in the manual entry of "acreage of work accomplished" resulted in both under-reported and over-reported amounts of the acreage in our sample of work orders. As a result of our audit, staff have corrected the data entry errors identified and are performing a review of similar data to ensure its accuracy.

These two observations—the first related to the compilation of summary data for Project D1 and the other to the initial entry of source data for Project F5—point to an opportunity to improve procedures for ensuring data integrity from its initial entry in Maximo to its final publication in the SCW Annual Report.

Risk: When operational data is not accurately entered into the source system, or when it is not correctly compiled for reporting, there is a risk that the reliability of performance data in the SCW Annual Report could be diminished. This could reduce the ability of stakeholders to independently validate the program's progress.

Recommendation: We recommend that management enhance procedures for entering operational data into the Maximo work management system and compiling data for reporting to ensure accuracy and reliability. These procedures should include, at a minimum,

- **Data Review Processes:** Implement a supervisory review for key data fields (such as acres managed for Project F5) within Maximo work orders to verify data accuracy, comparing the amounts entered against expected results.
- **Data Reporting:** Define processes for extracting data from source systems and for reconciling detailed supporting data to the figures that will be published in the SCW Annual Report, to ensure accuracy and completeness.

Management's Response: Agree. Management agrees with the recommendations and staff will develop a process to verify that the data entered is aligned with the work performed.

Responsible Party: Deputy Operating Officer (DOO), Watersheds Operations and Maintenance Division.

Completion Date: Q4, FY26.

Finding 9: KPIs that are Open-Ended or Do Not Fully Reflect Program Activities Pose Long-Term Financial and Communication Risks

Issue: There is an opportunity to improve KPIs to ensure long-term financial sustainability and clearer communications. The KPI for Project F1.1 ("Maintain completed flood protection

projects for flow conveyance") represents a perpetual maintenance commitment. While appropriate for the project's flood protection function, an open-ended commitment of this nature poses a long-term financial commitment and risk for the program. For projects D1 and F3, the audit identified instances where specific KPI language could be enhanced for clarity and scope. The KPI for Project D1 (Management of Riparian Planting and Invasive Plant Removal) focuses exclusively on removing *Arundo donax*, which does not fully capture the work done by Valley Water on other high-priority invasive species. For Project F3 (Flood Risk Assessment Studies), the KPI's reference to "FEMA standards" for map updates could be misinterpreted by stakeholders, as the primary deliverable is an internal planning map, not an official FEMA regulatory map.

Risks:

- Project F1.1: A perpetual maintenance commitment creates a potential long-term financial risk, as unforeseen increases in future maintenance costs could consume a disproportionate amount of SCW Program funds. This could impact the funding available for other new projects and priorities in future 15-year cycles of the program.
- Projects D1 and F3: When KPI language is not clear or does not fully reflect the scope of work being performed, there is a risk of miscommunicating the program's accomplishments and challenges to the public and oversight bodies. This can lead to a misunderstanding of the project's value and progress and could create incorrect expectations about project deliverables.

Recommendation: Valley Water should enhance its review of KPIs to ensure they are financially sustainable, remain aligned with current project activities, and that their descriptions clearly articulate the project's scope and deliverables. Should this review identify the need for a modification to a KPI, management should use the established Change Control Process to bring a formal proposal to the Board.

Management's Response: Management acknowledges the recommendation. Staff is assessing related policies and processes. Depending on the outcome of those efforts, Valley Water may consider modifying the KPI in the current 15-year financial cycle or revisit it in the next 15-year financial cycle.

Responsible Party: COO, Watersheds.

Completion Date: Q4, FY26.

IV. APPENDICES

A. List of Projects Selected for Review

To facilitate the review of SCW Program execution and progress, a representative sample of projects was selected from the projects included in the renewed SCW Program.

Selection Rationale and Criteria

A judgmental sampling approach was used to select approximately one-third of the projects (11 projects were chosen). The key criteria used for selecting the sample and ensuring diversity included:

- Representation from each of the SCW Program's six priorities.
- Proportional representation based on total project budget, with more selections from priorities having higher total budgets.
- Inclusion of projects managed by different project managers and across different Valley Water divisions.
- A mix of large and small projects based on budget.
- Representation of various Key Performance Indicator (KPI) types.
- Consideration of project complexity and geographic location.
- Exclusion of projects that had not yet started or were in very early stages, as they offered limited audit evidence.
- Adaptation of the selection as needed, such as adjusting selections between priorities to ensure adequate coverage.

The initial selection was discussed with Valley Water staff, leading to minor refinements.

Final Sampled Projects

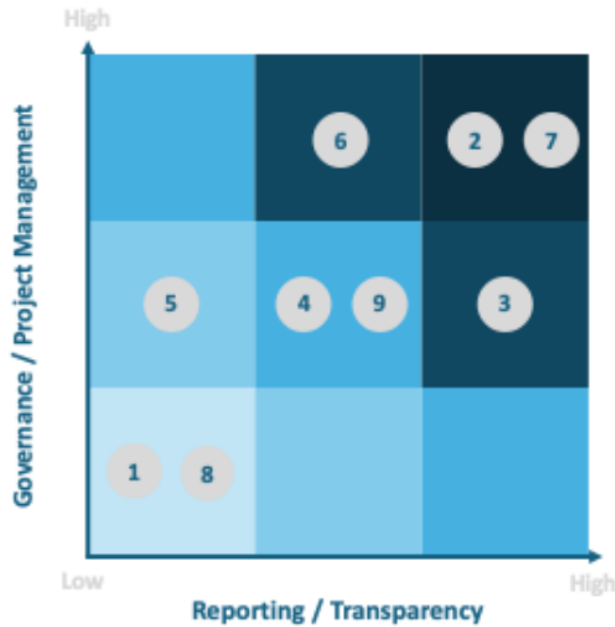
The final list of 11 projects selected for detailed audit procedures, including interviews and documentation review, is as follows:

- A2: Water Conservation Rebates and Programs
- B1: Impaired Water Bodies Improvement
- C1: Anderson Dam Seismic Retrofit
- D1: Management of Riparian Planting and Invasive Plant Removal
- D4: Fish Habitat and Passage Improvement Projects (including D4.1-D4.5 subprojects)

- E1: Coyote Creek Flood Protection
- E5: San Francisquito Creek Flood Protection: SF Bay to Upstream of Hwy 101
- E6: Upper Llagas Creek Flood Protection
- F1.1: Vegetation Control for Capacity (Flood Protection)
- F3: Flood Risk Assessment Studies
- F5: Good Neighbor Program: Encampment Cleanups

B. Prioritization of Findings

To assist the reader, this appendix summarizes the audit findings and assigns a priority level (High, Medium, or Low) to each. The priority is judgmentally determined by assessing the finding's impact on two key areas: 1) internal **Governance and Project Management** and 2) external **Reporting and Transparency**. Findings with a high impact on either area are assigned a high priority.



Finding No.	Topic	Finding Title	Priority (High / Medium / Low)
1	Measure S	The Program is Operating in Compliance with Key Measure S Provisions, with One Minor Procedural Discrepancy Noted	Low
2	Change Control / Annual Reporting	Process for Reconciling SCW Project Budgets with CIP Adjustments Needs Improvement to Enhance Reporting Reliability.	High
3	Change Control / Annual Reporting	A Clearer Crosswalk is Needed between CIP and SCW Schedule Adjustments	High
4	IMC	A Prior Audit Recommendation Regarding the IMC Conflict of Interest Policy Remains Unresolved	Medium
5	IMC	Ongoing Vacancies on the Independent Monitoring Committee Impact its Effectiveness	Medium
6	Project E5	Management of Key Partnership Projects Could Be Enhanced	High
7	Project E5	The KPI for a Key Partnership Project is Misaligned with Valley Water's Role and Authority	High
8	Projects D1 & F5	Performance Data Impacted by Inconsistent Data Entry and Reporting	Low
9	Project F1, D1 & F3	KPIs that are Open-Ended or Do Not Fully Reflect Program Activities Pose Long-Term Financial and Communication Risks	Medium

C. Summary of Findings, Recommendations and Management Responses

Issue and Recommendation Summary	Responsible Party	Summary of Management Response/Implementation Plan
Finding 1: The Program is Operating in Compliance with Key Measure S Provisions, with One Minor Procedural Discrepancy Noted		
<p>Issue: The audit identified a minor procedural discrepancy in how Valley Water files Measure S tax resolutions with Santa Clara County. While the measure specifies filing with the Auditor-Controller and County Recorder, current practice is to file with the County Clerk-Recorder and Tax Assessor, reflecting changes in County office structure.</p> <p>Recommendation: Formally document the assessment that the current process meets the functional intent of Measure S, Provision C. Furthermore, incorporate clarifying language into future Board resolutions to explicitly state the specific County offices where certified copies will be filed. Document the rationale supporting the current filing process and include clarifying language in future Board resolutions specifying why certified copies are filed with the current County offices.</p>	<p>CFO, Financial Planning & Management Services</p>	<p>Agree.</p> <p>Management agrees with the recommendation and staff will implement this recommendation.</p> <p>Implementation Date: Q4, FY26 for FY2026-2027 Annual Rate Setting Report (May 2026).</p>

Issue and Recommendation Summary		Responsible Party	Summary of Management Response/Implementation Plan
Finding 2: Process for Reconciling SCW Project Funding Allocations with CIP Adjustments Needs Improvement to Enhance Reporting Reliability (Priority High)			
<p>Issue: The process for reconciling SCW capital project funding allocations with adjustments approved in the CIP Plan needs improvement to support accurate and timely reporting in the SCW Annual Report.</p> <p>Recommendation: Revise methods for identifying, reconciling, and reporting SCW funding allocation adjustments. Establish a corrected baseline, create a formal reconciliation process for CIP changes, require management review before publication, and clarify public reporting expectations in the Change Control Process.</p>	<p>CFO, Financial Planning & Management Services and AO, Office of Integrated Water Management – Business Planning and Analysis Unit</p>	<p>Agree.</p> <p>Management agrees with the recommendation and staff will implement the recommendation.</p> <p>Implementation Date: Q4, FY26.</p>	

Issue and Recommendation Summary	Responsible Party	Summary of Management Response/Implementation Plan
Finding 3: A Clearer Crosswalk is Needed between CIP and SCW Schedule Adjustments (Priority High)		
<p>Issue: A clearer crosswalk is needed between CIP and SCW project schedule adjustments to improve transparency for stakeholders. Currently, differences in reporting cycles and formats make it challenging to track the impact of schedule changes on KPI delivery.</p> <p>Recommendation: Continue the practice of clearly and visually differentiating the milestone for achieving a project’s KPI from the milestones for other project phases; illustrate and explain how adjustments to capital project schedules in the CIP Plan impact the delivery schedule for the corresponding SCW Program KPI; when presenting the annual CIP Plan for Board approval, explicitly report on how proposed schedule changes will affect the KPI delivery dates for SCW projects; and update the Change Control Process to clarify how schedule changes will be made publicly available through reporting and posting on the Program's web page.</p>	<p>AO, Office of Integrated Water Management – Business Planning and Analysis Unit</p>	<p>Agree.</p> <p>Management agrees with the recommendation and staff will implement the recommendation.</p> <p>Implementation Date: Q4, FY26.</p>

Issue and Recommendation Summary		Responsible Party	Summary of Management Response/Implementation Plan
Finding 4: A Prior Audit Recommendation Regarding the IMC Conflict of Interest Policy Remains Unresolved			
<p>Issue: A prior audit recommendation to implement a conflict-of-interest policy for the Independent Monitoring Committee (IMC) has not yet been finalized or implemented.</p> <p>Recommendation: Finalize and implement a formal Conflict of Interest framework for the Independent Monitoring Committee.</p>	<p>AO, Office of Integrated Water Management – Business Planning and Analysis Unit and COB, Office of the Clerk of the Board</p>	<p>Agree.</p> <p>Management agrees with the recommendation and on Sept. 23, 2025, the Board adopted a resolution establishing new conflict of interest disclosure requirements for IMC members.</p> <p>Implementation Date: Q2, FY26.</p>	
Finding 5: Ongoing Vacancies on the Independent Monitoring Committee Impact its Effectiveness			
<p>Issue: Ongoing vacancies on the IMC have made it challenging to consistently meet quorum requirements and distribute workload among members.</p> <p>Recommendation: Partner with the Board to enhance recruitment strategies, to identify, attract, and recruit qualified candidates.</p>	<p>COB, Office of the Clerk of the Board</p>	<p>Agree.</p> <p>Management agrees with the recommendation and staff will explore additional recruitment strategies in partnership with the Board of Directors.</p> <p>Implementation Date: Q4, FY26.</p>	

Issue and Recommendation Summary	Responsible Party	Summary of Management Response/Implementation Plan
Finding 6: Management of Key Partnership Projects Could Be Enhanced (Priority High)		
<p>Issue: Valley Water’s role in this externally led partnership, Project E5, has shifted from project lead to funding partner. The project's existing management mechanisms, designed for direct project execution, may not be the most effective tools for managing this evolving role.</p> <p>Recommendation: Implement a Strategic Decision & Risk Log to identify and monitor key decisions, document Valley Water’s official positions, assess associated risks, and guide proactive engagement.</p>	COO, Watersheds	<p>Agree.</p> <p>Management agrees with the recommendation and where applicable, staff will develop and implement a Strategic Decision & Risk Log to formalize its partnership management.</p> <p>Implementation Date: Q4, FY26.</p>

Issue and Recommendation Summary	Responsible Party	Summary of Management Response/Implementation Plan
Finding 7: The KPI for a Key Partnership Project is Misaligned with Valley Water's Role and Authority (Priority High)		
<p>Issue: The KPI for Project E5 holds Valley Water accountable for a community outcome it no longer directly controls due to the transfer of leadership to the SFCJPA. The KPI, as currently worded, does not accurately reflect Valley Water's role.</p> <p>Recommendation: Continue to re-evaluate the KPI, shifting from an outcome-based metric to one that measures Valley Water's specific, controllable contributions, such as a funding or partnership-based deliverable.</p>	COO, Watersheds	<p>Agree.</p> <p>Management agrees with the recommendation and staff will reevaluate Project E5: San Francisquito Creek Flood Protection KPIs to determine how best to reflect current realities. If it is determined that modifications to the KPIs are required, management will propose them in accordance with the Change Control Process.</p> <p>Implementation Date: Q4, FY26.</p>

Issue and Recommendation Summary	Responsible Party	Summary of Management Response/Implementation Plan
Finding 8: Performance Data Impacted by Inconsistent Data Entry and Reporting		
<p>Issue: Inconsistent processes for entering and compiling operational data impacted the accuracy of reported performance figures. For Project F5, inconsistencies were noted in the initial entry of source data, while for Project D1, reported figures in the SCW Annual Report varied from the underlying data in the Maximo system.</p> <p>Recommendation: Enhance procedures to ensure accurate data entry and processes for ensuring final reports align with source data.</p>	<p>DOO, Watersheds Operations and Maintenance Division</p>	<p>Agree.</p> <p>Management agrees with the recommendations and staff will develop a process to verify that the data entered is in alignment with the work performed.</p> <p>Implementation Date: Q4, FY26.</p>

Issue and Recommendation Summary	Responsible Party	Summary of Management Response/Implementation Plan
Finding 9: KPIs that are Open-Ended or Do Not Fully Reflect Program Activities Pose Long-Term Financial and Communication Risks		
<p>Issue: KPIs could be improved to support long-term financial sustainability and more accurately reflect the scope of program activities. Project F1.1’s KPI represents a perpetual maintenance commitment, while KPIs for Projects D1 and F3 could be enhanced for clarity and scope.</p> <p>Recommendation: Enhance review of KPIs to ensure they are financially sustainable, remain aligned with current project activities, and that their descriptions clearly articulate the project's scope and deliverables.</p>	COO, Watersheds	<p>Acknowledge.</p> <p>Management acknowledges the recommendation. Staff is assessing related policies and processes. Depending on the outcome of those efforts, Valley Water may consider modifying the KPI in the current 15-year financial cycle or revisit it in the next 15-year financial cycle.</p> <p>Implementation Date: Q4, FY26.</p>

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Safe, Clean Water and Natural Flood Protection Program

Review Proposed Revisions to Key Performance Indicators (KPIs) – Projects E5, D1, F3, and F6

Presented by: Luz Penilla, Assistant Officer – Office of Integrated Water Management
Board Policy and Monitoring Committee Meeting | April 21, 2026

Background

Safe, Clean Water (SCW) Program

- Measure S approved by voters in November 2020
- Effective July 1, 2021
- Replaced 2012 SCW Program
- Funded through special parcel tax
- Includes capital and operational projects
- Six Community Priorities (A-F)
- Each project includes Key Performance Indicators (KPIs) to ensure accountability and transparency

PRIORITIES

- A. Safe water supply
- B. Reduce toxins in waterways
- C. Dam safety
- D. Habitat restoration and open space
- E. Flood protection
- F. Public health and safety

Background

SCW Program Independent Performance Audit

- Independent performance audit required at least once every 5 years
- Independent Monitoring Committee (IMC) requested early review
- Audit completed (covering period from July 1, 2021 – June 30, 2024)
- Board received audit report November 12, 2025
- Total 9 audit findings; 2 findings recommended evaluation of certain KPIs for possible revisions
- Board Policy and Monitoring Committee (BPMC) assigned to review proposed KPI revisions in response to the Audit Report before presentation to full Board

Background

SCW Program Change Control Process

- Measure S requires a formal, publicly noticed hearing before Valley Water decides to modify or not implement a project
- This requirement is implemented through Valley Water's Change Control Process
- Board approved update to Change Control Process on February 24, 2026
 - Refined definition of “adjustment” and “modification”

Audit Report Finding #7

Project E5: San Francisquito Creek Flood Protection (Palo Alto)

Auditor Finding and Proposed KPI Revisions

Current KPI #1 and KPI #2:

- “Preferred project with federal, state and local funding: Protect more than 3,000 parcels by providing 1% (100-year) flood protection.”
- “With state and local funding only: Protect approximately 3,000 parcels by providing 1% (100-year) flood protection downstream of Highway 101, and approximately 1.4% (70-year) protection upstream of Highway 101.”

Auditor Finding (Finding 7):

- KPI holds Valley Water accountable for flood protection outcome, while Valley Water has no direct control or authority to ensure this outcome is achieved
- KPI does not accurately reflect Valley Water’s current role as a funding partner

Audit Report Finding #7

Project E5: San Francisquito Creek Flood Protection (Palo Alto)

Finding and Proposed KPI Revisions

Proposed KPI #1 and KPI #2 Revisions:

- ~~“Preferred project with federal, state and local funding: Protect more than 3,000 parcels by providing 1% (100-year) flood protection.”~~
- ~~“With state and local funding only: Protect approximately 3,000 parcels by providing 1% (100-year) flood protection downstream of Highway 101, and approximately 1.4% (70-year) protection upstream of Highway 101. Provide the San Francisquito Creek Joint Powers Authority a portion of funds commensurate with the project’s benefits to Santa Clara County, to provide flood protection along San Francisquito Creek.~~

Revision considered a “modification” and public hearing is required.

Audit Report Finding #9

Project D1: Riparian Planting and Invasive Plant Removal

Finding and Proposed KPI Revisions

Current KPI #3:

- “Remove 25 acres of *Arundo donax* throughout the county over a 15-year period.”

Auditor Finding (Finding 9):

- KPI #3 references *Arundo donax* exclusively when project activities include removal of other high-priority invasive species

Proposed KPI #3:

- “**Targeted control of** ~~Remove~~ 25 acres of **damaging non-native, invasive plant species such as** *Arundo donax* throughout the county over a 15-year period.”

Revision considered an “adjustment” and no public Hearing is required

Audit Report Finding #9

Project F3: Flood Risk Assessment Studies

Finding and Proposed KPI Revisions

Current KPI #2:

- “Annually, update floodplain maps on a minimum of three (3) creek reaches in accordance with new FEMA standards.”

Auditor Finding (Finding 9):

- KPI #2 appears to require that Valley Water produce official FEMA regulatory maps when the maps are intended only for internal use

Proposed KPI #2:

- “Annually, update **Valley Water’s** floodplain maps on a minimum of three (3) creek reaches in accordance with new FEMA standards.”

Revision considered an “adjustment” and no public hearing is required

Audit Report Finding #9

Project F1: Vegetation Control and Sediment Removal

Finding and Staff Recommendation

Current KPI:

- “Maintain completed flood protection projects for flow conveyance.”

Auditor Finding (Finding 9):

- KPI suggests perpetual financial commitment which could pose financial risk to the program

Staff Recommendation:

- No KPI revision is necessary
- Clarification in audit response
 - Valley water has a legal obligation to maintain projects
 - KPI intended to reflect maintenance during 15-year Program term
 - Not a perpetual SCW funding commitment

Staff Proposed Modification

Project F6: Good Neighbor Program: Graffiti | Litter Removal | Public Art

Staff-Recommended KPI Revisions

Current KPI #3:

- “Provide up to \$1.5 million over 15 years to implement public art projects on Valley Water property and infrastructure.”

Purpose of Revision:

- Allow funding of public art projects beyond Valley Water property and infrastructure to educate the public about water and environmental stewardship

Proposed KPI #3:

- “Provide up to \$1.5 million over 15 years to implement **or fund** public art projects ~~on Valley Water property and infrastructure.~~”

Revision considered a “modification” and public Hearing is required

Safe, Clean Water Program Proposed KPI Revisions

Summary of Proposed Actions

SCW Audit Finding	Project	Revise KPI?	Type of KPI Change	Public Hearing Required?
#7	E5: San Francisquito Creek Flood Protection (Palo Alto)	Yes	Modification	Yes
#9	D1: Riparian Planting and Invasive Plant Removal	Yes	Adjustment*	No
	F3: Flood Risk Assessment Studies	Yes	Adjustment*	No
	F1: Vegetation Control and Sediment Removal	No	N/A	N/A
	F6: Good Neighbor Program: Graffiti and Litter Removal and Public Art	Yes	Modification	Yes

* Adjustments will be brought to the Board for approval as part of the Safe, Clean Water Program FY 27-31 Five-Year Implementation Plan in June 2026.

QUESTIONS

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Santa Clara Valley Water District

File No.: 26-0348

Agenda Date: 4/21/2026
Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM Board Policy and Monitoring Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Provide Feedback for the Upcoming Audit of the Board Appointed Officers Complaint Process.

RECOMMENDATION:

Provide feedback for the upcoming audit of the Board Appointed Officers Complaint Process.

SUMMARY:

At the 2/9/2026 Board Policy and Monitoring Committee (Committee) meeting, the Committee directed that preliminary work be conducted to facilitate the upcoming audit of the Complaint Process for Board Appointed Officers (BAOs).

At the 3/17/2026 Committee meeting, the Committee conducted a brainstorming session to provide input to the Chief Executive Auditor before they begin the audit of the complaint process for BAOs. The Committee discussed procedural questions throughout the various stages upon receipt of a complaint against a BAO. The tables and questions from the 3/17/2026 meeting are attached as a reference.

Since the Committee's discussion the attached flow charts have been developed to map the pre-investigation process (Process A) which includes the intake of a complaint through to the potential investigation. The second flow chart maps the management of an investigation if warranted (Process B). The flow charts also include questions for the Committee's discussion and feedback.

A third flow chart will be developed to address the post-investigation process. The table below includes questions for the Committee's discussion for the post-investigation process.

Post-Investigation

Final Reports	<i>Who reviews the full investigative report and/or the executive summary?</i>
Findings or No Findings	<i>What is the process for addressing investigation findings?</i>

Communication Plan	<i>Do we need a communication plan? And under what circumstances do we need a communication plan?</i>
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ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice impacts associated with this item.

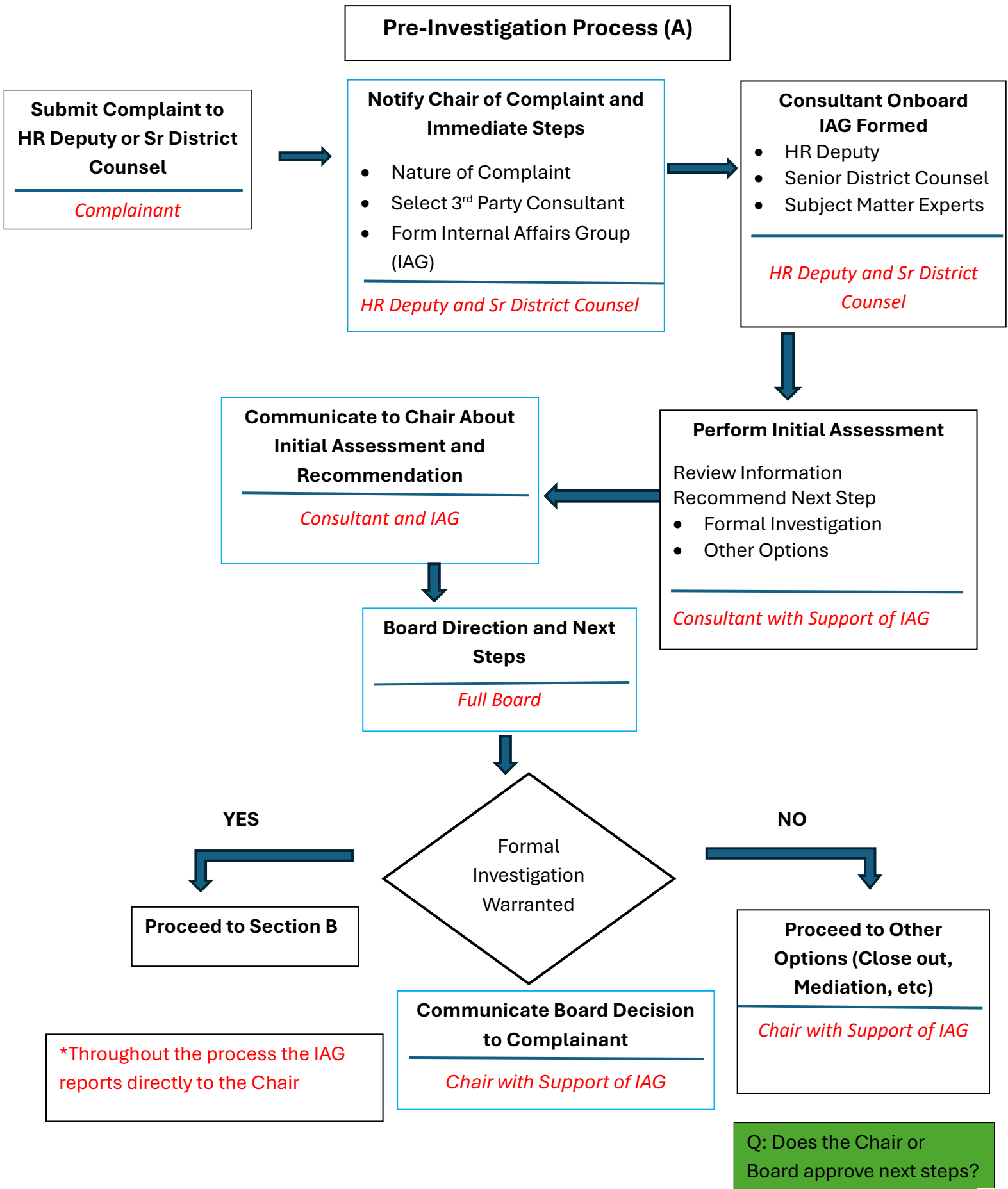
ATTACHMENTS:

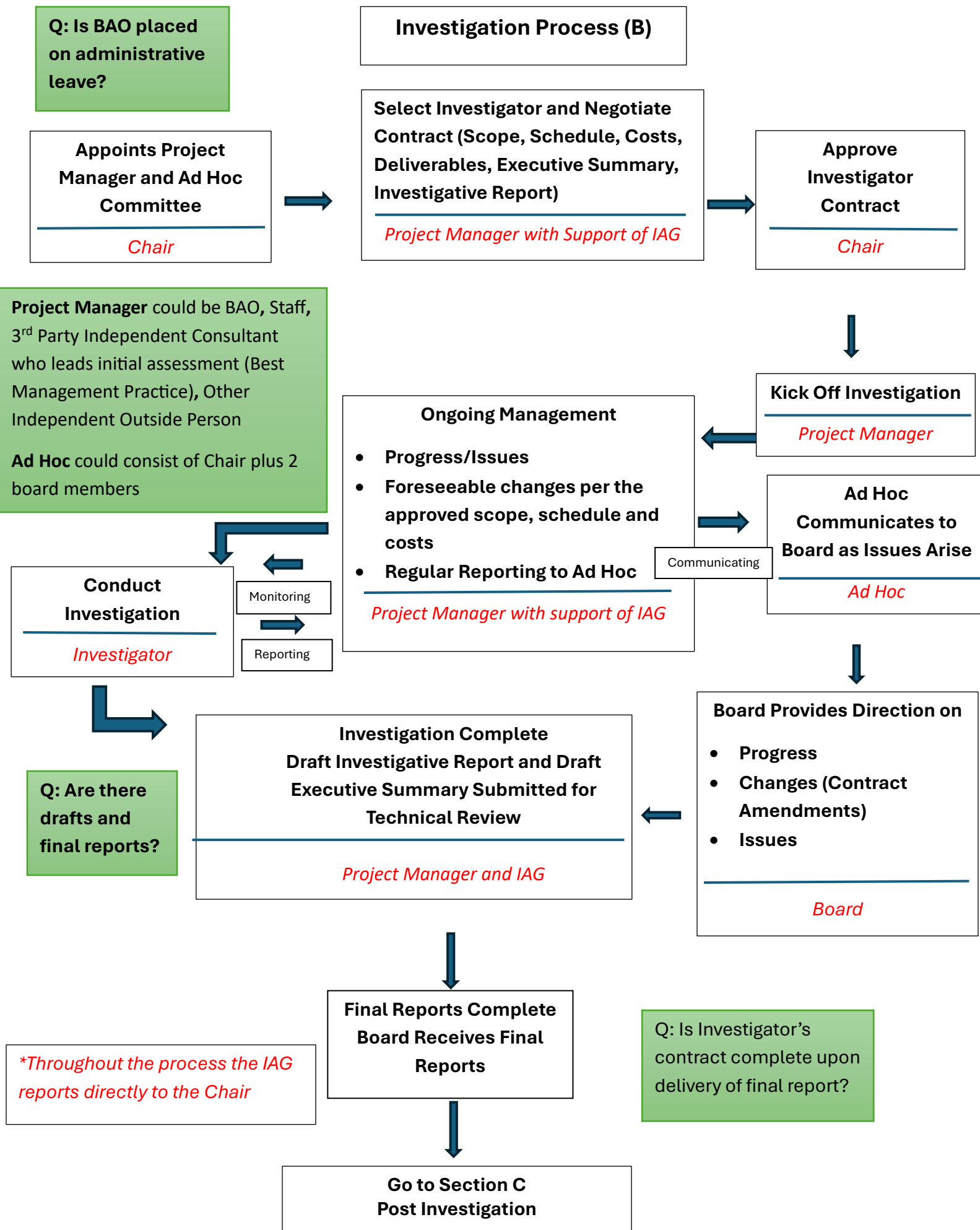
- Attachment 1: Flow Chart
- Attachment 2: Roles and Responsibilities
- Attachment 3: 3/17/2026 BAO Process Questions

UNCLASSIFIED MANAGER:

Director Nai Hsueh

Board Appointed Officer Complaint Process





BAO Complaint Process Roles and Responsibilities

Internal Affairs Group (IAG) – Comprised of HR Deputy and Senior District Counsel and may include subject matter experts and other staff; Supports 3rd Party Consultant and Investigator throughout entire process; Reports directly to the Chair through the Ad Hoc Committee.

Project Manager – Oversees investigation process and monitors contract with investigator to ensure deliverables are complete on time and within schedule.

3rd Party Consultant – Selected from an on-call list of legal firms to conduct the initial assessment of the complaint; This person can also be the Project Manager; Provides information to the Chair.

Investigator - Selected from an on-call list of legal firms to investigate a complaint if warranted; This person is independent; Produces deliverables based on the contract.

Chair – Receives notification of complaint from HR Deputy or Senior District Counsel; Approves contract with investigator; Appoints Ad Hoc Committee members.

Ad Hoc Committee- Comprised of the Chair and 2 other board members who monitor the progress of the investigation. The committee provides updates to the full board and communicates issues as they arise for full board direction.

Board of Directors – Provides direction on the complaint and the investigation as issues arise; Provides direction on post-investigation.

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BAO Complaint Process Questions

Information from March 17, 2026 Board Policy and Monitoring Committee

General Questions:

1. The process is intended for the Board so should it be managed by the Board?
2. Who are the key participants that should be involved in this process as outlined in the process questions?
 - a. What are the roles and responsibilities of each participant?
 - b. What are the reporting relationships of each participant?

Procedural Questions:

To facilitate Committee discussion, the procedural questions were organized into four stages: pre-investigation, management of investigation, review deliverables, and post-investigation. Identifying who receives information and by what means is critical to maintaining impartiality and confidentiality throughout stages of this process.

Pre-Investigation - Intake of complaint to potential investigation

Complaint received.	<i>Who receives the complaint?</i>
Complaint intake.	<i>Who does the intake of the complaint?</i>
Complaint reviewed.	<i>Who determines if an investigation is needed?</i>
Investigation Warranted.	<i>Is the BAO placed on paid administrative leave?</i>
Investigation Begins	<i>Who selects the investigator? Who negotiates scope, schedule, costs, and identifies deliverables? Who approves the contract?</i>

Management of Investigation - Initial meeting to submittal of deliverables

Initial Meeting	<i>Who attends?</i>
Ongoing Management	<i>Who oversees the management of progress per the approved scope, manages the budget and tracks payment?</i>

Potential Scope Changes	<i>Who reviews and approves necessary changes (change management) and develops revised scope, schedule and costs?</i>
Ongoing Communication	<i>What regular communication is provided and how often? How are updates provided and to whom?</i>
Completion of Investigation	<i>What determines the completion of the investigation? Is it data completion, completion of any deliverables or a final report?</i>
Submission of Deliverables	<i>Who receives the deliverables? Is there an initial draft followed by a final report on deliverables?</i>

Review of Deliverables - Review of deliverables to close out of investigation and contract

Deliverables	<i>Who reviews? Are there other reviewers besides Board members?</i>
Purpose of Review	<i>Is the review for information, comments, questions?</i>
Board Action	<i>Does the Board need to accept the completion of the data, completion of the deliverables or a final report? If so, in what format?</i>
Communication on Outcomes	<i>How are results communicated and to whom? Is there a need for a Communications Plan? What documents are released? What is the timing and methodology of the release?</i>
Completion of Investigation	<i>What determines the final completion of the investigation? Who closes out the contract with the investigator?</i>



Santa Clara Valley Water District

File No.: 26-0361

Agenda Date: 4/21/2026
Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM **Board Policy and Monitoring Committee**

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Review and Provide Feedback on the Board Work Plan.

RECOMMENDATION:

Review and provide feedback to staff as needed on the Board Work Plan and the Work Plan development process.

SUMMARY:

The Board Work Plan is developed annually to support the Board of Directors in setting policy direction, prioritizing key initiatives, and planning its work over the fiscal year. The work plan serves as a tool to enhance transparency, improve agenda planning, and align Board and Committee efforts with Valley Water's strategic priorities.

The Board Policy and Monitoring Committee plays a key role in the development of work plan before it is presented to the full Board for adoption and has been charged with reviewing the current Fiscal Year 2025-2026 (FY26) Work Plan (Attachment 1) and providing feedback to staff on the plan's structure and content, as well as the development process before the development of the Board's Work Plan for Fiscal Year 2026-2027 (FY27).

Following any feedback and direction of the Committee, staff will refine a draft FY27 Board Work Plan for review.

ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice impacts associated with a review of the Board's Work Plan.

ATTACHMENTS:

Attachment 1: FY26 Board Work Plan

File No.: 26-0361

Agenda Date: 4/21/2026
Item No.: 4.3.

UNCLASSIFIED MANAGER:
Theresa Chinte, 408-630-2714



Valley Water

FY 2025-26

Board Work Plan

Chair's Message

At the Santa Clara Valley Water District, we are entrusted to deliver clean, safe water, protect our communities from flooding, and care for the environment that sustains Santa Clara County's two million residents and businesses.

As your elected representatives, our objective is to keep water rates as affordable as possible while supporting the economic vitality and quality of life that defines Silicon Valley. The Fiscal Year 2025-2026 Board Work Plan serves as our strategic roadmap for achieving these goals in the year ahead.

This year's work plan outlines key actions and milestones for several high-priority water supply and flood protection projects, including the Anderson Dam Seismic Retrofit Project, the South San Francisco Bay Shoreline Project, the Upper Llagas Creek Flood Protection Project, and the Coyote Creek Flood Protection Project. It also highlights our progress toward long-term investments in water reliability, most notably through the anticipated completion of the Water Supply Master Plan 2050, which will serve as a guiding framework for ensuring a resilient water supply for generations to come.

We also remain committed to addressing the complex challenge of encampments along our waterways. In partnership with local agencies and community partners, we are taking a coordinated approach that includes enforcing the Water Resources Protection Zone Ordinance, pursuing the development of interagency Memoranda of Agreement, and conducting large-scale trash cleanups on Valley Water lands.

While our primary role as a Board is to set policy, we are equally dedicated to overseeing the effective implementation of these efforts—ensuring that resources are allocated efficiently, responsibilities are clear, and all actions align with our Governance Policies.

It is an honor to serve as Board Chair this year. Together, we will continue building on our shared mission to provide safe, secure, and sustainable water resources for all who live and work in Santa Clara County.



Tony Estremera
Board Chair
Santa Clara Valley Water District



Valley Water

Founded in 1929, the Santa Clara Valley Water District (Valley Water) is the primary water resources agency for Santa Clara County, with key water supply, water quality, flood protection, and environmental stewardship responsibilities.

Valley Water Mission

Provide Silicon Valley safe, clean water for a healthy life, environment, and economy.

Values

1. Valley Water is entrusted to serve the public by carrying out its mission for the benefit of the community.
2. Valley Water is committed to providing excellent service to all customers.
3. All individuals are unique and important, and will be treated with fairness, dignity, and respect.
4. Valley Water takes pride in its work and is accountable to carry out its responsibilities safely with honesty and integrity.
5. Initiative, leadership, personal development, and training are vital for continuous improvement.
6. Open communication, cooperation, and teamwork are shared responsibilities and essential to the successful performance of Valley Water's work.
7. Valley Water is committed to creating an inclusive work environment, which reflects and supports the diversity of the community and enriches our perspectives.
8. Valley Water strives to support a work culture and workplace environment that attracts and retains superior employees empowered to make decisions about, and take responsibility for, how they do their jobs.
9. Valley Water is committed to its employees and supports market-based competitive compensation that is equitable and rewards accomplishment and encourages high performance.
10. Valley Water is committed to sustaining a healthy work-life balance for its employees and places a high value on all the things that provide enrichment and fulfillment, including work and career, health and fitness, family and relationships, spirituality, community service, hobbies and passions, intellectual stimulation, rest and recreation.

Board of Directors

The Santa Clara Valley Water District Board of Directors (Board) is comprised of seven members, each elected from equally-divided districts. Specific job outputs of the Board include connecting with the community in Santa Clara County, developing policies to further Valley Water’s mission, and monitoring the performance of the organization.

The Board governs with an emphasis on outward vision, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, and proactivity rather than reactivity.

The Board meets twice a month on the second and fourth Tuesday. All meetings are conducted in accordance with the Brown Act.



John L. Varela
District 1



Shiloh Ballard
District 2



Richard Santos
Vice Chair, District 3



Jim Beall
District 4



Nai Hsueh
District 5



Tony Estremera
Chair, District 6



Rebecca Eisenberg
District 7

Board Committees

The Board of Directors has established Board Committees and Board Advisory Committees to assist in performing its job. Committees meet regularly and are conducted in accordance with the Brown Act.

Board Committees:

- Board Audit Committee
- Board Policy and Monitoring Committee
- Capital Improvement Program (CIP) Committee
- Environmental Creek Cleanup Committee
- Joint Recycled Water Advisory Committee with the City of Sunnyvale
- Joint Recycled Water Policy Advisory Committee with the Cities of San Jose and Santa Clara
Joint Recycled Water Policy Committee with the Cities of Palo Alto, East Palo Alto, and Mountain View
- Joint Water Resources Committee with the Cities of Morgan Hill and Gilroy

- Recycled Water Committee
- San Felipe Division Reach One Committee
- Stream Planning and Operations Committee (SPOC)
- Water Supply and Demand Management Committee

Board Advisory Committees:

- Agricultural Water Advisory Committee
- Environmental and Water Resources Committee
- Santa Clara Valley Water Commission
- Santa Clara Valley Water District Youth Commission



Purpose of the Board Work Plan

The purpose of the Fiscal Year 2025-2026 Board Work Plan is to inform the public, community and stakeholders about the Board’s strategic focus and how it supports Valley Water’s mission and long-term goals and objectives.

To perform its job, the Board adheres to established Board Governance Policies. Included in the Board Governance Policies are Ends Policies, which are long-term goals and objectives for each of Valley Water’s core business areas (Water Supply, Natural Flood Protection, Water Resources Stewardship, and Climate Change Mitigation and Adaptation).

Every year, the Board conducts planning sessions to evaluate their goals, objectives, challenges, and opportunities, and identifies the specific areas requiring tactical engagement for the upcoming fiscal year. The Board outlines their focus areas and process for monitoring progress in the Board Work Plan.

Throughout the year, the Board provides input, direction, and oversight on Valley Water’s budget, Capital Improvement Program, and other program plans and master plans to ensure there is funding and support to accomplish Valley Water’s mission. Strategy implementation is monitored by the Board through Executive Limitation requirements, staff-developed programs and plans, assigned Board Committee work, and Board Appointed Officer performance evaluations.



FY 2025–26 Board Work Plan Goals

		
<p>Integrated Water Resources Management</p>	<p>Water Supply</p>	<p>Natural Flood Protection</p>
<p>GOAL:</p> <p><i>Efficiently manage water resources across business areas.</i></p>	<p>GOAL:</p> <p><i>Provide a reliable, safe, and affordable water supply for current and future generations in all communities served.</i></p>	<p>GOAL:</p> <p><i>Provide natural flood protection to reduce risk and improve health and safety.</i></p>

			
<p>Environmental Stewardship</p>	<p>Addressing Encampments of Unsheltered People</p>	<p>Extreme Weather Events</p>	<p>Business Management</p>
<p>GOAL:</p> <p><i>Sustain ecosystem health while managing local water resources for flood protection and water supply.</i></p>	<p>GOAL:</p> <p><i>Safeguard water resources and facilities from encampment impacts..</i></p>	<p>GOAL:</p> <p><i>Mitigate carbon emissions and adapt Valley Water operations to extreme weather events.</i></p>	<p>GOAL:</p> <p><i>Promote effective management of water supply, flood protection, and environmental stewardship through responsive and socially responsible business services.</i></p>



INTEGRATED WATER RESOURCES MANAGEMENT

GOAL: *Efficiently manage water resources across business areas.*

Objective 1	Protect and maintain existing assets and infrastructure and advance new projects.
Challenge/ Opportunity	<p>The maintenance of Valley Water’s infrastructure is crucial to ensuring we continue to provide safe, clean water and critical flood protection for our communities. Timely maintenance is the most cost-effective investment, whereas deferred maintenance disproportionately increases costs and may result in unplanned outages and failures. In addition, there is a list of assets that are reaching the end of their design life and will require significant recapitalization.</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Finalize the Wildfire Risk Assessment and Modeling Framework Project to delineate wildfire risk profiles associated with Valley Water land rights and High-Value Resources and Assets and establish a primary decision-making tool for the identification and implementation of fuel load reduction projects. ▪ Advance high-priority infrastructure renewal projects identified through asset management planning efforts by initiating new Capital or Small Capital Projects, or by conducting work as part of ongoing operations and maintenance projects. ▪ Plan, manage, and expediently execute adopted Capital program and projects, and deliver through project completion.
Monitoring	<ul style="list-style-type: none"> ▪ Board Policy and Monitoring Committee ▪ Capital Improvement Program Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ Watershed Master Plans ▪ Watershed Asset Management Plan ▪ Countywide Water Reuse Master Plan (CoRe Plan) ▪ Water Supply Master Plan ▪ Safe, Clean Water and Natural Flood Protection Program ▪ Water Treatment Plant Master Plan Implementation Project ▪ Distribution System Master Plan Implementation Project ▪ SCADA Master Plan Implementation Project ▪ Water Utility Five-Year Operations and Maintenance and Asset Renewal Plans ▪ District-wide Asset Management Plan ▪ San Felipe Division Reach 1 FY24 Asset Condition Report ▪ Capital Improvement Program (CIP) Five-Year Plan





INTEGRATED WATER RESOURCES MANAGEMENT

Objective 2	Improve internal capability to negotiate and acquire regulatory permits.
Challenge/ Opportunity	<p>Valley Water continues to face increased project costs and extended timelines due to sometimes conflicting regulatory mandates from external agencies. Valley Water continues to pursue legislative and administrative solutions to resolve regulatory and permitting issues at the federal and state levels. Efforts should focus on staff capability and expertise, and the ability to negotiate effectively and build positive relationships with key regulatory agencies.</p>
FY26 Tactics	<ul style="list-style-type: none"> • Continue to pursue efforts at the state and federal level to expedite permit review. • Keep local, state, and federal legislators up to date on critical projects in case escalation is necessary. • Continue to foster relationships at all levels within regulatory agencies and maintain an open dialogue with environmental and other interested parties. • Seek regulatory and environmental community network support during the planning phase of CIP projects, during watershed master planning, and through direct coordination at environmental community network meetings. • Continue to work with the San Francisco Bay Regional Water Quality Control Board (RWQCB) under the terms of our Memorandum of Understanding (MOU), as well as the State Water Resources Control Board as applicable, to ensure that they protect water supply and water quality interests consistent with their authority.
Monitoring	<ul style="list-style-type: none"> • Board Policy and Monitoring Committee • Capital Improvement Program Committee • Stream Planning and Operations Committee • Water Supply and Demand Management Committee
Related Staff Plans	<ul style="list-style-type: none"> • Watershed Master Plans • Capital Project Planning Studies (e.g. Ogier Ponds, San Tomas Calabazas Creek-Marsh Reconnection, Guadalupe Tasman – I-880, Shoreline Planning Studies)





INTEGRATED WATER RESOURCES MANAGEMENT

Objective 3	Educate and engage the community, elected officials and interested parties on our management of water resources in Santa Clara County.
Challenge/ Opportunity	<p>A reliable supply of clean water is necessary for the social, economic, and environmental wellbeing of Santa Clara County. Valley Water must effectively communicate with the public on our management of water resources around several key issues including: the cost of water, the public perception of costs of different types of water, how to effectively implement our water supply strategies into the future, as well as our flood protection and environmental stewardship efforts.</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Continue to apply strategies for effective community/partner engagement and education. ▪ Continue increasing efforts to educate the public about the mix of different types of water in Valley Water’s portfolio, as well as our flood protection and environmental stewardship efforts. ▪ Engage directly with local government jurisdictions through strategic meetings. ▪ Continue engagement with cities on flood plain management and emergency action plans ▪ Directly involve the Valley Water Board of Directors, local area partners, retailers, and the public with the development of the Water Supply Master Plan 2050. Share the plan widely at the phase where project alternatives are considered, key issues such as the cost of water, reliability of our infrastructure, and strategies for implementing different improvement projects with varying levels of service will be explained through public meetings. ▪ Engage the community in water resources management through the Watershed Master Planning Process. ▪ Ensure robust outreach and engagement of interested parties as it relates to the CIP. ▪ Engage elected officials with an annual VIP Water Walk Tour, including but not limited to, a legislative briefing as part of the program..
Monitoring	<ul style="list-style-type: none"> ▪ Board of Directors ▪ Capital Improvement Program Committee ▪ Recycled Water Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ Water Supply Master Plan ▪ Watershed Master Plans ▪ Countywide Water Reuse Master Plan ▪ Water Treatment Plant Master Plan ▪ Distribution System Master Plan





WATER SUPPLY

GOAL: *Provide a reliable, safe, and affordable water supply for current and future generations in all communities served.*

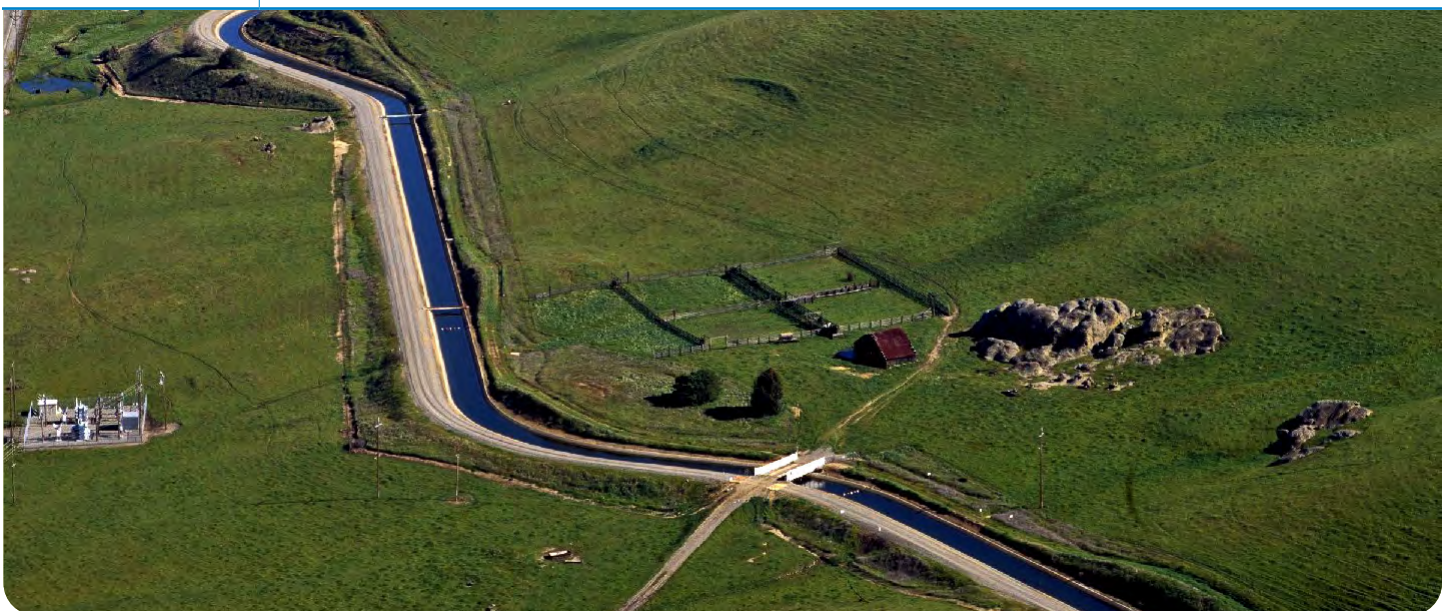
Objective 1	Explore and pursue diversified, sustainable and cost-effective water storage opportunities.
Challenge/ Opportunity	<p>Half of Santa Clara County's water supply is imported from outside the county. During years when water is plentiful, Valley Water may not be able to take advantage of these supplies due to limitations in existing storage and transmission infrastructure as well as regulatory constraints. Having a diverse portfolio of storage and supply options helps Valley Water be resilient. Therefore, Valley Water is evaluating whether diversifying its storage portfolio could help maximize our use of storage and stored water recovery under future conditions. Water storage in reservoirs also provides environmental, recreational, and incidental flood risk reduction benefits. Challenges include influencing project development to ensure important benefits are realized, determining the appropriate level of participation for Valley Water in collaborative water storage projects and prioritizing projects within funding constraints. In addition, Valley Water is evaluating water supply projects, such as direct potable reuse, regional/state projects, and water conservation.</p>
FY26 Tactics	<ul style="list-style-type: none"> • Explore opportunities to develop new surface and groundwater storage projects that help Valley Water meet future water supply needs and provide resiliency to extreme weather events. • Finalize the Water Supply Master Plan 2050 to provide information on participation levels, water supply benefits and costs of various portfolios to support water supply project and partnership decisions, as well as cost of water shortage. • Identify and secure appropriate participation levels for projects and make decisions about partnerships informed by the Water Supply Master Plan 2050 and water affordability analyses. • Evaluate Valley Water's continued participation in water storage projects at project-specific milestones and as part of the Water Supply Master Plan process, annual MAP updates, and bi-annual budget development.
Monitoring	<ul style="list-style-type: none"> • Water Supply and Demand Management Committee • Recycled Water Committee • CIP Committee
Related Staff Plans	<ul style="list-style-type: none"> • Water Supply Master Plan • Annual Monitoring and Assessment Program (MAP) Updates





WATER SUPPLY

Objective 2	Secure existing water supplies and water supply infrastructure
Challenge/ Opportunity	The Water Supply Master Plan’s “Ensure Sustainability” strategy includes securing existing water supplies and infrastructure. Valley Water’s local and imported water supplies are vulnerable to extreme weather events, droughts, earthquakes, and regulatory requirements that may restrict the amount of available water.
FY26 Tactics	<ul style="list-style-type: none">▪ Participate in and influence decisions regarding the Delta Conveyance Project.▪ Participate in regional water supply resilience efforts.▪ Build and maintain effective partnerships to increase resiliency.▪ Complete and implement infrastructure master plans and asset management plans.▪ Partner with the California Department of Water Resources (DWR) to ensure reliability of the South Bay Aqueduct.▪ Continue environmental planning & permitting process and advance the design of the Calero Dam Seismic Retrofit Project▪ Continue environmental planning & permitting process and advance the design of the Guadalupe Dam Seismic Retrofit Project
Monitoring	<ul style="list-style-type: none">▪ Water Supply and Demand Management Committee (Groundwater)▪ CIP Committee (infrastructure projects)
Related Staff Plans	<ul style="list-style-type: none">▪ Water Supply Master Plan▪ Groundwater Management Plan▪ Infrastructure and Asset Management Plans





WATER SUPPLY

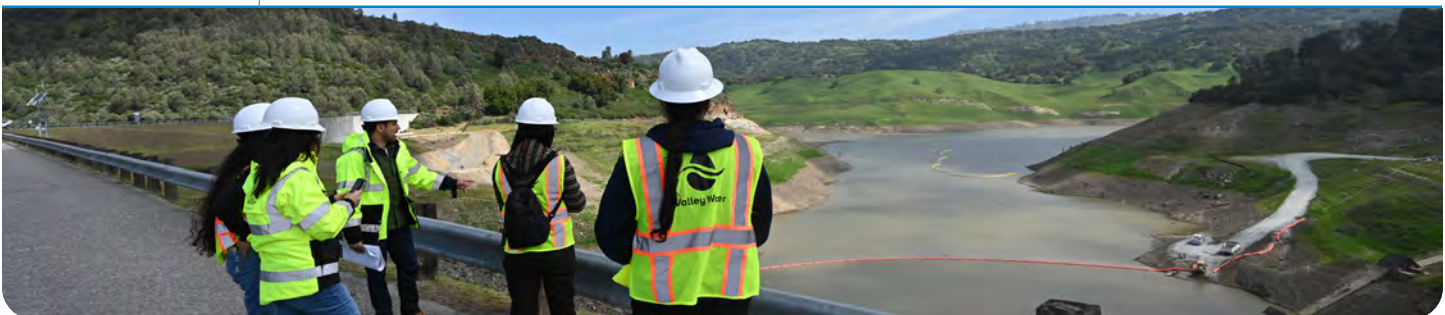
Objective 3	Lead Purified Water Efforts with committed partners.
Challenge/ Opportunity	<p>Recycled and purified water is a drought resilient, locally controlled water supply important to long-term sustainability. Purified water is advanced treated wastewater that has been treated further using reverse osmosis and other advanced treatment to make it fit for drinking. Valley Water is pursuing direct potable reuse which would use this purified water in the raw water supply or directly serve it to customers. Implementation challenges include securing wastewater supply contractual agreements with wastewater agencies, available land, stringent regulatory requirements, and implementation costs.</p>
FY26 Tactics	<ul style="list-style-type: none"> • Continue developing Pure Water Silicon Valley, including initiating design for a demonstration facility, validation of a full-scale facility as a validated CIP project, and completion of a project charter and exclusive negotiation agreement for land for the full-scale facility by FY26. • Implement the Countywide Water Reuse Master Plan. • Develop a Comprehensive Water Reuse Agreement or amend the existing agreements for South County to advance water reuse and its production, distribution, and wholesaling in South County. • Continue to pursue recycled water grant funding, and complete project-specific feasibility studies to advance federal grant opportunities. • Continue working with the Palo Alto Regional Wastewater Facility and City of Sunnyvale on recycled and purified water projects. • Continue to expand communications strategies to increase public awareness and acceptance of the Purified Water Program. • Increase outreach to interested parties such as elected officials, chambers of commerce, environmental groups, and community organizations to increase support for the expansion of purified water for potable reuse.
Monitoring	<ul style="list-style-type: none"> • Recycled Water Committee • Joint Recycled Water Advisory Committee with the City of Sunnyvale • Joint Recycled Water Policy Advisory Committee with the Cities of San Jose and Santa Clara • Joint Recycled Water Policy Committee with the cities of Palo Alto, East Palo Alto and Mountain View • Joint Water Resources Committee with Cities of Morgan Hill and Gilroy
Related Staff Plans	<ul style="list-style-type: none"> • Water Supply Master Plan • Countywide Water Reuse Master Plan





WATER SUPPLY

Objective 4	Complete the Anderson Dam Seismic Retrofit Project.
Challenge/ Opportunity	<p>As our largest reservoir, Anderson serves not only as a critical water supply facility, but also supports Valley Water’s mission of flood protection and environmental stewardship. Given the reservoir’s critical importance to ensuring safe, clean water for our communities and to protect public safety, it is imperative that the Anderson Dam Seismic Retrofit Project (ADSRP) move forward expeditiously. This includes the reconstruction of the Dam and completion of the interim risk reduction measures resulting from the February 20, 2020, directive from the Federal Energy Regulatory Commission (FERC).</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Maintain the Anderson Reservoir level in compliance with the FERC mandate. ▪ Continue the construction on the Anderson Dam Tunnel Project (ADTP). ▪ Complete the design documents of the ADSRP. ▪ Continue the procurement process for ADSRP; award the Construction Management Services contract and advertise the Construction contract. ▪ Continue to work with appropriate regulatory agencies to advance the ADSRP. ▪ Pursue necessary permits for ADSRP construction. ▪ Continue to educate and engage the public, key partners, decision makers, and elected officials of the project progress and construction timeline. ▪ Coordinate ADSRP operations with the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE). ▪ Compile lessons learned during the construction of the ADTP to inform ADSRP and future capital project delivery.
Monitoring	<ul style="list-style-type: none"> ▪ Capital Improvement Program Committee. ▪ Stream Planning and Operations Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ Safe, Clean Water and Natural Flood Protection Program ▪ Fish Habitat Restoration Plan ▪ Coyote Feasibility Study ▪ Water Supply Master Plan ▪ Capital Improvement Program ▪ Ogier Ponds Feasibility Study





WATER SUPPLY

Objective 5	Make water conservation a California way of life in Santa Clara County.
Challenge/ Opportunity	<p>Droughts are a recurring feature of California’s climate and may intensify with extreme weather events. Water conservation is an essential component in providing a reliable water supply and Valley Water has set an aggressive water conservation goal for annual water savings of 99,000 acre-feet (AF) by 2030 and 110,000 AF by 2040, and 126,000 AF by 2050. As Valley Water faces challenges from extreme weather events and drought, water conservation will continue to be amongst the most cost-effective tools for efficiently meeting current and future demands while mitigating droughts. By implementing the guiding principles in the Board’s resolution calling for conservation as a way of life on June 13, 2023, Valley Water will continue encouraging water conservation as a life-long habit and seek to keep drought-level participation and engagement in conservation programs.</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Continue achieving water savings from the public and minimize water use rebound increasing to pre-drought levels through continued water waste restriction enforcement, year-round educational outreach, media campaigns and effective water conservation campaigns to encourage conservation as a way of life. ▪ Increase collaboration with our retailer partners to promote Valley Water’s water conservation programs and to obtain needed data to better target programs. ▪ Engage and support private-sector organizations, local, state, and federal agencies that promote water conservation. ▪ Increase participation of local businesses and corporations so they may partake in conservation efforts and programs, including compliance with new restrictions on watering CII nonfunctional turf through continued partnerships with: (1), BAWSCA to host a series of workshops to support regional water retailers’ compliance with water efficiency related state regulations, including the Conservation Framework and the ban on irrigating non-functional turf; and (2), CalWEP to provide funding for and collaborate on the development of a non-functional turf toolkit intended to equip water retailers with resources that promote consistent approaches, guidelines, and outreach messaging for the various stakeholder groups affected by the ban ▪ Ensure water conservation programs are available to all sectors of the community and support renters, seniors, and U.S. veterans. ▪ Develop and implement a Drought Response Plan with support and input from our retailer partners and the broader community. ▪ Continue to pursue the “no regrets” package, which addresses advanced metering infrastructure, Graywater Rebate Program expansion, leak repair incentives, and stormwater capture (agricultural land recharge, stormwater recharge, rain barrel rebates, and rain garden rebates). ▪ Continue to advocate with cities to promote Valley Water’s water conservation programs to residents and businesses and renew and develop additional cost-share agreements with cities for Valley Water’s various conservation programs.
Monitoring	<ul style="list-style-type: none"> ▪ Water Supply and Demand Management Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ Water Conservation Strategic Plan ▪ Stormwater Resource Plans ▪ Water Supply Master Plan ▪ Safe, Clean Water and Natural Flood Protection Program



NATURAL FLOOD PROTECTION

GOAL: *Provide natural flood protection to reduce risk and improve health and safety.*

Objective 1	Protect people and property from flooding in all regions of the County, by applying a comprehensive, integrated watershed management approach that balances environmental quality, environmental justice, sustainability, and cost.
Challenge/ Opportunity	<p>Valley Water is challenged to sustain ecosystem health while managing local water resources for flood protection and water supply. By using an integrated approach to planning and design, there is an opportunity to create flood protection projects with multiple benefits, while ensuring schools, senior centers, and group homes for youth and individuals with disabilities, etc., are all represented.</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Strengthen partnerships with the county and local municipalities to improve collaboration and coordination on flood protection projects and areas that are subject to flooding. ▪ Finalize Subsequent Environmental Impact Report (SEIR) for the Stream Maintenance Program 2026-2036 (SMP-3). ▪ Complete Flood Vulnerability Assessments for the Lower Peninsula and West Valley Watersheds to address risks to health and safety and locations where infrastructure is no longer meeting the design level of service. ▪ Ensure active participation by county and local municipal governments in the watershed master planning process. ▪ Complete construction of Reaches 1-3 of the Shoreline Phase I Project and pursue funding alternatives for Reaches 4-5 to provide 100-year coastal flood risk management, ecosystem restoration, recreational opportunities, and resiliency for sea level rise. ▪ Continue construction for Upper Llagas Creek Flood Protection Project Phase 2B and work with NRCS to identify additional funding beyond the \$80M for the project secured in FY25. ▪ Continue construction for the Palo Alto Flood Basin Project, a repair project to replace six hydraulic flap gates and includes seismic retrofit and rehabilitation work. ▪ Advance the Sunnyvale East/West Channels Project into construction to provide 100-year storm water flood protection. ▪ Work with USACE to design the Upper Guadalupe River Project for 100-year flood protection, while also evaluating smaller-scale interim projects, developing an implementation strategy, and pursuing potential grant funding. ▪ Continue to partner with the San Francisquito Joint Powers Authority (JPA) on the San Francisquito Creek upstream 101 Project. ▪ Determine what policy role Valley Water should play with the San Francisquito Creek JPA, including determining what entity should be responsible for ongoing operations and maintenance. ▪ Continue design and construction of the Coyote Creek Flood Protection Project and ongoing plant maintenance of Coyote Creek Flood Management Measures Project.
Monitoring	<ul style="list-style-type: none"> ▪ Capital Improvement Program Committee ▪ Board Policy and Planning Committee ▪ Safe Clean Water and Natural Flood Protection Program Independent Monitoring Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ Watershed Master Plans ▪ Safe, Clean Water and Natural Flood Protection Program ▪ CIP Five-Year Plan ▪ Stream Maintenance Program



ENVIRONMENTAL STEWARDSHIP

GOAL: *Sustain ecosystem health while managing local water resources for flood protection and water supply.*

Objective 1	Plan and design projects with multiple benefits, including protecting ecosystem functions, enhancing habitat, and improving connectivity in all regions of the County.
Challenge/ Opportunity	<p>Valley Water’s projects and programs require integrated planning to ensure capital improvements, operations, and maintenance activities are balanced with environmental stewardship goals. Valley Water strives to protect and restore habitats to support native species throughout Santa Clara County.</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Continue to develop West Valley and Lower Peninsula watershed master plans, including appropriate metrics to monitor Valley Water’s impacts on and benefit to the environment. ▪ Complete Greenhouse Gas (GHG) Reduction Plan as part of the Extreme Weather Events Action Plan implementation. ▪ Complete the Planning Study Report for the Calabazas/San Tomas Aquino (STA) Creek-Marsh Connection Project (Creek-Marsh Connection Project). ▪ Complete the Ogier Ponds Separation from Coyote Creek Planning Study Report. ▪ Complete the Moffett Fish Ladder Planning Study Report and continue design for the preferred alternative. ▪ Begin construction of Pond A4 Resilient Habitat Restoration Project Phase 1, including staging area construction and initial mudflat creation. ▪ Continue to develop and build on partnerships with environmental organizations and tribal communities when developing projects.
Monitoring	<ul style="list-style-type: none"> ▪ Board Policy and Monitoring Committee ▪ Capital Improvement Committee ▪ Stream Planning and Operations Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ Watershed Master Plans ▪ Greenhouse Gas Reduction Plan ▪ Extreme Weather Events Action Plan ▪ CIP Five-Year Plan





ENVIRONMENTAL STEWARDSHIP

Objective 2	Protect creeks, bay, and other aquatic ecosystems from threats of pollution and degradation.
Challenge/ Opportunity	<p>Valley Water continues to coordinate with local cities and agencies to improve the health of our local waterways, including pollution prevention and addressing threats to water quality. Opportunities exist to further collaborate with the County, cities, and social services agencies on encampment management efforts and to develop long-term solutions for unhoused individuals to keep our creeks clean.</p>
FY26 Tactics	<ul style="list-style-type: none"> • Continue efforts to protect the ecosystem and water quality of our water bodies and the integrity of our infrastructure. Such efforts include preventing stormwater pollution, increased implementation of green stormwater infrastructure, addressing mercury pollution, encampment clean ups, and other efforts under Safe Clean Water B and F priorities. • Continue to manage the Portable Toilet Facility Program to reduce bio-waste discharges into the waterways. • Continue partnerships and investments on a regional scale such as the South Bay Salt Pond Restoration and Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP). • Continue opportunities for volunteers to support cleanup efforts and events. • Support legislative efforts to eliminate or reduce waste entering waterways. • Pursue MOAs with local agencies and the County to holistically manage encampments on waterways.
Monitoring	<ul style="list-style-type: none"> • Environmental Creek Cleanup Committee
Related Staff Plans	<ul style="list-style-type: none"> • Watershed Master Plans • Santa Clara Valley Urban Runoff Pollution Prevention Program • Stormwater Resource Plan • Safe, Clean Water and Natural Flood Protection Program





ENVIRONMENTAL STEWARDSHIP

Objective 3	Complete and implement the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) agreement.
Challenge/ Opportunity	<p>For over 25 years, Valley Water has been working to resolve compliance challenges and disagreements surrounding fish, wildlife, water quality, and other beneficial uses in Coyote Creek, Guadalupe River, and Stevens Creek watershed areas. Challenges to fully implementing the FAHCE agreement include obtaining federal and state permits from multiple regulatory agencies, refining and processing water rights change petitions, the technical complexity of the fisheries impacts analysis, coordination with other ongoing related projects, and managing expectations of interested parties.</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Continue to implement the FAHCE Plus flow measures. ▪ Continue to implement feasibility studies, monitoring activities, and planning for various fish passage and habitat improvements as identified in existing Settlement Agreement. ▪ Continue fisheries monitoring program. ▪ Continue to support an adaptive management program that encompasses all three creeks. ▪ Continue coordination with the ADSRP project. ▪ Continue to plan and design phase 1 non-flow measures at Ogier Ponds and Moffett Fish Ladder.
Monitoring	<ul style="list-style-type: none"> ▪ Stream Planning and Operations Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ FAHCE Annual Monitoring Report ▪ Fish Habitat Restoration Plan for Coyote Creek, Guadalupe River, and Stevens Creek Watersheds ▪ Seismic Retrofit Programs for Dam Safety ▪ Aquatic habitat restoration plans/feasibility studies/site-specific improvements affecting all three watersheds (e.g., Countywide Large Woody Debris Program) ▪ Collaborative agreements for in-stream habitat improvements (e.g., collaboration with County Parks) ▪ Watershed Master Plans ▪ Ogier Ponds Planning Study Report





ADDRESSING ENCAMPMENTS OF UNSHELTERED PEOPLE

GOAL: *Safeguard water resources and facilities from encampment impacts.*

Objective 1	Protect waterways and facilities from encampment impacts while collaborating with community partners and supporting regional efforts to reduce homelessness.
Challenge/ Opportunity	<p>Valley Water is challenged to protect waterways, water supply facilities, and flood risk reduction infrastructure from the impacts of encampments, which include discharge of trash, debris, biowaste, and other hazardous materials, soil erosion, and wildfire risks, as well as damage to flood protection infrastructure and environmental mitigation sites. Opportunities exist to collaborate with local governments, service providers, and unsheltered people to reduce these impacts and to support regional efforts that provide housing and services for unsheltered individuals.</p>
FY26 Tactics	<ul style="list-style-type: none"> ▪ Continue large scale trash cleanups on Valley Water lands to reduce encampment-generated pollution. ▪ Enforce the Water Resources Protection Zones (WRPZ) Ordinance to address high-priority health, safety, and environmental hazards. ▪ Provide outreach on Encampment Condition Guidelines to promote safer practices. ▪ Continue management of the Portable Toilet Facility Program to reduce bio-waste discharges. ▪ Continue to provide waste receptacles in heavily impacted encampment areas as needed. ▪ Continue to support the provision of outreach services through the agreement with the Santa Clara County Office of Supportive Housing. ▪ Continue geospatial mapping of encampments on Valley Water lands to monitor intervention effectiveness. ▪ Explore joint committees, MOAs, or other partnerships with agencies to address encampments collaboratively. ▪ Coordinate with agency and private partners on land use opportunities to support emergency or transitional housing. ▪ Explore state legislation and policy opportunities to support the expansion of housing and service options for unsheltered individuals. ▪ Pursue state and federal grants with local partners in support of efforts to develop low-barrier navigation centers, supportive housing, transitional housing, and affordable housing. ▪ Pursue rehabilitation and restoration of encampment-related environmental impacts under the Stream Maintenance Program (SMP).
Monitoring	<ul style="list-style-type: none"> ▪ Environmental Creek Cleanup Committee
Related Staff Plans	<ul style="list-style-type: none"> ▪ Water Resources Protection Zones Ordinance Implementation Plan



ADDRESSING ENCAMPMENTS OF UNSHELTERED PEOPLE

Objective 2	Protect the safety of Valley Water staff, residential neighbors, and unsheltered individuals by working independently and in partnership with law enforcement agencies.
Challenge/ Opportunity	<p>There are serious safety concerns for staff, residential neighbors, and unsheltered individuals in and around encampments on Valley Water lands. Hazards include threats, aggressive behavior, exposure to weapons and dangerous animals, wildfire from campfires, solar panels, and propane tanks, and flood risks that can cause serious injury or death. Opportunities exist to expand the use of technology and strengthen collaborations with law enforcement agencies, the District Attorney’s Office, and local municipalities to improve incident response and manage risks to enhance safety for all.</p>
FY26 Tactics	<ul style="list-style-type: none"> • Utilize geospatial tracking and critical event notifications to provide staff with real-time security advisories. • Continue working with local law enforcement to support staff safety, including maintaining the Stream Stewardship Law Enforcement agreement with San Jose Police Department. • Collaborate with law enforcement and the Santa Clara County District Attorney’s Office to enforce WRPZ Ordinance prohibitions, especially for high priority violations that impact safety. • Pursue restraining orders against individuals who threaten staff. • Continue weed abatement and fuel reduction work around encampments to reduce wildfire risks. • Pursue MOAs with local municipalities and the County to improve incident response and address activities that threaten the safety of staff and the public.
Monitoring	<ul style="list-style-type: none"> • Environmental Creek Cleanup Committee
Related Staff Plans	<ul style="list-style-type: none"> • Water Resources Protection Zones Ordinance Implementation Plan

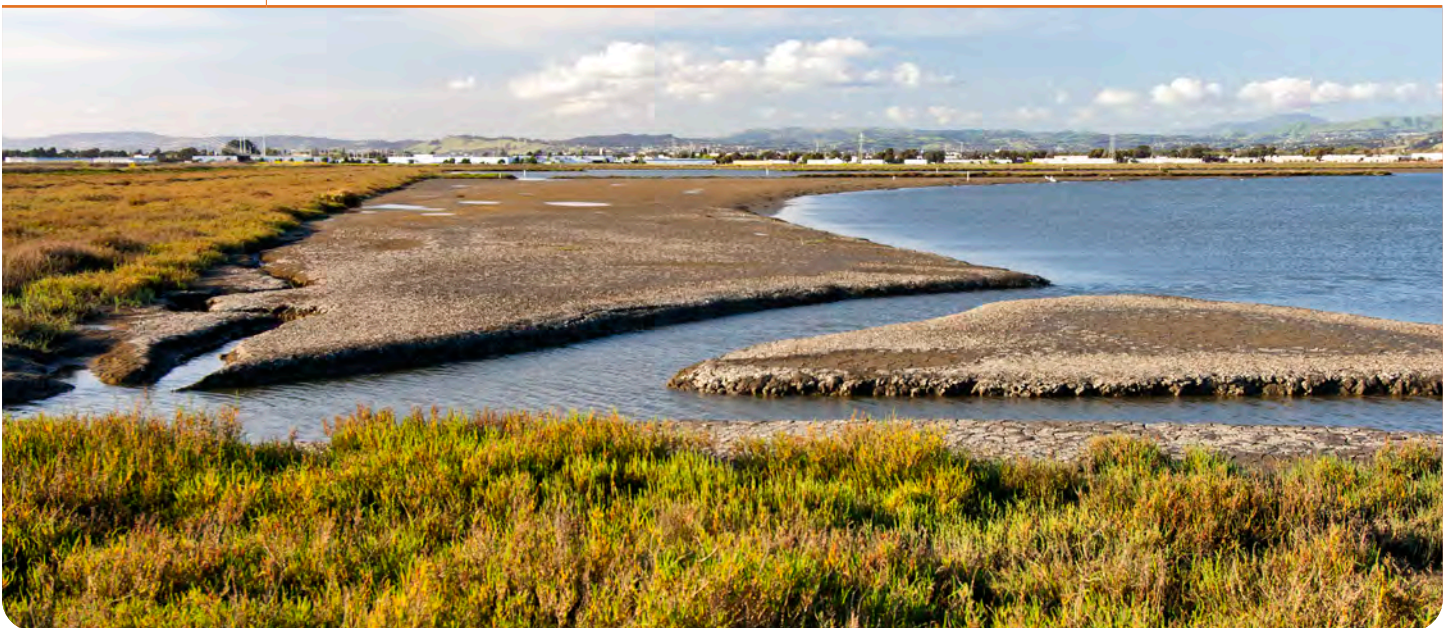




EXTREME WEATHER EVENTS

GOAL: *Mitigate carbon emissions and adapt Valley Water operations to extreme weather events.*

Objective 1	Address future impacts of extreme weather events to Valley Water's mission and operations.
Challenge/ Opportunity	<p>Valley Water's ability to fulfill its mission will be challenged in the future by warmer temperatures, changing precipitation patterns, reduced snowpack, and rising sea levels. Valley Water has been working on greenhouse reduction efforts since 2008 and many adaptation actions over the past decade; however, with adoption of the Extreme Weather Events Action Plan there is an opportunity for greater impact.</p>
FY26 Tactics	<ul style="list-style-type: none"> • Finalize Greenhouse Gas (GHG) Reduction Plan which updates GHG inventory methodology to include all Valley Water activities and identifies specific, measurable actions to reduce emissions and streamline CEQA for future capital projects. • Continue to monitor progress on adaptation actions as identified in the Extreme Weather Events Action Plan and support high priority projects such as the South San Francisco Bay Shoreline project. • Ensure incorporation of environmental justice (EJ) considerations into planning and processes to support mitigation of carbon emissions and impact from extreme weather events. • Complete Valley Water carbon sequestration program to offset emissions from capital projects.
Monitoring	<ul style="list-style-type: none"> • Board Policy and Monitoring Committee
Related Staff Plans	<ul style="list-style-type: none"> • Extreme Weather Events Action Plan • Greenhouse Gas Reduction Plan





BUSINESS MANAGEMENT

GOAL: *Promote effective management of water supply, flood protection, and environmental stewardship through responsive and socially responsible business services.*

<p>Objective 1</p>	<p>Maintain appropriate staffing levels and expertise, prioritize the safety of our staff, and build and sustain a collaborative working environment for all staff and partners while ensuring fair employment.</p>
<p>Challenge/ Opportunity</p>	<p>The Board recognizes that Valley Water’s workforce is the critical component to providing clean, safe drinking water, effective flood protection, and environmental stewardship. The Board therefore remains committed to supporting the recruitment of capable employees with knowledge and subject matter expertise, investing in staff training to meet changing skills and capacity needs, developing the necessary policies and guidance that strengthen employee safety, and establishing Valley Water as an employer of choice.</p>
<p>FY26 Tactics</p>	<ul style="list-style-type: none"> • Continue to implement initiatives that will expand hiring outreach to individuals that are disabled or have health conditions/impairments, military veterans, and formerly incarcerated individuals, with an emphasis on hiring from the local region. • Continue to implement next generation and career pathways program to provide internal and external development for professional growth. • Advance the development of a skilled trades apprenticeship program. • Maximize the safety of staff working in creeks, encampments, and Valley Water facilities, and continue to promote health & safety guidance to protect staff from public health emergencies and environmental impacts.
<p>Monitoring</p>	<ul style="list-style-type: none"> • Board Policy and Monitoring Committee
<p>Related Staff Plans</p>	





BUSINESS MANAGEMENT

Objective 2	Provide affordable and cost-effective level of services.
Challenge/ Opportunity	The Board understands its responsibility to regularly evaluate and monitor Valley Water’s financial status to ensure the level of services provided are reasonable and cost effective. As such, driving continual improvement efforts are key to delivering affordable and effective services while controlling expectations regarding what Valley Water can achieve and what it can afford to do. In addition, the affordability of water continues to be a major issue faced by communities across the nation. The Board has an opportunity to raise issues around water affordability at local and statewide levels and advocate for changes that benefit all communities.
FY26 Tactics	<ul style="list-style-type: none"> • Complete 3-4 Board-initiated or management-initiated performance audits, or other performance improvement efforts, benchmarking studies, or best practice implementations. • Establish Valley Water as a statewide leader in conversations around water affordability. • Continue to seek and obtain grants and funding from federal, state and other sources. • Continue to fund a residential water rate assistance program.
Monitoring	<ul style="list-style-type: none"> • Board Audit Committee
Related Staff Plans	<ul style="list-style-type: none"> • Operating and Capital Budget • Board and Management Audit Reports



Appendix A

Board Governance Policies/Ends Policies

The Board has adopted **Board Governance Policies** which describe how the board conducts its business, what they have directed the Board Appointed Officers (BAO) to accomplish, and constraints on the BAOs that establish prudent and ethical boundaries within which all activity and decisions must take place.

Ends Policies, also referred to as **Long Term Goals and Objectives**, provide direction to the BAOs to accomplish Valley Water’s mission.

A full list of the Board Governance Policies can be found here:

<https://www.valleywater.org/how-we-operate/board-governance-policies>

Ends Policy E-1: Mission and General Principles

In implementing Board directions, staff will be guided by the following general principles:

- 1.1. An integrated, socially equitable, and balanced approach in managing a sustainable water supply, effective natural flood protection, and healthy watersheds is essential to the future of all communities served.
- 1.2. Effective public engagement by Valley Water is achieved through transparent, open communication that informs and generates participation among all communities, including disadvantaged communities, communities of color, and communities with limited English proficiency, as well as other key stakeholders.
- 1.3. Collaboration with government, academic, private, non-governmental, and non-profit organizations, as well as diverse and disadvantaged communities is integral to accomplishing the Valley Water mission.
- 1.4. A net positive impact on the environment and providing benefits equitably across all communities is required in order to accomplish the Valley Water mission.
- 1.5. Recognize that Valley Water operations and services are critical to the economic vitality of Silicon Valley, ensuring that economic benefits are equitable for all communities that we serve.
- 1.6. As standard practice, all work products shall be visually pleasing, sustainable, cost-effective, culturally appropriate, equitable across all communities, and reflect the characteristics of the surrounding urban setting and natural habitat using appropriate materials, colors, shapes, art works, vegetation, and surface treatments. This includes the naming of facilities in a manner that is respectful of all diverse communities.
- 1.7. Valley Water is committed to environmental justice and shall provide for the fair treatment and meaningful engagement of all people regardless of race, color, gender identity, disability status, national origin, tribe, culture, income, immigration status, or English language proficiency, with respect to the planning, projects, policies, services, and operations of Valley Water. Environmental Justice is achieved when all people receive:
 - equitable consideration in the planning and execution of flood protection, water supply, safe drinking water, water resources stewardship projects, and protection from environmental and health hazards, and
 - equal access to Valley Water’s decision-making process.

Ends Policy E-2: Water Supply Services

Valley Water provides a reliable, safe, and affordable water supply for current and future generations in all communities served.

GOAL

- 2.1. Meet 100 percent of annual water demand during non-drought years and at least 80 percent of demand in drought years.

GOAL

- 2.2. Protect and sustain the county’s existing, diverse water supplies.

Objectives

- 2.2.1. Manage groundwater to ensure sustainable supplies and avoid land subsidence.
- 2.2.2. Aggressively protect groundwater from the threat of contamination.
- 2.2.3. Protect imported water supplies and associated contracts and partnerships.
- 2.2.4. Protect and manage local surface water supplies and associated water rights.
- 2.2.5. Deliver reliable, high quality drinking water from water treatment plants.

GOAL

2.3. Protect and maintain existing water infrastructure.

Objectives

- 2.3.1. Plan for infrastructure maintenance and replacement to reduce risk of failure.
- 2.3.2. Prioritize funding for maintenance and replacement of existing water infrastructure over investments in new infrastructure.
- 2.3.3. Prepare for and respond effectively to water utility emergencies.

GOAL

2.4. Increase regional self-reliance through water conservation and reuse.

Objectives

- 2.4.1. Maximize utilization of all demand management tools.
- 2.4.2. Incentivize water use efficiency and water conservation.
- 2.4.3. Promote, protect and expand potable and non-potable water reuse.
- 2.4.4. Promote stormwater capture and reuse.

GOAL

2.5. Manage water resources using an integrated, science-based approach.

Objectives

- 2.5.1. Plan for future water supply needs.
- 2.5.2. Promote efficient and reliable operation of water supply systems.
- 2.5.3. Promote water supply projects with multiple benefits, including environmental stewardship and flood protection.
- 2.5.4. Invest in and rely on science to support planning and decision-making.
- 2.5.5. Build and maintain effective partnerships to achieve water supply goals.

GOAL

2.6. Promote access to equitable and affordable water supplies.

Objectives

- 2.6.1. Promote equal access to clean, safe, and affordable water supply across all communities served.
- 2.6.2. Maintain affordable water rates through cost-effective water supply investments and management.
- 2.6.3. Continue customer assistance and incentive programs.

Ends Policy E-3: Natural Flood Protection

Natural flood protection is provided to reduce risk and improve health and safety for residents, businesses, and visitors, now and into the future.

GOAL

3.1. Maintain flood protection facilities to design levels of protection.

Objectives

- 3.1.1. Prioritize maintenance of existing facilities over construction of new capital projects.
- 3.1.2. Inspect and maintain facilities on a regular basis.
- 3.1.3. Perform maintenance using maintenance guidelines updated on a regular basis.

GOAL

3.2. Assist people, businesses, schools, and communities to prepare for, respond to, and recover from flooding through equitable and effective engagement.

Objectives

- 3.2.1. Develop, maintain, and communicate emergency action plans.
- 3.2.2. Develop, maintain, and communicate flood information to the community.

- 3.2.3. Provide expertise in flood forecasting and flood warning systems to municipalities.
- 3.2.4. Provide expertise to encourage public agencies to reduce flood risk and protect floodplain benefits.

GOAL

3.3. Increase the health and safety of residents countywide by reducing community flood risk.

Objectives

- 3.3.1. Provide equitable, timely, and achievable flood protection for health and safety.
- 3.3.2. Protect people and property from flooding by applying a comprehensive, integrated watershed management approach that balances environmental quality, sustainability, and cost.

Ends Policy E-4: Water Resources Stewardship

Water resources stewardship protects and enhances ecosystem health.

GOAL

4.1. Use a science-based, inclusive approach to protect Santa Clara County’s watersheds and aquatic ecosystems for current and future generations.

Objectives

- 4.1.1. Develop and share data to support resilient ecosystems and healthy populations of native species.
- 4.1.2. Monitor stream, reservoir, and Bay ecosystem health.
- 4.1.3. Use data to prioritize and equitably implement actions to reduce pollution, restore endangered species habitat, and enhance ecosystem function.

GOAL

4.2. Sustain ecosystem health while managing local water resources for flood protection and water supply.

Objectives

- 4.2.1. Plan and design projects with multiple benefits, including protecting ecosystem functions, enhancing habitat, and improving connectivity, equitably in all regions of the county.
- 4.2.2. Operate Valley Water facilities to balance water supply, flood protection, and ecosystem sustainability.

GOAL

4.3. Encourage inclusive, sustainable management of water resources in the Bay-Delta and its watersheds to protect imported water supply.

Objectives

- 4.3.1. Meet future water supply demand through diverse and coordinated water supply planning.
- 4.3.2. Promote holistic ecosystem management through science-based decision-making.
- 4.3.3. Actively engage in the protection of source water quality through collaboration and funding.

GOAL

4.4. Prevent and address pollution of local streams, reservoirs, and the Bay, equitably across all communities. Protect waterbodies from pollution and degradation.

Objectives

- 4.4.1. Encourage stormwater capture, treatment, and reuse.
- 4.4.2. Prepare and respond to spills and dumping that threaten local waterways.
- 4.4.3. Collaborate with agencies and nonprofits to address homelessness and its impacts to Santa Clara County Waterways.

GOAL

4.5. Engage the community to promote watershed stewardship by providing meaningful engagement in Valley Water programs for all people regardless of race, color, gender identity, disability status, national origin, tribe, culture, income, immigration status, or English language proficiency.

Objectives

- 4.5.1. Provide appropriate and equal public access to Valley Water’s streamside and watershed lands.
- 4.5.2. Engage and educate the community in stream and watershed protection.
- 4.5.3. Build partnerships to protect and enhance watersheds and aquatic ecosystems.

Ends Policy E-5: Climate Change Mitigation and Adaptation

Valley Water is carbon neutral and provides equitable, climate-resilient water supply, flood protection, and water resource stewardship to all communities in Santa Clara County. This will be accomplished through the implementation of the Climate Change Action Plan.

GOAL

5.1. Minimize greenhouse gas emissions from Valley Water’s operations.

Objectives

- 5.1.1. Expand the use of clean technology in vehicles, equipment, and buildings, and develop carbon-efficient construction and service delivery practices.
- 5.1.2. Optimize energy use and expand renewable energy portfolio.
- 5.1.3. Incentivize low carbon practices, projects, and efforts by employees, contractors, and partners.

GOAL

5.2. Adapt Valley Water’s assets and operations to reduce climate change impacts.

Objectives

- 5.2.1. Improve the resiliency of Santa Clara County’s water supply to drought and other climate change impacts.
- 5.2.2. Provide equitable protection from sea level rise and flooding, prioritizing disadvantaged communities.
- 5.2.3. Improve ecosystem resiliency through water resources stewardship.
- 5.2.4. Prepare for climate-related emergencies and provide equal access to information and services, particularly to disadvantaged communities.

Ends Policy E-6: Encampments of Unsheltered People

Valley Water is committed, through a regional approach, to address the human health, safety, operational and environmental challenges posed by encampments of unsheltered people on Valley Water lands along waterways and at water supply and flood risk reduction facilities.

GOAL

6.1. Achieve a functional zero level of unsheltered people on Valley Water lands along waterways and at water supply and flood risk reduction facilities.

Objectives

- 6.1.1. Actively participate in a collaborative regional approach with the County, cities, and other service providers to support their efforts in addressing the challenges posed by encampments of unsheltered people.
- 6.1.2. Increase the level of service for encampment cleanup efforts based on need and resource availability.
- 6.1.3. Identify Valley Water lands for regional partners to use for housing or other services for unsheltered people.

Appendix B

Staff Program Plans and Master Plans

Program plans and master plans are developed by staff to achieve the Board’s long-term goals and objectives in relation to Valley Water’s mission and overall business management.

Below is a list of program and master plans that have been referenced in the Board Work Plan. Other plans not listed below can be obtained by contacting the Office of the Clerk of the Board at **(408) 630-2277** or ***clerkoftheboard@valleywater.org***.

- Board Audit Reports
<https://www.valleywater.org/board-audit-committee-audit-reports>
- Capital Improvement Program
<https://www.valleywater.org/how-we-operate/five-year-capital-improvement-program>
- Countywide Water Reuse Master Plan
<https://www.valleywater.org/your-water/recycled-and-purified-water>
- Groundwater Management Plan
<https://www.valleywater.org/your-water/where-your-water-comes/groundwater/sustainable>
- Ogier Ponds Feasibility Study
<https://www.valleywater.org/project-updates/ogier-ponds-coyote-creek-separation-project>
- Operating and Capital Budget
<https://www.valleywater.org/how-we-operate/financebudget>
- Safe, Clean Water and Natural Flood Protection Program
<https://www.valleywater.org/safe-clean-water-and-natural-flood-protection-program>
- Santa Clara Valley Urban Runoff Pollution Prevention Program
<https://scvurppp.org/>
- Stormwater Resource Plan
<https://scvurppp.org/swrp/>
- Water Conservation Strategic Plan
<https://www.valleywater.org/droughtsaving-water/studies-and-reports>
- Water Supply Master Plan
<https://www.valleywater.org/your-water/water-supply-planning/water-supply-master-plan>
- Water Utility Infrastructure Master Plan
<https://www.valleywater.org/project-updates/water-utility-infrastructure-master-plan-implementation-projects>

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Valley Water

Clean Water • Healthy Environment • Flood Protection

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Santa Clara Valley Water District

File No.: 26-0346

Agenda Date: 4/21/2026

Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM Board Policy and Monitoring Committee

Government Code § 84308 Applies: Yes No
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:

Review and Discuss the 2026 Board Policy and Monitoring Committee (BPMC) Work Plan and Make Adjustments as Necessary, and Confirm the Committees Next Meeting Date.

RECOMMENDATION:

Review and discuss the 2026 BPMC Work Plan and make adjustments as necessary, and confirm the Committees next meeting date.

SUMMARY:

Work Plans are created and implemented by all Board Committees to increase Committee efficiency, provide increased public notice of intended Committee discussions, and enable improved follow-up by staff. Work Plans are dynamic documents managed by Committee Chairs and are subject to change.

Discussion of topics as stated in the Plan have been described based on information from the following sources:

- Items referred to the Committee by the Board;
- Items requested by the Committee to be brought back by staff;
- Items scheduled for presentation to the full Board of Directors and
- Items identified by staff.

The BPMC Work Plan contained in Attachment 1 is presented for the Committee's review to determine and confirm topics for discussion in 2026.

ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice impacts associated with this item.

ATTACHMENTS:

File No.: 26-0346

Agenda Date: 4/21/2026
Item No.: 4.4.

Attachment 1: 2026 BPMC Committee Work Plan

UNCLASSIFIED MANAGER:
Wendy Ho, 408-630-3874

Board Policy and Monitoring Committee 2026 Work Plan April 2026

Subject	Task	January	February	March	April	May	June	July	August	September	October	November	December
Board Planning Process & Policy Review	FY26-27 Board Work Plan												
	• Review and provide feedback on the existing FY25-26 Board Work Plan				X								
	• Review Draft FY26-27 Board Work Plan												
	Update on Watershed Master Plans					X							
	Development Impact Fee Study			X									
Other Assignments Requested by the Board	Develop Complaint Process for Board Appointed Officers (BAOs)												
	• Identify and discuss potential issues and focus areas of the BAO Complaint Process to provide as input to the Board auditor			X	X	X							
	• Develop Complaint Process for BAOs after audit completion												
	Board Member Roles/Responsibilities when serving on JPAs.							X					
	Review potential changes to SCW Program KPIs based on SCW Program Audit Findings #s: 2, 3, 6, 7 and 9.				X								
	Review and discuss existing policies regarding Board Member expenditures, including travel cancelation policies.			X									

*Red item added.

✘ - Item Moved or Deleted

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