

CEO BULLETIN



To: Board of Directors
From: Melanie Richardson, Interim CEO

Weeks of August 22, 2025 – September 4, 2025

Board Executive Limitation Policy EL-7:

The Board Appointed Officers shall inform and support the Board in its work. Further, a BAO shall 1) inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established and 2) report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

Item	IN THIS ISSUE
<u>1</u>	Demonstration Garden Design Services Contract Awarded
<u>2</u>	Revised Safe, Clean Water and Natural Flood Protection FY23 and FY24 Annual Reports
<u>3</u>	Safe, Clean Water Mini-Grant Closeout: Bay Area Older Adults' Watershed & Wildlife Education Walks Project
<u>4</u>	Safe, Clean Water Refill Station Grant Closeout: City of Morgan Hill's Aquatic Center Project
<u>5</u>	Safe, Clean Water Refill Station Grant Closeout: City of Morgan Hill's Community and Cultural Center
<u>6</u>	Safe, Clean Water Standard Grant Closeout: County of Santa Clara Green Business Program Project
<u>7</u>	Water Management Agreements Executed in July and August 2025

1. Demonstration Garden Design Services Contract Awarded

In June 2025, Valley Water finalized a contract with BFS Landscape Architects to provide design services for a planned demonstration garden at Valley Water's Headquarters building. The approximately 26,000 square foot garden will showcase water conservation and sustainable practices, serve as a public gathering and educational space, and emphasize Valley Water's Landscape Rebate Program requirements. The garden will highlight a watershed approach by incorporating features such as native and climate-appropriate plants, high-efficiency irrigation systems, educational signage, and integrated rainwater capture.

As part of the contract, BFS Landscape Architects will develop a comprehensive conceptual layout and final design for the garden. To gather and implement relevant feedback, Valley Water and BFS Landscape Architects will engage key internal and external stakeholders through presentations to various Board committees, facilitation of a design charrette, and seeking public feedback through an online survey. Funded through Safe, Clean, Water, the design of the demonstration garden is expected to be completed in Spring 2026, and construction will be completed by the close of Fiscal Year (FY) 2028.

For further information, please contact Kirsten Struve at (408) 630-3138.

2. Revised Safe, Clean Water and Natural Flood Protection FY23 and FY24 Annual Reports

Valley Water works collaboratively each year to produce the Safe, Clean Water (SCW) annual report. The Financial Planning & Revenue Collection Unit and Budget & Analysis Unit both support the SCW program team by developing the report's financial data, which is reported in appendices and financial tables for each project.

During the development of the FY 2023-24 SCW annual report, an error was identified in the FY23 annual report Board-Approved Adjustments column, as shown in Appendix A-1.2 Cumulative Financial Summary. A detailed year-over-year tracking methodology was developed to correct the cumulative data to date and to be used as a tool in the development of FY24 and future annual reports. Actual expenditures by project and priority were not impacted in the FY22, FY23, or FY24 annual reports.

During a recent program performance audit, it was recognized that the Board-Approved Adjustments calculation needed further refinement and should use the Five-Year Implementation Plan Fiscal Years 2022-2026, approved by the Board in June 2021 ([Legistar link here](#)), to calculate cumulative Board-approved adjustments.

During this effort, staff recommended reissuing the FY 2022-23 and FY 2023-24 annual reports to improve transparency and tracking of annual program changes.

Refining the internal tracking tool to identify, reconcile, and report funding allocation adjustments in the SCW annual reports is consistent with the auditor's initial findings. The auditor is also supportive of Valley Water's decision to republish the annual reports. Both annual reports are publicly available at the following links:

[FY24 Annual Report](#)

[FY23 Annual Report](#)

All the annual reports, along with other Safe, Clean Water Program-related information, can be found on the Safe, Clean Water Program archive page at: [Safe, Clean Water & Natural Flood Protection: Reports and Documents Archive | Santa Clara Valley Water](#)

For further information, please contact Luz Penilla at (408) 630-2228.

3. Safe, Clean Water Mini-Grant Closeout: Bay Area Older Adults' Watershed & Wildlife Education Walks Project

In FY 2024, Valley Water awarded Bay Area Older Adults a \$5,000 Safe, Clean Water Program F9 Mini-Grant for their Watershed & Wildlife Education Walks (Project). Bay Area Older Adults submitted the final invoice items in July 2025, allowing for grant closeout.

Bay Area Older Adults is a nonprofit organization dedicated to promoting the health and well-being of older adults through access to arts, culture, and community. The Project consisted of four in-person watershed education programs for older adults, age 50 years or older, across Santa Clara County. The Project delivered four outdoor educational programs that raised awareness about the importance of watershed protection and local ecosystems. Activities included guided educational walks at key watershed sites, which featured lessons on restoration efforts and recycled water, conservation, native plants, and flood protection projects.

Key Outcomes:

- Hosted one event at each location: Ulistac Nature Area in Santa Clara, Guadalupe River in San Jose, Rancho San Antonio Open Space Preserve in Cupertino, and Penitencia Creek in Alum Rock Park in San Jose.
- A total of 104 participants reported an increased appreciation and sense of responsibility for natural resources.
 - 80% of participants were very satisfied or satisfied with the events, and answered survey questions correctly, indicating that they understood the information communicated during the events.

For further information, please contact Rachael Gibson at (408) 630-2884.

4. Safe, Clean Water Refill Station Grant Closeout: City of Morgan Hill's Aquatic Center Project

In FY 2025, Valley Water awarded the City of Morgan Hill a \$5,000 Safe, Clean Water Program F9 Refill Station Grant for its Valley Water Refill Station Project (Project) at the Morgan Hill Aquatics Center. The City of Morgan Hill completed the Project and submitted the final invoice items on April 25, 2025, allowing for grant closeout.

The Aquatics Center serves as a destination for swim programs, fitness classes, and competitive meets while also providing programming for school-aged students through partnerships with the Boys and Girls Clubs of Silicon Valley. The new refill station replaced a non-functional fountain and was installed in a central location to improve water access for the center's many users.

Key Outcomes:

- Serves over 25,000 summer visitors with improved drinking water access.
- Supports the hydration and sustainability needs of more than 1,700 swim lesson participants annually.

For further information, please contact Rachael Gibson at (408) 630-2884.

5. Safe, Clean Water Refill Station Grant Closeout: City of Morgan Hill's Community and Cultural Center

In FY 2025, Valley Water awarded the City of Morgan Hill a \$5,000 Safe, Clean Water Program F9 Refill Station Grant for its Valley Water Refill Station Project (Project) at the Morgan Hill Community and Cultural Center. The City of Morgan Hill completed the Project and submitted the final invoice items on April 4, 2025, allowing for grant closeout.

Grant funds supported the installation of a refill station at the Morgan Hill Community and Cultural Center. The location is a well-used public space that hosts events, performances, and recreational activities for families and residents of all ages. The refill station replaced an outdated and non-functional fountain near the outdoor amphitheater, improving public access to clean drinking water during community events and for daily use. The station also supports preschool programming on-site and benefits surrounding neighborhood communities at all times of the day.

Key Outcomes:

- Installed a refill station at a high-traffic, community-centered location.
- Replaced a non-working fountain with reliable access to drinking water.

For further information, please contact Rachael Gibson at (408) 630-2884.

6. Safe, Clean Water Standard Grant Closeout: County of Santa Clara Green Business Program Project

In FY 2020, Valley Water awarded the County of Santa Clara a \$120,000 Safe, Clean Water Program B3 Standard Grant for their Green Business Program (Project). The County of Santa Clara completed the Project on December 31, 2023, and submitted the final invoice items in May 2025, allowing for grant closeout.

The County of Santa Clara's Green Business Program is a compliance-based certification program operating in all 15 cities within the county. The Project requires businesses to reduce environmental impacts in areas of energy, water, solid waste, and transportation, and take initiatives on pollution prevention best practices. The businesses certified by the Project included office/retail, home office, a food manufacturer, a restaurant, a property manager, janitorial services, landscape services, dental services, and schools. As part of the Project, the Grantee presented at the Hispanic Chamber of Commerce and tabled at the BayREN Property Managers Forum. The Grantee also held a recruitment workshop for the Cupertino Chamber and for the Silicon Valley Women in Business.

Key Outcomes:

- Created a total of 106 social media recognition posts and a total of 27 educational social media posts geared towards reducing urban runoff.
- Certified 34 public agencies, recertified 98, and provided 33 new certifications.
- From August 2021 to December 2023 the certified Green Business Program collectively:
 - Saved 84,679,295 gallons of water.
 - Diverted 4,677,443 lbs. of solid waste and reduced 8,152 gallons of hazardous waste.

For further information, please contact Rachael Gibson at (408) 630-2884.

7. Water Management Agreements Executed in July and August 2025

Pursuant to EL-5.5.5, the CEO is required to inform the Board on a timely basis when imported water management agreements are executed. The imported water management agreements executed in July and August 2025 are listed below:

- July 24, 2025 - Conveyance Agreement (# A5500W) for the transfer of Valley Water's (VW) 2025 State Water Project (SWP) Table A supplies to Kern County Water Agency (KCWA) and Dudley Ridge Water District (DRWD): provides the Department of Water Resources (DWR) approval to facilitate the delivery to KCWA and/or DRWD of up to 20,000 acre-feet (AF) of VW's SWP Table A supplies in 2025.
- July 28, 2025 - Agreement (#A5501W) between DWR, DRWD and VW for transfer of DWRD's SWP Table A Water to VW: provides DWR's approval to facilitate the delivery of 500 AF of DRWD's 2025 SWP Table A supplies to VW.
- August 15, 2025 - Agreement (A5252Wa) between DWR and VW approving VW's 2025 and/or 2026 Central Valley Project (CVP) water exchange with its SWP supplies: provides DWR's approval to implement VW's operation described in the 2025 Consolidated Place of Use Petition (CPOU), effective July 22, 2025 to July 21, 2026. It will allow for a water exchange between SWP and CVP to facilitate the delivery of Valley Water's CVP supplies through the South Bay Aqueduct, which is a SWP facility.

For further information, please contact Vincent Gin at (408) 630-2633.