

# CEO BULLETIN



**To: Board of Directors**  
**From: Rick L. Callender, CEO**

**Weeks of April 19 – May 9, 2024**

**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.*

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<u>12</u>	<u>Beall</u> Provide regular updates to the Board or Board committee on the rehabilitation of the Sunnyoaks Percolation Pond and work with the City of Campbell and the Santa Clara County Fire Department on a resolution R-23-0017

<u>13</u>	<p><b><u>Santos</u></b>  <b>Director Santos requested the following regarding Soap Lake: Who owns Soap Lake? What is the history of the lake? Can the water from Soap Lake be used for recycling or flood prevention? What are the environmental issues with Soap Lake? Does it contribute to flooding and if Pacheco Dam were in operation, would the water be stored at Soap Lake?"</b>  <b>I-24-0002</b></p>
<u>14</u>	<p><b><u>Keegan</u></b>  <b>Provide Director Keegan with follow up information on the composition of the selection panels utilized for the contracts that we have awarded to AECOM.</b>  <b>I-24-0003</b></p>

## 1. Annual Report for Sustainable Groundwater Management Act Compliance

Per the Sustainable Groundwater Management Act (SGMA), all basins assigned as medium or high priority by the California Department of Water Resources (DWR) must comply with SGMA. In December 2021, Valley Water submitted the 2021 Groundwater Management Plan for the Santa Clara and Llagas Subbasins to DWR as the first periodic update to the approved Groundwater Sustainability Plan (GSP) Alternative. In January 2022, a GSP for the North San Benito Subbasin (which has small portions in Santa Clara County) was also submitted to DWR by the San Benito County Water District in coordination with Valley Water.

SGMA requires submittal of an annual report on groundwater conditions for the preceding water year by April 1. Valley Water has submitted the Water Year 2023 report for both the Santa Clara and Llagas Subbasins, which covers the time period from October 1, 2022 to September 30, 2023. The report is publicly available at [sgma.water.ca.gov/portal/alternative/annualreport/submitted](https://sgma.water.ca.gov/portal/alternative/annualreport/submitted). The report documents continued sustainable groundwater conditions. The San Benito County Water District submitted the Water Year 2023 report for the North San Benito Subbasin, which is available at [sgma.water.ca.gov/portal/gspar/submitted](https://sgma.water.ca.gov/portal/gspar/submitted). Valley Water will notify interested parties of the availability of these annual reports.

For further information, please contact Greg Williams at (408) 630-2867.

## 2. Enterprise Resource Software Costs

The following list is in response to Director Eisenberg's request regarding the total annual expenditures for Valley Water's Enterprise Resource Planning Software (ERP). The tables below comply with SB 272 (2015), which defines Enterprise Software. The list below includes current vendors, software descriptions, and costs. For internally developed software, there are no annual fees. The total yearly cost for listed solutions is \$2,997,947.

- Infor Enterprise Resource Planning: \$540,907
- Microsoft Document Management, Email, Calendar, Communications: \$460,180
- Salesforce Customer Relationship Management (CRM): \$369,300
- Projectmates Project Management Information System: \$302,240
- IBM Asset and work management: \$235,000
- PlanetBids Public Bidding and Contract Development: \$191,995
- Egnyte Document Management: \$169,231
- Vena Solutions, used for tracking budget information for projects: \$124,685
- Crestline Software, billing program for well fees: \$124,167

- Esri, Geographic Information Systems (GIS): \$117,808
- Asana, Project Management: \$110,413
- Cityworks, water production and consumption: \$54,300
- Granicus, Board information management: \$53,687
- Hyland, Document Management: \$40,856
- Questys Solutions, repository for Clerk of the Board-related documents: \$38,706
- NeoGov, job information: \$28,283
- iTron, water production and consumption, meter information: \$18,144
- Cuadra, hardcopy records: \$13,195
- Extensis, catalogs and indexes digital and non-digital photographs: \$4,850

Application, Cost (3rd Party, Developed In-House):

- Radio stream, precipitation, and reservoir gage data: \$0
- Documents related to the District's Water Resources Protection Ordinance: \$0
- Tracks water rebate data: \$0
- Content Management System (CMS) for District's internal and external web sites: \$0
- Ecological data: \$0
- Catalog of engineering drawings, maps, and other oversize graphical documents: \$0
- Watershed inspection photos and information: \$0
- District's property transactions: \$0
- Regulatory compliance system that generates reports on proposed and completed work: \$0
- Automated treated water monthly billing process: \$0
- Descriptions of all county elevation points: \$0
- Track rebate applications: \$0
- Well registration, water production, and groundwater management: \$0
- Parcel information used for tax revenue collection: \$0
- Water production and consumption: \$0
- Document Management: \$0

For further information, please contact Cecil Lawson at (408) 630-2424.

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**3. Fourth Pass Proposed FY 2024-25 & 2025-26 Operating and Capital Rolling Biennial Budget Operations, operating and debt project detail pages**

At the April 24, 2024, special Board meeting, Directors Eisenberg and Beall requested to see a Detailed Budget, which shows line-item budget detail by project. Staff has prepared the file and, due to the large size of the file, has posted it at the following Valley Water website location to facilitate easiest reference: <https://www.valleywater.org/how-we-operate/finance-budget>. In addition, a hard copy will be made available for Board reference at the May 14, 2024 Board meeting.

For further information, please contact Darin Taylor at (408) 630-3068.

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**4. Legislative Analyst Office Excess ERAF Report**

At the April 23 Board Meeting, Director Beall requested staff distribute to the Board a 2020 Legislative Analyst's Office (LAO) report on Excess Educational Revenue Augmentation Fund (ERAF). Staff have provided the report to the Board in the Non-Agenda packet for May 10, 2024.

For further information, please contact Marta Lugo at (408) 630-2237.

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## **5. List of Operations and Maintenance (O&M) Contracts**

At the April 24, 2024, Special Board Meeting, Director Beall requested a listing of operations and maintenance (O&M) contracts to be provided to him, to include the number of O&M contracts, dollar amounts and the manner in which the contracts were approved. A response to this request, containing a listing of 165 active O&M contracts, has been included in the May 10, 2024 Non-Agenda packet.

For further information, please contact Tony Ndah at (408) 630-2208.

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## **6. Permanente Flood Protection Project Letter of Map Revision Update**

Valley Water, Santa Clara County, and the cities of Mountain View, Los Altos and Cupertino jointly filed a Letter of Map Revision (LOMR) application with the Federal Emergency Management Agency (FEMA) on April 18, 2022 to change the FEMA 100-year floodplain area to reflect the recently-completed flood protection projects on Permanente Creek. A LOMR is FEMA's vehicle for changing their Flood Insurance Rate Maps (FIRM); parcels located within the 100-year floodplain on the FIRM are required to purchase flood insurance if they carry federally-backed loans. The draft FIRM, which show the post-projects FEMA floodplain, were approved by FEMA on April 24, 2024. If no appeals are filed before September 5, 2024, proposed maps become effective on that date.

The main change to the FIRM is to remove floodplain areas that would flood to a depth of one foot or greater due to over-banking of Permanente Creek during a 100-year flow event. After the map changes become effective, property owners in these areas will be able to remove the requirement for holding flood insurance. As a result of Valley Water's flood protection projects on Permanente Creek, it is estimated that approximately 1,000 parcels will be removed from the FEMA floodplain, with approximately an additional 2,000 parcels removed from areas with 100-year risk of flooding to depths of less than one foot, while only 2 new parcels had to be added to the floodplain.

Valley Water is currently working on outreach to property owners to help them figure out next steps:

- 1) Letters will be sent to affected property owners, providing information about the LOMR, website resources, and contact information for affected communities and Valley Water staff.
- 2) A website is being developed with information about how to remove the flooding insurance requirement from qualifying properties which have been removed from FEMA's 100-year floodplain.

For further information, please contact John Bourgeois at (408) 630-2990.

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## **7. Recurring Report on Personnel Vacancies**

Valley Water strives to attract, develop, and retain a talented and diverse workforce. Our employees come from diverse cultural and professional backgrounds. Valley Water promotes high performance, diversity, and equal employment opportunities.

Human Resources has been providing a monthly report on staffing levels and vacancies per the Board's request. The following is information through April 30, 2024.

Valley Water Staffing Levels:

- 921 - Total Positions
- 845 - Number of positions filled
- 76 - Total Vacant positions
- 8% - Current Vacancy Factor
- 5 – Separations in April 2024

For further information, please contact Patrice McElroy at (408) 630-3159.

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## **8. Valley Water's public meetings on the Coyote Creek Flood Protection Project**

On April 17 and 18, 2024, Valley Water hosted the Coyote Creek Flood Protection Project (Phase 2) community meetings to update neighbors on the project's various design measures and their location to reduce flood risks. The April 17 meeting was hybrid and held at the Roosevelt Community Center, with 19 in-person attendees and 11 participating virtually.

The April 18 event was virtual only, and 32 participants joined via Zoom. Director Estremera welcomed attendees and kickstarted a project presentation on the project's current design elements. Vice Chair Santos and Director Keegan also participated. Staff from elected representatives and a City of San José's Parks, Recreation, and Neighborhood Services representative attended both meetings. Spanish and Vietnamese interpreters were also available at both meetings to offer their services.

A question-and-answer session followed the presentation, where staff engaged with the community. An update on the Coyote Creek Flood Management Measures (Phase 1) was also given.

A link to the recording of the public meeting is available on the project website and Valley Water's YouTube channel.

For further information, please contact Donald Rocha at (408) 630-2338.

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## **9. Water Conservation Infographic**

To implement guiding principles in the Board's resolution to make water conservation a way of life in Santa Clara County (Resolution 23-52), an infographic visualizing current residential program offerings was developed and made accessible at <https://www.valleywater.org/water-conservation-infographic>. The interactive infographic features a single-family home with standard water-using fixtures and appliances as well as an Accessory Dwelling Unit (ADU). The graphic includes numbered features to access information about relevant Water Conservation programs such as the Landscape Rebate Program, Online Shopping Cart Program, Water Wise Outdoor Survey Program, and more. The goal of the infographic is to educate the public and promote water conservation by comprehensively illustrating various Valley Water resources and programs that customers can utilize within their homes and landscapes and to make water conservation easier and more accessible to all Santa Clara County residents, including disadvantaged communities.

This marks an additional effort to develop digital educational outreach tools to share program information with the public, similar to the [Water Efficient Technology \(WET\) Rebate Program's story map](#) featuring successful commercial, industrial, and institutional WET rebate projects.

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

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**10. Eisenberg**

**Provide a breakdown of Safe, Clean Water fund and the projects with funds allocated.  
R-24-0008**

Director Eisenberg requested that staff provide information on the Safe, Clean Water Fund and the projects funded. A response was provided in the April 26, 2024 Non-Agenda packet.

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

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**11. Beall**

**Provide Director Beall with licensing information on the San Jose Conservation Corp.  
R-24-0010**

Valley Water began using the San Jose Conservation Corps (SJCC) in 1988, shortly after it was formed. During the period between 1988 and 2000, the SJCC was used on an as needed basis for work projects on our facilities and for emergency support during winter storm events.

During the period of 2000-2010, with additional funding from the Clean Safe Creeks program, Valley Water entered into an agreement with the SJCC to support a full-time crew throughout the year. Included in this agreement was the utilization of SJCC interns to support various Valley Water services such as the recycling program, vegetation management, fleet, and the warehouse.

There is a California state requirement that states that anyone who contracts to perform work that is valued at \$500 or more in combined labor and materials costs must hold a current, valid license from Contractors State License Board (CSLB) (please see the following [LINK](#)).

CSLB has several classifications, and we select the license required based on what aligns best with the proposed work. For the contract that was held from 2000-2010, a C27 license was required to perform vegetation management activities. After the 2010 contract was issued, SJCC did not renew their C27 license and became ineligible to bid on this agreement.

Currently, SJCC has a valid C27 license and has two active agreements on file with Valley Water:

- Contract No. 10106 - D3 Grant Program SCVWD/SJCC Invasive Plant Removal and Revegetation (AG19A4256) is valid until 14 May 2024.
- Purchase Order No. 121714 to assist with EOC sandbag fill valid through 30 June 2024.

Valley Water has been a long-time supporter of the SJCC. This support will continue to the maximum extent possible allowing for a balance between required reductions and required work outcomes.

For further information, please contact Jennifer Codianne at (408) 630-3876.

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**12. Beall**

**Provide regular updates to the Board or Board committee on the rehabilitation of the Sunnyoaks Percolation Pond and work with the City of Campbell and the Santa Clara County Fire Department on a resolution  
R-23-0017**



Valley Water continues to proactively respond to Per- and Polyfluoroalkyl Substances (PFAS) (often called forever chemicals), a large group of persistent chemicals widely used in consumer and industrial products. While no widespread water supply impacts have been identified, a number of water retailer wells are affected. Due to impacted wells nearby, the San Francisco Bay Regional Water Quality Control Board (Water Board) requested testing at the Sunnyoaks Fire Station and McCormack Training Center, which is operated by the Santa Clara County Fire Department (County Fire) on land owned by the City of Campbell (City). County Fire testing in 2022 indicated PFAS are present in onsite monitoring wells, soil, and Valley Water's Sunnyoaks Recharge Pond 1 (located between the fire station and training center). Based on the results, Valley Water temporarily ceased operations at the Sunnyoaks Recharge Ponds in fall 2022.

Valley Water's voluntary testing of the larger Los Gatos Recharge System in spring 2023 indicated the water currently used for recharge in the ponds is not a source of PFAS. With these results and the need for continued recharge, Valley Water resumed operations in three of the Sunnyoaks Ponds. Pond 1 remains temporarily offline out of an abundance of caution until adequate testing has been completed in coordination with County Fire and the City.

In 2023, Valley Water and the Water Board requested additional testing at the site, including the runoff entering Pond 1. A sampling plan developed by Valley Water in coordination with County Fire and the City was recently finalized. Staff from the three agencies met on April 15, 2024 to discuss sampling details, with sampling expected to occur in May 2024.

Valley Water will continue to explore the threat posed by PFAS and to keep the Board updated.

For further information, please contact Greg Williams at (408) 630-2867.

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**13. Santos**

**Director Santos requested the following regarding Soap Lake: Who owns Soap Lake? What is the history of the lake? Can the water from Soap Lake be used for recycling or flood prevention? What are the environmental issues with Soap Lake? Does it contribute to flooding and if Pacheco Dam were in operation, would the water be stored at Soap Lake?"**  
**I-24-0002**

The response for I-24-0002 is included in the Board's May 3, 2024 Non-Agenda package.

For further information, please contact Lisa Bankosh at (408) 630-2618.

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**14. Keegan**

**Provide Director Keegan with follow up information on the composition of the selection panels utilized for the contracts that we have awarded to AECOM.**  
**I-24-0003**

The response to I-24-0003 is included in the board's April 26, 2024 Non-Agenda package.

For further information, please contact Tony Ndah at (408) 630-2208.

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