

CEO BULLETIN



To: Board of Directors
From: Norma J. Camacho, CEO

Week of January 10 – January 16, 2020

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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1. Compliance with California Senate Bill 88 Telemetry Requirements

California Senate Bill 88 (Water Rights Measurement Regulation) was adopted and put into law in 2016. Valley Water has been implementing the requirements of the bill since it was passed. Valley Water has successfully met the latest requirement that, by January 1, 2020, the measurement device output data used for water right reporting be publicly available via a website. The website can be accessed using the following instructions:

- 1) Go to the Valley Water website: <https://www.valleywater.org/>
- 2) Click on the “Your Water” heading
- 3) Select “Local Dams and Reservoirs”
- 4) Scroll mid page and select “Telemetered measurement device data used for calculating water rights diversions”

Alternatively, the website can be accessed directly at: <http://alert.valleywater.org/scada/sgi.php>

For further information, please contact Aaron Baker at (408) 630-2135.

2. Hazardous Materials Business Plan Submittals

The goal of the Hazardous Materials Business Plan (HMBP) program is to protect both human and environmental health from adverse effects as a result of the storage, use, and possible release of hazardous materials. This is done primarily by documenting significant amounts of hazardous materials so that emergency responders can effectively protect the public. HMBPs also satisfy Community Right-to-Know laws for public accessibility. A Hazardous Materials Business Plan (HMBP) contains basic information on the location, type, quantity, and health risks of hazardous materials stored, used, or disposed of by businesses operating in the State of California.

The HMBP includes three basic elements:

- I. Business Activities and Owner/Operator Identification
- II. Hazardous Material Inventory and Site Map
- III. Emergency Response Plan and Employee Training

Here at Valley Water, annual HMBP reviews and updates were completed and submitted to the California Environmental Reporting System for the following facilities:

1. Almaden Dam
2. Anderson Dam
3. Calero Dam
4. Chesbro Dam
5. Coyote Dam
6. Guadalupe Dam
7. Lenihan Dam
8. Stevens Creek Dam
9. Uvas Dam.

For further information, please contact Tina Yoke at (408) 630-2385.

3. Joint Emergency Action Plan with San Jose Training and Exercise

On January 6, 2020 the Office of Emergency Services (OES) provided an internal training on the Joint Emergency Action Plan (EAP). OES has developed Training Supplements for the Joint EAP which help guide users to appropriate portions of the plan. These tools were utilized during the internal training. Topics included during the training were Preparedness, Purpose of EAP, EAP Objectives, Multi-Agency Coordination, Flood Condition Levels, Mobilization of EAP, and Hydrology/Hydraulics and Hotspots. Valley Water participants for the training included representatives from Watersheds Operations and Maintenance (O&M) Field Operations, Watersheds O&M Engineering Support, Field Information Team (FIT) Lead, Hydrology Hydraulics and Geomorphology, Government Relations/Public Information Officer, Raw Water, Water Supply and OES.

On January 9, 2020 OES hosted a joint field drill at Ross Creek and Cherry Ave. The drill included staff from both Valley Water and City of San Jose. From Valley Water, participants included Watersheds O&M, FIT, Hydrology Hydraulics and Geomorphology, and OES. From San Jose, participants included Public Works, Department of Transportation, and Office of Emergency Management. The drill included discussing field operations from each department/unit, reporting flows, internal coordination, and joint coordination between Valley Water and San Jose. The drill

was very effective in clarifying the different field operation goals from each of the different departments/units from Valley Water and San Jose. Information from this drill will be used during the Joint EAP Tabletop Exercise, which will occur on January 16, 2020 with staff from Valley Water and City of San Jose.

For further information, please contact Tina Yoke at (408) 630-2385.

4. Management 101 Training Series

On January 9, 2020 Talent Development kicked off the Management 101 training series with twenty-two (22) participants. This set of classes are tailored for new supervisors and managers (although any supervisor or manager is welcome to attend). Management 101 addresses basic Valley Water processes, policies, and procedures. Classes include: Performance Management, Leaves of Absence, Reasonable Accommodation, Labor Relations, Workers' Compensation, Hiring Process, Board Meetings, Budget, Ethics, Emergency Management, and Procurement/Contracts.

For further information, please contact Anna Noriega at (408) 630-3089.

5. Public outreach to present draft Environmental Impact Report for the Almaden Lake Improvement Project

Valley Water conducted two presentations during the week of January 6, 2020 on the draft Environmental Impact Report (EIR) for the Almaden Lake Improvement Project.

The first presentation was part of a January 8, 2020 public meeting held in the Valley Water headquarters building boardroom. The second was to the City of San Jose's District 10 Leadership Coalition on January 11, 2020 at the Almaden Community Center. At both events, Valley Water Chair Linda J. LeZotte provided remarks.

Assistant Officer Rechelle Blank presented the background and overview of the proposed project and Associate Water Resources Specialist Michael Martin presented on the potential environmental impacts and associated measures to avoid or minimize the impacts. San Jose City Councilman Johnny Khamis, who represents District 10, attended the January 8, 2020 public meeting.

The January 8, 2020 public meeting drew 65 people and attracted 138 views during the live stream on Facebook. Questions raised by the public focused on mercury, imported water source, funding availability and the long-term potential for swimming at the lake.

Fifteen (15) residents attended the January 11, 2020 presentation, with representation from neighborhood organizations such as Almaden Lions Club, Almaden Senior Association, Almaden Community Association and Citizens for Fiscal Responsibility. Neighborhoods represented included Greystone, Shadowbrook, Glenmont and Santa Teresa foothills. Residents asked about project cost and funding source, mercury, lake circulation, imported water source, the return of fish to the lake following construction and plans for continued impact to festivals at the park during construction.

The community has until January 27, 2020 to provide written comments on the draft EIR.

For further information, please contact Rick Callender at (408) 630-2017.

6. Rinconada Water Treatment Plant Storm Water/Sludge Spill to Nearby Smith Creek

On December 26, 2019, Valley Water staff at the Rinconada Water Treatment Plant noticed some sludge around a storm drainage ditch that potentially washed into Smith Creek. Valley Water reported the discharge to the State of California Office of Emergency Services (OES) and initiated clean-up activities.

A follow-up investigation revealed that a combination of a failed storm pump and a significant rainfall event, caused the process water (sludge) to pool in the storm drain system and spill over into Smith Creek. Based on the initial field inspection and cleanup activities, it appears that the amount of rainwater/sludge mixture released to Smith Creek was limited with minimal impact to the waterway.

Valley Water followed up with notifications to West Valley Clean Water Program (serves as the local storm water inspection agency for the Town of Los Gatos) who also conducted a site inspection with no additional findings. Valley Water is continuing to work on identifying the root cause of the storm pump failure as well as potential for other similar incidents and will be implementing corrective actions to mitigate future occurrences.

For further information, please contact Bhavani Yerrapotu at (408) 630-2735.

7. Update on Local Solar Development and Almaden Campus Solar Settlements

In 2016, Valley Water was notified of a class action settlement related to the solar panels installed during the Almaden Campus Solar Project in 2004. Due to claims that the solar panels were defective and prone to junction box failures, the solar panel manufacturer, BP Solar International (BP Solar), initiated a settlement offer for the Headquarters carport solar installation and a separate settlement offer for the Administration Building rooftop solar installation.

On March 27, 2018, the Board of Directors authorized District Counsel to accept the settlement offer from BP Solar for the replacement of all solar panels used in the Headquarters carport installation. The carport solar panels were removed in January 2019 to meet the conditions of the settlement letter.

In preparation of the settlement, Valley Water through its joint powers authority, the Power and Water Resources Pooling Authority (PWRPA), released a Request for Proposals (RFP) to solicit interest in the anticipated solar rehabilitation efforts for Almaden Campus. Valley Water subsequently began negotiations with the highest-ranked solar developer (Developer), with the project structured as a power purchase agreement (PPA) in which Valley Water only pays for the energy generated by the upgraded solar installations at a fixed PPA rate.

In August 2019, the Developer notified Valley Water that they could not proceed without increasing the cost associated with the PPA by 50 percent based on their recent small project experience.

As a result, Valley Water began working with PWRPA to find new ways to lower development costs by partnering with other PWRPA participants. PWRPA released a new RFP in October 2019 and Valley Water is currently in negotiations with the highest-ranked respondent. Valley Water and the solar developer are nearing an agreement in principle on development scope and power purchase agreement structure. Valley Water plan to bring this project for Board approval in Spring 2020 with construction anticipated in Summer 2020.

For further information, please contact Bhavani Yerrapotu at (408) 630-2735.

8. Water Management Agreements Executed in December 2019

Pursuant to EL-5.1.6 and EL-5.3.3, the CEO is required to inform the Board on a timely basis when imported water management agreements are executed. Imported water management agreements executed in December 2019 are summarized below.

- December 12, 2019 - San Joaquin River Exchange Contractors Water Authority (Authority) Water Transfer Agreement providing for 2,000 acre-feet (AF) of water from the Authority in 2019 and a return of 1,500 AF from Valley Water through 2020.
- December 26, 2019 - Westlands Water District Transfer Agreement and Blue Sky Farms Water Purchase Agreement for Temporary Transfer – providing a water transfer of up to 1,050 AF of water from Valley Water to individual farmers within Westlands Water District Service Area.
- December 26, 2019 - U.S. Bureau of Reclamation Temporary Warren Act Contract and Associated Agreements -- providing for Valley Water to introduce up to 60,000 acre-feet per year of non-Project water into Central Valley Project facilities for delivery to Valley Water through 2024.

For further information, please contact Jerry De La Piedra at (408) 630-2257.

9. WiFi at Penitencia Water Treatment Plant

After over a year of planning, design and construction, the long-awaited wireless network at Penitencia Water Treatment Plant (PWTP) has been completed. Valley Water staff at the facility can now enjoy connectivity in several critical areas of the property. This new implementation will allow plant operators and maintenance crews to view schematics and drawings, communicate and complete other work in the field without having to access a wired-computer terminal.

For further information, please contact Tina Yoke at (408) 630-2385.

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