

CEO BULLETIN



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

Weeks of January 8 – January 21, 2021

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. **2021 ACEC California Engineering Excellence Merit Award for the Permanente Creek Flood Protection Project – McKelvey Park Detention Basin Project**

Permanente Creek Flood Protection Project – McKelvey Park Detention Basin Project has been awarded the 2021 American Council of Engineering Companies of California (ACEC) Engineering Excellence Merit Award.

The ACEC recognized the McKelvey Park Flood Detention Basin project as a public works project that demonstrates excellence in its planning, design and construction, and coordinated effort between various stakeholders to complete the project. Those named in the award are Valley Water, Kiewit Infrastructure West, and Mott MacDonald. The 2021 ACEC California Engineering Excellence Awards celebration will be held on February 4, 2021 at 4:30pm as a virtual event.

ACEC California's annual Engineering Excellence Awards competition recognizes outstanding achievements in engineering and land surveying projects completed by California firms. Entries are accepted into one of 12 project categories: studies, research and consulting engineering services; building/technology systems; structural systems; surveying and mapping technology; environmental; waste and storm water; water resources; transportation; special projects; small projects; energy; and industrial and manufacturing processes and facilities.

The American Council of Engineering Companies of California (ACEC) is a 50 plus year-old, nonprofit association of private consulting engineering and land surveying firms. As a statewide organization, they are dedicated to enhancing the consulting engineering and land surveying professions, protecting the general public and promoting use of the private sector in the growth and development of our state whose members provide services for all phases of planning, designing and constructing projects. Member services include civil, structural, geotechnical, electrical and mechanical engineering and land surveying for all types of public works, residential, commercial and industrial projects. The organization promotes use of the private sector in the growth and improvement of California.

For further information, please contact Rechelle Blank at (408) 630-2615.

2. Cost Share Agreement with the U.S. Army Corps of Engineers for the Upper Guadalupe River Flood Risk Management Project Executed in December 2020

On December 31, 2020, the District Commander of the U.S. Army Corps of Engineers San Francisco District executed a cost sharing agreement between the Department of the Army and Valley Water for the Upper Guadalupe River Flood Risk Management Project. The agreement specifies cost sharing requirements by the parties to undertake a General Re-evaluation Study to identify an implementable solution for flood risk management along the Upper Guadalupe River. This project begins at Interstate Highway 280, at the edge of downtown San Jose, and extends south by approximately 5.5 miles, to Blossom Hill Boulevard. The total cost of the study will be \$3 million and it will take 3 years. Valley Water's cost share is \$1.5 million.

For further information, please contact Rechelle Blank at (408) 630-2615.

3. Penitencia Water Treatment Plant Underground Storage Tank Passes Regulatory Inspection

On an annual basis, Santa Clara County's (County) Hazardous Material Compliance Division is required to conduct an inspection of every underground storage tank (UST) system within the county. In late December 2020, the County inspector completed their annual inspection of the Penitencia Water Treatment Plant (PWTP) UST. The PWTP maintains a 4,000-gallon UST as the primary fuel (diesel) source for the facility's emergency generator system.

A County inspector arrived on-site to witness the functional testing of the UST's leak detection system. The PWTP UST has two leak sensors; one monitors for leaks between the primary and secondary tanks, the other monitors the sump where fuel filling occurs and the fuel piping terminates. Also, on an annual basis, it is verified that both the fuel supply and fuel return piping are capable of detecting a 0.1 gallon per hour leak. The leak sensors and pipe monitoring system are connected to a central monitoring panel which Valley Water plant operators check on a daily basis. Additionally this year, Valley Water was required to conduct its tri-annual overfill protection verification. This overfill verification test ensures that the mechanical device, internal to the UST, restricts the fuel level within the tank to no more than 95% of the UST capacity.

All leak detection and overflow protection devices on the PWTP UST system passed all required tests and inspection criteria.

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

4. Safe, Clean Water FY18 D3 Mini-Grant Closeout: Veggielution's Eastside Explorers Watershed Curriculum Project

In FY 2018, Valley Water awarded Veggielution a \$5,000 Safe, Clean Water Program D3 Mini-Grant for their Eastside Explorers Watershed Curriculum Project (Project). Veggielution completed the Project in November 2019 and grantee staff submitted the final invoice items in late 2020, allowing for grant closeout.

Veggielution developed and implemented a watershed-specific curriculum as part of their Eastside Explorers field trip program for local middle schools. The Eastside Explorers Watershed Curriculum encouraged students to consider the importance of a healthy and biologically diverse watershed to its natural environment. The curriculum incorporated the interconnection between urban and natural landscapes and the challenges of sustaining watershed viability.

The Eastside Explorers Watershed Curriculum engaged 380 middle school students, 282 of which were from East San Jose. Activities were centered around collaborative group tasks focused on urban agricultures, nutrition, human impacts, environmental justice, food justice and ecological interconnections. The curriculum educated students using hands on activities twice weekly throughout the Spring of 2019. Veggielution also hosted weekly field trips throughout the months of July and August 2019, alternating between San Jose Children's Discovery Museum and Youth Community Services in Palo Alto.

Key Outcomes:

- Developed a watershed education curriculum and outreached to schools in the community. Students were encouraged to return with their families to participate in Veggielution programs.
- After participating in the curriculum, students exhibited increased interest in farm activities and an appreciation of the benefits provided by a healthy watershed to the environment and surrounding community.
- Post-visit survey data showed that, before the field trips, over two-thirds of the visiting students were unaware of the importance of a watershed or how it affected our community. Upon completion of the field trip, 92% of students were able to effectively describe a watershed in their own words and 59% were able to describe a watershed more in-depth with a combination of terms such as drainage, land area, multiple water sources, and environment.

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

5. Santa Clara County Leadership Academy

The Santa Clara County Leadership Academy will launch virtually from April – October 2021 with internal marketing and the application process to begin in January 2021. Valley Water plans to sponsor three staff to attend the eight-month program.

The Santa Clara County Leadership Academy is designed to help participants enhance their leadership skills. The program, comprised of 17 local governments, offers participants the opportunity to network with city managers, local government leaders, and peers throughout the county. The curriculum consists of in-class presentations by city managers and other local government leaders, critiques of case studies, a team project, and one-on-one coaching.

For further information, please contact Ingrid Bella at (408) 630-3171.

6. Santa Teresa Water Treatment Plant Shutdown

The Santa Teresa Water Treatment Plant (STWTP) is scheduled to be shut down for four (4) days, from Monday, February 1 through Thursday, February 4, 2021, to perform follow-up work on critical systems identified as needing repair during last November's biennial electrical systems and equipment testing. Completing these repair activities is essential to ensuring the plant's critical systems are reliable and remain in good working order. Barring any unforeseen circumstances, plant start-up is scheduled for Friday, February 5, 2021.

During this shutdown, only one of the East Pipeline (EPL) turnouts, San Jose Water Company's Graystone turnout, is expected to be impacted. All other EPL turnouts normally supplied from STWTP will be supplied from the Penitencia Water Treatment Plant.

The above-stated shutdown schedule has also been communicated to all EPL retailers, and the retailers impacted by this shutdown will use their groundwater and/or alternate supplies to meet demand.

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

7. Talent Development Trainings at Valley Water

Valley Water's Talent Development continuously offers a variety of training to support employees.

A listing of recent trainings provided include:

- 28 employees attended the two-day "Business Writing Basics" course on November 3rd, and 5th, 2020.
- 25 employees attended the "Increasing Your Emotional Intelligence" class on November 12, 2020.

These classes are part of the Analyst Certificate Program designed to help employees gain an understanding of the roles, responsibilities, and expectations of an Analyst. This is the second fiscal year of the Analyst Certificate Program. To date, 15 employees have completed the eight (8) classes required to obtain the certificate. Another 28 have less than three (3) classes left in order to graduate from the program.

Computer skill training continues to be provided virtually. Recently, 9 employees attended the Microsoft Word Tips and Timesavers class that took place on November 4, 2020 and 27 attended the Microsoft Forms class on December 9, 2020.

Talent Development provided a Virtual Supervisor/Manager 6-Day Academy on November 18, 2020, which was designed for public sector employees seeking to develop their leadership skills. 18 Valley Water employees completed the training. Attendees participated in small group breakout room discussions about real-world case studies and learned to apply fundamental concepts of supervision. The learning outcomes for this academy included: engaging employees to create a positive & productive workforce, communicating effectively as a leader, conducting difficult workplace conversations, creating a culture of accountability, leading proactively, managing performance. coaching for success, and more.

A Virtual Speed Mentoring Event held on December 17, 2020 was attended by 34 employees. The resounding consensus is that speed mentoring, and mentoring in general, works out well in the virtual format. Many of those who attended were new to Valley Water and hired during the shelter-in-place. This was a great way to engage with these employees who haven't had the typical in-person interaction that is usually part of the onboarding process.

For further information, please contact Ingrid Bella at (408) 630-3171.

8. U.S. Environmental Protection Agency Releases Revised Lead and Copper Rule

In 1991, the U.S. Environmental Protection Agency (EPA) published the Lead and Copper Rule (LCR). The LCR established a series of requirements and schedules for public water systems designed to reduce the level of lead and copper in drinking water. The LCR included requirements for water systems to monitor lead and copper levels in customers' taps, conduct water quality monitoring, conduct studies to evaluate corrosion control treatment and reporting, and conduct recordkeeping.

For many years, EPA has been working on revisions to the LCR, and the final Revised LCR was released by EPA in late December 2020. The Revised LCR establishes 3-year deadlines for water systems to meet certain requirements, such as modifications and tightening of the requirements for when a water system would need to conduct a study to evaluate corrosion control treatment.

The Revised LCR requires public water systems to:

- develop an inventory of lead service lines and, if applicable, replace lead service lines;
- conduct testing for lead at schools and licensed day care centers;
- implement a "find and fix" approach for individual homes with elevated levels of lead; and
- increase public outreach.

Many of the new requirements in the Revised LCR are already in place in California, including the requirement to prepare an inventory of lead service lines, develop a plan to remove lead service lines, and test for lead at schools and licensed day care centers. These requirements mostly impact water retailers. As a water wholesaler, Valley Water is anticipated to have minimal direct impacts from the Revised LCR.

Valley Water already provides corrosion control treatment at all three of its treatment plants. Valley Water continues to review and evaluate the new Revised LCR, collaborate with water organizations and other water agencies, and will work with our retail customers on how best to support their efforts to comply with the new provisions.

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

9. Valley Water Recognizes Volunteers

On January 6, 2021, Valley Water held its annual volunteer recognition event. During the event, the Valley Water Board of Directors recognized seven volunteers, one from each district, for their outstanding commitment and leadership in creek cleanup events or for demonstrating their passion for stewardship and community engagement through their role as a water ambassador. This year, due to the COVID-19 pandemic, the event took place via Zoom and was well attended by volunteers.

Creek stewardship volunteers were recognized for removing trash and recyclables from our creeks and streams, including supporting Valley Water's Coastal Cleanup days in September 2020 and for their partnership in the Adopt-A-Creek Program. They are truly committed to keeping our local waterways free of trash.

Water Ambassador volunteers, who go through intensive training in local water issues to become water champions in their own communities, were recognized for their leadership and for inspiring others to give back through volunteerism.

Recipients for this year's Volunteer Recognition Event included:

- Jeffrey Prickett from Stay Golden California - District 1, Director John L. Varela
- Justin Imamura from Trash Punx - District 2, Director Barbara F. Keegan
- Shari Carlet - District 3, Director Richard P. Santos
- Roy Hays - District 4, Director Linda J. LeZotte
- David Ma and Boy Scout Troop 400/2400 - District 5, Chair Nai Hsueh
- Rebecca Gallardo - District 6, Vice Chair Tony Estremera
- Martin Kim and BAF/131111 from Gunn High School - District 7, Director Gary Kremen

In 2020, a total of 1,307 volunteers generously gave over 4,000 hours of their time. The overall value of volunteer time given in 2020 for creek cleanups and other activities amounts to \$126,000. Valley Water looks forward to working with our dedicated volunteers in the coming year.

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

10. Kremen

Provide Director Kremen with the draft FY20 CAFR for review.

I-21-0001

On January 6, 2021, Valley Water provided Director Kremen with a revised draft copy of the Comprehensive Annual Financial Report (CAFR). A copy of the file can be obtained by contacting the Clerk of the Board.

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