

CEO BULLETIN



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

Weeks of September 25 – October 8, 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.

Item	IN THIS ISSUE
<u>1</u>	Delta Conveyance Project Virtual Tours
<u>2</u>	Emergency Regulation to Address COVID Exposures Considered
<u>3</u>	Penitencia Water Treatment Plant not Eligible to Receive Self-Generation Incentive Program (SGIP) Equity Resiliency Rebate for Battery Installation
<u>4</u>	Recent Wildfire Impact to Valley Water Source Water Quality for our Drinking Water Treatment Plants
<u>5</u>	Safe, Clean Water Grants Application Period Open from September 28-December 1, 2020
<u>6</u>	Stevens Creek Fish Passage Assessment
<u>7</u>	Valley Water Hosts Virtual Public Meeting for Guadalupe River Project
<u>8</u>	Water Retailer Workshop on Anderson Reservoir Outage Operational Contingency Planning
<u>9</u>	<u>Santos & Kremen</u> Fire Suppression and Protection Needs At the 9/8/20 Board meeting, Directors Kremen and Santos requested staff to look at fire suppression and protection across a broad view of Valley Water infrastructure and facilities and whether systems or practices are in place to allow for suppression and protection in both power outage and external (wildfire) events. R-20-0009
<u>10</u>	<u>Kremen</u> At the 9/8/20 Board meeting, Dir. Kremen requested that staff investigate whether the Pacheco Pumping Plant fire suppression system will function if there is a power outage. R-20-0010
<u>11</u>	<u>Kremen</u> Staff is to Provide Director Kremen with a copy of the first draft of the various financial schedules that will be included in the FY20 CAFR. I-20-0015

1. Delta Conveyance Project Virtual Tours

Recently, the Delta Conveyance Design and Construction Authority (DCA) released a series of five videos that give a virtual tour of some of the proposed features of the Delta Conveyance Project (Project). These virtual tours allow viewers to better understand the proposed Project and some of its proposed facilities given current restrictions on visiting sites in person. Locations are preliminary and are shown for conceptual purposes only.

The proposed Project would divert water from the Sacramento River in the North Delta via a tunnel under the Delta. Currently, there are two main routes being considered for conveyance: a central corridor and an eastern corridor. The first video provides an overview of the Project. The second and third videos present the options for locations of intakes and tunnel shafts. The fourth video provides information on a proposed pumping plant to be built at the Southern Forebay that would lift water up to where it could be stored or released out into the existing State Water Project facilities. The fifth video expands on the conveyance facilities needed to move water from the Southern Forebay to the State Water Project facilities.

The videos are accessible from DCA's YouTube page: <https://www.youtube.com/channel/UCV-7HCyaTGXDifu-LCoxVtg>.

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

2. Emergency Regulation to Address COVID Exposures Considered

Valley Water is monitoring the activities of the California Occupational Safety and Health Administration (Cal/OSHA) Standards Board (Standards Board) in response to the COVID-19 pandemic. The Standards Board has voted to quickly promulgate and vote on an emergency regulation to address COVID exposures in non-healthcare workplaces.

Even without a specific regulation on COVID-19, there have been multiple pandemic-related citations, along with huge fines, over the last few weeks. Eleven employers were cited last week across a broad range of industries following the previous citing of two Southern California employers that face almost \$600,000 in penalties due to Cal/OSHA COVID investigations.

The Division of Occupational Safety and Health and the Standards Board states that they will work to expeditiously submit a proposal, ostensibly to protect all employees not covered by the aerosol transmissible diseases standard, for consideration by its November 19, 2020 board meeting. If, and when, the Standards Board adopts the proposal, Cal/OSHA will subsequently convene an advisory committee to refine the emergency regulation as further guidance on the prevention of workplace transmission and exposure becomes available.

Notably, employer representatives oppose the proposed regulation because they say current regulations cover the hazard. Many, if not most, employers are working to mitigate the COVID hazard and are opposed to a more prescriptive standard.

The Phylmar Regulatory Roundtable has submitted a “performance” alternative to the petitioners’ more prescriptive version of the proposed COVID regulation. It would require a written COVID prevention program; a system for interactive communication about COVID risks, identification, evaluation, and protective measures; a review of current public health and agency guidelines; a process to modify the program as needed; and training. The Phylmar Regulatory Roundtable is a forum for Environmental, Health and Safety Professionals to share best practices and information, stay current with regulations and provide mutual assistance.

Valley Water will continue to monitor the Cal/OSHA Standards Board activities on this issue, so Valley Water will be actively prepared to comply with whatever emergency regulation is eventually adopted.

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

3. Penitencia Water Treatment Plant not Eligible to Receive Self-Generation Incentive Program (SGIP) Equity Resiliency Rebate for Battery Installation

Valley Water previously reported that they were working with Tesla, Inc. (Tesla) and had determined that the Penitencia Water Treatment Plant (PWTP) was eligible to participate in the California Self-Generation Incentive Program (SGIP) under the new Equity Resiliency Budget. This would provide a significant rebate for a full-site backup battery storage system installation. After further evaluation and clarification from the Pacific Gas and Electric Company (PG&E) and the California Public Utilities Commission (CPUC), PWTP is not eligible to participate in the rebate program.

This SGIP incentive is available to PG&E gas or electric customers of critical facilities or critical infrastructure providers that are located in a High Fire Threat District, Tier 2 or Tier 3 areas. They also must have been impacted by at least two previous PG&E Public Safety Power Shutoff (PSPS) events. Tesla originally advised that PG&E had notified the CPUC of two PSPS interruptions on the utility distribution line supplying power to PWTP. However, PG&E provided clarification that the site power outage that coincided with the first PSPS event that began on October 8, 2019, was actually due to utility equipment failure and unrelated to PSPS fire mitigation.

The existing standby generator and uninterruptible power supply at PWTP continue to provide reliable standby power for the site's water treatment processes.

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

4. Recent Wildfire Impact to Valley Water Source Water Quality for our Drinking Water Treatment Plants

Wildfires can cause drastic changes to landscape and vegetation, which may alter the water quality of surrounding streams, rivers, and lakes within a burned watershed, and potentially cause changes to water quality. Increased erosion due to the destabilization of hill slopes following wildfire can result in more particulate matter mobilized to streams. Concerns for many downstream water utilities is the potential increase in turbidity, metals, organic matter and algal activities following post-fire precipitation events.

Valley Water has a comprehensive source water monitoring program that can detect adverse changes in water quality upstream of our intakes, allowing Valley Water to change or blend sources according to the best water quality when possible. Our treatment plants are equipped with robust treatment processes that can handle elevated solids through sedimentation and filtration. Ozone and PAC (powdered activated carbon) are available to mitigate taste and odor, algal toxins and other organic matter, and produce drinking water that meets all the state and federal standards.

Coyote and Anderson reservoirs are located downstream of watersheds affected by the Santa Clara Unit Lightning Complex (SCU) fire that started on August 16, 2020 as a result of a lightning storm. However, any potential post-fire impacts in the Coyote and Anderson watersheds, will not affect our local water supplies, due to Anderson reservoir's planned outage.

To better understand the impact of the recent fires on our imported water supplies, Valley Water is currently working with Department of Water Resources (DWR) and other State Water Contractors to develop a post-fire source water quality monitoring plan targeting areas impacted by the SCU fire, such as Lake Del Valle. Due to minimum impact, no post-fire monitoring is planned by DWR for San Luis reservoir.

Valley Water will continue to coordinate with inter-agency organizations to better understand the impact of wildfires on water supplies, and to prepare mitigative strategies. We will appraise the Valley Water Board of Directors as new information becomes available.

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

5. Safe, Clean Water Grants Application Period Open from September 28-December 1, 2020

Valley Water is accepting applications for the 2021 Safe, Clean Water grants from September 28 through December 1, 2020.

This year, Valley Water has more than \$900,000 available in voter-approved Safe, Clean Water grant funding for projects and activities that meet the minimum qualifications and eligibility criteria for:

- Volunteer Cleanups and Education Grants – up to \$200,000 total available
- Access to Trails and Open Space Grants – up to \$571,000 total available
- Mini-Grants for Wildlife Habitat Restoration – up to \$200,000 total available (up to \$5,000 per project)
- Mini-Grants for Water Conservation – up to \$100,000 total available (up to \$5,000 per project)

Organizations are eligible for bonus points for demonstrating financial stability, implementing projects that serve underrepresented communities, and groups that are first-time applicants.

For more information about the grant award process, eligibility criteria, minimum qualifications and how to apply, visit valleywater.org/grants, contact grants@valleywater.org or attend an informational grants workshop:

- October 14, 2020 from 1:00-2:30 p.m.
Please register in advance for the Zoom webinar here:
https://valleywater.zoom.us/webinar/register/WN_E5djuTL7QT2B4FzJ_o-edA
- October 22, 2020 from 10:00-11:30 a.m.
Please register in advance for the Zoom webinar here:
https://valleywater.zoom.us/webinar/register/WN_tYnG1kdLQiyY871QVq8a_w

The FY21 grants cycle opportunity is being promoted through a press release, blog post, social media posts, Nextdoor posts, stakeholder emails and more. The grant applications will be evaluated by a review committee using the approved evaluation criteria. Recommendations will be made based on the approved grant funding allocation matrix to the Valley Water Board of Directors for final determination on projects awarded funding.

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

6. Stevens Creek Fish Passage Assessment

The Stevens Creek Fish Passage Assessment Project identifies and evaluates physical structures and channel conditions which potentially interfere with steelhead migration in the creek reach between San Francisco Bay and Stevens Creek Dam. Valley Water, together with a team of consultants, analyzed 30 sites which potentially impede steelhead passage. The team applied National Marine Fisheries Service and California Department of Fish and Wildlife guidelines to rank the sites based on the degree to which they hinder steelhead passage. Sixteen sites were found to severely or moderately impede steelhead passage.

Valley Water is currently collecting data on the feasibility and cost of remediating these sixteen passage impediments, ten of which do not occur on Valley Water property. Possible remediation approaches include removing or modifying in-channel structures and/or adding natural features such as boulders and vegetation to slow flow velocities. Sites will be prioritized, based on the degree of improvement to passage, complexity (including jurisdictional complexity), and cost of remediating the site. A prioritization memorandum is scheduled for completion this Spring 2021. Conceptual designs will be prepared for the highest-priority sites to improve the feasibility assessment. This work will require extending the end date of the consultant agreement from the current end date of December 31, 2020 to June 30, 2021. No increase in funding will be needed.

Concurrent with the site prioritization work, a virtual public meeting will be held in November 2020 to update the community on findings to date of the Fish Passage Barrier Analysis report. This meeting is highly anticipated by community members.

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

7. Valley Water Hosts Virtual Public Meeting for Guadalupe River Project

On October 1, 2020, Valley Water hosted a virtual public meeting on the Guadalupe River Project, which will cover the stretch from Tasman Drive to Interstate 880. The meeting included an update on the planning phase of the project, and solicitation of input from the attendees on the 19 conceptual and eight feasible project alternatives presented.

During the webinar event, 33 community members participated via Zoom and seven watched it live on Facebook. 56 questions posed by attendees were answered during the meeting. The questions and comments ranged from project alternatives, creek maintenance and homelessness, sea-level rise, and climate change.

A recording of the meeting, presentation, and project materials are available on the project's webpage, www.valleywater.org/guadalupe-river-tasman-i880.

The next public update on the project is anticipated to occur at the end of the planning phase in 2021.

For further information, please contact Rachael Gibson at (408) 781-4739.

8. Water Retailer Workshop on Anderson Reservoir Outage Operational Contingency Planning

As the Valley Water Board of Directors and its retailers are well aware, Anderson reservoir is a critical part of our water supply infrastructure. With the impending draining of the reservoir and the extended period of outage due to the Anderson Dam Tunnel Project, Federal Energy Regulatory Commission Order Compliance Project, and Anderson Dam Seismic Retrofit Project, Valley Water has been working on understanding operational impacts and developing contingency plans to address the potential supply as well as water quality impacts. Due to the robust nature of our water supply infrastructure and the already existing contingency plans, Valley Water is well positioned to address any operational constraints that might arise.

Valley Water has scheduled a workshop on October 14, 2020 with retailers to walk through these contingencies. Discussion topics will include potential retailer impact scenarios, planned actions by Valley Water to mitigate those impacts, retailer expectations and customer communications strategies. Valley Water intends to incorporate feedback from this workshop into the Anderson Project Water Supply Contingency Plan and create a webpage for the project and FAQs aimed at water supply contingency planning.

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

9. Santos & Kremen

Fire Suppression and Protection Needs

At the 9/8/20 Board meeting, Directors Kremen and Santos requested staff to look at fire suppression and protection across a broad view of Valley Water infrastructure and facilities and whether systems or practices are in place to allow for suppression and protection in both power outage and external (wildfire) events.

R-20-0009

Valley Water has initiated a coordinated effort to assess fire suppression and protection needs as well as improvement opportunities at Valley Water infrastructure and facilities. Fire suppression capabilities at Valley Water facilities range from fully automated systems supported by back-up power, to unmanned facilities where manually operated equipment requires active engagement by Valley Water or the fire department. The level of fire protection at each facility depends on several factors including the facilities' occupancy, criticality of the assets and redundancy of that particular facility as part of the water system.

Administrative facilities currently have automated fire suppression that is connected to back-up power systems per building code, which include backup batteries and fixed/mobile generator support. Several projects are in the works to further assess vulnerabilities and enhance fire protection (like the Pacheco Pumping Plant Fire Suppression System).

In wake of the recent wildfires, Valley Water is conducting a comprehensive evaluation of improvement opportunities at all its facilities. As part of this evaluation, Valley Water will also be gathering information from other regional agencies and regulatory agencies on any updated guidelines and Best Management Practices for fire protection of utility systems. A detailed report is being developed for a future Closed Board Session item regarding current capabilities and opportunities for enhancement.

Weeks of September 25 – October 8, 2020

The cross-functional Valley Water team that will be working on this assessment and evaluation will include Emergency Services, Facilities, Environmental Health and Safety, Watersheds Operations and Maintenance, and Raw Water Operations, Maintenance and Engineering Units.

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

10. Kremen

At the 9/8/20 Board meeting, Dir. Kremen requested that staff investigate whether the Pacheco Pumping Plant fire suppression system will function if there is a power outage.
R-20-0010

There is currently a project to add an automated fire suppression system at the Pacheco Pumping Plant. Once this project is complete, fire suppression will be connected to the back-up power system. At this time, back-up power supports SCADA (Supervisory Control And Data Acquisition) and the business network at the Pacheco Pumping Plant.

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

11. Kremen

Staff is to Provide Director Kremen with a copy of the first draft of the various financial schedules that will be included in the FY20 CAFR.
I-20-0015

On September 28, 2020, Valley Water provided Director Kremen with an excel file that contains a draft version of the various schedules to be incorporated into the Fiscal Year 2020 (FY20) Comprehensive Annual Financial Report (CAFR). A copy of the file can be obtained by contacting the Valley Water Clerk of the Board.

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

THIS PAGE INTENTIONALLY LEFT BLANK