



Santa Clara Valley Water District Board of Directors Meeting

Headquarters Building Boardroom
Join Zoom Meeting: <https://valleywater.zoom.us/j/84454515597>

***AMENDED/APPENDED** **11:00 AM CLOSED SESSION AND** **1:00 PM REGULAR MEETING** **AGENDA**

Tuesday, September 13, 2022
11:00 AM

***ITEMS AMENDED AND/OR APPENDED SINCE THE ORIGINAL PUBLICATION OF THIS AGENDA
ARE IDENTIFIED BY AN ASTERISK (*) HEREIN**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

DISTRICT BOARD OF DIRECTORS

John L. Varela, Chair Pro Tem -
District 1
Barbara Keegan - District 2
Richard P. Santos - District 3
Linda J. LeZotte - District 4
Nai Hsueh - District 5
Tony Estremera - District 6
Gary Kremen - District 7

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available to the public through the legislative body agenda web page at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

RICK L. CALLENDER, ESQ.
Chief Executive Officer

MICHELE L KING, CMC
Clerk of the Board
(408) 265-2600
Fax (408) 266-0271
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

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**Santa Clara Valley Water District
Board of Directors**

***AMENDED/APPENDED
11:00 AM CLOSED SESSION AND
1:00 PM REGULAR MEETING AGENDA**

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Tuesday, September 13, 2022

11:00 AM

Headquarters Building Boardroom

Join Zoom Meeting:

<https://valleywater.zoom.us/j/84454515597>

IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as a “hybrid” meetings, conducted in-person as well as by telecommunication, and is compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while still maintaining transparency and public access, members of the public have an option to participate by teleconference/video conference or attend in-person. To observe and participate in the meeting by teleconference/video conference, please see the meeting link located at the top of the agenda. If attending in-person, you are required to comply with Ordinance 22-03 - AN ORDINANCE OF THE SANTA CLARA VALLEY WATER DISTRICT SPECIFYING RULES OF DECORUM FOR PARTICIPATION IN BOARD AND COMMITTEE MEETINGS located at <https://s3.us-west-2.amazonaws.com/valleywater.org.if-us-west-2/f2-live/s3fs-public/Ord.pdf>

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the “Raise Hand” tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board’s office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water’s bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water’s bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures and Valley Water’s Investor Relations website, maintained on the World Wide Web at <http://emmas.msrb.org> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a

name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:
<https://valleywater.zoom.us/j/84454515597>

Meeting ID: 844 5451 5597

Join by Phone:
1 (669) 900-9128, 84454515597#

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME CERTAIN:

11:00 AM

Notice to the Public: The Board of Directors meets in Closed Session in accordance with the Ralph M. Brown Act. Following the conclusion of Closed Session discussion, the Board will return for the remaining items on the regular meeting agenda.

*2.1. (ITEM REMOVED FROM AGENDA) CLOSED SESSION
CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION
Pursuant to Government Code Section 54956.9(d)(4)
2 Potential Cases

*2.2. CLOSED SESSION [22-1064](#)
CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
SCVWD v. Jin, et al., (Santa Clara Co. Superior Court, Case No. 22CV397577)

*2.3. CLOSED SESSION [22-1065](#)
CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
SCVWD v. Jin, et al., (Santa Clara Co. Superior Court, Case No. 19CV35222)

*2.4. CLOSED SESSION [22-1066](#)
CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Stop the Pacheco Dam Project Coalition v. SCVWD (Santa Clara Co. Superior Court, Case No. 22CV399384)

1:00 PM

*2.5. District Counsel Report on Closed Session. (PREVIOUSLY LISTED AS ITEM 2.2)

*2.6. Pledge of Allegiance/National Anthem. (PREVIOUSLY LISTED AS ITEM 2.3)

*2.7. Orders of the Day. (PREVIOUSLY LISTED AS ITEM 2.4)

A. *Approximate Discussion Time (Board); and*

B. *Adjustments to the Order of Agenda Items.*

*2.8. Time Open for Public Comment on any Item not on the Agenda.
(PREVIOUSLY LISTED AS ITEM 2.5)

Notice to the public: Members of the public who wish to address the Board on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Board Chair in order requests are received and granted speaking access to address the Board. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Board action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board may take action on any item of business appearing on the posted agenda.

*2.9. Monthly Drought Emergency Response and Water Supply Update.
(PREVIOUSLY LISTED AS ITEM 2.6)

[22-1054](#)

Recommendation: Receive an update on water supply conditions in Santa Clara County and staff's drought response efforts and provide direction to staff, as necessary.

Manager: Aaron Baker, 408-630-2135

Attachments: [*Supplemental Agenda Memo](#)

[*Supplemental Attachment 1: PowerPoint](#)

[*Supplemental Attachment 2: Drought Response Report](#)

[*Supplemental Attachment 3: September 2022 Water Tracker](#)

Est. Staff Time: 15 Minutes

*2.10 Public Hearing - Consider Adoption of the First Amended and Restated Ordinance 22-02, A First Amended and Restated Ordinance of Santa Clara Valley Water District Adopting Drought Outdoor Water Conservation and Enforcement Measures to Provide Water Retailers Additional Opportunities to Undertake Enforcement Measures that Address Water Waste and to Restrict Irrigation of Commercial, Industrial, and Institutional Non-Functional Turf.

[22-0985](#)

- Recommendation:
- A. Conduct a Public Hearing to allow members of the public to provide comments on the need to consider adoption of the First Amended and Restated Ordinance 22-02, A FIRST AMENDED AND RESTATED ORDINANCE OF SANTA CLARA VALLEY WATER DISTRICT ADOPTING DROUGHT OUTDOOR WATER CONSERVATION AND ENFORCEMENT MEASURES, to enforce Santa Clara Valley Water District's mandatory water use restrictions;
 - B. Close the Public Hearing; and
 - C. Adopt the First Amended and Restated Ordinance 22-02, which provides water retailers additional opportunities to undertake enforcement measures that address water waste, and bans irrigation of commercial, industrial, and institutional (CII) non-functional turf.

Manager: Aaron Baker, 408-630-2135

Attachments: [Attachment 1: Notice of Public Hearing](#)
[Attachment 2: Amended Ordinance](#)
[Attachment 3: PowerPoint](#)

Est. Staff Time: 20 mins

3. CONSENT CALENDAR: (3.1 - *3.10) (Est. Time: 5 Minutes)

Notice to the public: There is no separate discussion of individual consent calendar items. Recommended actions are voted on in one motion. If an item is approved on the consent vote, the specific action recommended by staff is adopted. Items listed in this section of the agenda are considered to be routine by the Board, or delegated to the Board Appointed Officers (BAOs) yet required by law or contract to be Board approved (EL-7.10). Any item may be removed for separate consideration at the request of a Board member. Whenever a resolution is on the consent calendar, a roll call vote will be taken on the entire calendar. Members of the public wishing to address the Board on any consent items should submit a request to speak to the Clerk of the Board.

- 3.1. Adopt a Resolution declaring September 15 to October 15, 2022, as Chicano/Hispanic/Latino Heritage Month. [22-0914](#)
Recommendation: Adopt the RESOLUTION DECLARING SEPTEMBER 15 TO OCTOBER 15, 2022, AS CHICANO/HISPANIC/LATINO HERITAGE MONTH.

Manager: Aaron Baker, 408-630-2135
Carlos Orellana, 408-630-2755
Attachments: [Attachment 1: Resolution](#)
- 3.2. Resolution Declaring September 17, 2022, as California Coastal Cleanup Day in Santa Clara County. [22-1015](#)
Recommendation: Adopt a Resolution DECLARING SEPTEMBER 17, 2022, AS CALIFORNIA COASTAL CLEANUP DAY IN SANTA CLARA COUNTY.

Manager: Donald Rocha, 408-630-2338
Attachments: [Attachment 1: Resolution](#)
- 3.3. Adopt a Resolution Proclaiming September 2022 as National Preparedness Month. [22-0962](#)
Recommendation: Adopt the Resolution NATIONAL PREPAREDNESS MONTH, SEPTEMBER 2022.

Manager: Alexander Gordon, 408-630-2637
Attachments: [Attachment 1: Resolution](#)
- 3.4. Adopt Resolutions Expressing Appreciation and Acknowledging and Recognizing the Service of the Outgoing Members of the 2012 Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee. [22-0925](#)
Recommendation: Adopt RESOLUTIONS EXPRESSING APPRECIATION and Acknowledging and Recognizing the Service of the Outgoing Members of the 2012 Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee.

Manager: Candice Kwok-Smith, 408-630-3193
Attachments: [Attachment 1: Resolutions](#)
Est. Staff Time: 10 Minutes

- 3.5. Denial of Claim of Andres Carrasco. [22-0946](#)
Recommendation: Deny the claim.

Manager: Carlos Orellana, 408-630-2755
Attachments: [Attachment 1: Claim](#)
- 3.6. Denial of Claim of Monarch Landscape, LLC. on behalf of Alan Araujo Algandar. [22-1023](#)
Recommendation: Deny the claim.

Manager: Carlos Orellana, 408-630-2755
Attachments: [Attachment 1: Claim](#)
- 3.7. Approve the Standard On-Call Consultant Agreement with Cotton, Shires and Associates, Inc. for On-Call Engineering Geology and Geotechnical Engineering Services in Support of the Penitencia Creek Landslide and Calaveras Fault Crossing Monitoring Project, Project No. A4666A, PB File VW0041 for a Not-to-Exceed Fee of \$500,000. [22-0947](#)
Recommendation: Approve the Standard On-Call Consultant Agreement with Cotton, Shires and Associates, Inc., for On-Call Engineering Geology and Geotechnical Engineering services in support of the Penitencia Creek Landslide and Calaveras Fault Crossing Monitoring Project for a not-to-exceed fee of \$500,000.

Manager: Greg Williams, (408) 630-2867
Attachments: [Attachment 1: Agreement](#)
- 3.8. Approve the Consultant Agreement with Anchor QEA, LLC, to Provide Modeling Services in Support of the Calabazas/San Tomas Aquino Creek-Marsh Connection Project, Project No. A4668A, PlanetBids File No. VW0122, for a Not-to-Exceed Amount of \$500,000 (Sunnyvale, Santa Clara, San Jose) (District 3). [22-0986](#)
Recommendation: Approve the Consultant Agreement (Agreement) with Anchor QEA, LLC, for modeling services in support for the Calabazas/San Tomas Aquino Creek-Marsh Connection Project (Project), for a Not-to-Exceed amount of \$500,000.

Manager: John Bourgeois, (408) 630-2990
Attachments: [Attachment 1: Project Map](#)
[Attachment 2: Agreement](#)

- 3.9. Approve the Board of Directors' Quarterly Expense Report for the Quarter Ending June 30, 2022. [22-0996](#)

Recommendation: A. Review the Board of Directors' Quarterly Expense Report for the Quarter Ending June 30, 2022; and
B. Approve the report, if the reimbursements comply with Board Policy.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Quarterly Expense Report](#)

- *3.10 Accept the CEO Bulletin for the Week of August 19 Through September 8, 2022. [22-1057](#)

Recommendation: Accept the CEO Bulletin.

Manager: Rick Callender, 408-630-2017

Attachments: [Attachment 1: 090822 CEO Bulletin](#)

REGULAR AGENDA:

4. BOARD OF DIRECTORS:

- 4.1. Receive the Audit Report of the Water Utility Enterprise Funds for the Fiscal Year Ended June 30, 2021. [22-0828](#)

Recommendation: Receive the Audit Report of the Water Utility Enterprise Funds for the Fiscal Year ended June 30, 2021.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: Audit Report, FY Ending 2021 WUE Funds](#)

- *4.2. Board Committee Reports. [22-1058](#)

Attachments: [*Handout 4.2-A: 082222 EWRC Meeting Summary](#)

[*Handout 4.2-B: 082422 Youth Commission Meeting Summary](#)

[*Handout 4.2-C: 091422 Diversity and Inclusion Meeting Agenda](#)

5. WATER UTILITY ENTERPRISE:

6. WATERSHEDS:

7. ASSISTANT CHIEF EXECUTIVE OFFICER:

8. EXTERNAL AFFAIRS:

9. CHIEF EXECUTIVE OFFICER:

*9.1. CEO and Chiefs' Report.

[22-1078](#)

Attachments: [*Handout 9.1-A: Communications Activities](#)

10. ADMINISTRATION:

11. DISTRICT COUNSEL:

12. ADJOURN:

12.1. Board Member Reports/Announcements.

12.2. Proposed Future Board Member Agenda Items.

12.3. Clerk Review and Clarification of Board Requests.

12.4. Adjourn to the Regular Meeting at 1:00 p.m., on September 27, 2022.



Santa Clara Valley Water District

File No.: 22-1064

Agenda Date: 9/13/2022
Item No.: *2.2.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)

SCVWD v. Jin, et al., (Santa Clara Co. Superior Court, Case No. 22CV397577)

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Santa Clara Valley Water District

File No.: 22-1065

Agenda Date: 9/13/2022
Item No.: *2.3.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)

SCVWD v. Jin, et al., (Santa Clara Co. Superior Court, Case No. 19CV35222)

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Santa Clara Valley Water District

File No.: 22-1066

Agenda Date: 9/13/2022
Item No.: *2.4.

NON-EXHIBIT/CLOSED SESSION ITEM

SUBJECT:

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)

Stop the Pacheco Dam Project Coalition v. SCVWD (Santa Clara Co. Superior Court, Case No. 22CV399384)

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Santa Clara Valley Water District

File No.: 22-1054

Agenda Date: 9/13/2022

Item No.: *2.9.

BOARD AGENDA MEMORANDUM

SUBJECT:

Monthly Drought Emergency Response and Water Supply Update. (PREVIOUSLY LISTED AS ITEM 2.6)

RECOMMENDATION:

Receive an update on water supply conditions in Santa Clara County and staff's drought response efforts and provide direction to staff, as necessary.

SUMMARY:

On June 9, 2021, the Santa Clara Valley Water District (Valley Water) Board declared a water shortage emergency condition pursuant to California Water Code §350, called for water use restrictions with a target of 15% countywide water use reduction compared to 2019, and urged Santa Clara County to proclaim a local emergency. The County ratified its proclamation of a drought emergency on June 22, 2021. On April 12, 2022, the Board called for no more than 2 days of irrigation in a week for lawns and ornamental landscapes and prohibited midday irrigation and runoff. On May 24, 2022, the Board approved an ordinance pursuant to Water Code Section 375 et seq to enforce these restrictions.

Reflecting critically dry conditions across the state, in 2021 and 2022 Valley Water received drastic reductions in imported water allocations, which comprise about half of Valley Water's typical annual water supply. Valley Water is also impacted by the unavailability of Anderson Reservoir as a surface water storage facility for the duration of the Anderson Dam Seismic Retrofit Project, which is expected to last 10 years. The loss of Anderson Dam storage, lower imported water supplies, and uncertainty in receiving emergency water transfers results in increased risk for subsidence in North County and dry wells, particularly in South County. In South County, groundwater is the only drinking water supply.

Valley Water has been conducting a wide array of efforts to respond to the drought and the resulting water shortage emergency condition. These efforts along with the latest water supply condition in the County will be described in the current month's Water Tracker Report and Drought Response Report. These reports will be added in the 3-day supplemental agenda item.

ENVIRONMENTAL JUSTICE IMPACT:

Valley Water acknowledges that disadvantaged communities are disproportionately impacted by the effects of drought. To address these impacts, Valley Water promotes access to equitable and affordable water supplies (Water Supply Goal 2.6). Valley Water offers the Lawn Busters program to provide water-efficient landscapes to low-income, elderly, disabled or veteran homeowners and schools within disadvantaged communities. Valley Water currently provides the Low-Income Residential Water Rate Assistance Program to help low-income households impacted by the COVID-19 pandemic pay their water bills. To enable meaningful engagement in the decision-making process, Valley Water provides drought and conservation information in multiple languages, answers questions, and accepts feedback through Valley Water's BeHeard webpage, conservation and drought webpages, Speakers Bureau presentations, media outreach, public outreach presentations, hotlines, and email.

FINANCIAL IMPACT:

There are adequate funds in the Adjusted FY 2021-22 Budget to carry out the operations described in this memo.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Aaron Baker, 408-630-2135



Santa Clara Valley Water District

File No.: 22-1021

Agenda Date: 9/13/2022

Item No.: *2.9.

SUPPLEMENTAL BOARD AGENDA MEMORANDUM

SUBJECT:

Monthly Drought Emergency Response and Water Supply Update.

REASON FOR SUPPLEMENTAL MEMORANDUM:

This report conveys additional information received after the initial report was released, consistent with Executive Limitations Policy EL-7-10-5.

RECOMMENDATION:

Receive an update on water supply conditions in Santa Clara County and staff's drought response efforts and provide direction to staff, as necessary.

SUMMARY:

The latest drought and water supply information contained in attachments was not available at the time of the 10-day posting.

Attachments added: PowerPoint, Drought Response Report, and September 2022 Water Tracker

ENVIRONMENTAL JUSTICE IMPACT:

No change from original memo.

FINANCIAL IMPACT:

No change from original memo.

CEQA:

No change from original memo.

ATTACHMENTS:

*Supplemental Attachment 1: PowerPoint

*Supplemental Attachment 2: Drought Response Report

File No.: 22-1021

Agenda Date: 9/13/2022
Item No.: *2.9.

*Supplemental Attachment 3: September 2022 Water Tracker

UNCLASSIFIED MANAGER:
Aaron Baker, 408-630-2135



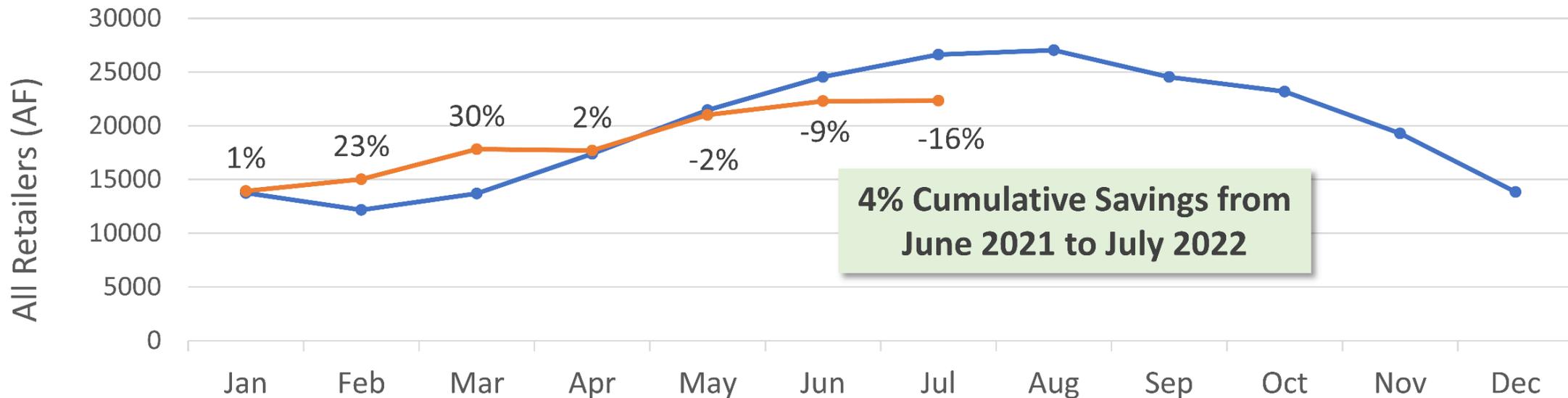
Monthly Drought Emergency Response and Water Supply Update

Valley Water Board Meeting
September 13, 2022

Countywide Water Savings

— 2019 — 2022

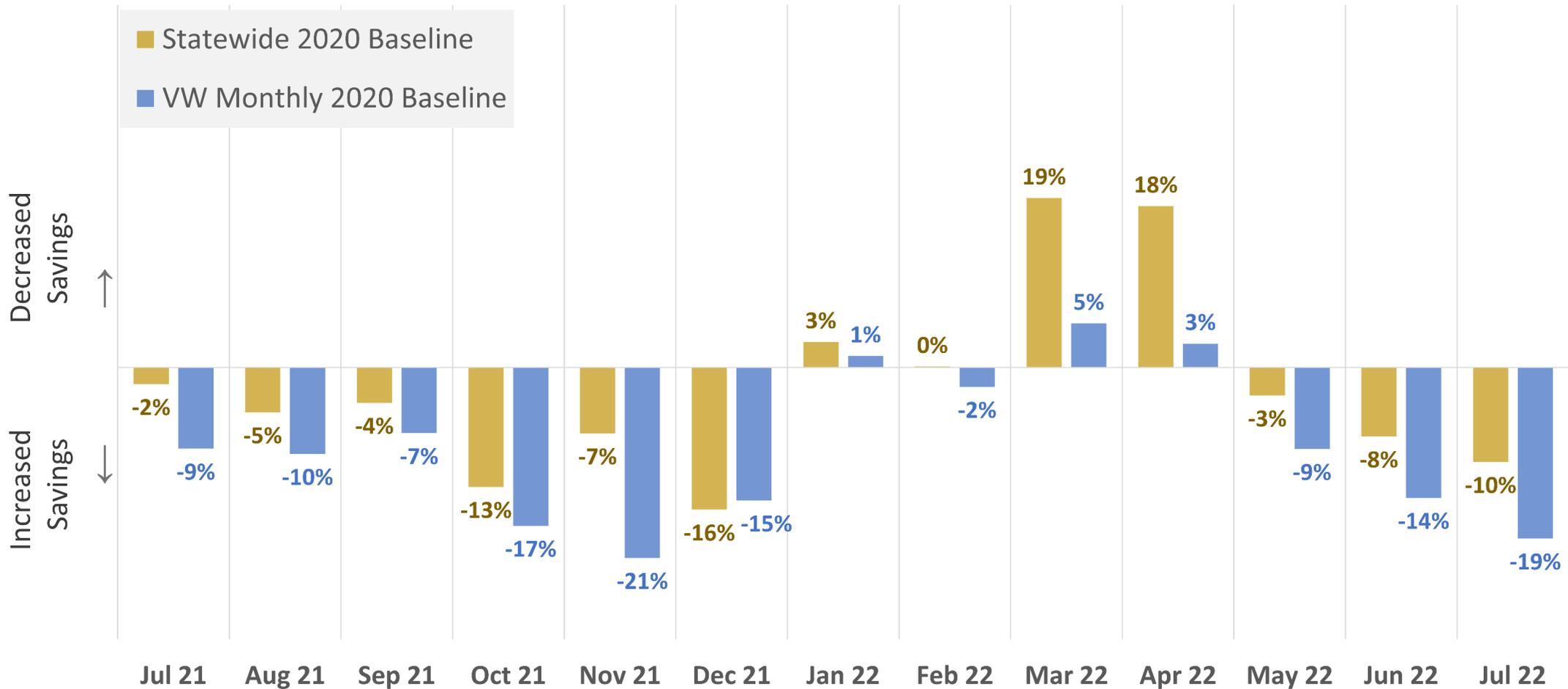
The percent increase (+) or percent decrease (-) in water use from 2019 to 2022 is shown for each month.



Valley Water's call for 15% savings compared to 2019 was exceeded in July 2022.

County compared to State Savings

Monthly Percent Change in Water Use



Historically Low 2022 Imported Water Allocations

- **State Water Project** - 5% and minimum Human Health and Safety needs
- **Central Valley Project** - Public Health and Safety only, 0% for Ag
- **Semitropic water bank withdrawals**
- **Emergency transfers**

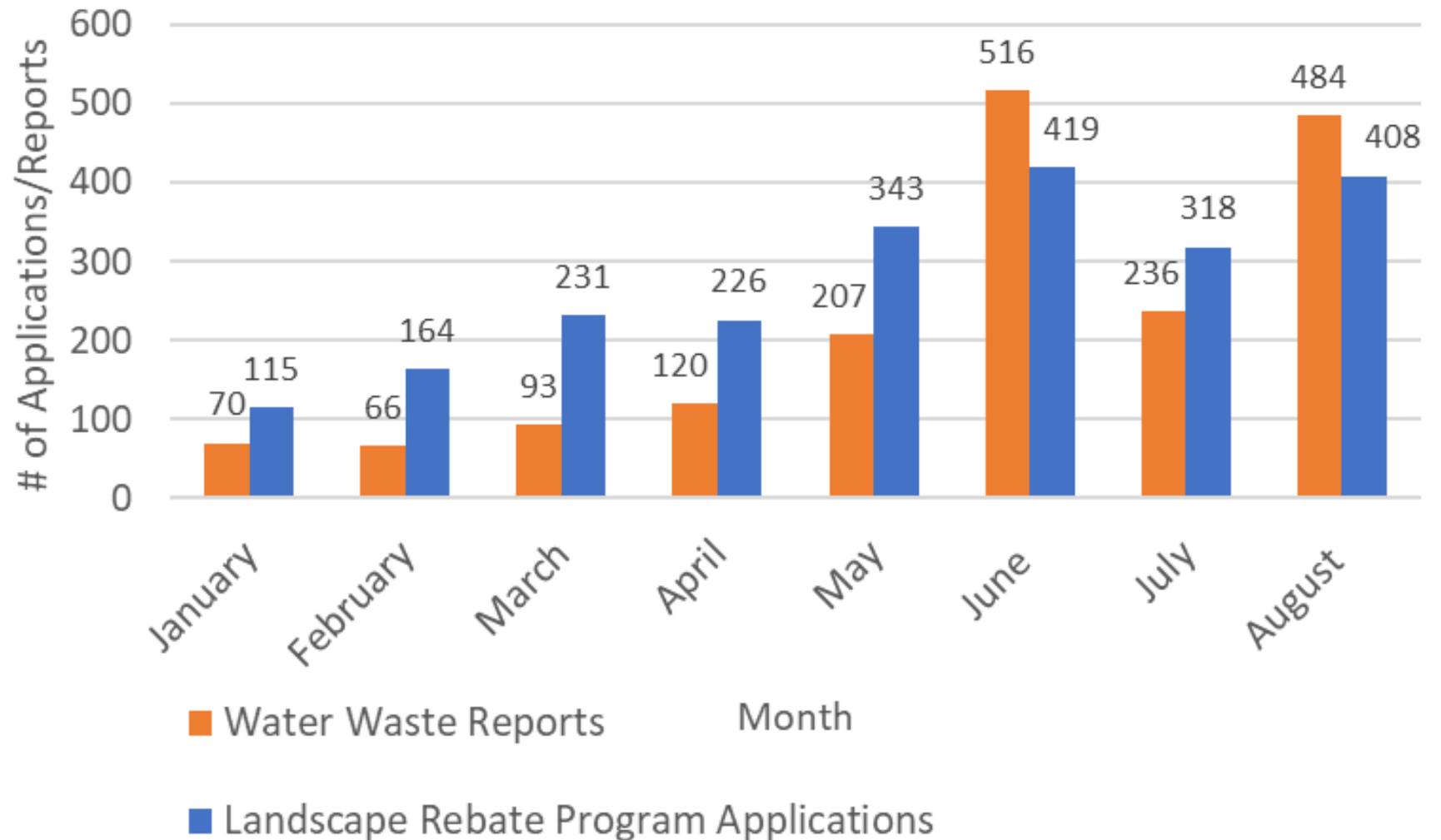
Groundwater

- Managed recharge healthy due emergency imported water
 - Projected to be 97% of long-term average
- Managed recharge in the Llagas Subbasin is at maximum capacity
- Water levels have increased in North County
- South County water levels declining but remain above 2014 levels

Water Conservation

- Participation remains high
- E-cart
 - Almost 9,000 orders

Participation Summary 2022



Water Use Reduction Enforcement Updates

Over 1,000 reports received since June (enforcement launch)

Enforceable Water Waste Violations	July 2022	Aug 2022
More than 2 days of watering per week	39	113
Watering from 9AM-6PM	30	92
Watering within 48 hours of rainfall	4	3
Runoff	95	210

Drought and Conservation Outreach

- Multilingual Say Yes campaign ads and banners
- Retailer Partnerships
- H2Cool outdoor water survey animation
- Speakers Bureau presentations



QUESTIONS



Drought Emergency Response Report

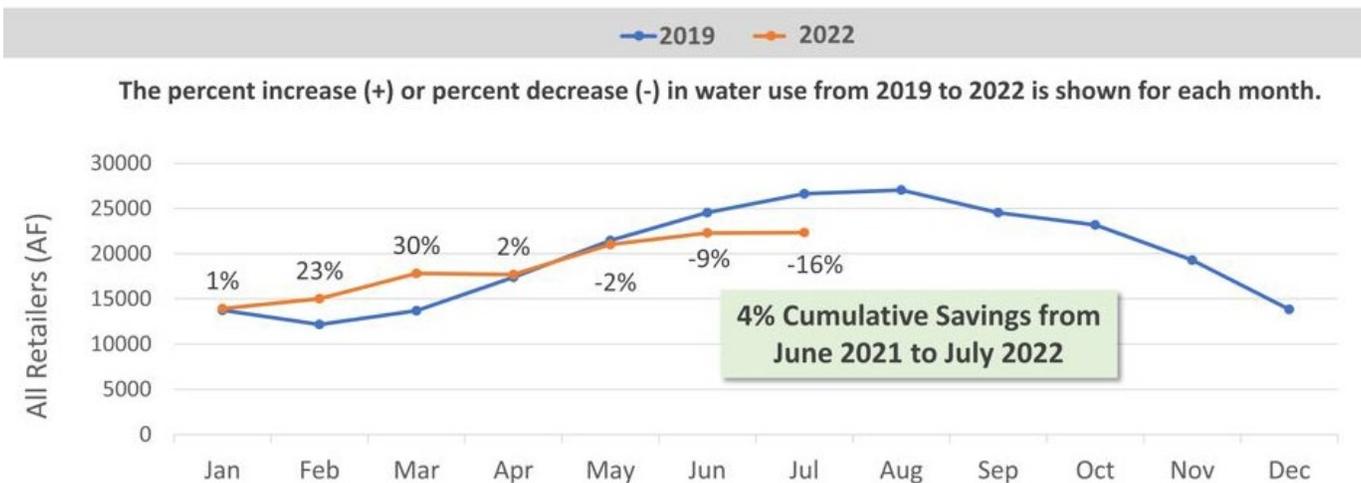
AUGUST 2022

Drought Resolution Implementation

On June 9, 2021, the Board adopted Valley Water Resolution 21-68 which declared a water shortage emergency condition pursuant to California Water Code §350, called for water use reduction of 15% compared to 2019, and urged the County of Santa Clara (County) to proclaim a local emergency. The County adopted a Resolution ratifying the proclamation of a local emergency due to the drought on June 22, 2021. California's Governor included Santa Clara County as part of a drought emergency proclamation on July 8, 2021, and this proclamation included all California counties on October 19, 2021. Valley Water activated its Emergency Operations Center (EOC) on June 16, 2021 to assist with resolution implementation and other drought-related efforts. Valley Water Resolution 22-20 amended Valley Water Resolution 21-68 on April 12, 2022 to call for no more than 2 days of irrigation in a week for ornamental lawns and prohibit excessive runoff, midday irrigation, and irrigation after rainfall. On May 24, 2022, the Board approved Ordinance 22-02 to enforce these restrictions. The ordinance went into effect on June 1, 2022.

Retailer Water Use Reduction

The graph below depicts total water use from the 13 retailers in Santa Clara County to help track progress towards achieving Valley Water's 15% call for water use reduction made in June 2021.



- Valley Water's water savings call of 15% compared to 2019 was exceeded in July 2022.
- Countywide water savings was 16% in July 2022 compared to July 2019.
- Countywide water savings was 19% in July 2022 compared to July 2020, which means the county also exceeded the Governor's call for conservation (15% compared to 2020). California's water savings in July 2022 was 10% compared to July 2020.
- Santa Clara County's cumulative water savings from June 2021 – July 2022 is 4%, compared to 2019.
- Using a 2020 baseline, Santa Clara County's cumulative water savings from July 2021 – July 2022 is 10%, while California's cumulative water savings during this period is 3%.
- On June 1, 2022, Valley Water began enforcing outdoor water waste restrictions against runoff, midday watering, and watering after rainfall, and a limit of two days a week of watering for non-functional turf.

On September 13, Valley Water’s Board of Directors will consider enforcing the State’s ban on watering commercial, industrial, and institutional non-functional turf.

- Valley Water continues its conservation and drought-messaging with the “Say Yes to Saving Water” campaign. The multilingual, multi-platform campaign encourages residents, businesses, farms, and others to follow watering restrictions and take actions, both large and small, that can increase water savings.

Baseline Year	Santa Clara County		California
	2019	2020	2020
July 2022 Savings	16%	19%	10%
Cumulative*	4%	10%	3%

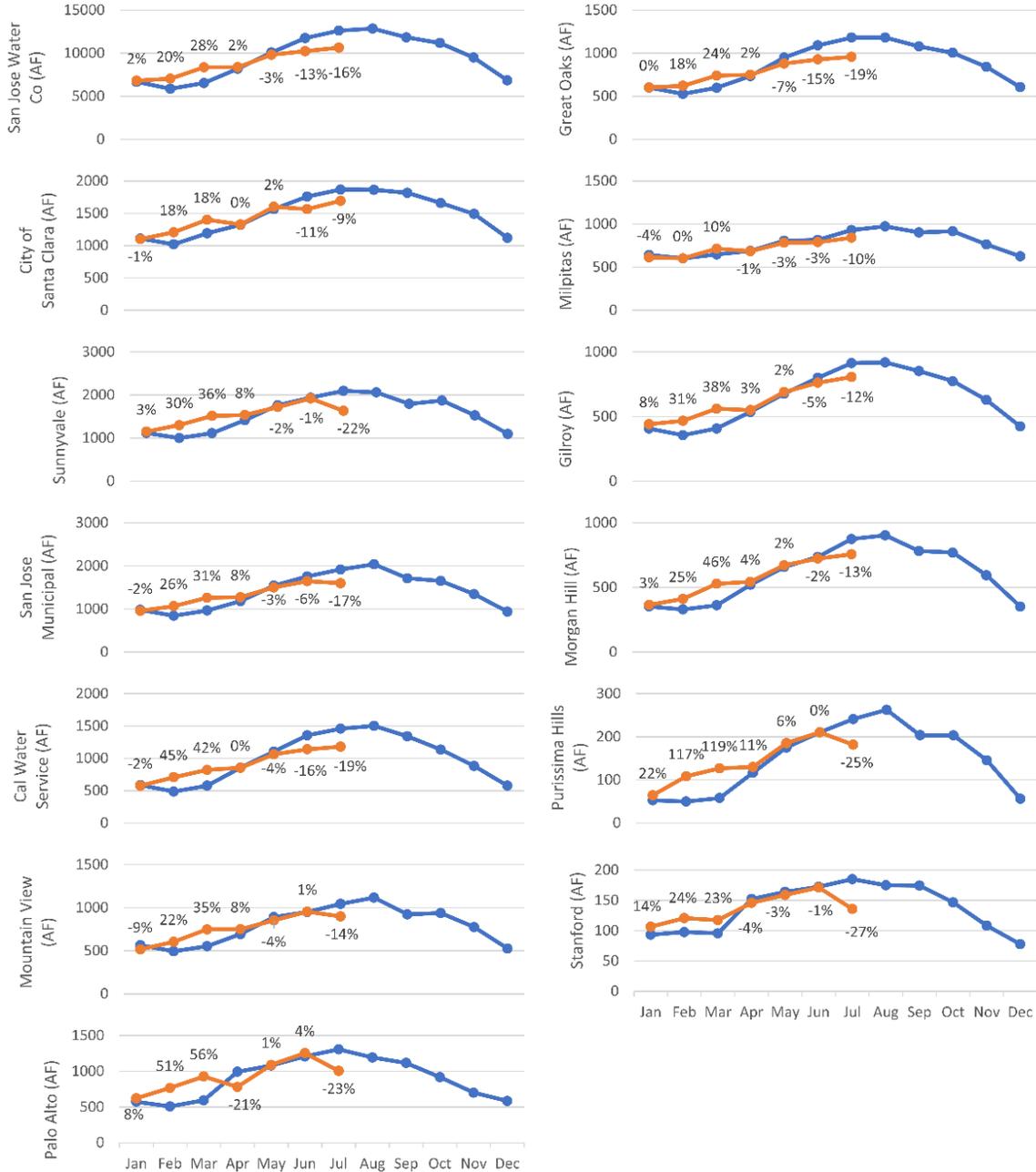
* Cumulative for 2019 baseline begins in June 2021 and for 2020 baseline begins in July 2021

The graphs below depict water use by each of Valley Water’s 13 retailers to help track progress towards achieving the 15% call for water use reduction made in June 2021. Note that City of Palo Alto Utilities (Palo Alto) and Purissima Hills Water District (Purissima) normally do not use Valley Water sources of water. A large proportion of water used by the City of Mountain View Public Works (Mountain View) and Stanford Utilities (Stanford) is not from Valley Water sources.

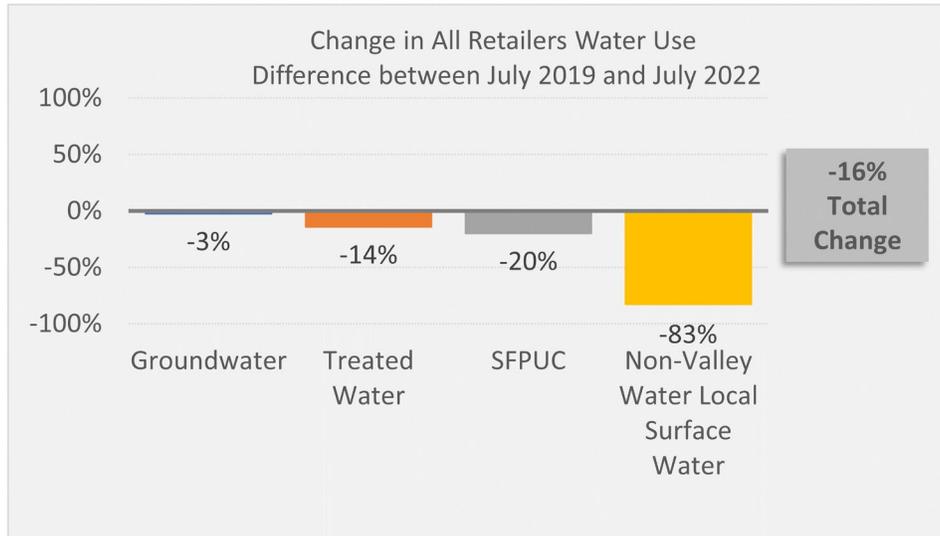
Monthly Water Use by Retailer (AF)

— 2019 — 2022

The percent increase (+) or percent decrease (-) in water use from 2019 to 2022 is shown for each month.



The graph below depicts changes between the retailers’ different types of water use. As expected, the proportion of groundwater use tends to increase during drought.



The table below shows Valley Water retailers’ water usage volumes by type.

Water Retailer	Total Water Use in Acre-Feet (July 2019)					Total Water Use in Acre-Feet (July 2022)				
	Groundwater	Treated Water	SFPUC	Non-Valley Water Local Surface Water	SUM	Groundwater	Treated Water	SFPUC	Non-Valley Water Local Surface Water	SUM
San Jose Water Company	3,310	7,660	-	1,640	12,620	3,600	6,760	-	280	10,640
Santa Clara, City	1,050	480	330	-	1,870	1,110	330	260	-	1,690
Sunnyvale	10	1,040	1,040	-	2,100	10	780	840	-	1,630
San Jose Municipal Water	100	1,330	480	-	1,920	110	1,110	380	-	1,600
California Water Service	290	1,170	-	-	1,460	210	970	-	-	1,180
Palo Alto	-	-	1,310	-	1,310	-	-	1,000	-	1,000
Mountain View	20	120	900	-	1,040	10	120	770	-	900
Great Oaks	1,180	-	-	-	1,180	960	-	-	-	960
Milpitas	-	340	590	-	930	-	340	500	-	840
Gilroy	910	-	-	-	910	810	-	-	-	810
Morgan Hill	870	-	-	-	870	760	-	-	-	760
Purissima Hills Water	-	-	240	-	240	-	-	180	-	180
Stanford	-	-	190	-	190	-	-	140	-	140
Total	7,760	12,140	5,090	1,640	26,630	7,570	10,410	4,070	280	22,330

Collaboration with the County, Retailers, and Cities

- As of August 31, 2022, 14 cities in Santa Clara County have implemented a maximum two-day irrigation schedule, including five cities that have taken additional formal action to their elected boards in response to the ongoing drought emergency and Valley Water's Amended Resolution 22-20.
- In August, Valley Water continued to conduct outreach to the municipalities for their consideration and adoption of the Model Water Efficient New Development Ordinance (MWENDO), as part of ongoing efforts to support cities’ and the County’s interests in expanding water efficiency measures. Currently, the County and

several cities are considering aligning the adoption of new MWENDO measures as part of their jurisdictions' Title 24 triennial building code update. The 2022 version of California's Title 24 is effective January 1, 2023.

- On August 26, 2022, Valley Water held the 2022 Water Summit (Summit) to convene a diverse group of stakeholders across all sectors to discuss our current water supply challenges and how we can partner together to address the severe drought emergency. The Summit provided an opportunity for Valley Water experts to present on drought challenges due to climate change, how Valley Water is working to ensure water supply reliability through conservation, water reuse, and other drought-resilient strategies, and information on water conservation rebates and resources with our stakeholders, as well as a Call to Action for support of purified and recycled water. The Summit incorporated talks from Valley Water's partners in sustainability on their respective sustainability efforts as well as an expert panel discussion on "How Do We Become More Climate Resilient?" The Summit is described in further detail in Appendix A.

Water Conservation Programs

Valley Water is actively promoting ways people can save water through rebates, free water-saving devices, and behaviors. The Shopping Cart (eCart) Program offers free water-saving devices to homes and businesses. The Landscape Rebate Program (LRP) provides rebates for converting high-water use landscapes to low-water-use landscapes, as well as retrofitting existing irrigation equipment with approved high-efficiency irrigation equipment. The program continues to see a high application rate with an increase of 28% more applications received in August versus July. Valley Water hosted a webinar in August focusing on Alternative Water Solutions: Graywater Reuse and Rainwater Collection with 133 in attendance on Zoom and Facebook Live.

Estimated conservation program applications received are shown below.

Program	June	July	August
Landscape Rebate Program Applications	417	318	408
Water-saving Device Orders	1,477	694	1894

Water Waste Enforcement

Valley Water began enforcing outdoor water waste restrictions against runoff, midday watering, and watering after rainfall, and a limit of two days a week of watering for non-functional turf on June 1, 2022. The Water Waste Program is enforcing these restrictions while continuing its educational mission.

Program	June	July	August
Water Waste Reports	516	236	484

Complaints of violations against water waste restrictions are submitted by members of the public. 484 total water waste complaints were received in August 2022. 253 of the complaints received are enforceable, as they relate to the restrictions listed in Ordinance 22-02 and occurred in service areas supplied by Valley Water sources; the remaining are not enforceable but are addressed through education. Each complaint may include multiple reports of violations against water waste restrictions. Below is a breakdown of the numbers of reported water waste violations related to the restrictions listed in Ordinance 22-02. Not all violations are verified by staff to be occurring, such as those related to watering after rainfall.

Enforceable Water Waste Violations	July 2022	Aug 2022
More than 2 days of watering per week	39	113
Watering from 9AM-6PM	30	92
Watering within 48 hours of rainfall	4	3
Runoff	95	210

Drought and Water Conservation Outreach

- In August, our revamped multilingual Say Yes to Saving Water campaign started running on Valley Transit Authority (VTA) buses, audio and video streaming platforms and digital and social media. Valley Water installed Say Yes to Saving Water banners on campus and are in the process of deploying 50 banners across Santa Clara County. Our fleet is now featuring magnetic water conservation signs. In addition to sharing a 30-second Say Yes to Saving Water video on our social platforms in English and Spanish, a Vietnamese version is now running. A campaign has begun on NTD (Chinese TV) featuring a 30-second ad and news integrations for Say Yes. An outdoor water survey animation featuring H2Cool was shared on all social platforms.
- Through partnerships with the cities of Palo Alto and Santa Clara, banners will be displayed on main thoroughfares and public buildings. We have also offered co-branded Commercial, Industrial, and Institutional (CII) materials, including yard signs, to Sunnyvale and the City of Mountain View will equip inspectors with samples of our CII water savings messaging materials for restaurants and hotels.
- Media interest focused on Water Summit 2022, potential mega flooding due to climate change, reaction to Gov. Newsom’s Water Supply Strategy announcement, the Pacheco Reservoir Expansion Project, the Landscape Rebate Program and homeowner negotiations as part of the Anderson Dam Seismic Retrofit Project.
- Staff published a statement from Chair Pro Tem Varela on Governor Newsom’s water supply strategy announcement. A board column from Vice Chair Pro Tem Keegan on tree care during times of drought was published on *San Jose Inside*. A video on tree care during times of drought has received more than 100 views on our YouTube channel and is being shared on our social platforms. Four blogs were posted to valleywaternews.org: how Santa Clara County is inching closer to the 15% water use reduction goal, Santa Clara County Medical Association endorsing Valley Water’s Purified Water Project, paint day kicking off the Mural Art Project, and how water-efficient construction plays an important part in conservation.
- In August, staff shared a graphic on our social media platforms showing Santa Clara County’s water use throughout 2022 compared to 2019. The post encouraged residents to continue saving as we see a positive trend in conservation. To promote our Landscape Rebate Program, the third video success story was shared on Facebook, along with positive local news articles featuring residents who have used the rebate program to transform their yards.
- The Speakers Bureau Program held 6 presentations in August. On August 4, staff presented in person and virtually to the Almaden Valley-Willow Glen Rotary Club. The outreach staff conducted the next presentation, which was also in-person and virtual, on August 10 with the Almaden Super Lions. On August 17, Director LeZotte presented to the Campbell Chamber of Commerce. A presentation was conducted on August 23 by

outreach staff with the Los Altos Garden Club. On August 28, Director Kremen delivered a drought presentation to the Adobe Meadows Neighborhood Association. On August 30, Director Varela gave a presentation to the Rotary Club of Gilroy at their regular lunch meeting.

- Statistics for public outreach efforts are shown below.

Outreach Type	July 2022
Social Media¹	
Impressions ²	6,481,141
Engagements ³	44,663
Link Clicks	8,354
Video Views	478,851
Website Page Views	
Water conservation webpages	33,311
BeHeard.ValleyWater.org/drought-information	755
Media	
Media Mentions ⁴	6,928
Speakers Bureau	
Presentations ⁵	6

¹Includes Facebook, Twitter, Instagram, and LinkedIn

²Impressions are the number of times a post is displayed in a newsfeed.

³Engagements are the number of times a user interacts with a post, such a retweet, click, and more.

⁴Includes TV, radio, social media, online and print

⁵ Office of Communications and Government Relations

Drought and Water Conservation Education

- In August, the Education Outreach team (EO) supported four educators and reached 140 students through four in-person presentations. EO presented water conservation and drought awareness messaging to students at three pre-schools and one library story time program. All library program and preschool attendees recited Valley Water’s Water Conservation Pledge, signed the pledge poster, and received drought messaging water conservation stickers and drought-tolerant native plant seeds. The EO team also made a virtual presentation to the Valley Water Landscape Committee and gave an overview of the Education Outreach Program and the ways that water conservation and drought awareness messaging is incorporated into all presentations.
- The table below shows Education Outreach efforts in 2022, all of which included drought and water conservation messaging.

Program	Jun 2022	Jul 2022	August 2022
Educators/Teachers	16	31	4
Classes/Groups	20	22	4
Students	497	509	140

- Members of the Valley Water Youth Commission presented an overview of the Youth Commission Drought Awareness Social Media Campaign on three occasions during August. They presented to the Landscape Committee, the Valley Water Board of Directors during the 8/9/22 Board Meeting, and at the first quarterly meeting of the new Youth Commission for the 2022-23 year. The Commissioners highlighted the Drought Awareness Campaign toolkit that is housed on the Youth Commission website and announced plans for phase 2 of the campaign which will focus on the importance of “Reuse”.

Committee Updates

- Drought-related updates are being provided regularly at Committee meetings to receive feedback and guidance. These updates were provided to the Water Conservation and Demand Management Committee in August 2022.
-

Water Supply Operations and Outlook

- There was no rainfall in August in Santa Clara County. The current rainfall year extends from July 1, 2022, through June 30, 2023.
- Total reservoir storage as percentage of unrestricted reservoir capacity is 19% for August 31, 2022, which is 39% of the (20-year) average total storage for the current month.

Imported Water

- While storms in October and December 2021 provided a wet start to the water year, January through March 2022 were the driest combined first three months on record in California. Additionally, Northern California received above average precipitation in April, but major reservoir levels generally remain below average.
- As of August 30, 2022, total state reservoir storage is below the historical average. Shasta Reservoir is at 58% of average for this date, Oroville Reservoir is at 63% of average for this date, and Folsom Reservoir is at 83% of average for this date. Total storage in each of these three major reservoirs has decreased in August.
- As of August 30, 2022, storage in San Luis Reservoir is approximately 572 thousand acre-feet (TAF). San Luis Reservoir storage was reduced by approximately 90 TAF in August.
- Valley Water entered 2022 with over 65 TAF of imported supplies stored in San Luis Reservoir. This includes emergency transfer supplies purchased in 2021, previously undelivered State Water Project (SWP) supplies, and water recovered from the Semitropic Groundwater Bank. This amount is higher than normal and is intended to provide water supply reliability in the event dry conditions continue in 2022, while also mitigating for the loss of storage in Anderson Reservoir.
- The California Department of Water Resources (DWR) has announced a 2022 SWP allocation of 5 percent, which equates to an allocation of 5 TAF for Valley Water. DWR has approved Valley Water's request for additional water to meet our critical human health and safety needs.
- The U.S. Bureau of Reclamation (Reclamation) Central Valley Project (CVP) water supply allocations for south-of-Delta CVP contractors, including Valley Water, are currently set to a municipal and industrial allocation of public health and safety water only and an agricultural allocation of zero percent. Reclamation has approved Valley Water's request for public health and safety water.
- Valley Water will continue to withdraw previously stored supplies from the Semitropic Groundwater Bank in 2022 if SWP and CVP allocations remain low. Staff continues to work with DWR and other Semitropic Banking partners and anticipates that at least 31.5 TAF would be available for delivery to Valley Water. As of July 31st, Valley Water has withdrawn approximately 17.9 TAF in 2022 from Semitropic Groundwater Bank.
- Valley Water previously executed several long-term water transfer agreements that could provide emergency transfer supplies in 2022, but transfer supply this year is severely limited due to the critically dry conditions across the state. To date in 2022, Valley Water has secured agreements for approximately 28 TAF of emergency transfer supplies, after conveyance losses this is estimated to provide approximately 21 TAF of additional supply.

Treated Water

- Taste and odor compounds continued to be elevated in the South Bay Aqueduct. Staff were able to minimize the impact by proactively implementing source water blend change and optimizing the water treatment process.
- A few customer complaints were reported by retailers related to taste and odor in the drinking water delivered. Valley Water staff worked collaboratively with retailers to mitigate the concern and were able to meet customer expectations.
- A low level of cyanotoxins was detected in the raw water supplied to the treatment plants, however it was “non-detect” in the treated water.
- 100% of treated water delivered continued to meet all applicable drinking water quality standards.

Groundwater Recharge

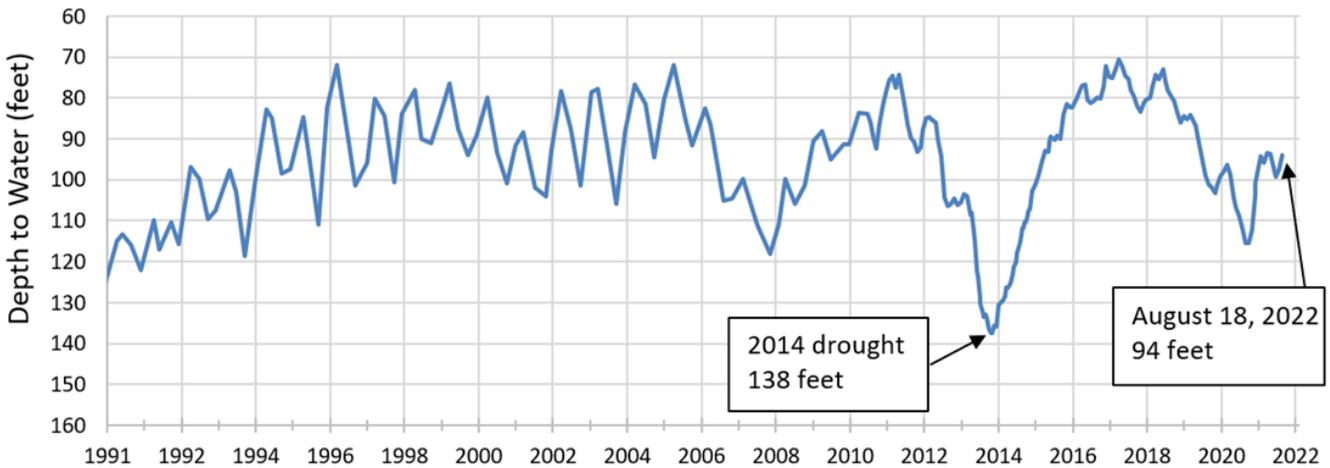
- Valley Water continued with its expanded recharge program throughout the summer. In early September, the number of filled ponds was 70 out of a total of 102 ponds countywide. Ten additional ponds are being filled in September.
- Managed recharge in 2022 countywide is projected to end at 97% of normal (*i.e.*, of the 20-year average).
- Managed recharge in the Llagas Subbasin is already at maximum capacity and cannot be increased further.

Groundwater Conditions:

Despite ongoing drought conditions, groundwater levels are stabilizing or increasing in some areas because of recent increases in managed recharge (made possible by emergency imported water supplies) and ongoing water conservation by the community. Other areas continue to have declines in water levels. With drought conditions expected to continue, water use reduction is essential to minimize the risk of resumed subsidence in North County and wells going dry, particularly in South County. The risk of dry wells and subsidence increases as the drought persists. One new dry well was reported in August.

- North County Groundwater
 - o The current water level at the regional index well has increased by about 3 feet since last month and is about 44 feet above the minimum water level in 2014. The water level at this well is about 22 feet higher compared to this time last year. Summer increase in groundwater levels are not typical and can be attributed to the use of emergency imported water supplies for additional recharge and treated water deliveries.
 - o Groundwater levels are more than 55 to 100 feet above thresholds established to minimize the risk of permanent subsidence.
 - o No dry wells were reported in August. Since the onset of the current drought, a total of two dry wells have been reported in North County, all in the foothills where yield is generally less reliable.

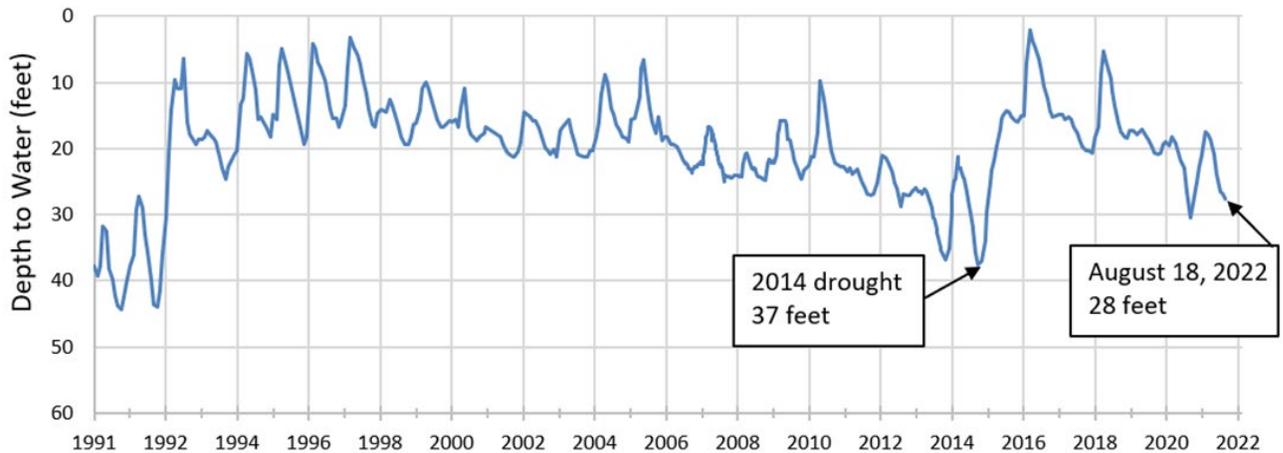
Santa Clara Plain Index Well



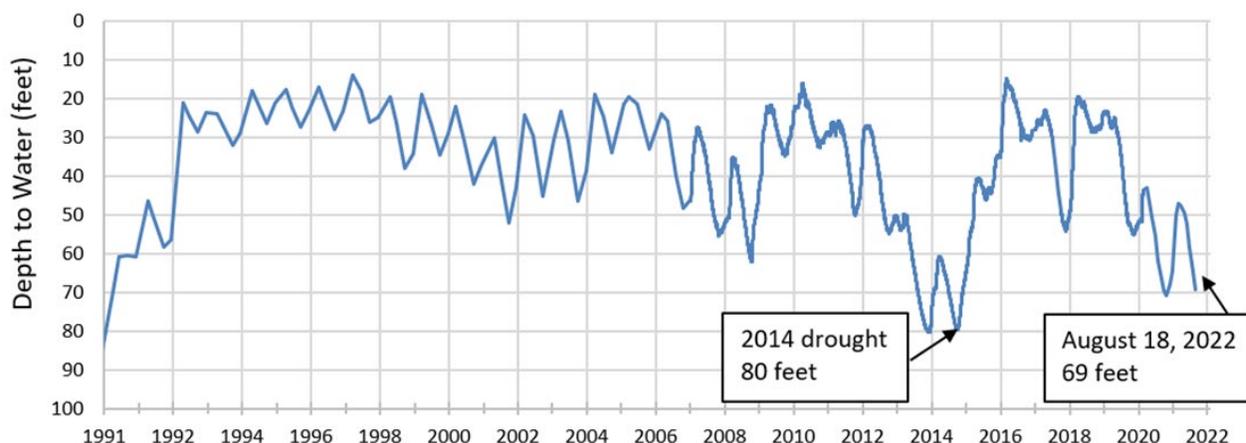
- South County Groundwater

- o The current water level in the Coyote Valley and Llagas Subbasin regional index wells have each decreased by about 1 and 4 feet since last month and are about 9 and 11 feet, respectively, above the minimum water level in 2014. Additionally, the water levels in these wells are about 3 feet higher and 3 feet lower, respectively, compared to this time last year.
- o One dry well was reported in August, located west of the Llagas Subbasin and outside the groundwater benefit zone.
- o Since the onset of the current drought, a total of five dry domestic wells have been reported in South County, all in locations close to the foothills where yield is generally less reliable. Valley Water works to provide affected well owners with appropriate assistance, including information on available resources or billing support as needed.

Coyote Valley Index Well



Llagas Subbasin Index Well (San Martin)



State Coordination

- The state 2022 legislative session came to an end on August 31, 2022 after approving hundreds of bills, and finalizing the 2022-2023 state budget with the climate and energy funding package. The package includes SB 128 (Budget Bill Jr) and AB 211 (Resources Budget Trailer Bill), which include some funding to address issues related to water resources and drought, as follows:
- State Water Board -
 - Recycled Water - \$100 M
 - PFAS (Per- and Polyfluoroalkyl Substances) Contamination - \$100 M
 - Water Rights Modernization - \$43.75 M
- Department of Water Resources
 - Drought Resilience and Climate risk - \$66.5 M
 - Immediate Drought Response - \$48.75 M
 - Implementation of Sustainable Groundwater Management Act (SGMA) - \$56M
 - Urban Community and Multi-Benefit Drought Relief - \$10 M
 - Watershed Level Drought Resilience and Identification of Climate Risk - \$84 M
- Pledges for FY 2023-24 funding in trailer bills:
 - Dam Safety Program - \$100 M
 - Recycled Water Direct Potable Reuse (DPR) focused - \$210 M

Staffing and Resources

- For water conservation programs, four new interns were onboarded and are currently being trained on various conservation programs that are offered. Recruitment is underway to fill the remaining vacant intern positions.
- Interviews for vacant Temporary Water Conservation Specialist position were held the last week of August.
- Drought emergency expenses are expenditures supplemental to the regular budget that would not have been adopted had there been no drought. Due to the timing of monthly financial system closes, drought expenditures are reported one month behind the monthly Drought Emergency Report.

- The FY 2022-23 Adopted Budget of \$37 million for drought emergency is comprised of \$17 million for emergency water purchases, \$7 million for water banking expenses to help bring approximately 32,000 acre-feet of water banked at Semitropic Water Storage District into the county, and \$13 million for conservation programs and drought related public relations. Budget adjustments will be brought to the Board for any additional expenses incurred during the year.
- July 2022 expenses totaled approximately \$830,000 spent or encumbered primarily for emergency water purchases tied to contracts executed in prior years, operating supplies and services for temps and interns supporting drought related conservation programs, and labor expenses for staff time supporting Valley Water's drought response program.

Expanded Opportunities

Purified Water Project

The Purified Water Project will replenish groundwater supplies with purified water and expand usage of recycled and purified water, a drought-resilient, locally-controlled water source.

- Valley Water continued to develop the procurement and CEQA documents for the Purified Water Project.
- Valley Water continued outreach to cities and landowners along the pipeline route.
- Valley Water is working with the City of Palo Alto on a study session for the City Council.

Drought Response Plan

Valley Water is developing a Drought Response Plan (DRP) to improve water supply reliability in Santa Clara County during times of future shortage through a WaterSMART grant from the Bureau of Reclamation. Valley Water's DRP will evaluate new approaches for determining when to request water use reductions from the public and develop a response framework to employ during future droughts.

- Work continues on refining the draft Vulnerability Assessment that evaluates the risks and impacts of drought in the county. The draft report was presented to the Water Conservation and Demand Management Committee on August 29. The consultant is working on the next phase of the DRP looking at drought triggers and water shortage actions in coordination with retailers.

Appendix A: Water Summit 2022 - Overview and Summary

Overview

- On Friday, August 26, Valley Water convened a diverse cross-section of elected officials, business leaders, agricultural leaders, and environmental advocates from throughout Silicon Valley at the 2022 Water Summit (Summit) to discuss our current water supply challenges and how we can partner together to address the drought and worsening climate change impacts.
- The hybrid Summit provided an opportunity for Valley Water subject matter experts to present on drought challenges due to climate change, actions taken in response to the drought, and strategies for a sustainable water supply into the future, as well as to share information on water conservation rebates and resources with our stakeholders that we can use to lead our communities through the ongoing drought emergency.

Highlights

- Chair Pro Tem John L. Varela provided welcome remarks, emphasizing Valley Water’s commitment to partner with external partners on actions needed to help communities reduce their water use and help our region combat this drought emergency.
- The Chair Pro Tem then introduced keynote speaker, U.S. Senator Alex Padilla, who prepared a pre-recorded video message. Senator Padilla’s keynote address highlighted the importance of partnering together to navigate the challenges posed by the ongoing drought and increasingly extreme weather patterns to ensure that we have a safe and reliable water supply.
- Chief Operating Officer Aaron Baker opened the “Drought Challenges Due to Climate Change and Solutions” segment of the program, which covered the following topics:
 - Current and recurring water supply problems (Presented by Chief Operating Officer Aaron Baker)
 - Long- and Short-term Goals (Presented by Assistant Officer Kirsten Struve)
 - Anderson Dam Seismic Retrofit Project (Presented by Assistant Officer Kirsten Struve)
 - Pacheco Reservoir Expansion Project (Presented by Assistant Officer Ryan McCarter)
 - Purified Water Project (Presented by Assistant Officer Kirsten Struve)
- The “Partners in Sustainability” segment featured presentations from our Summit partners and covered the following topics:
 - Pathways for Representation from Historically Black Colleges and Universities (Presented by Silicon Valley Leadership Vice President for Partner Success Lisa Gauthier)
 - California Climate Resilience Challenge (Presented by Bay Area Council Senior Vice President of Public Policy Adrian Covert)
 - Sustainability from the Business Community’s Perspective (Presented by San Jose Chamber of Commerce Executive Board Member Janikke Klem)
 - Agricultural Community’s Water Efficiency Efforts (Santa Clara County Farm Bureau Second Vice President and Secretary Tim Chiala)
- Senior Water Conservation Specialist Ashley Shannon provided information on available water conservation rebates, programs, and materials to help make necessary adjustments to the way we use water under the “How We Can Partner Together for a Drought-Proof Future” segment.
- Assistant Officer of External Affairs Marta Lugo also included a Recycled and Purified Water “Call to Action,” inviting attendees to join our community of purified water supporters by signing a digital supporter card

available via the QR code displayed on the screen for virtual attendees and on the table-top signs for in-person attendees. Attendees were also invited to submit letters of support to our Board using template letters available on our website, purewater4u.org.

- Chief of External Affairs Rachael Gibson moderated the Panel Discussion on “How Do We Become More Climate Resilient,” which featured:
 - Mayor Lisa M. Gillmor, City of Santa Clara
 - Adrian Covert, Senior Vice President of Public Policy, Bay Area Council
 - Dennis Murphy, Water & Sustainable Life Director, Sustainable Silicon Valley
 - Naresh Duggal, Program Manager, County of Santa Clara Office of Sustainability
- Chair Pro Tem Varela provided closing remarks for the Water Summit to conclude the event.

Attendees

- All 7 Directors were in attendance: Chair Pro Tem John L. Varela, Vice Chair Pro Tem Barbara Keegan, Director Richard Santos, Director Linda J. LeZotte, Director Nai Hsueh, Director Tony Estremera, and Director Gary Kremen
- At peak attendance, 128 people were present on the Zoom meeting and 48 people were present at the in-person event at the Santa Clara Convention Center, including:
 - Elected officials from the cities of: Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, and Saratoga.
 - Staff representing the Offices of Congresswoman Zoe Lofgren, Congressman Ro Khanna, State Senator John Laird, State Senator Bob Wieckowski, State Senator Dave Cortese, State Senator Josh Becker, Assemblymember Alex Lee, and Santa Clara County Supervisors Joe Simitian, Susan Ellenberg, and Otto Lee.

Outlook as of September 1, 2022

Based on continued drought conditions across California, imported water allocations remain low. The State Water Project allocation is at 5% of contract amount and the Central Valley Project allocation is zero. Both the State Water Project and U.S. Bureau of Reclamation have allocated Valley Water with emergency public health and safety water supplies. Santa Clara County continues to be in a water shortage emergency. Due to severe drought and increased reliance on imported water in the next 10 years while Anderson Reservoir storage is unavailable, meeting the Board of Directors call for 15% water use reduction relative to 2019 is essential. Valley Water Board of Directors approved an ordinance to enforce water waste restrictions on May 24, 2022, and Valley Water is now proceeding with an enforcement program.

Weather

- Rainfall in San José:
 - » Month of August, City of San José = 0 inches
- San José average daily high temperature was 83.7 degrees Fahrenheit in August, which is higher than the five-year average for August (82.7 degrees Fahrenheit)

Local Reservoirs

- Total September 1 storage = 31,077 acre-feet

Reservoir Storage	All Ten Valley Water Reservoirs	All Reservoirs Except Anderson
Current storage as % of unrestricted capacity	19%	36%
Current storage as % of restricted capacity (1)	50%	46%
Current storage as % of the 20-year average for September 1	39%	79%

(1) Per the Federal Energy Regulatory Commission's order, the capacity of Anderson Reservoir was restricted to the deadpool storage of about 3,050 acre-feet. The total restricted capacity for all ten reservoirs is 62,592 acre-feet.

- Approximately 200 acre-feet of imported water delivered into Calero Reservoir during August 2022
- Total estimated releases to streams (local and imported water) during August were 3,810 acre-feet (based on preliminary hydrologic data)

Groundwater

- Despite ongoing drought conditions, groundwater levels are stabilizing or increasing in some areas because of recent increases in managed recharge (made possible by emergency imported water supplies) and ongoing water conservation by the community. Other areas continue to have declines in water levels. The end of 2022 groundwater storage is projected to be in low Stage 1 (Normal) of the Water Shortage Contingency Plan. Valley Water continues to plan for dry and rapidly evolving conditions

	Santa Clara Subbasin		Llagas Subbasin
	Santa Clara Plain	Coyote Valley	
August 2022 managed recharge estimate	8,000	1,200	1,700
YTD managed recharge estimate	34,100	7,900	13,500
YTD managed recharge as % of 5-year average	106%	77%	110%
July 2022 pumping estimate	5,900	1,200	5,500
YTD pumping estimate	39,800	6,700	19,400
YTD pumping as % of 5-year average	103%	104%	92%
Current index well groundwater levels compared to August 2021	22 Feet Higher	3 Feet Higher	3 Feet Lower

All volumes are in acre-feet. All data is for 2022 except where noted. YTD = Year-to-Date

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Imported Water

- In August, the State Water Project operated Banks pumping plant with an average daily production of 1,201 AF, resulting in a total export of 34,821 AF from the delta
- In August, the Central Valley Project operated Jones pumping plant with an average daily production of 5,372 AF, resulting in a total export of 155,779 AF from the delta
- There were no interruptions to delta pumping operations, due to water quality or otherwise, during the month of August

WY 2022 Imported Water Allocations	Allocation	Allocation (acre-feet)	Additional Allocation
State Water Project	5%	5,000	Additional allocation of human health and safety water secured
Central Valley Project	-	-	Public health and safety water only
State-wide Reservoir Storage	Capacity	Current Storage (acre-feet)	Average for Date (as of 8/30/22)
Shasta Reservoir	35%	1,594,189	58%
Oroville Reservoir	37%	1,321,998	63%
San Luis Reservoir	28%	572,398	73%
Semitropic Groundwater Bank	Capacity	Current Storage (acre-feet)	Date of Data
	80%	279,354	7/31/22
Estimated SFPUC Deliveries	July (acre-feet)	2022 Total to Date (acre-feet)	Five-year annual average (acre-feet)
	4,808	26,289	48,700

Treated Water

- Below average demands of 10,460 acre-feet delivered in August
- This total is 88% of the five-year average for the month of August
- Year-to-date deliveries are 62,321 acre-feet or 91% of the five-year average

Conserved Water

- Saved 76,584 acre-feet in FY21 through Valley Water's long-term conservation program (baseline year is 1992)
- Long-term program goal is to save nearly 100,000 acre-feet by 2030 and 110,000 acre-feet by 2040
- On June 9, 2021, the Board called for a 15% reduction in water use compared to 2019 and for retailers, cities, and the County to implement local water restrictions. On May 24, 2022, the Board approved an ordinance to enforce outdoor water waste restrictions against runoff, midday watering, and watering after rainfall, and a limit of two days a week of watering for non-functional turf. The governor has called for 15% water savings compared to 2020. Both are shown below

Baseline Year	Valley Water	
	2019	2020
July Savings	16%	19%
Cumulative*	4%	10%

*Cumulative for 2019 baseline begins in June 2021 and for 2020 baseline begins in July 2021

Recycled Water

- Estimated August 2022 production = 2,011 acre-feet
- Estimated year-to-date through August = 11,715 acre-feet or 100% of the five-year average
- Silicon Valley Advanced Water Purification Center produced an estimated 1.7 billion gallons (5,150 acre-feet) of purified water in 2021. Since the beginning of 2022, about 3,303 acre-feet of purified water has been produced. The purified water is blended with existing tertiary treated recycled water for South Bay Water Recycling Program customers

Alternative Sources

- As of December 10, 2019, Valley Water's wastewater contract right from Palo Alto/ Mountain View remains at 11,200 acre-feet/year

CONTACT US

To find out the latest information on Valley Water projects or to submit questions or comments, email info@valleywater.org or use our **Access Valley Water** customer request system at <https://deliver.com/2yukx>.



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Santa Clara Valley Water District

File No.: 22-0985

Agenda Date: 9/13/2022
Item No.: *2.10.

BOARD AGENDA MEMORANDUM

SUBJECT:

Public Hearing - Consider Adoption of the First Amended and Restated Ordinance 22-02, A First Amended and Restated Ordinance of Santa Clara Valley Water District Adopting Drought Outdoor Water Conservation and Enforcement Measures to Provide Water Retailers Additional Opportunities to Undertake Enforcement Measures that Address Water Waste and to Restrict Irrigation of Commercial, Industrial, and Institutional Non-Functional Turf.

RECOMMENDATION:

- A. Conduct a Public Hearing to allow members of the public to provide comments on the need to consider adoption of the First Amended and Restated Ordinance 22-02, A FIRST AMENDED AND RESTATED ORDINANCE OF SANTA CLARA VALLEY WATER DISTRICT ADOPTING DROUGHT OUTDOOR WATER CONSERVATION AND ENFORCEMENT MEASURES, to enforce Santa Clara Valley Water District's mandatory water use restrictions;
- B. Close the Public Hearing; and
- C. Adopt the First Amended and Restated Ordinance 22-02, which provides water retailers additional opportunities to undertake enforcement measures that address water waste, and bans irrigation of commercial, industrial, and institutional (CII) non-functional turf.

SUMMARY:

On June 9, 2021, the Board adopted Santa Clara Valley Water District (Valley Water) Resolution 21-68, which declared a water shortage emergency condition pursuant to California Water Code §350, called for water use reduction of 15% compared to 2019, and urged the County of Santa Clara (County) to proclaim a local emergency. The County ratified its proclamation of a drought emergency on June 22, 2021. Valley Water Resolution 22-20 amended Valley Water Resolution 21-68 on April 12, 2022 to call for no more than 2 days of irrigation in a week for ornamental lawns and prohibit excessive runoff, midday irrigation, and irrigation after rainfall. On May 24, 2022, the Board approved Ordinance 22-02 to enforce these restrictions. Ordinance 22-02 went into effect on June 1, 2022.

In 2022, the County and California entered the third year of drought, and experienced the driest January, February and March on record. Valley Water's Federal and State imported water allocations were drastically reduced to historic lows. On March 28, 2022, Governor Gavin Newsom issued Executive Order N-7-22 to call on local water suppliers to move to at least Stage 2 of their water shortage contingency plans. The U.S. Drought Monitor Report from September 1, 2022, indicates

that the County is in severe drought.

Valley Water's water savings call of 15% compared to 2019 was exceeded in July 2022. Countywide water savings was 16% in July 2022 compared to July 2019. Santa Clara Countywide water savings was 19% in July 2022 compared to July 2020, which means the county achieved the Governor's call for conservation.

The County's cumulative water savings from June 2021 - July 2022 is 4%, compared to 2019. Countywide water savings is trending in the right direction, but more needs to be done to increase the cumulative savings. Thus, in Valley Water's First Amended and Restated Ordinance 22-02 under consideration, a restriction against watering commercial, industrial, and institutional (CII) non-functional turf has been added to the list of enforceable water use restrictions. This ban is consistent with regulations adopted by the State Water Resources Control Board on June 10, 2022 against watering of CII non-functional turf in California. Inclusion of this watering ban in the First Amended and Restated Ordinance 22-02 will enable Valley Water to enforce it.

In addition, the First Amended and Restated Ordinance 22-02 includes refined procedures to coordinate with retailers in Valley Water's enforcement process, in order to avoid duplication of enforcement steps by Valley Water or retailers.

The Water Conservation and Demand Management Committee reviewed the First Amended and Restated Ordinance 22-02 on August 29, 2022 and unanimously voted that the Board consider it for adoption.

The First Amended and Restated Ordinance will become effective upon its enactment by the Board.

ENVIRONMENTAL JUSTICE IMPACT:

Valley Water acknowledges that disadvantaged communities are disproportionately impacted by the effects of drought. To address these impacts, Valley Water promotes access to equitable and affordable water supplies (Water Supply Goal 2.6). Valley Water offers the Lawn Busters program to provide water-efficient landscapes to low-income, elderly, disabled or veteran homeowners and schools within disadvantaged communities. Valley Water currently provides the Low-Income Residential Water Rate Assistance Program to help low-income households impacted by the COVID-19 pandemic pay their water bills. To enable meaningful engagement in the decision-making process, Valley Water provides drought and conservation information in multiple languages, answers questions, and accepts feedback through Valley Water's BeHeard webpage, conservation and drought webpages, Speakers Bureau presentations, media outreach, public outreach presentations, hotlines, and email.

FINANCIAL IMPACT:

The implementation of the water use reduction enforcement plan may require additional funding. A budget adjustment will be brought to the Board for consideration if one is necessary.

CEQA:

The proposed water conservation and enforcement measures (proposed actions) are being adopted in accordance with Valley Water Resolution 22-20, amending Valley Water Resolution 21-68, to address a water shortage emergency condition in Valley Water's service area, and are also in accordance with the June 10, 2022 commercial, industrial, and institutional (CII) non-functional turf watering ban adopted by the State Water Resources Control Board. Accordingly, the proposed actions are intended to conserve scarce water supplies to ensure that near-term human health and safety needs can be met. Furthermore, the proposed actions are necessary to prevent or mitigate an immediate emergency and are not subject to the California Environmental Quality Act (CEQA) in accordance with Section 21080(b)(4) of the Public Resources Code and Section 15269(c) of the State CEQA Guidelines. In addition, the proposed actions are being taken in accordance with Executive Order N-7-22 issued by the Governor on March 28, 2022, which directs that all specific actions be taken in response to the extreme drought conditions in California. Lastly, as the proposed actions would be enacted in accordance with Stage 3 of Valley Water's Water Shortage Contingency Plan (WSCP), the proposed actions would be statutorily exempt per Water Code Section 10652, which exempts implementation of actions listed in and taken pursuant to an agency's WSCP.

ATTACHMENTS:

Attachment 1: Notice of Public Hearing
Attachment 2: Amended Ordinance
Attachment 3: PowerPoint

UNCLASSIFIED MANAGER:

Aaron Baker, 408-630-2135

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**PROPOSED AMENDED ORDINANCE ADOPTING
WATER CONSERVATION AND ENFORCEMENT MEASURES**

Topic: A Proposed Amended Ordinance of the Board of Directors of the Santa Clara Valley Water District Adopting Drought Outdoor Water Conservation and Enforcement Measures

Who: Santa Clara Valley Water District (Valley Water)

What: Public Hearing on adoption of an amended ordinance for outdoor water conservation and enforcement measures

When: Tuesday, September 13, 2022, 1:00 p.m.

Where: Valley Water Headquarters Building Boardroom
5700 Almaden Expressway, San Jose, CA
Or by Zoom Teleconference at <https://valleywater.zoom.us/j/84454515597>

Valley Water invites you to a Public Hearing to consider the adoption of an amended ordinance for outdoor water conservation and enforcement measures during water shortages, including penalties for violations.

In accordance with Water Code Section 350 et seq, Water Code Section 375 et seq, and the Santa Clara Valley Water District Act, (Stats. 1951, ch. 1405, p. 3336 et seq., West's Ann. Wat.—Appen. (1999 ed. & 2012 supp.) ch. 60, p. 354 et seq.), Valley Water will consider the adoption of an amended ordinance to enforce drought outdoor water conservation measures.

The ordinance will amend Ordinance 22-02 (An Ordinance of Santa Clara Valley Water District Adopting Drought Outdoor Water Conservation and Enforcement Measures) to provide water retailers additional opportunities to undertake enforcement measures that address water waste and to restrict irrigation of commercial, industrial, and institutional (CII) non-functional turf, in response to drought and a Water Shortage Emergency Condition in Santa Clara County declared on June 9, 2021. The amended ordinance is consistent with the regulation adopted by the State Water Resources Control Board on June 10, 2022 which restricts watering of CII non-functional turf in California.

This meeting is being held in accordance with the Brown Act. The Public Hearing will be held during a Board Meeting on September 13, 2022 at 1:00 p.m., and is accessible for public in-person participation, or by public virtual participation at the Zoom link above. Document(s) associated with this hearing are available for public inspection prior to the meeting in the Clerk of the Board's Office or online at www.valleywater.org, and will be available at the meeting.

For more information, contact Vincent Gin at (408) 630-2633 or vgin@valleywater.org.

Important Notices:

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board meetings to please contact the Clerk of the Board's office at (408) 630-2711, at least 3 business days before the scheduled Valley Water Board meeting to ensure that Valley Water may assist you. Reasonable efforts will be made to accommodate persons with disabilities.

重要通知：

本次会议遵循布朗法案举行。Valley Water 办公室不对公众开放。公众听证会将在理事会线上会议期间举行，公众可通过以上的Zoom链接访问参与。公众可在此获取与本次听证会相关的文件：www.valleywater.org。按照《美国残疾人法案》（ADA）规定，Valley Water 要求出席或参与理事会会议的有特殊住宿需要的个人，在理事会会议之前至少3个工作日致电（408）630-2711，与理事会办公室工作人员联系，以确保相关员工可以为您提供帮助。我们会做出合理的努力，帮助解决残障人士的需求。

Thông Báo Quan Trọng:

Cuộc họp này sẽ được tổ chức theo Đạo luật Brown. Các văn phòng của Valley Water hiện đang đóng cửa không tiếp dân. Phiên điều trần công khai sẽ được tổ chức trong Cuộc Họp Hội Đồng Quản Trị trực tuyến và công chúng có thể truy cập vào theo liên kết Zoom ở trên. Tài liệu liên quan đến phiên điều trần này có thể truy cập để kiểm tra công khai tại www.valleywater.org. Theo Đạo Luật Người Mỹ Khuyết tật (ADA), Valley Water yêu cầu những cá nhân cần sự hỗ trợ đặc biệt để truy cập và/hoặc tham gia vào các cuộc họp Hội Đồng Quản Trị Của Cục Nước xin hãy liên hệ với Thư ký văn phòng Hội Đồng Quản Trị theo số (408) 630-2711 ít nhất 3 ngày làm việc trước khi cuộc họp Hội Đồng Của Cục Nước diễn ra theo lịch để đảm bảo rằng nhân viên của Cục Nước có thể hỗ trợ quý vị. Chúng tôi sẽ thực hiện những nỗ lực hợp lý để hỗ trợ người khuyết tật.

Aviso Importante:

Esta reunión se lleva a cabo de acuerdo con la Ley Brown (Brown Act). Las oficinas del Valley Water están cerradas al público. La audiencia pública se llevará a cabo durante una reunión de la Junta virtual a la que el público puede acceder a través del link de Zoom de arriba. Los documentos asociados a esta audiencia están disponibles para la revisión del público en www.valleywater.org. Valley Water, en cumplimiento con la Ley de Estadounidenses con Discapacidades (ADA), solicita que las personas que requieran adaptaciones especiales para acceder o participar de las reuniones de la Junta de Valley Water se comuniquen con el secretario de la oficina de la Junta al (408) 630-2711, al menos 3 días hábiles antes de la reunión programada de la Junta, para asegurarse de que el personal del Distrito pueda ayudarlas. Se realizarán esfuerzos razonables para proveer adaptaciones para las personas con discapacidades.

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

ORDINANCE NO. 22-02

**A FIRST AMENDED AND RESTATED ORDINANCE OF
SANTA CLARA VALLEY WATER DISTRICT ADOPTING DROUGHT
OUTDOOR WATER CONSERVATION AND ENFORCEMENT MEASURES**

The Board of Directors of Santa Clara Valley Water District does ORDAIN as follows:

SECTION 1: PURPOSE

- 1.1 Due to water shortage conditions existing in the service area of the Santa Clara Valley Water District (Valley Water), as well as historically low imported water allocations of Valley Water's State Water Project (SWP) and Central Valley Project (CVP) supplies, the purpose of this ordinance is to establish mandatory outdoor water conservation measures with corresponding enforcement measures as part of a mandatory outdoor water conversation program. To ensure Valley Water continues providing a safe, reliable water supply when its supplies are limited due to current or future shortage conditions, the measures in this water conservation program are intended to preserve and extend Valley Water's available water supply in Santa Clara County and to reduce the hardship on the general public to the greatest extent possible. They are also aimed at ensuring the efficient use of Valley Water's water supply outdoors to maintain sufficient supplies to meet public health, safety and welfare needs during uncertain water supply conditions.
- 1.2 Valley Water adopts this ordinance consistent with Article X, Section 2 of the California Constitution pursuant to its authority under Water Code Section 350 et seq, Water Code Section 375 et seq, and the Santa Clara Valley Water District Act, (Stats. 1951, ch. 1405, p. 3336 et seq., West's Ann. Wat.—Appen. (1999 ed. & 2012 supp.) ch. 60, p. 354 et seq.).

SECTION 2: DEFINITIONS

- 2.1 "Turf" means a ground cover surface of non-native, ornamental grass, or a ground cover surface of mowed grass. Annual bluegrass, Kentucky bluegrass, Perennial ryegrass, Red fescue, and Tall fescue are cool-season grasses. Bermudagrass, Kikuyugrass, Seashore Paspalum, St. Augustinegrass, Zoysiagrass, and Buffalo grass are warm-season grasses.
- 2.2 "Non-Functional Turf" means Turf that is solely ornamental and does not serve a community or neighborhood function, including, use for recreational purposes, or civic or community events.
- 2.3 "Incidental Runoff" means unintended amounts (volume) of runoff, such as unintended, minimal overspray from sprinklers that escapes the area of intended use. Water leaving an intended use area is not considered incidental if it is part of the facility or system design, if it is due to excessive application, if it is due to intentional overflow or application, or if it is due to negligence.
- 2.4 "Property Owner" means the owner of the land where a possible violation of one or more of the water waste prohibitions described in Subsection 3.1 of this ordinance is occurring.
- 2.5 "Water Retailer" means municipalities or investor-owned water retailers that supply potable water made available by Valley Water to Property Owners.

SECTION 3: OUTDOOR DROUGHT WATER WASTE PROHIBITIONS

- 3.1 Violations of the prohibitions set forth below are subject to the enforcement measures described in Section 4. All Property Owners in Santa Clara County who receive potable water supplied or managed by Valley Water either directly or indirectly by a Water Retailer shall not do any of the following:
- (a) irrigate Non-Functional Turf more than 2 days a calendar week.
 - (b) irrigate any outdoor landscape between the hours of 9:00 AM and 6:00 PM.
 - (c) apply potable water to any outdoor landscape in a manner that causes more than Incidental Runoff. More than Incidental Runoff includes water that flows onto an adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures.
 - (d) apply potable water to any outdoor landscape during and within 48 hours after measurable daily rainfall of at least one fourth of one inch (0.25 inches) of rain. In determining whether measurable daily rainfall of at least fourth of one inch (0.25 inches) of rain occurred on a property, enforcement will be based on records of the closest weather station to the property available from the National Weather Service (weather.gov) or the Valley Water ALERT website (valleywateralert.org/scvwd/pgi.php).
 - (e) apply potable water to Non-Functional Turf at commercial, industrial and institutional sites, including homeowner's associations.
- 3.2 The use of potable water is not prohibited to the extent necessary to ensure the health of trees and other perennial non-Turf plantings or to the extent necessary to address immediate health and safety, sanitation, or fire protection needs as determined by the fire marshal. Unless otherwise permitted by the fire marshal, the watering permitted under this Subsection 3.2 must be completed in a manner that prevents runoff.

SECTION 4: ENFORCEMENT

- 4.1 For violations set forth in Subsection 3.1, the following enforcement procedures 4.1 (a) – (e) shall apply. Valley Water will emphasize an educational approach to addressing reported violations of water waste prohibitions to encourage water conservation and to prevent water waste.

Reports of water waste will be made through public complaints to Valley Water. For Property Owners who receive potable water supplied or managed by Valley Water either directly or indirectly by a Water Retailer, steps 4.1 (a) – (e) will be followed. If the property is supplied by a Water Retailer, Valley Water will notify the Water Retailer of each complaint. Valley Water will offer Water Retailers the opportunity to initiate their own enforcement process established for their respective service area at either steps 4.1 (a), (b), or (c). While the Water Retailer pursues its enforcement process, Valley Water will not conduct any of the steps in its enforcement process.

If the Water Retailer does not initiate its own enforcement process, or if the Water Retailer who previously initiated its enforcement process requests that Valley Water resume its enforcement process, then Valley Water will perform the remaining steps between 4.1 (a) – (e) that Valley Water has not yet completed.

- (a) Notice of Report of Violation

If a report of a violation of outdoor water waste prohibitions in Subsection 3.1 is submitted to Valley Water, a Notice of Report of Violation will be issued to the Property Owner. A Notice of Report of Violation will contain information on how to

correct violations and a warning that failure to correct a violation within fourteen (14) calendar days from the issuance date of that written notification may result in future enforcement action. No administrative fine is issued by Valley Water at this time.

(b) Notice of Second Report of Violation

If a second report of a violation of outdoor water waste prohibitions in Subsection 3.1 is submitted to Valley Water for the same property following fourteen (14) calendar days and within twelve (12) calendar months of the issuance of a Notice of Report of Violation, Valley Water or its contractors shall conduct a site visit of the property to document the violation, if possible, and provide a door hanger. The door hanger will state that failure to comply with water waste prohibitions may result in future enforcement action. Furthermore, Valley Water will send the Property Owner a Notice of Second Report of Violation.

(c) Notice of Third Report of Violation

If a third report of a violation of outdoor water waste prohibitions in Subsection 3.1 is submitted to Valley Water for the same property following fourteen (14) calendar days from the issuance of a Notice of Second Report of Violation and within twelve (12) calendar months of the issuance of a Notice of Report of Violation, Valley Water will send a Notice of Third Report of Violation to the Property Owner. This will state that the Property Owner may receive administrative fines for uncorrected violations.

(d) Notice of Violation

Valley Water or its contractors will conduct a site visit of the property following fourteen (14) calendar days following the issuance of a Notice of Third Report of Violation to document the violation. If the violation is continuing, then Valley Water will send a Notice of Violation to the Property Owner which will state that the Property Owner is now subject to administrative fines for uncorrected violations.

The Property Owner is subject to an administrative fine of up to one-hundred dollars (\$100) for each violation found. Notwithstanding the foregoing, Valley Water may impose an administrative fine of up to ten thousand dollars (\$10,000) in extraordinary circumstances where it finds that: the Property Owner had actual notice of the water waste prohibition found to be violated; the Property Owner's conduct was intentional; and the amount of water involved was substantial.

(e) Repeat Violations

Valley Water will conduct a site visit thirty-one (31) days following the issuance of a Notice of Violation, or when a subsequent report of violation of outdoor water waste prohibitions in Subsection 3.1 is submitted to Valley Water following thirty-one (31) calendar days from the issuance of a Notice of Violation and within twelve (12) calendar months of the issuance of a Notice of Report of Violation, to determine if the confirmed violation is continuing. If the violation is continuing, the Property Owner shall be subject to an additional administrative fine of up to ten thousand dollars (\$10,000). For each successive violation, the Property Owner is subject to an additional administrative fine of five hundred dollars (\$500) for each additional day that the violation continues.

SECTION 5: HEARING

- 5.1 A Property Owner subject to an administrative fine will be provided notice and may request a hearing to present evidence that the violation did not occur by following the procedure set forth below:
- (a) Within thirty (30) calendar days of receiving a Notice of Violation, the Property Owner mails a written request for a hearing to the Clerk of the Board, 5750 Almaden Expressway, Valley Water, San José, CA 95118-3686. For purposes of this Section 5, the request for hearing shall be deemed received by Valley Water on the day it arrives at Valley Water. The Clerk of the Board shall notify the Property Owner, in writing, of the place, date and time of the hearing, which shall take place no earlier than thirty (30) calendar days after a Notice of Violation was issued.
 - (b) The Chief Executive Officer or designee shall conduct a hearing considering all applicable facts and issue a written decision. The Chief Executive Officer's or designee's decision shall be final.
 - (c) Any administrative fine not timely contested in a hearing per this Section 5 shall be deemed final.

SECTION 6: EFFECTIVE DATE

NOW, THEREFORE BE IT ORDAINED by the Board of Directors of the Santa Clara Valley Water District that this ordinance shall be in effect starting on September 13, 2022.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on September 13, 2022:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

By: _____
JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors



Valley Water's Amended Enforcement Ordinance

Valley Water Board Meeting
August 31, 2022

CII Watering Ban Added to Enforceable Restrictions

Adopted May 24, 2022, Ordinance 22-02 restricts

- Runoff
- Midday watering
- Watering after rainfall

New restriction added in First Amended and Restated Ordinance 22-02:*

- **Watering of commercial, industrial, and institutional (CII) non-functional turf**

*On June 10, 2022, the State banned watering of CII non-functional turf in California.

First Amended and Restated Ordinance 22-02

- Valley Water's enforcement steps were retained
- **Retailer coordination:**
 - Retailers may address water waste case at first, second, or third complaint
 - Clearly explained conditions under which Valley Water would resume a case that a retailer is working on
 - Explained that Valley Water will perform all steps in its enforcement procedures prior to fining

Next Steps if Adopted

- Outreach regarding enforcement of CII watering ban
- First Amended and Restated Ordinance 22-02 published in newspaper
- Enforcement will begin if adopted by the Board

Recommendation

Adopt the First Amended and Restated Ordinance 22-02, which provides water retailers additional opportunities to undertake enforcement measures that address water waste, and bans irrigation of commercial, industrial, and institutional (CII) non-functional turf.

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Santa Clara Valley Water District

File No.: 22-0914

Agenda Date: 9/13/2022
Item No.: 3.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Adopt a Resolution declaring September 15 to October 15, 2022, as Chicano/Hispanic/Latino Heritage Month.

RECOMMENDATION:

Adopt the RESOLUTION DECLARING SEPTEMBER 15 TO OCTOBER 15, 2022, AS CHICANO/HISPANIC/LATINO HERITAGE MONTH.

SUMMARY:

The Organization for Latino Affairs (OLA), a Santa Clara Valley Water District (Valley Water) Employee Resource Group (ERG), in collaboration with staff from the Office of Racial Equity Diversity and Inclusion, recommends the Board formally acknowledge and declare September 15 to October 15, 2022, as Chicano/Hispanic/Latino Heritage Month (federally recognized as National Hispanic Heritage Month).

National observance honoring the Chicano/Hispanic/Latino community began in 1968 as Hispanic Heritage Week. However, as of 1988, Americans have observed the month-long celebration to recognize the contributions of Chicano/Hispanic/Latino immigrants and their descendants to history, culture, and society in the United States. OLA has historically led the celebration of Chicano/Hispanic/Latino Heritage Month at Valley Water with events to raise awareness of the diversity of the Chicano/Hispanic/Latino community and their significant presence within Valley Water and Santa Clara County.

OLA plans to host several events in celebration to educate employees on the contributions of the Chicano/Hispanic/Latino community. In addition, observance activities aim to help raise awareness and foster collaboration to support the advancement of equity, inclusion, and belongingness at Valley Water and within the communities we serve.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Resolution

UNCLASSIFIED MANAGER:

Aaron Baker, 408-630-2135

Carlos Orellana, 408-630-2755

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 22-

**RESOLUTION DECLARING SEPTEMBER 15 TO OCTOBER 15, 2022, AS
CHICANO/HISPANIC/LATINO HERITAGE MONTH**

WHEREAS, each year, Americans observe National Hispanic Heritage Month (a federal designation) from September 15 to October 15, by celebrating the heritage, culture, and contributions of a diverse Chicano/Hispanic/Latino community in the U.S.A., people who came or whose ancestors came from Latin America and the Caribbean; and

WHEREAS, in taking pride in our country's rich and vibrant Chicano/Hispanic/Latino heritage and the contributions of those who have gone before, we also recommit to carrying on their legacy of building a strong foundation on which all can continue to grow and form a future of freedom, prosperity, and opportunity for all; and

WHEREAS, it is the mission of the Organization for Latino Affairs (OLA), an employee resource group of the Santa Clara Valley Water District (Valley Water), to foster an equitable, inclusive community that welcomes all people, embraces their uniqueness, and empowers their meaningful participation in the decision-making process in alignment with Governance Process 7.7; and

WHEREAS, it is the vision of Valley Water to bring together diverse perspectives and backgrounds to promote the understanding, valuing, acceptance, and leveraging of diverse cultures, experiences, knowledge, lifestyles, and perspectives in order to enhance the delivery of products and services to the community; and

WHEREAS, it is the mission of the Office of Racial Equity, Diversity, and Inclusion (REDI) to promote equality and inclusion so that employees may develop and contribute to their full potential, thereby advancing Valley Water's commitment to creating an inclusive work environment, which reflects and supports the diversity of the community and enriches our perspectives in accordance with Governance Process 7.7.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District hereby recognizes September 15 to October 15, 2022, as Chicano/Hispanic/Latino Heritage Month and will acknowledge the period through educational and informational activities.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on September 13, 2022:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors



Santa Clara Valley Water District

File No.: 22-1015

Agenda Date: 9/13/2022

Item No.: 3.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution Declaring September 17, 2022, as California Coastal Cleanup Day in Santa Clara County.

RECOMMENDATION:

Adopt a Resolution DECLARING SEPTEMBER 17, 2022, AS CALIFORNIA COASTAL CLEANUP DAY IN SANTA CLARA COUNTY.

SUMMARY:

Trash in and along creeks and waterways has a significant impact on stream water quality and contributes to potential flood risks in Santa Clara County. Consequently, each year a consortium of public agencies known as the Creek Connections Action Group (CCAG), of which the Santa Clara Valley Water District (Valley Water) is a member, undertakes efforts to educate the community about these impacts and encourage agencies and volunteers to remove trash from the creeks, with the goal of protecting Santa Clara County's waterways. Last year, CCAG's efforts resulted in the removal of a total of 29,431 pounds of trash from the waterways in Santa Clara County.

Since 1995, Valley Water has been working with the CCAG to coordinate the annual Coastal Cleanup Day event in Santa Clara County to keep creeks and rivers clean. In addition to Valley Water, members of the CCAG include the cities of San Jose, Milpitas, Palo Alto, Gilroy, Cupertino, Mountain View, Sunnyvale, Santa Clara, as well as Santa Clara County Parks and Recreation and the West Valley Clean Water Authority. Valley Water's role in the CCAG is to serve as Chair and provide countywide coordination, outreach, and supplies for volunteers, such as gloves, trash bags, and litter sticks.

Coastal Cleanup Day continues to serve as an opportunity to partner with cities, nonprofits, and various community groups to raise pollution prevention awareness and organize volunteers to help remove trash from the County's waterways. This year, as we continue to adhere to the Santa Clara County Public Health Order in response to the COVID-19 pandemic, Valley Water and CCAG will host a virtual Coastal Cleanup Day event along with in-person cleanup sites. Volunteers will have the option to conduct cleanups in their neighborhoods and around their local natural areas or participate in a group cleanup at organized sites throughout the County. Valley Water will host supply pick-ups for individual volunteers and group organizers.

ENVIRONMENTAL JUSTICE IMPACT:

While the declaration does not constitute Environmental Justice impacts, creek clean-up activities supported by Valley Water provide an opportunity for community volunteers to actively engage in the work to help keep our creeks clean and communities healthy.

FINANCIAL IMPACT:

\$25,000 is available for services and supplies to support this event in the FY 2022-23 budget for the Support Volunteer Cleanup project #00061019. No additional funding is requested.

CEQA:

The recommended action is exempt from CEQA under CEQA Guidelines Section 15301 (Existing Facilities). Valley Water prepared a Notice of Exemption covering various creek clean-up activities within Valley Water right-of-way, which was filed with the Santa Clara County Clerk-Recorder's Office on March 16, 2022.

ATTACHMENTS:

Attachment 1: Resolution

UNCLASSIFIED MANAGER:

Donald Rocha, 408-630-2338

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 22-

**DECLARING SEPTEMBER 17, 2022, AS CALIFORNIA
COASTAL CLEANUP DAY IN SANTA CLARA COUNTY**

WHEREAS, California Coastal Cleanup Day is a statewide cleanup of the creeks, lakes, rivers, and ocean. This year, due to the ongoing pandemic, the Santa Clara Valley Water District (Valley Water) recognizes the County of Santa Clara's safety concerns and health orders and will be encouraging participants to join organized group cleanups or self-guided cleanups around their neighborhood; and

WHEREAS, it is the mission of Valley Water to provide Silicon Valley with safe, clean water for a healthy life, environment, and economy; and

WHEREAS, the Creek Connections Action Group, which includes Valley Water, the cities of San Jose, Milpitas, Palo Alto, Gilroy, Cupertino, Mountain View, Sunnyvale, and Santa Clara, as well as Santa Clara County Parks and Recreation and the West Valley Clean Water Authority, is hosting Coastal Cleanup Day on September 17, 2022, from 9:00 a.m. to noon at various locations throughout Santa Clara County; and

WHEREAS, hundreds of Santa Clara County volunteers dedicate their time each year to participate in this event and pick up thousands of pounds of trash and debris from local waterways; and

WHEREAS, on Coastal Cleanup Day 2021, there were 912 volunteers that picked up just over 29,431 pounds of trash, including 1,347 pounds of recyclable goods in Santa Clara County; and

WHEREAS, Valley Water will undertake public outreach to local agencies and media outlets to encourage Santa Clara County residents to volunteer for this year's Coastal Cleanup Day.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District hereby declares September 17, 2022, as California Coastal Cleanup Day in Santa Clara County.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on September 13, 2022:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

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Santa Clara Valley Water District

File No.: 22-0962

Agenda Date: 9/13/2022

Item No.: 3.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Adopt a Resolution Proclaiming September 2022 as National Preparedness Month.

RECOMMENDATION:

Adopt the Resolution NATIONAL PREPAREDNESS MONTH, SEPTEMBER 2022.

SUMMARY:

Since 2004, the Federal Emergency Management Agency (FEMA) has sponsored National Preparedness Month each September. Several state and local governments including the Santa Clara Valley Water District demonstrate support with proclamations or resolutions to promote family and community disaster planning now and throughout the year.

The County, State, Nation, and World continue to experience the COVID-19 pandemic and the prevalence of major disasters has increased. With the on-going drought and multiple large-scale fires across the State of California, and the ongoing potential of a major earthquake occurring in the San Francisco Bay Region, there's no better time than September to be involved in emergency preparedness.

This year's National Preparedness Month theme is "**A Lasting Legacy - The life you've built is worth protecting. Prepare for disasters to create a lasting legacy for you and your family.**" Each week in September the campaign will focus on a different aspect of preparedness for individuals, families, and communities. With that, weekly preparedness messages from FEMA will be shared with staff.

It takes a team effort to ensure that we are ready for any disaster. We are asking our employees and the public, including individuals, businesses, local governments, and other organizations, to improve their emergency and disaster preparedness by taking the following actions:

- Visit the Ready websites as [ready.gov](https://www.ready.gov)
- Sign up for notifications at [AlertSCC.com](https://www.AlertSCC.com)
- Learn lifesaving skills such as CPR and first aid

- Check your insurance policies and coverage for the hazards you may face, such as earthquake, flood, and fire

Also, know how to take practical safety steps like shutting off water and gas. These activities, along with a vigilant public, contribute to an overall level of preparedness that is critical to the safety of our community.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

There is no financial impact associated with this action.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Resolution

UNCLASSIFIED MANAGER:

Alexander Gordon, 408-630-2637

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 22-

NATIONAL PREPAREDNESS MONTH, SEPTEMBER 2022

WHEREAS, the County, State, Nation, and World continue to experience the COVID-19 pandemic with ongoing illness, hospitalization, and thousands of lives lost; and

WHEREAS, the prevalence of major disasters has increased, with multiple large-scale fires across the State of California last year, the COVID-19 pandemic, and the ongoing potential of a major earthquake occurring in the San Francisco Bay Region; and

WHEREAS, since 2004 the Federal Emergency Management Agency (FEMA) has sponsored National Preparedness Month each September; and

WHEREAS, "National Preparedness Month" creates an important opportunity for every resident of Santa Clara County to prepare their homes, businesses, and communities for any type of emergency including natural disasters such as flooding, earthquakes, and fires; technology-related hazards like power outages and equipment failure; health-hazards such as widespread illnesses like COVID-19 and the flu; and human-caused hazards including acts of violence and potential terrorist attacks; and

WHEREAS, investing in the preparedness of ourselves, our families, businesses, and communities can reduce fatalities and economic devastation in our communities and in our nation; and

WHEREAS, emergency preparedness is the responsibility of every resident of Santa Clara County and all members of the public are urged to make preparedness a priority and work together, as a team, to ensure that individuals, families, and communities are prepared for disasters and emergencies of any type; and

WHEREAS, all members of the public of Santa Clara County are encouraged to participate in preparedness activities and asked to review FEMA's Ready campaign websites at [Ready.gov](https://www.ready.gov); sign up at [AlertSCC.com](https://www.alertscc.com); and become better prepared.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby proclaim September 2022 as National Preparedness Month and encourages all members of the public and businesses to develop their own emergency preparedness plan; to protect themselves from hazards associated with earthquakes, flooding, fire, and power outages; and to work together toward creating a more prepared community.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on September 13, 2022:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors



Santa Clara Valley Water District

File No.: 22-0925

Agenda Date: 9/13/2022

Item No.: 3.4.

BOARD AGENDA MEMORANDUM

SUBJECT:

Adopt Resolutions Expressing Appreciation and Acknowledging and Recognizing the Service of the Outgoing Members of the 2012 Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee.

RECOMMENDATION:

Adopt RESOLUTIONS EXPRESSING APPRECIATION and Acknowledging and Recognizing the Service of the Outgoing Members of the 2012 Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee.

SUMMARY:

At its final closeout meeting on February 9, 2022, the Independent Monitoring Committee (IMC) completed its business of monitoring the implementation of the 2012 Safe, Clean Water and Natural Flood Protection Program (2102 Program) by approving its eighth and final monitoring report. The IMC presented the final monitoring report to the Santa Clara Valley Water District (Valley Water) Board on March 8, 2022.

The Renewed Safe, Clean Water and Natural Flood Protection Program, which Santa Clara County voters overwhelmingly approved in November 2020, replaced the 2012 Program on July 1, 2021.

This agenda item provides formal recognition and thanks to the following outgoing IMC members for their service:

1. Farkhondeh (Susan) Kazemi - representing District 1 (Director John L. Varela),
2. Kathleen (Kathy) Sutherland - representing District 2 (Director Barbara F. Keegan),
3. Rosalinda (Rosie) Zepeda - representing District 2 (Director Barbara F. Keegan),
4. Rolane Santos - representing District 3 (Director Richard P. Santos),
5. Huy Tran - representing District 3 (Director Richard P. Santos),
6. Hon. Jason Baker - representing District 4 (Director Linda J. LeZotte),
7. Hon. Joseph (Joe) Head - representing District 4 (Director Linda J. LeZotte),
8. George Fohner - representing District 5 (Director Nai Hsueh),
9. William (Bill) Hoefft - representing District 5 (Director Nai Hsueh),
10. Hon. Patrick S. Kwok - representing District 6 (Director Tony Estremera)
11. Hon. Dan McCorquodale - representing District 6 (Director Tony Estremera),
12. Tess Byler - representing District 7 (Director Gary Kremen),

-
13. Hon. Stephen (Steve) Jordan representing - District 7 (Director Gary Kremen), and
 14. Hon. Robert (Bob) Nuñez - representing 2021 Board Chair (Director Tony Estremera)

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Resolutions

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193



SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

FARKHONDEH (SUSAN) KAZEMI

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Susan Kazemi, who served as a member of the Independent Monitoring Committee, has by her attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Susan Kazemi's services as a member of the Independent Monitoring Committee.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Susan Kazemi's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

KATHLEEN (KATHY) SUTHERLAND

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review the implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Kathy Sutherland, who served as a long-term member and Chair of the Independent Monitoring Committee, has by her attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board shall and does hereby formally express its gratitude and appreciation of Kathy Sutherland's services as a long-term member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

ROSALINDA (ROSIE) ZEPEDA

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Rosie Zepeda, who served as a member of the Independent Monitoring Committee, has by her attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Rosie Zepeda's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

ROLANE SANTOS

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Rolane Santos, who served as a member of the Independent Monitoring Committee, has by her attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Rolane Santos's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

HUY TRAN

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Huy Tran, who served as a member of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Huy Tran's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

HON. JASON BAKER

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Hon. Jason Baker, who served as a member of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Hon. Jason Baker's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

HON. JOSEPH (JOE) HEAD

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Hon. Joe Head, who served as a long-term member and Vice Chair of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Hon. Joe Head's services as a long-term member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

GEORGE FOHNER

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance and restore healthy Santa Clara County creeks, watersheds and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, George Fohner, who served as a member of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of George Fohner's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

WILLIAM (BILL) HOEFT

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Bill Hoefft, who served as a long-term member and Vice Chair of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Bill Hoefft's services as a long-term member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

HON. PATRICK S. KWOK

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Hon. Patrick S. Kwok, who served as a long-term member of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Hon. Patrick S. Kwok's services as a long-term member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

HON. DAN MCCORQUODALE

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Hon. Dan McCorquodale, who served as a long-term member of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Hon. Dan McCorquodale's services as a long-term member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

TESS BYLER

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review the implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Tess Byler, who served as a long-term member and Chair of the Independent Monitoring Committee, has by her attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Tess Byler's services as a long-term member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

HON. STEPHEN (STEVE) JORDAN

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines, and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Hon. Steve Jordan, who served as a member of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Hon. Steve Jordan's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





SANTA CLARA VALLEY WATER DISTRICT
Clean Water • Healthy Environment • Flood Protection

RESOLUTION NO. 22-NN
EXPRESSING APPRECIATION

TO

HON. ROBERT (BOB) NUÑEZ

WHEREAS, the Santa Clara Valley Water District (Valley Water) policy is to ensure current and future water supplies and provide healthy, clean, and reliable water in Santa Clara County; and

WHEREAS, Valley Water policy is to ensure reliable, clean water supplies for Santa Clara County and to protect Santa Clara County creeks, reservoirs, Monterey Bay, and San Francisco Bay from contaminants; and

WHEREAS, Valley Water policy is to protect, enhance, and restore healthy Santa Clara County creeks, watersheds, and baylands ecosystems; and

WHEREAS, Valley Water policy is to provide floodwater and stormwater flood protection to residents, businesses, visitors, public highways, and the watercourses flowing within the District; and

WHEREAS, Valley Water policy is to protect our water supply, pipelines and local dams from earthquakes and natural disasters; and

WHEREAS, Valley Water policy is to engage in partnerships with the community, provide open spaces, trails, and parks along Santa Clara County creeks and watersheds; and

WHEREAS, the California State Legislature has authorized Valley Water to levy a special tax on each parcel of property within the District or any zone or zones thereof upon receiving the approving vote of a two-thirds majority of the electorate of the District or zones therein; and

WHEREAS, the passage of the Safe, Clean Water and Natural Flood Protection Program in 2012, required that the Valley Water Board appoint an external Independent Monitoring Committee to review implementation of the program; and

WHEREAS, the Independent Monitoring Committee shall provide an annual review of the implementation of the intended results of the Safe, Clean Water and Natural Flood Protection Program funded by the special tax; and



WHEREAS, Hon. Bob Nuñez, who served as a member of the Independent Monitoring Committee, has by his attendance and counsel assisted in the Committee's important duties and has done so with attention to detail and encouragement to other members and staff; has been a tireless advocate for water resources and infrastructure, environmental stewardship, flood protection, and stronger public agency partnerships with local communities; and has provided continuous focus as a leader.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District that this Board does formally express its gratitude and appreciation of Hon. Bob Nuñez's services as a member of the Independent Monitoring Committee.

PASSED AND ADOPTED unanimously by the Board of Directors of the Santa Clara Valley Water District on September 13, 2022.

SANTA CLARA VALLEY WATER DISTRICT

JOHN L. VARELA
Chair Pro Tem, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors





Santa Clara Valley Water District

File No.: 22-0946

Agenda Date: 9/13/2022
Item No.: 3.5.

BOARD AGENDA MEMORANDUM

SUBJECT:

Denial of Claim of Andres Carrasco.

RECOMMENDATION:

Deny the claim.

SUMMARY:

Santa Clara Valley Water District (Valley Water) received a claim on July 19, 2022, from San Jose resident, Andres Carrasco. Claimant resides at 4649 Hampton Falls Place in San Jose which is near the Guadalupe River Trail. According to the claimant, on June 11, 2022, at approximately 7:05 pm, a large double paned window was broken by a vandal using a rock thrown from Guadalupe River.

The claimant is seeking reimbursement for \$1,695.00 for the repair of the window.

According to this claim, two previous claims had been submitted previously for broken windows, however our records indicate only one previously filed claim. That particular claim was received on October 29, 2019, for a window broken on June 6, 2019 and that claim was denied by the Board of Directors on November 26, 2019.

Risk Management has investigated this matter and determined that Valley Water is not responsible for the damage to the window. The damage was caused by the criminal conduct of a third party, and there was no negligence on the part of Valley Water. Therefore, there is no liability on the part of Valley Water, and staff recommends that the claim be denied.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice Impacts associated with this item.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Claim

UNCLASSIFIED MANAGER:

Carlos Orellana, 408-630-2755



**CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following**

<p>The completed form can be mailed, sent electronically or hand delivered. Mail or deliver to:</p> <p>Clerk of the Board Santa Clara Valley Water District-HQ 5700 Almaden Expressway San Jose, CA 95118</p> <p>Or submit the completed form electronically to: clerkoftheboard@valleywater.org</p>	<p align="center">Clerk of the Board's Date Stamp 7/19/22</p> <p align="center">For SCVWD Use Only</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">Date Received:</td> <td style="width:50%;">ROUTING</td> </tr> <tr> <td><input type="checkbox"/> Via U.S. Mail:</td> <td><input checked="" type="checkbox"/> CEO:</td> </tr> <tr> <td><input type="checkbox"/> Hand Delivered:</td> <td><input checked="" type="checkbox"/> District Counsel</td> </tr> <tr> <td><input checked="" type="checkbox"/> E-mail: COB</td> <td><input checked="" type="checkbox"/> Risk Management</td> </tr> <tr> <td><input type="checkbox"/> Other: _____</td> <td><input checked="" type="checkbox"/> COB</td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> BOD (District #): 4</td> </tr> </table>	Date Received:	ROUTING	<input type="checkbox"/> Via U.S. Mail:	<input checked="" type="checkbox"/> CEO:	<input type="checkbox"/> Hand Delivered:	<input checked="" type="checkbox"/> District Counsel	<input checked="" type="checkbox"/> E-mail: COB	<input checked="" type="checkbox"/> Risk Management	<input type="checkbox"/> Other: _____	<input checked="" type="checkbox"/> COB		<input checked="" type="checkbox"/> BOD (District #): 4
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<input type="checkbox"/> Other: _____	<input checked="" type="checkbox"/> COB												
	<input checked="" type="checkbox"/> BOD (District #): 4												

With certain exceptions, claims for personal injury or property damage MUST be filed within six months of the incident giving rise to the claim. Claimant must complete each section. If information is unknown, write "unknown" in the appropriate box. Please use additional pages if necessary. Please attach itemized receipts, witness statements, photos and all other documentation that you believe will be helpful to process your claim. Claimant MUST sign and date the form; see last page.

Name of Claimant: Andres Carrasco				
Address of Claimant: 4649 Hampton Falls Place		City: San Jose	State: CA	Zip: 95136
Mailing Address to Which Notices Should be Sent if Different From Above:		City:	State:	Zip:
Home Phone Number: 408-916-7271	Cell Phone Number: 408-916-7271	Work Phone Number: 408-916-7271		
Is this claim being filed on behalf of a minor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If so, please indicate minor's date of birth: _____ Relationship to the minor: _____		
Date and time of incident or loss: June 11, 2022	Location of incident or loss (address): 4649 Hampton Falls Place San Jose, CA 95136	Is there a police report? <input checked="" type="checkbox"/> Yes If Yes, Police Report #: 192533264 <input type="checkbox"/> No		

Describe how the incident or loss happened, and the reason you believe the Santa Clara Valley Water District is responsible for your damages (*Please attach additional sheets if necessary*):

A large 6' x 3' double paned window facing my front patio was broken by a vandal using a rock thrown from Guadalupe River, property that falls under the ownership/stewardship of either San Jose Water Company, Santa Clara Valley Water District, or both. In past years, these entities have had considerable difficulty ensuring that homes facing the river are protected from vandals using the pathways along the river. From May 13, 2019, a pilot program was put in place by Santa Clara Valley Water District and local police to clean up the creeks and rivers, but as far as I can tell, this has been ineffective in preventing the kind of vandalism I am reporting here. I have had two other windows broken, once on 06/06/2019 and on 09/10/2019. I filed claims for those incidents as well, but have received acknowledgement only for the 6/6/19 incident (claim L900004). However, I never received payment for that claim (\$1,900.00), nor any additional response since. The other claim for the 09/10/19 incident was for a smaller window, so the amount was for \$395.00. Further, since I have reason to believe that this claim may also not be paid, I am currently looking into hiring legal counsel to assist me in securing reimbursement for all three windows.



**CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following**

In detail, describe the damage or injury *(Please attach additional sheets if necessary)*:

On the evening of June 11, 2022, at approximately 7:05pm, while working in my upstairs office, I heard a loud crash. It sounded like it came from downstairs, and I suspected that something had fallen, like maybe a picture frame off the wall. I came downstairs to inspect and everything looked normal, until I came to view the large double paned window above my patio door. Sure enough, after surveying the damage outside, I found the rock that was thrown. I did not witness anyone in the vicinity that could have caused the damage. My patio overlooks Guadalupe river, approximately 800 ft. south of the Branham Lane overpass. Directly across from our patio, there is a homeless encampment where a number of people occasionally stay. A number of people also use the path along the river for jogging/biking.

List Name(s) and contact information of any witness(es) or District employee involved (if any):

No witnesses were observed on the trail or at the homeless encampment.

DAMAGES CLAIMED: Basis for computation of amounts claimed (include copies of bills, invoices, estimates, receipts, photos, police case # or other documentation.) Note: If your claim is more than \$10,000, you need not fill in an amount, but must state whether jurisdiction for the claim would be in the Limited Jurisdiction (up to \$25,000) or Unlimited jurisdiction of the Superior Court.

Is the amount of the claim under \$10,000? Yes No
 Court Jurisdiction: (Check One) Limited Civil Unlimited Civil

ITEMS	CLAIM AMOUNT
1. Reimbursement for cost to repair my window	\$ \$1,695.00
2.	\$
3.	\$
4.	\$
TOTAL AMOUNT	\$ \$1,695.00

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE OR FRAUDULENT CLAIM (Penal Code Section 72 and 550)

I have read the matters and statements made in the above claim and I know the same to be true of my own knowledge, except to those matters stated upon information and belief and as to such matters I believe the same to be true. I certify under penalty of perjury that the foregoing is TRUE and CORRECT.

Signed this 18th day of July, 20 22


 Claimant's signature

Government Code Section 945.6 provides that, with limited exceptions, any suit brought against a public entity must be commenced:

- (1) If written notice is given of a denial of claim in accordance with **Section 913**, not later than six months after the date such notice is personally delivered or deposited in the mail.
- (2) If written notice is not given of a denial of claim in accordance with **Section 913**, within two years from the accrual of the cause of action.

SAN JOSE POLICE DEPARTMENT SUMMARY INCIDENT REPORT



REPORT NUMBER: 221623216

INCIDENT INFORMATION						
INCIDENT CODE 594	INCIDENT TYPE Vandalism	INITIAL SUPP	<input checked="" type="checkbox"/>	DATE/TIME STARTED 06/11/2022 07:05 PM	DATE/TIME ENDED 06/11/2022 07:06 PM	DATE/TIME REPORTED 06/11/2022 11:22 PM
REPORT FILED FROM ***	TRACKING NUMBER T22012986	LOCATION OF OCCURRENCE 4649 Hampton Falls Place, San Jose, CA 95136			APPROVED BY: 1549N/Amongol	
LOCATION TYPE Residence/Home/Group	THEFT TYPE	METHOD OF ENTRY N/A	METHOD OF EXIT	PT OF ENTRY Other - N/A	PT OF EXIT N/A	ENTRY LOC Other

PERSON LISTINGS									
1	TYPE	LAST NAME	FIRST NAME	MIDDLE NAME	DOB	RACE	SEX	STATE ID CARD	LIC ST
		Carrasco	Andres		***	***	*	***	
	SSN	ETHNICITY	RESIDENT OF	EYE COLOR	HAIR COLOR	AGE	HEIGHT	WEIGHT	MOBILE PHONE
			***	***	***	48	600	185	***
	EMAIL	RESIDENCE ADDRESS				HOME PHONE			
	andres@flexetch.com	***							
	EMPLOYER NAME	BUSINESS ADDRESS				WORK PHONE			

NARRATIVE
<p>On the evening of June 11, 2022, at approximately 7:05pm, while working in my upstairs office, I heard a loud crash. It sounded like it came from downstairs, and I suspected that something had fallen, like maybe a picture frame off the wall. I came downstairs to inspect and everything looked normal, until I came to view the large double paned window above my patio door. I instantly knew that I had been vandalized, as I've had windows broken two other times in previous years (see San Jose police reports 192533264 and 192533263). Sure enough, after surveying the damage outside, I found the rock that was thrown. I did not witness anyone in the vicinity that could have caused the damage. My patio overlooks Guadalupe river, approximately 800 ft. south of the Branham Lane overpass. Directly across from our patio, there is a homeless encampment where a number of people live day and night. They often make a lot of noise, often late into the night, and I have in the past reported excessive noise and nuisance from them. A number of people also use the path along the river for jogging. I expect that given the geometry and size of the window, the repair cost will likely be close to \$2,000.00.</p>

INCIDENT IMAGE

REPORT NUMBER: 221623216

INCIDENT IMAGE



INCIDENT IMAGE



REPORT NUMBER: 221623216

INCIDENT IMAGE



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Santa Clara Valley Water District

File No.: 22-1023

Agenda Date: 9/13/2022

Item No.: 3.6.

BOARD AGENDA MEMORANDUM

SUBJECT:

Denial of Claim of Monarch Landscape, LLC. on behalf of Alan Araujo Algandar.

RECOMMENDATION:

Deny the claim.

SUMMARY:

Santa Clara Valley Water District (Valley Water) received a claim on June 14, 2022, from Danny Alvarenga, Risk Management Analyst representing Jensen Landscape dba Monarch Landscape, LLC. (Monarch). Monarch has paid Workers' Compensation on behalf of their employee, Alan Araujo Algandar, and seeks to recoup those funds from Valley Water. Mr. Algandar is a landscape gardener and on May 13, 2022, he was standing near a trash compactor operated by a Valley Water employee. Mr. Algandar was hit by the trash compactor and sustained injuries to his shoulder, back and chest. He has filed a Workers' Compensation claim against his employer, Monarch, who has filed a subrogation claim against Valley Water. The claim amount is unknown.

Risk Management conducted extensive research to locate contract documents in order to review contract language. After a thorough review, Risk Management affirms that the contract agreement contains our standard insurance clauses which include a waiver of subrogation for all Workers' Compensation claims in favor of Valley Water. This means that Monarch contractually cannot sue Valley Water for any injury to its employee. Therefore, Valley Water is not liable to Monarch, and staff recommends that the claim be denied.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice Impacts associated with this item.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

File No.: 22-1023

Agenda Date: 9/13/2022
Item No.: 3.6.

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Claim

UNCLASSIFIED MANAGER:

Carlos Orellana, 408-630-2755



CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT California Government Code Sections 900 and following

<p>The completed form can be mailed, sent electronically or hand delivered. Mail or deliver to:</p> <p>Clerk of the Board Santa Clara Valley Water District-HQ 5700 Almaden Expressway San Jose, CA 95118</p> <p>Or submit the completed form electronically to: clerkoftheboard@valleywater.org</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Clerk of the Board's Date Stamp</td> </tr> <tr> <td colspan="2" style="text-align: center;">For SCVWD Use Only</td> </tr> <tr> <td style="width: 50%;">Date Received:</td> <td style="width: 50%;">ROUTING</td> </tr> <tr> <td><input type="checkbox"/> Via U.S. Mail:</td> <td><input checked="" type="checkbox"/> CEO:</td> </tr> <tr> <td><input type="checkbox"/> Hand Delivered:</td> <td><input checked="" type="checkbox"/> District Counsel</td> </tr> <tr> <td><input checked="" type="checkbox"/> E-mail: Clerk of the Board</td> <td><input checked="" type="checkbox"/> Risk Management</td> </tr> <tr> <td><input type="checkbox"/> Other: _____</td> <td><input checked="" type="checkbox"/> COB</td> </tr> <tr> <td></td> <td><input type="checkbox"/> BOD (District #): _____</td> </tr> </table>	Clerk of the Board's Date Stamp		For SCVWD Use Only		Date Received:	ROUTING	<input type="checkbox"/> Via U.S. Mail:	<input checked="" type="checkbox"/> CEO:	<input type="checkbox"/> Hand Delivered:	<input checked="" type="checkbox"/> District Counsel	<input checked="" type="checkbox"/> E-mail: Clerk of the Board	<input checked="" type="checkbox"/> Risk Management	<input type="checkbox"/> Other: _____	<input checked="" type="checkbox"/> COB		<input type="checkbox"/> BOD (District #): _____
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	<input type="checkbox"/> BOD (District #): _____																

With certain exceptions, claims for personal injury or property damage MUST be filed within six months of the incident giving rise to the claim. Claimant must complete each section. If information is unknown, write "unknown" in the appropriate box. Please use additional pages if necessary. Please attach itemized receipts, witness statements, photos and all other documentation that you believe will be helpful to process your claim. Claimant MUST sign and date the form; see last page.

Name of Claimant: Alan Araujo Algandar				
Address of Claimant: 641 Quincy Way		City: Hayward	State: CA	Zip: 94541
Mailing Address to Which Notices Should be Sent if Different From Above: N/A		City:	State:	Zip:
Home Phone Number:	Cell Phone Number: 669-268-7991	Work Phone Number:		
Is this claim being filed on behalf of a minor? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		If so, please indicate minor's date of birth: _____ Relationship to the minor: _____		
Date and time of incident or loss: May 13, 2022 09:20 AM	Location of incident or loss (address): SCVWD - 1111 North Capitol Avenue San Jose, 95133	Is there a police report? <input type="checkbox"/> Yes If Yes, Police Report #: <input checked="" type="checkbox"/> No		

Describe how the incident or loss happened, and the reason you believe the Santa Clara Valley Water District is responsible for your damages (*Please attach additional sheets if necessary*):

Standing near a trash compactor.

Our employees did not provide ground guidance for a reversing vehicle. Employees standing next to heavy machinery (compactor truck). *5.16.22 Update: Employees did not have opportunity to guide the truck since it moved upon starting the vehicle.



**CLAIM AGAINST THE SANTA CLARA VALLEY WATER DISTRICT
California Government Code Sections 900 and following**

In detail, describe the damage or injury (Please attach additional sheets if necessary):

injury to our employee (EE). EE hurt Right shoulder, Right ribs.

List Name(s) and contact information of any witness(es) or District employee involved (if any):

SCVWD driver involved in incident.

Eduardo Ramirez placed on notice via email from Matt Yslava.

DAMAGES CLAIMED: Basis for computation of amounts claimed (include copies of bills, invoices, estimates, receipts, photos, police case # or other documentation.) Note: If your claim is more than \$10,000, you need not fill in an amount, but must state whether jurisdiction for the claim would be in the Limited Jurisdiction (up to \$25,000) or Unlimited jurisdiction of the Superior Court.

Is the amount of the claim under \$10,000? Yes No
 Court Jurisdiction: (Check One) Limited Civil Unlimited Civil

ITEMS	CLAIM AMOUNT
1. Alan has a WC claim with our carrier. He requires treatment, he has missed days from work, he requires Indemnity coverage.	\$
2. Seeking SCVWD liability stance on this WC claim.	\$
3. Claim is currently reserved under \$10k, but it is still a new claim.	\$
4.	\$
TOTAL AMOUNT	\$ UNK

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE OR FRAUDULENT CLAIM (Penal Code Section 72 and 550)

I have read the matters and statements made in the above claim and I know the same to be true of my own knowledge, except to those matters stated upon information and belief and as to such matters I believe the same to be true. I certify under penalty of perjury that the foregoing is TRUE and CORRECT.

Signed this 13th day of June, 20 22


 Claimant's signature
 Danny Alvarenga, Risk Management Analyst, on behalf of Jensen Landscape dba Monarch Landscape, LLC.

Government Code Section 945.6 provides that, with limited exceptions, any suit brought against a public entity must be commenced:

- (1) If written notice is given of a denial of claim in accordance with **Section 913**, not later than six months after the date such notice is personally delivered or deposited in the mail.
- (2) If written notice is not given of a denial of claim in accordance with **Section 913**, within two years from the accrual of the cause of action.



Santa Clara Valley Water District

File No.: 22-0947

Agenda Date: 9/13/2022

Item No.: 3.7.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve the Standard On-Call Consultant Agreement with Cotton, Shires and Associates, Inc. for On-Call Engineering Geology and Geotechnical Engineering Services in Support of the Penitencia Creek Landslide and Calaveras Fault Crossing Monitoring Project, Project No. A4666A, PB File VW0041 for a Not-to-Exceed Fee of \$500,000.

RECOMMENDATION:

Approve the Standard On-Call Consultant Agreement with Cotton, Shires and Associates, Inc., for On-Call Engineering Geology and Geotechnical Engineering services in support of the Penitencia Creek Landslide and Calaveras Fault Crossing Monitoring Project for a not-to-exceed fee of \$500,000.

SUMMARY:

The objective of this Standard On-Call Agreement is to provide as-needed Engineering Geology and Geotechnical Engineering services to augment and support Santa Clara Valley Water District's (Valley Water) existing Penitencia Creek Landslide and Calaveras Fault Crossing Monitoring Project.

Valley Water monitors and analyzes the active landslides, seismic faults, earth deformations, and seismically induced movements of the Penitencia Creek Landslide and Calaveras Fault geologic hazards and the respective impacts on the South Bay Aqueduct, Penitencia Delivery Main, Penitencia Force Main, and the Santa Clara Conduit.

Valley Water does not currently have permanent staff with the discipline specific Engineering Geology and Geotechnical Engineering competencies and/or bandwidth to fully and effectively support these efforts given the complexity of the geologic hazards under consideration.

The Consultants were required to meet following minimum qualifications to be considered responsive:

- The Proposer and its employees shall have a minimum ten (10) years of experience in Engineering Geology and Geotechnical Engineering Consulting Services relating specifically to landslide and seismic fault monitoring and analysis for water utility and facility condition assessment and mitigation.

- The Proposer and its employees shall have the following certifications, licenses, or affiliations:
 - a) State of California Contractor License
 - b) State of California Professional Engineering License
 - i. Geotechnical Engineering (GE)
 - ii. Certified Engineering Geologist (CEG)
 - c) State of California Professional Land Surveyors License

- The Proposer shall possess knowledge of regulations and codes regarding Engineering Geology and Geotechnical Engineering and shall be familiar with local conditions relating to Engineering Geology and Geotechnical Engineering in Santa Clara County.

The Consultant selected to perform the on-call Engineering Geology and Geotechnical Engineering services will not be eligible to bid on future design services or bid on future Valley Water construction projects for which they provided services.

Background

Valley Water implements a number of capital, maintenance and operational projects and programs to meet its mission and goals in water supply, flood protection and watershed stewardship. The services provided pursuant to this Standard On-Call Agreement will augment the services of Valley Water staff and provide additional Engineering Geology and Geotechnical Engineering and support services as needed.

Valley Water has installed extensive site-specific surveillance and monitoring instrumentation at each facility to continually document and monitor potential adverse geologic hazards and their threat to the safe performance of these critical facilities. As a result, important data is continually collected that requires specialized Engineering Geology and Geotechnical Engineering competencies to analyze, interpret, and report on the geohazards effects on critical infrastructure.

Consultant Selection Process

Prior to publishing the Request for Proposal (RFP), staff conducted outreach to 360 firms that were registered using the National Institute of Governmental Purchasing, Inc. (NIGP) Category Codes; under category code 92546 - Geotechnical Engineering Service category, which is a targeted category within Valley Water's Procurement Portal - PlanetBids (PB). Staff also issued advertisements in the SJ Post and SBEINC.com prior to publishing the RFP.

On February 15, 2022, an RFP for Penitencia Creek Landslide and Calaveras Fault Crossing Monitoring Support was published on Valley Water's Procurement Portal - PB. The RFP notification was sent to 395 firms registered in PB, under the Geotechnical Engineering Service category.

Valley Water received proposals from following two (2) qualifying consultant firms: Cal Engineering & Geology and Cotton, Shires and Associates, Inc. Of the total 395 firms informed of the solicitation, 35 firms were registered as prospective bidders in PB.

An Evaluation Committee, consisting of five (5) Valley Water subject matter experts ranked the written proposals and subsequently invited both firms to participate in the virtual interview presentation conducted on April 27, 2022. Based on the combined (written and interview) rating scores, the Evaluation Committee recommended staff to proceed with the highest ranked firm, Cotton, Shires and Associates, Inc., for contract negotiations.

Staff recently completed successful negotiations with Cotton, Shires and Associates, Inc. and recommends Board approval of the Standard On-Call Consultant Agreement with Cotton, Shires and Associates, Inc. to provide Engineering Geology and Geotechnical Engineering Services for a not-to-exceed fee of \$500,000 for a five-year term.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

The not-to-exceed fee for this Standard On-Call Agreement is \$500,000. The term of this Agreement is five (5) years. No funds will be encumbered at this time. The on-call services will be charged via approved task order to the budgeted funds for the respective projects of benefit.

CEQA:

The recommended action to approve the Agreement does not constitute a project under the California Environmental Quality Act (CEQA) because it does not have the potential to result in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Agreement

UNCLASSIFIED MANAGER:

Greg Williams, (408) 630-2867

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STANDARD ON-CALL CONSULTANT AGREEMENT

(For Capital Consultant Agreements)

Terms and Conditions Template
Rev. B [5/11/2020-06/30/2021]

This agreement (Agreement) is effective once fully executed (Effective Date), by and between SANTA CLARA VALLEY WATER DISTRICT (Valley Water), and COTTON, SHIRES & ASSOCIATES, INC., a California Corporation (Consultant), individually the Party or collectively the Parties.

WHEREAS, Valley Water desires certain services hereinafter described and Consultant affirms it has the requisite experience and expertise, and desires to provide such services.

NOW, THEREFORE, Valley Water and Consultant, for the consideration and upon the Terms and Conditions specified, agree as follows:

SECTION ONE

SCOPE OF SERVICES

The Scope of Services (Services) to be performed pursuant to this Agreement is described in the Schedule, Scope of Services, attached hereto and incorporated herein by this reference (Schedule). Valley Water may require Consultant to provide all or a portion of these services (Services) through subsequently executed task orders (Task Orders). Task Orders will be in the form of the template described in Section Twelve, subsection 13, Task Orders and in the Standard On-Call Consultant Agreement, Appendix Three, Task Order Template. These Services will be provided on an on-call basis (On-Call).

SECTION TWO

DUTIES OF CONSULTANT

1. Performance

- A. Each Scope of Service described in an attached Schedule must be performed by Consultant, or at its direction, to meet the purposes specified in this Agreement. References to "Consultant" herein include those performing any portion of the Services at its direction such as Subconsultants, vendors, suppliers, subcontractors, and other business entities and individuals. Consultant will collaborate with Valley Water staff in engineering, asset management, operations, and maintenance units to be made aware of Valley Water operational constraints, procedures, or preferences relevant to Consultant's performance of the Services described in the attached Schedule.
- B. Unless the requirements for the Services described in the attached Schedule are specifically modified in writing, Consultant must perform Services and provide all deliverables as required.

- C. Consultant shall not undertake any Services not described in the attached Schedule unless authorized in writing by Valley Water prior to the performance of such Services by issuance of a Task Order or pursuant to an amendment to this Agreement signed by both Parties.

2. Consultant Controlled Areas

Consultant is responsible for the security and safety of the area(s) it controls wherein it is required to perform field operations pursuant to the Scope of Services.

3. Licensing

Services performed by Consultant will be undertaken only by persons appropriately licensed, certified, or registered in California, as applicable to the Services described herein, when required by statutes or regulations, as well as pursuant to the relevant standard of care as described in subsection 11 Standard of Care. Examples of such Services include those performed by: California State Licensed Contractors, Professional Engineers and Architects, Inspectors, and Surveyors. Consultant shall make available upon Valley Water's request documentation of qualifications and licensing of personnel performing Services described herein. Consultant must be registered with the California Department of Labor Standards Enforcement if the Services or a portion thereof is determined to be "Public Works" pursuant to California Labor Code § 1720(a)(1).

4. Valley Water's Approval of Deliverables

Deliverables prepared by Consultant, notwithstanding acceptance and approval by Valley Water, which Valley Water determines must subsequently be modified due to errors or omissions, will be corrected at no additional cost to Valley Water.

5. Errors and Omissions

The Services may include preparation of deliverables by Consultant to be implemented in a public works construction project. Consultant is responsible for any direct or actual damages incurred by Valley Water which Valley Water determines result from Consultant's errors or omissions in Consultant's deliverables, including, but not limited to, any increase in the Valley Water's payment(s) due to its construction contractor, which increase is directly attributable to required revisions to the construction contract documents to the extent caused by Consultant's negligent acts, errors, or omissions.

6. Valley Water Standardization Requirements

- A. Consultant shall perform the Services utilizing Valley Water nomenclature, standardized forms, software requirements, documented procedures, and best management practices. Consultant shall use Microsoft Office software and AutoCAD software that is compatible with Valley Water Microsoft Office software and AutoCAD software used at the time(s) Valley Water issues a Notice to Proceed pursuant to this Agreement.

- B. Engineering drawings prepared by Consultant must be in compliance with Valley Water's CADD and drafting standards including line types, line weights, text sizes, text orientation, dimensioning, labeling/numbering system for detailed plan views and detailed section views. Drawings prepared using different CADD software and versions must be converted to be compatible with Valley Water's CADD software at no additional cost to Valley Water. Prior to acceptance, Valley Water reserves the right to test the submitted CADD files to verify that the files are not corrupted or missing linkages (for blocks, etc., used in the drawing) and that the standards are retained during the conversion process used by Consultant.

7. Consultant's Key Staff and Subconsultants

- A. Consultant's Key Staff and firms subcontracted by the Consultant (Subconsultants) assigned to perform the Services are identified in Attachment Three to the Scope of Services, Consultant's Key Staff and Subconsultants.
- B. The Project team organization chart and delegated responsibilities of each team member will be submitted to Valley Water for concurrence.
- C. Consultant may utilize Subconsultants, subcontractors, suppliers, or vendors it deems appropriate to the complexity and nature of the required Services.
 - 1) Consultant must obtain Valley Water's approval of all Subconsultants. Upon Valley Water's request, Consultant must provide copies of all Subconsultant agreements.
 - 2) Consultant must require its delegates or Subconsultants to agree, in writing, to adhere to Terms and Conditions of this Agreement.
- D. Any delegation or use of Subconsultants by Consultant will not operate to relieve Consultant of its responsibilities as described in this Agreement.
- E. If any of Consultant's designated key staff persons or Subconsultants fail to perform to the satisfaction of Valley Water, on written notice from Valley Water, Consultant will have 15 calendar days to remove that person from the Project and provide a replacement acceptable to Valley Water.
- F. Consultant will not charge Valley Water for the time it takes Consultant's replacement personnel to obtain Valley Water-specific Project knowledge in the possession of the person(s) being replaced.
- G. Consultant's Key Staff: Valley Water Project Manager may approve any revisions to Consultant's list of key staff assigned to the Project as an administrative modification to this Agreement, and such approval will be confirmed in writing.
- H. Consultant's Subconsultants
 - 1) Valley Water Project Manager may approve any revisions to Consultant's list of authorized Subconsultants when the Subconsultant is deleted from the list and the Scope of Services is deleted from the Agreement or such services are assumed by Consultant; such approval will be confirmed in writing.

- 2) Valley Water's authorized representative may approve any revisions to Consultant's list of authorized Subconsultants when a listed Subconsultant is replaced (to perform the same Scope) or a new Subconsultant is added (to perform new Scope), provided the firm complies with all insurance requirements established by the Valley Water for such work; such approval will be confirmed in writing.

8. Compliance with All Laws

- A. Consultant's performance must be in compliance with the most current versions of any and all laws relevant to the Services it performs pursuant to this Agreement, including, but not limited to adherence to: all applicable governmental laws, statutes, ordinances, rules, codes, regulations, orders, and other requirements; governmental requirements applicable to state and federal compliance with the Professional Land Surveyors Act; state and federal Endangered Species Act; state and federal water quality laws; and all other state and federal laws or regulations regarding environmental protection and compliance, health, safety, wages, hours, equal employment opportunity, nondiscrimination, working conditions, and transportation. In the event that Valley Water's assistance is necessary to achieve such compliance, Consultant shall promptly notify Valley Water.
- B. Consultant shall provide, at Valley Water's request, documentation demonstrating Consultant's compliance with all laws as described herein. After reasonable notice and according to reasonable conditions, Valley Water has the right to inspect and copy any records of Consultant regarding such compliance.
- C. Consultant represents and warrants that neither Consultant nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal government department or agency.

9. Occupational Safety and Health

- A. Consultant will perform the Services in compliance with the most current versions of all laws, standards, rules, and regulations of the Occupational Safety and Health Act, and all state and federal laws and regulations relating to safety and health standards. Consultant shall perform the Services in compliance with, will furnish only supplies, articles, and equipment that comply with such laws, standards, and regulations.
- B. Consultant shall immediately notify Valley Water in the event of any personal injury accident or occurrence occurring during the performance of the Services. Upon Valley Water's request, Consultant shall provide Valley Water with documentation fully describing the accident and injury and the actions implemented to prevent similar occurrences.

10. Consultant as Independent Contractor

Consultant will perform all Services as an independent contractor and not an agent or employee of Valley Water. Consultant represents and warrants that it and its contractors who are performing any of the Services as Subconsultants will perform such Services as an independent contractor, and neither Consultant nor Subconsultants nor their employees are the servants, agents or employees of Valley Water. Except as expressly provided in this Agreement, Valley Water exercises no direction, supervision or control over Consultant, its employees, agents, or Subconsultants.

11. Standard of Care

- A. Consultant must possess and maintain during the term of this Agreement all certifications, licenses, permits, and qualifications to perform the Services and prepare all deliverables. Consultant must perform all Services and prepare all deliverables in accordance with those standards and practices of care, skill, and diligence that are generally recognized and customarily observed by competent persons in Consultant's area of specialty in the State of California at the time such Services are rendered.
- B. Consultant shall perform the Services and prepare all deliverables without any errors or omissions, and in accordance with Section Two Duties of Consultant, subsection 8. Compliance with All Laws.
- C. Consultant and its Subconsultants must perform the Services in compliance with all applicable written federal, state and local codes, statutes, laws, regulations, and ordinances, including, but not limited to, environmental, energy conservation, and disabled access requirements as per the provisions of Section Two Duties of Consultant, subsection 8. Compliance with All Laws.

SECTION THREE

DUTIES OF VALLEY WATER

1. Available Data

Valley Water will make available to Consultant all data and information in its possession and control and which it deems necessary to the preparation of the deliverables specified in the Schedule. Valley Water will actively aid and assist Consultant in obtaining such information from other agencies and individuals as it deems necessary. Valley Water is not responsible for providing data and information that it does not possess.

2. Review of Deliverables

- A. Valley Water will designate a Project Manager (Valley Water Project Manager) for purposes of administering and managing this Agreement.
- B. Consultant's progress in completing the Services will be reviewed by Valley Water Project Manager at each milestone identified in an executed Task Order or at such other time(s) at the discretion of Valley Water.
- C. Consultant must notify Valley Water in writing when it completes and has submitted to Valley Water each deliverable as per an executed Task Order. Deliverables deemed satisfactory and in compliance with this Agreement are subject to approval by Valley Water. Within 30 calendar days of receipt of each deliverable, Valley Water will either (1) notify Consultant that Valley Water accepts the deliverable, or (2) notify Consultant that the deliverable is not acceptable and must be revised.
- D. If Valley Water advises Consultant that a deliverable must be revised due to errors or omissions by Consultant, Consultant must correct, at no cost to Valley Water, those

deficiencies as soon as possible and shall notify Valley Water upon completion of the revised deliverable and submit to Valley Water.

- E. Valley Water will then review the revised deliverable and within 30 calendar days of receipt, advise Consultant if the revised deliverable is acceptable. All deficient deliverables will be revised at no cost to Valley Water and this process will continue until Consultant has corrected all deficiencies identified by Valley Water.
- F. None of the proposed changes or revisions or anything else in this Agreement will be construed to relieve Consultant of professional or legal responsibility for the performance of the Services as otherwise required by the Terms and Conditions of this Agreement. Corrections to any deliverable as a result of Consultant's errors or omissions, as determined by Valley Water, will not result in additional costs or expenses to Valley Water.

3. Access to Valley Water Facilities

Valley Water will facilitate access to Valley Water facilities as required for Consultant to perform the Services.

SECTION FOUR

FEES AND PAYMENTS

1. Total Fixed Not-to-Exceed Fees

- A. Payment for all Services performed by Consultant to the satisfaction of Valley Water, as described in the Schedule will be based on the hourly rates, subject to the Total Fixed Not-to-Exceed (NTE) Fees stated in the Schedule, Attachment One, Fees and Payments, for completion of the associated tasks. Valley Water will make payments to the Consultant according to the terms provided for herein and in the Schedule, Attachment One, Fees and Payments. Payments made by Valley Water to Consultant for Services rendered will be considered full compensation for all personnel, materials, supplies, Subconsultant(s), equipment, reimbursable travel and per diem expenses incurred by Consultant to perform the Services. All Service requests will be made by Valley Water on an as-needed basis, subject to future Task Order(s) executed by Valley Water and Consultant.
- B. It is understood and agreed that this total is an estimate, and that the actual amount of Services requested by Valley Water may be less. There is no guarantee, either expressed or implied, as to the actual dollar amount that will be authorized under this Agreement.
- C. The Schedule, Attachment One, Fees and Payments, sets forth the hourly rates and NTE fee, if any, for Services Consultant may perform pursuant to an executed Task Order.
- D. Services to be performed pursuant to a Task Order will commence only after written approval from Valley Water Deputy Operating Officer.

- E. Notwithstanding any other provision of this Agreement, Valley Water agrees to pay Consultant in accordance with the terms set forth in an executed Task Order. Consultant represents and warrants that the amounts charged to Valley Water for Services do not exceed the amounts normally charged by Consultant to other customers for similar Services.
- F. Upon the written approval of Valley Water Deputy Operating Officer referenced herein, the Services described in a Task Order task may be reduced or eliminated.
- G. Automobile travel mileage expenses will be paid at the current Internal Revenue Service (IRS) rate. Valley Water will not reimburse Consultant nor its Subconsultants for mileage nor travel time to and from Valley Water Headquarters and surrounding campus located at 5700 Almaden Expressway, San Jose, California. However, Valley Water will reimburse Consultant and its Subconsultants for mileage incurred from Valley Water Headquarters or Consultant's and Subconsultants' firm address, whichever is closer to the destination, to Project site(s) and, if directed or authorized by Valley Water, to meeting locations such as with regulatory agencies, for community outreach activities and meetings, for partnering meetings, and Dispute Review Board meetings.

2. Consultant Invoices

- A. Consultant's invoices will be prepared in accordance with the terms of this Agreement, Section Four Fees and Payments, and represent Services performed and reimbursable costs incurred during the identified billing period. Invoices must be consistent with Scope of Services and executed Task Orders; and include the following:
 - 1) Employee classification and name itemized with all labor charges by Service task;
 - 2) Summary of the amount Consultant has been billed by their Subconsultants and further detailed by Service task;
 - 3) A description of the site where Services were performed, if applicable;
 - 4) The name of Valley Water staff requesting Services;
 - 5) The dates when Services were performed;
 - 6) Other direct charges and reimbursable expenses by Task Order task;
 - 7) Other direct charges and expenses must reflect actual fees versus the Task Order not-to-exceed fees as stated in Attachment One to Schedule, Fees and Payments; and/or Task Orders.
 - 8) The total amount due for completing the Services specified in that Task Order, which must not exceed the not-to-exceed amount specified in that Task Order.
 - 9) To the extent that Consultant is adding an administrative, processing, overhead or mark-up fee, Valley Water will not pay for such duplication of costs for both Consultant and its Subconsultants.

- B. Invoices will include a summary of labor expenditures, direct costs, and billed Subconsultant charges. Invoices will be organized such that the billing categories correspond with the Task Order.
- C. Notwithstanding language to the contrary in an executed Task Order, Consultant must invoice Valley Water for a Task Order within 30 calendar days of Valley Water accepting the deliverables of that Task Order.
- D. Consultant shall send all invoices to: APinvoice5750@valleywater.org

Valley Water address, if needed:

Santa Clara Valley Water District
Attention: Accounts Payable
P.O. Box 20670
San Jose, CA 95160-0670

- E. Consultant must also ensure that each invoice contains the following information:
 - 1) Agreement Number;
 - 2) Task Order Number.
 - 3) Full Legal Name of Consultant/Firm;
 - 4) Payment Remit-to Address;
 - 5) Invoice Number;
 - 6) Invoice Date (the date invoice is mailed)
 - 7) Detailed description of services provided, including the “distribution account(s)” for those services;
 - 8) Number of hours spent by each person performing services and a brief description of the services performed by each person; and
 - 9) Beginning and end date for billing period that services were provided.
- F. Consultant shall invoice for its performance of the Services as stated in an executed Task Order on a monthly basis consistent with the task fee breakdown stated in Attachment A to the Task Order(s). Unless otherwise specified in a Task order, Consultant will be paid for the Services as described in an executed Task Order.
- G. Valley Water Project Manager will review Consultant’s written invoice within five Valley Water business days of receipt, address any questions with Consultant’s Contact/Principal Officer and approve the undisputed amount of the invoice within ten working days of receipt of the invoice. Valley Water will pay undisputed invoice amounts within 30 calendar days from date invoice is received by Valley Water Project Manager.
- H. Valley Water may in good faith assert a bonafide dispute as to all or a portion of fees specified in any invoice. If any portion of an amount due to Consultant under this Agreement is subject to a bonafide dispute between the Parties, within 30 calendar days of Consultant’s delivery of the invoice on which a disputed amount appears, Valley Water

will notify Consultant in writing of the specific items in dispute, and will describe Valley Water's reason(s) for disputing each such item. Consultant and Valley Water Project Manager must act in good faith to resolve this dispute in a timely manner. If the dispute is not resolved by Consultant and Valley Water Project Manager within 30 calendar days of Consultant receiving Valley Water's written notice of dispute, Consultant and Valley Water will attempt to resolve the Dispute pursuant to the Standard On-Call Consultant Agreement, Appendix Two, Dispute Resolution.

- I. Consultant's Services will be performed by its staff members and Subconsultants' staff members at the lowest hourly and unit rates commensurate with the complexity of the required Services.
- J. Consultant shall ensure that its personnel performing services pursuant to this Agreement document their time doing so.

3. Prevailing Wages

A. A portion of the Services to be performed pursuant to this Agreement may be considered "Public Works" subject to California Labor Code §1771, et. seq. and the applicable implementing regulations. If Consultant's Services includes such work, Consultant and its Subconsultants must comply with all Labor Codes applicable to prevailing wages.

B. Labor Code §1720 provides as follows:

"(a) As used in this chapter, "public works" means all of the following:

(1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by a public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, "construction" includes work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction, including, but not limited to, inspection and land surveying work, regardless of whether any further construction work is conducted, and work performed during the postconstruction phases of construction, including, but not limited to, all cleanup work at the jobsite. For purposes of this paragraph, "installation" includes, but is not limited to, the assembly and disassembly of freestanding and affixed modular office systems."

C. Consultant and its Subconsultants shall not engage in the performance of public work, as defined in California Labor Code §1771.1, unless currently registered and qualified to perform public work pursuant to California Labor Code §1725.5.

D. The General Prevailing Wage Rates issued by the California Department of Industrial Relations may be adjusted by the State throughout the term of this Agreement. Notwithstanding any other provision of this Agreement, Consultant will not be entitled to any adjustment in compensation rates in the event there are adjustments to the General Prevailing Wage Rates.

- E. This Agreement is subject to compliance monitoring and enforcement by the State of California Department of Industrial Relations. Upon request, Consultant and Subconsultants must furnish the records specified in Labor Code §1776 directly to the Labor Commissioner, in a format prescribed by the Labor Commissioner.
- F. All records or documents required to be kept verifying statutory compliance with the prevailing wage requirement, such as certified payroll records, must be made available for audit at no cost to Valley Water, at any time during regular business hours, upon written request by Valley Water. Records and documents to be provided in electronic or hard copy format, at Valley Water's discretion.

G. California State Department of Industrial Relations Contractor and Sub-Contractor Registration Requirements

Prior to Valley Water executing a Task Order for Services involving public works, as defined herein, Consultant, and its Subconsultant(s) performing public works, must provide evidence, in the form required by Valley Water, that Consultant and its Subconsultant(s) are in compliance with the California State Department of Industrial Relations Contractor and Sub-Contractor Registration Requirements.

4. Retention

- A. Unless otherwise specified in an executed Task Order, when the total compensation payable pursuant to this Agreement for an individual Task Order exceeds \$20,000, ten percent of each invoice for that Task Order will be withheld by Valley Water and not paid to Consultant until 30 calendar days after the assigned Valley Water representative signs the final approval for all Services/deliverables as stated in the executed Task Order, consistent with Section Three, Duties of Valley Water, subsection 2. Review of Deliverables.
- B. At any time after 50% of the work to be performed pursuant to an individual Task Order has been completed, Valley Water may, at its sole discretion, determine that satisfactory progress is being made in the completion of the Task Order, and prospectively make the remaining progress payments in full. The retention previously withheld on the first 50% of the individual Task Order work will continue to be withheld until the Task Order is completed to the satisfaction of Valley Water. Prior to final close out of the Agreement, any remaining retention for undisputed work will be released to Consultant.

SECTION FIVE

SCHEDULE OF COMPLETION

1. Performance of Tasks

Consultant will commence performing the tasks described in the Scope of Services of an executed Task Order upon receipt of the Task Order Notice to Proceed (NTP) issued by Valley Water.

2. Task Order Schedule

Consultant will perform and complete the Services in accordance with the schedule (Schedule) as described in each Task Order. Consultant will coordinate Services with Valley Water to provide the timeline of all tasks and subtasks including the site visits, document review, meetings, and deliverables.

3. Project Delays

Consultant will make all reasonable efforts to comply with the Schedule as stated in a Task Order. In the event the Task Order Schedule will be delayed, Consultant will notify Valley Water Project Manager as soon as possible, providing the reason why, the length of the delay, and a description of the actions being taken to address the delay. In the event Consultant is delayed in performance of its Services by circumstances beyond its control, Valley Water may, at its discretion, grant a reasonable adjustment in the Schedule.

4. Changes to the Schedule

Valley Water's Project Manager and Consultant may agree to modify the Schedule specified for Consultant's performance in an executed Task Order as an administrative modification to the Task Order and will confirm such modifications in writing.

SECTION SIX

AGREEMENT MODIFICATIONS

The Parties may agree to modify the Terms and Conditions of this Agreement by executing a written amendment hereto.

SECTION SEVEN

TERM AND TERMINATION

1. Term & Automatic Termination

No Task Order will be written which extends beyond the expiration date of this Agreement. Consultant will not undertake to provide Services where it reasonably appears that the Services cannot be performed and completed within the Term of this Agreement. Uncompleted and/or unfinished Task Orders will co-terminate with this Agreement.

2. Valley Water Rights

- A. Suspension: Valley Water may, by written notice to Consultant, suspend any or all Services pursuant to this Agreement or to any individual Task Order. Valley Water may subsequently terminate this Agreement or any Task Order for convenience, or determine to proceed. If a decision to proceed is not made within 90 days from the date of the notice of suspension, any decision to proceed must be conditioned upon execution of a new Notice to Proceed or Task Order.

- B. Termination for Convenience: Valley Water may, by written notice to Consultant, terminate all or part of this Agreement or any Task Order at any time for Valley Water's convenience. Upon receipt of such notice, Consultant will immediately cease all work as specified in the notice. If this Agreement or any Task Order is so terminated, Consultant will be compensated as set forth in subsection 3. Consultant's Compensation upon Termination or Suspension.
- C. Termination for Breach: If Consultant violates any of the covenants, agreements or stipulations of this Agreement or a Task Order, or if Consultant fails to fulfill in a timely and proper manner its obligations pursuant to this Agreement or any Task Order, and does not cure such failure or violation within 30 days (or a reasonable extension thereof, if requested, which extension will not be unreasonably withheld) after receipt of written notice from Valley Water specifying such failure or violation, Valley Water will thereupon have the right to terminate this Agreement and any or all uncompleted Task Orders by giving written notice to Consultant of such termination. Such notice will specify the effective date thereof, and Consultant will not be entitled to compensation for Services or expenses beyond the specified termination date.
- D. If, after notice of termination for breach of this Agreement or any Task Order, it is determined that Consultant did not breach the Agreement or Task Order, the termination will be deemed to have been effected for Valley Water's convenience, and Consultant will receive payment that is allowed by this Agreement for a termination for convenience.
- E. The rights and remedies provided herein to Valley Water are in addition to any other rights and remedies provided by law, this Agreement, or a Task Order.

3. Consultant's Compensation upon Termination or Suspension

In the event of termination of this Agreement or any Task Order, or suspension of Services by Valley Water, Consultant shall receive compensation based on satisfactory performance, accepted by Valley Water, as follows:

- A. Direct Labor: Consultant shall be entitled to receive compensation for all authorized direct labor performed prior to termination pursuant to the provisions of this Agreement or Task Order and all authorized labor expenses incurred to demobilize from the Project after the date of termination;
- B. Other Direct Costs and Expenses: Consultant shall be entitled to receive compensation for all authorized other direct costs and expenses incurred prior to termination and all authorized expenses incurred to demobilize from the Project after the date of termination; and
- C. In no event shall the total compensation paid for any item of Service exceed the payment specified in the Agreement or applicable Task Order for that item of Service.

4. Survival

The Terms and Conditions of this Agreement, that by their context and a standard of reasonableness, are intended to survive termination, suspension, completion, and expiration of this Agreement, shall survive, including but not limited to, the following Sections and subsections: Independent Contractor Status, Confidentiality, Indemnification, Insurance Requirements, and Dispute Resolution, as well as any Consultant representations and warranties.

SECTION EIGHT

INDEMNIFICATION

Notwithstanding any other provision of this Agreement, Consultant agrees to indemnify, defend and hold harmless Valley Water, its agents, officers, directors, and employees from and against any and all demands, claims, damages, losses and reasonable expenses, including but not limited to liabilities, obligations, claims, costs, reasonable expenses (including, without limitation, interest, penalties and reasonable attorney's fees), fines, taxes, levies, imposts, assessment, demands, damages or judgments of any kind or nature, whether in law or equity (including, without limitation, death or injury to any person, property damage, administrative and judicial orders and consents, or any other loss) to the extent they arise out of, pertain to, or relate to Consultant's negligence, recklessness, or willful misconduct. The foregoing does not limit any strict liability imposed onto Consultant by law. The rights, duties, and obligations of the Parties as set forth above in this Section Eight, Indemnification, survive termination, expiration, completion, and suspension of this Agreement.

SECTION NINE

INSURANCE REQUIREMENTS

Insurance requirements applicable to this Agreement are set forth in the Standard On-Call Consultant Agreement, Appendix Four, Insurance Requirements. Consultant must provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, all insurance coverages as detailed in the Standard On-Call Consultant Agreement, Appendix Four, Insurance Requirements, and comply with all provisions stated therein.

SECTION TEN

OWNERSHIP AND REUSE OF DELIVERABLES

1. Valley Water Ownership

All deliverables and other materials prepared by Consultant, including computer programs and media developed by Consultant, to perform the Services, during the term of this Agreement, will be and remain the property of Valley Water following payment in full to Consultant for each task or portion of a completed task, or in accordance with Section Seven Term and Termination. In the event the work is not completed, the completed portions thereof will become the property of Valley Water. Consultant will provide Valley Water with such deliverables and material at appropriate times during this Agreement. Consultant may retain a copy for its records. Consultant does not convey, assign, or transfer the intellectual property

rights it has so as to limit its ability or right to develop, design, or provide services on other projects of or for its other clients.

2. Reuse of Instruments of Service

If Valley Water desires to reuse the completed plans, specifications, or other deliverables, in total or in part, on project sites associated with this Agreement, or any other site, or to complete any incomplete portion of construction documentation which Valley Water has already paid Consultant, Valley Water will release Consultant from any liability incurred by Valley Water from reusing said deliverables.

3. Copies of Data

Copies of data exchanged by, through, and between Valley Water and Consultant that may be relied upon are limited to printed copies. Computer-generated files, disks, or tapes of text, data or graphics that are furnished are only for the mutual convenience of the Parties.

4. Computer-Generated Material

Any risk of translation or reliance on information obtained or derived from computer-generated material is at the user's sole risk, and no representations are made, either express or implied, as to the long-term performance of data thus transferred.

5. Work for Hire

Any and all original correspondence, memoranda, reports, designs, plans, specifications, data compilations, computer programs, or drawings delivered to Valley Water by Consultant according to the Terms of this Agreement, in or by any medium is deemed to be "work for hire" according to the copyright laws of the United States and the copyright belongs to Valley Water.

6. Copyright Claims

Co-venturers, subcontractors, Subconsultants, suppliers, and vendors to Consultant are likewise bound by these copyright terms. Valley Water makes no copyright claim and requires no release for copyrighted material or trademarked names used incidentally by Consultant.

SECTION ELEVEN

EQUAL OPPORTUNITY

1. Equal Opportunity Employer

Valley Water is an equal opportunity employer and requires its consultants to have and adhere to a policy of equal opportunity and non-discrimination. In the performance of the Agreement, Consultant will comply with all applicable federal, state, local laws and regulations, and will not discriminate against any subcontractor, employee, or applicant for employment in the recruitment, hiring, employment, utilization, promotion, classification or

reclassification, transfer, recruitment advertising, evaluation, treatment, demotion, layoff, termination, rates of pay or other forms of compensation, and selection for professional development training (including apprenticeship), or against any other person, on the basis of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, color, national origin (including language use restrictions), ancestry, religious creed (including religious dress and grooming practices), political affiliation, disability (mental and physical, including HIV or AIDS), medical condition (cancer and genetic characteristics), genetic information, marital status, parental status, gender, age (40 and over), pregnancy, military and veteran status, sexual orientation, gender identity and gender expression, the exercise of family and medical care leave, the exercise of pregnancy disability leave, or the request, exercise, or need for reasonable accommodation.

2. Compliance with Applicable Equal Opportunity Laws

Consultant's policy must conform with applicable state and federal guidelines including the Federal Equal Opportunity Clause, "Section 60-1.4 of Title 41, Part 60 of the Code of Federal Regulations," Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973 (§503 and §504); the Age Discrimination Act of 1975 (42 U.S.C. §6101 et seq.); the California Fair Employment and Housing Act (Government Code §12900 et. seq.); and California Labor Code §1101 and §1102.

3. Investigation of Claims

Consultant must designate a specific position within its organization to be responsible for investigating allegations of non-compliance with the anti-discrimination and anti-harassment provisions of this Agreement. Consultant must conduct a fair, prompt, and thorough investigation of all allegations directed to Consultant by Valley Water. In cases where such investigation results in a finding of discrimination, harassment, or hostile work environment, Consultant must take prompt, effective action against the offender.

SECTION TWELVE

MISCELLANEOUS PROVISIONS

1. Entire Agreement

This Agreement, which includes the Terms and Conditions, Appendices, the Schedule Attachments to the Schedule, and all executed Task Orders, represents the entire understanding between the Parties hereto relating to the Services described in this Agreement and its executed Task Orders incorporated herein by this reference hereto and supersedes any and all prior proposals or agreements, whether written or oral, that may exist between the Parties. This Agreement may not be modified or amended except in writing as stated herein. To the extent that any Schedule conflicts with this Agreement, this Agreement shall control.

2. Formation of Agreement

- A. No agreement between the Parties is formed until all applicable actions have been completed to the satisfaction of Valley Water. Valley Water Project Manager will not issue a Notice to Proceed until all required documents have been submitted and accepted by Valley Water.
- B. Formation of this Agreement between the Parties requires accomplishment of the following, as applicable:
 - 1) Execution of the Agreement by Consultant;
 - 2) Submission by Consultant, and acceptance by Valley Water, of evidence of all required insurance coverages and documents;
 - 3) Submission by Consultant, and acceptance by Valley Water, of evidence of all required Form 700 documents, if applicable;
 - 4) Submission by Consultant, and acceptance by Valley Water, of all required Non-Disclosure Agreements (NDA) as provided in Attachment Four to the Schedule, Reference Materials, if applicable;
 - 5) Submission by Consultant, and acceptance by Valley Water, of a Health and Safety Plan, if applicable;
 - 6) Any other requirements that are deemed necessary by Valley Water; and
 - 7) Execution of the Agreement by Valley Water.

3. No Assignment

- A. The expertise and experience of Consultant are material considerations for Valley Water's award and execution of this Agreement. Consultant will not assign or transfer any interest in this Agreement nor the performance of any of Consultant obligations hereunder, without prior written consent of Valley Water in the form of an amendment executed by the Parties, and any attempt to so assign this Agreement, or any rights, duties or obligations arising hereunder, will be void and of no effect. Any assignment of monies due or to become due in accordance with this Agreement, will be to the extent permitted by law, and will be subject to all proper set-offs, deductions, and withholdings in favor of Valley Water.
- B. In no event shall an assignment of any interest in this Agreement release Consultant from its duties and responsibilities as described in this Agreement nor shall Consultant be released from liability created by the provision of Services as described in this Agreement until such assignment takes effect. Any attempted or purported assignment without Valley Water's written consent in the form of an amendment executed by the Parties is null and void.

4. Reasonableness

Discretionary actions or approvals to be performed by the Parties will be exercised in a reasonable manner.

5. Gifts

Consultant hereby acknowledges that Valley Water policy prohibits the acceptance by Valley Water personnel of gifts of any kind from its contractors, consultants, suppliers or vendors. Consultant shall honor this policy by not sending or bringing gifts to Valley Water.

6. Audits

Consultant agrees that Valley Water and its agent(s) have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Consultant agrees to provide Valley Water and its agent(s) with any relevant information requested, in electronic and hard copy format, at Valley Water's discretion, and will permit Valley Water and its agent(s) access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees (alternatively, by phone at Valley Water's discretion) and inspecting or copying books, records, accounts, computerized records, and other materials that may be relevant to the matter under investigation or subject to audit, such as by a government agency, providing Valley Water with grant funds to pay for Consultant's services, for the purpose of determining compliance with this Agreement. Consultant further agrees to maintain such records for a period of three years after final payment as provided for in this Agreement.

7. Force Majeure

Neither Party will be held responsible for delays caused by acts beyond its control, such as acts of God or public enemies, utility or communication delays, or failures not caused by such Party's negligence or fault, accidents not caused by such Party's negligence or fault, labor disputes, war, or failure of the other Party to provide data as required pursuant to this Agreement.

8. Binding Effect

This Agreement is binding on the heirs, executors, administrators, successors and assigns of the Parties.

9. Choice of Law and Venue

The Parties agree that this Agreement is to be governed, construed, and enforced in accordance with the laws of the State of California. The Parties also agree that the venue of any litigation arising out of or connected with this Agreement will lie exclusively in the state trial court or Federal District Court located in Santa Clara County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

10. Confidentiality

A. Due to the nature of the services Consultant will provide pursuant to this Agreement, there may be disclosures made to Consultant of detailed information about Valley Water's operations, including on a need-to-know basis information which may be protected from public disclosure by confidentiality laws, the attorney-client privilege, and/or other provisions of law which govern the nature and timing of disclosure of public information.

- B. Consultant understands and acknowledges that Valley Water staff members providing information to Consultant do so with the understanding that such information will be handled appropriately.
- C. In the event Consultant receives such restricted or confidential information, Consultant will limit access to the information to only those of Consultant's employees, its subcontractors and its Subconsultants authorized by Valley Water to have the information.
- D. Consultant will notify Valley Water immediately of any request by any third party to have access to confidential information and will not disclose the requested information without first receiving express written authorization from Valley Water.
- E. Notwithstanding the aforementioned Confidentiality requirements, upon the request of Valley Water Project Manager Consultant and its Subconsultants shall execute the Valley Water's most current Non-Disclosure Agreement in effect at that time.
- F. The requirements stated herein will survive completion, expiration, suspension, and termination of this Agreement.

11. Release of Information Prohibited

Consultant is not permitted to provide any information concerning the Project to the media nor anyone other than authorized Valley Water personnel. Consultant will not release any information pertinent to the Project for publication, public disclosure, or in any other manner without first obtaining clearance and a release in writing from Valley Water. Any media inquiry at any time to Consultant relating to any matter concerning Services provided or requested to be provided pursuant to this Agreement will be referred immediately to Valley Water. Consultant will not communicate with the media regarding any such matter.

12. Conflict of Interest

- A. Consultant represents that there exists no actual or potential conflict of interest concerning the services to be performed pursuant to this Agreement.
- B. Consultant represents that Consultant's performance required as stated in this Agreement does not require the breach of any agreement or obligation to keep in confidence the proprietary information of another party. Consultant will not bring to Valley Water, or use in the performance of Consultant's duties as described in this Agreement, any materials or documents of another party considered confidential or proprietary unless Consultant has obtained written authorization from such party, and the informed consent of Valley Water, for the possession and use of such materials.
- C. Consultant represents and warrants that during the term of the Agreement, Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant shall not act as a Consultant or expert for any party in support of any potential or active claim or legal action against Valley Water by such party.

D. CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION STATEMENT OF ECONOMIC INTEREST FORM 700 ("FORM 700"): Upon Valley Water's request, Consultant employees, officers, agents, Subconsultants, and subcontractors shall complete, execute, and submit a Form 700 as follows:

- 1) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, shall file, in a manner prescribed by Valley Water, an Assuming Office Statement. The Assuming Office Statement shall be filed:
 - a. Within 30 calendar days of the effective date of this Agreement; or
 - b. Within 30 calendar days of Consultant hiring, adding, or promoting to a designated filer position, employees, officers, agents, Subconsultants, and subcontractors to perform services pursuant to this Agreement.
- 2) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, that filed an Assuming Office Statement, shall file in a manner prescribed by Valley Water, an amendment to their Form 700 any time there is a change to their disclosure information.
- 3) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, that filed an Assuming Office Statement, shall file an Annual Statement in a manner prescribed by Valley Water, during Valley Water's annual filing season, as determined by Valley Water;
- 4) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, that filed an Assuming Office Statement, shall file in a manner prescribed by Valley Water, a Leaving Office Statement with Valley Water when one of the following occurs:
 - a. Upon termination of this Agreement; or
 - b. Within 30 calendar days of Consultant employees, officers, agents, Subconsultants, and subcontractors vacating a designated filing position (i.e., removed from the Project, promotion, demotion, transfer to non-designated position, end of employment, or as a result of changes in designated filer positions in Valley Water's Conflict of Interest Code).
- 5) Consultant understands and agrees that its employees, officers, agents, Subconsultants, and subcontractors may be disqualified from providing services to Valley Water pursuant to the California Political Reform Act, Government Code (GC) §81000 et. seq. and GC §1090. If any of Consultant's employees, officers, agents, Subconsultants, and subcontractors are disqualified from providing services, on written notice from Valley Water Project Manager, Consultant will have 15 calendar days to remove said employee(s), officer(s), agent(s), Subconsultant(s) and subcontractor(s) employee(s) from the Project and provide a replacement acceptable to Valley Water.

- 6) The failure of Consultant's employees, officers, agents, Subconsultants, and subcontractors to file an Assuming Office, Annual, Amended, or Leaving Office Statement within the time prescribed by Valley Water is deemed a material breach and may result in termination of the Agreement for cause.

13. Task Orders

- A. All tasks and Services will be assigned to Consultant through issuance of Task Orders. After the tasks and Services are identified and communicated to Consultant by Valley Water Project Manager, Consultant will prepare a proposed Task Order (see Standard On-Call Consultant Agreement, Appendix Three Task Order Template).

The proposed Task Order must identify the following:

- 1) Description of the services, including deliverables;
 - 2) The total Not-to-Exceed Fees for Consultant to complete the services, including estimated number of hours per assigned staff to complete the services;
 - 3) Proposed staff that will be assigned to complete the services, including resumes if not previously provided to Valley Water's Project Manager;
 - 4) Estimated cost of each other direct cost and reimbursable expense, including any applicable fees;
 - 5) Schedule for completing the services; and
 - 6) Copies of applicable state and federal permits required to complete the services, unless previously provided to Valley Water.
- B. Consultant agrees that the Not-to-Exceed Fees specified in a proposed Task Order will be the product of a good faith effort in exercising its professional judgment. After an agreement has been reached on the negotiable items, the finalized Task Order will be signed by both Valley Water's authorized representative referenced in the Standard On-Call Consultant Agreement, Appendix One Additional Legal Terms (Appendix One) and Consultant's authorized representative.
 - C. Consultant must not commence performance of work or services on a Task Order until it has been approved by Valley Water's authorized representative and Notice to Proceed has been issued by Valley Water Project Manager. No payment will be made for any services performed prior to approval or after the period of performance of the Task Order. The period of performance for Task Orders will be in accordance with dates specified in the Task Order. No Task Order will be written which extends beyond the expiration date of this Agreement. The total amount payable by Valley Water for an individual Task Order will not exceed the amount agreed to in the Task Order.
 - D. Prevailing Wage Requirements: The Scope of Services may be considered by Valley Water to be "Public Works" requiring the payment of prevailing wages. See the Standard On-Call Consultant Agreement, Section Four, Fees and Payments, subsection 3. Prevailing Wages, and Appendix Three, Task Order Template.

14. Good Neighbor

Valley Water always strives to be a good neighbor to the community adjacent to its facilities. Consultant will ensure that disturbance to neighbors is minimized. Consultant, its staff, and Subconsultants will always interact with the members of the public in a polite and professional manner.

15. Governmental Permits and Notifications

Unless otherwise expressly stated herein or in an executed Task Order, Consultant represents and warrants that it has investigated the need for, and has or will procure, at its cost, and in its own name to the extent allowed by law, all governmental permits, notifications, approvals and inspections required for the performance of the Services. Consultant shall promptly notify Valley Water if any such permit or approval lapses or is modified or revoked. If, pursuant to applicable law, any such permits or approvals must be procured in Valley Water's name, Consultant shall promptly so inform Valley Water and assist Valley Water in obtaining such permits or approvals.

16. Taxes and Benefits

Consultant has full and exclusive liability for the payment of, and Consultant will pay, any and all taxes and contributions for unemployment insurance, retirement benefits, workers' compensation insurance or benefits, life insurance, pensions, annuities and similar benefits and any other employment-related costs, obligations, and duties that may now or hereafter be imposed by law, collective bargaining agreements or otherwise with respect to persons employed by Consultant for the performance of Services pursuant to this Agreement.

17. Nonwaiver of Rights

The failure of either Party to this Agreement to object to or to take affirmative action with respect to any conduct of the other Party that is in violation of the terms of this Agreement will not be construed as a waiver thereof, or as waiver of any future breach or subsequent wrongful conduct.

18. Notices

Unless otherwise specified in this Agreement, all requests for written approval or legal notices must be sent to the representatives below. All notices are deemed to have been given when made in writing and when delivered or mailed to the representatives of Valley Water and Consultant at their respective addresses as follows:

VALLEY WATER:

Deputy Operating Officer, as listed in section 1. Representatives, of the attached Schedule, Scope of Services.

CONSULTANT:

Consultant Principal Officer, as listed in section 1. Representatives, of the attached Schedule, Scope of Services.

19. No Third-Party Beneficiaries

Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity, other than the Parties hereto, any legal or equitable right, remedy, or claim under or in respect of this Agreement or any covenants, conditions, or provisions contained herein.

20. Severability

If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.

21. Debt Limitation

This Agreement is contingent on the appropriation of sufficient funding by Valley Water for the services described in this Agreement. Valley Water is subject to laws or policies which limit its ability to incur debt in future years. Nothing in this Agreement shall constitute an obligation of future legislative bodies of Valley Water to appropriate funds for purposes of this Agreement.

22. Appendices

The following Standard On-Call Consultant Agreement Appendices are incorporated herein by this reference as though set forth in full:

Appendix One - Additional Legal Terms
Appendix Two - Dispute Resolution
Appendix Three - Task Order Template
Appendix Four - Insurance Requirements

23. Schedule and Attachments

Schedule OC, Scope of Services, and its Attachments are incorporated herein by this reference as though set forth in full:

Attachment One - Fees and Payments
Attachment Two - Schedule of Completion
Attachment Three - Consultant's Key Staff and Subconsultants
Attachment Four - Reference Materials

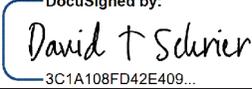
(SIGNATURES FOLLOW ON NEXT PAGE)

IN WITNESS WHEREOF, THE PARTIES HAVE SET FORTH BELOW THEIR CONSENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT THROUGH THE SIGNATURES OF THEIR DULY AUTHORIZED REPRESENTATIVES.

SANTA CLARA VALLEY WATER DISTRICT
Valley Water

COTTON, SHIRES AND ASSOCIATES, INC.
Consultant

By: _____
John L. Varela
Chair Pro Tem
Board of Directors

By:  _____
David T. Schrier
Vice President, Principal Geotechnical
Engineer

Date: _____

7/26/2022
Date: _____

ATTEST:

Michele L. King, CMC
Clerk, Board of Directors

Consultant's Address:
330 Village Lane
Los Gatos, CA 95030-7218

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**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX ONE
ADDITIONAL LEGAL TERMS**

1. Conflict of Interest for Future Services

Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant shall not submit a proposal:

- A. For any agreement to be awarded for planning, design, construction management, or the construction of any project that is related to the Services provided pursuant to this Agreement NOTE: A conflict may not exist where Consultant's Services did not create an unfair competitive advantage; where Consultant did not influence any of Valley Water's decisions relating to the new agreement; and where Consultant's provision of Services amounts to a limited technical role overall;
- B. In response to any request for proposal or Valley Water solicitation developed or prepared by or with the assistance of Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant; or
- C. For any single or sole source products/services related to the Services pursuant to this Agreement or have a financial stake in any single or sole source products/services resulting from this Agreement.

2. Dispute Resolution

If a dispute occurs between the Parties as a result of this Agreement, then the Parties agree to use the Dispute Resolution process outlined in the Standard On-Call Consultant Agreement, Appendix Two, Dispute Resolution.

3. Small Business Enterprise (SBE) Participation - NOT USED

4. Task Order Approvals

- A. Services to be performed pursuant to a Task Order may only commence once a specific Notice to Proceed for that Task Order has been issued by Valley Water.
- B. Task Orders are subject to approval by Valley Water's Deputy Operating Officer unless delegated to an Assistant Operating Officer or Unit Manager.
- C. Valley Water Unit Manager(s) is authorized to approve individual Task Orders in an amount not-to-exceed \$ [Authorization Amount]. [NOT USED]
- D. The total not-to-exceed amount for any one Task Order shall not exceed \$ [NOT-TO-EXCEED AMOUNT]. [NOT USED]

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**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

1. Consultant's Questions and Concerns

Questions regarding the Terms, Conditions, and Services relating to this Agreement will be decided by Valley Water who will furnish the decisions to Consultant in writing within 30 days after receiving a written request from Consultant.

2. Dispute Resolution

A. Alternate Dispute Resolution

Valley Water intends to use Alternate Dispute Resolution (ADR) techniques including partnering and mediation to resolve disputes relating to the Project.

B. Consultant and its Subconsultants are expected to participate in all ADR efforts.

C. The cost of partnering, training facilities, and facilitator will be borne by Valley Water.

3. Negotiations Before and During Mediation

Negotiations to resolve disputes before and during mediation are initiated for settlement purposes only, are confidential, and are not binding unless otherwise agreed by Valley Water and Consultant.

4. Voluntary Mediation

A. Initiation of Mediation

Any Party to a dispute or claim may initiate mediation by notifying the other Party or Parties in writing.

B. Request for Mediation

A request for mediation must contain a brief written statement of the nature of the dispute or claim, and the names, addresses, and phone numbers of all parties to the dispute or claim, and those who will represent them, if any, in the mediation.

C. Selection of Mediator

- 1) Upon receipt of a written request for mediation, unless otherwise agreed by the Parties, within 14 days, the Parties will confer to select an appropriate mediator agreeable to all Parties.
- 2) If the Parties cannot agree on a mediator, they hereby agree to accept a mediator appointed by a recognized association such as the American Arbitration Association.

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

D. Qualifications of a Mediator

- 1) Any mediator selected must have expertise in the area of the dispute and be knowledgeable in the mediation process.
- 2) No person shall serve as a mediator in any dispute in which that person has any financial or personal interest in the result of the mediation.
- 3) Before accepting an appointment, the prospective mediator must disclose any circumstances likely to create a presumption of bias or prevent a prompt meeting with the Parties. Upon receipt of such information, the Parties will confer and decide whether to select another mediator.

E. Vacancies

If any mediator becomes unwilling or unable to serve, another mediator will be selected unless the Parties agree otherwise.

F. Representation

- 1) Any Party may be represented by person(s) of their choice who must have full authority to negotiate.
- 2) The names and addresses of such person(s) must be communicated in writing to both Parties and to the mediator.

G. Time and Place of Mediation

- 1) The mediator will set the time of each mediation session.
- 2) The mediation will be held at a convenient location agreeable to the mediator and the Parties, as determined by the mediator.
- 3) All reasonable efforts will be made by the Parties and the mediator to schedule the first session within 60 days after selection of the mediator.

H. Identification of Matters in Dispute

- 1) Parties shall comply with the process as required by the mediator with regard to providing the mediator with a memorandum setting forth its position with regard to the issues that need to be resolved. At the discretion of the mediator, or otherwise agreed by the Parties, the Parties may mutually exchange such memoranda.
- 2) At the first session, the Parties will be expected to produce all information reasonably required for the Mediator to understand the issue(s) presented. The mediator may require each Party to supplement such information.

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

I. Authority of Mediator

- 1) The mediator does not have authority to impose a settlement on the Parties but will attempt to assist the Parties in reaching a satisfactory resolution of their dispute.
- 2) The mediator is authorized to conduct joint and separate meetings with the Parties and to make oral and written recommendations for settlement.
- 3) Whenever necessary, the mediator may also obtain expert advice concerning technical aspects of the dispute, provided the Parties agree and assume the expenses of obtaining such advice. Arrangements for obtaining such advice will be made by the mediator or the Parties, as determined by the mediator.
- 4) The mediator is authorized to end the mediation whenever, in the mediator's judgment, further efforts at mediation would not contribute to a resolution of the dispute between the Parties.

J. Privacy

- 1) Mediation sessions are private.
- 2) The Parties and their representatives may attend mediation sessions.
- 3) Other persons may attend only with the permission of the Parties and with the consent of the mediator.

K. Confidentiality

Except as provided by California or federal law or regulation:

- 1) The mediator will not divulge confidential information disclosed to a mediator by the Parties or by witnesses in the course of the mediation.
- 2) All records, reports, or other documents received by a mediator while serving as mediator, are confidential.
- 3) The mediator must not be compelled to divulge such records or to testify in regard to the mediation in any adversary proceeding or judicial forum.
- 4) The Parties must maintain the confidentiality of the mediation and must not rely on, or introduce as evidence in any arbitration, judicial or other proceedings:
 - a. Views expressed, or suggestions made by the other Party with respect to a possible settlement of the dispute;
 - b. Statements made by the other Party in the course of the mediation proceedings;

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

- c. Proposals made or views expressed by the mediator; and
- d. Whether the other Party had or had not indicated willingness to accept a proposal for settlement made by the mediator.

L. No Stenographic Record

There shall be no stenographic record of the mediation.

M. Termination of Mediation

- 1) The mediation shall be terminated:
 - a. By the execution of a Settlement Agreement by the Parties;
 - b. By a written declaration of the mediator to the effect that further efforts at mediation are no longer worthwhile; or
 - c. By a written declaration of a Party or Parties to the effect that the mediation proceedings are terminated.
- 2) No mediator shall be a necessary Party in judicial proceedings related to the mediation.

N. Exclusion of Liability

No mediator shall be a necessary Party in judicial proceedings related to the mediation.

O. Interpretation and Application of These Mediation Provisions

The mediator will interpret and apply these mediation provisions insofar as they relate to the mediator's duties and responsibility.

P. Expenses

- 1) The expenses of witnesses for each Party must be paid by the Party producing the witnesses.
- 2) All other expenses of the mediation, including required travel and other expenses of the mediator, and the expenses of any witness called by the mediator, or the cost of any proofs or expert advice produced at the direct request of the mediator, will be apportioned as the mediator finds appropriate or as otherwise agreed to by the Parties.

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

5. Compensation for Participation in Mediation

Neither Consultant nor Valley Water is entitled to compensation for time spent in or for negotiations or mediation to resolve questions or disputes between Consultant and Valley Water arising out of this Agreement.

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**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX THREE
TASK ORDER TEMPLATE**

Task Order No. _____

Title: _____

Agreement: Standard On-Call Consultant Agreement _____ (Agreement) by and between the Santa Clara Valley Water District (Valley Water) and _____ (Consultant), dated _____.

Valley Water: _____

Consultant: _____

Dollar Amount of Task Order: Not-to-Exceed \$ _____

1. Upon full execution of this Task Order No. _____, as set forth in the Standard On-Call Consultant Agreement, Section Twelve, Miscellaneous Provisions, subsection 13. Task Orders, and the issuance of a Notice to Proceed by the Valley Water Project Manager, Consultant is hereby authorized to perform the Services described in Attachment A to this Task Order. Any costs incurred, Services performed or expenditures by Consultant before this Task Order is executed or before the issuance of the Notice to Proceed will be considered outside the contracted Scope of Services and will not be eligible for payment.
2. Both the Scope of Services to be performed and the deliverables to be provided in accordance with this Task Order are described in Attachment A which is attached hereto and incorporated by this reference. Attachment A shall include at a minimum the following:
 - A. Consultant personnel to be assigned to perform the Services, including resumes if not previously provided to Valley Water;
 - B. The total not-to-exceed fees amount for Consultant to complete the Services, including estimated number of hours required to perform the Services assigned to each Consultant classification;
 - C. Estimated cost of each other direct cost and reimbursable expense, including any applicable fees;
 - D. The distribution detail for each service, direct cost, and reimbursable expense. This information must be included in the invoice for the services authorized under this task order; and
 - E. Project schedule for completing the Scope of Services.
3. Consultant shall be compensated at fixed fees or at the hourly rates established in Schedule OC, Attachment One, Fees and Payments. Consultant agrees that it will provide all equipment, furnish all materials, except as may be otherwise noted in the Attachment A.

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX THREE
TASK ORDER TEMPLATE**

- 4. This Task Order becomes effective on the date of full execution by authorized representatives of the Parties and remains in effect until the earlier of: completion of the tasks set forth in Attachment A; or [expected completion date].
- 5. Copies of applicable local, state and federal permits required to perform the Services described in Attachment A are attached to this Task Order, unless Consultant previously provided the appropriate permits to Valley Water.
- 6. Consultant shall perform all Services described in Attachment A to this Task Order in accordance with the Terms and Conditions of the Agreement.
- 7. Prevailing Wage Requirements
 - A. The Scope of Services described in this Task Order may be considered by Valley Water to be "Public Works" requiring the payment of prevailing wages. See the Standard On-Call Consultant Agreement, Section Four, Fees and Payments, subsection 3. Prevailing Wages.
 - B. In accordance with prevailing wage laws, the Director of the California Department of Industrial Relations (Director) has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes available to the particular craft, classification, or type of workers employed on the Project. These rates are set forth in the latest determination obtained from the Director, which is on file in Valley Water's Office of the Clerk of the Board of Directors and incorporated herein by reference the same as though set forth in full. The rates are also available on the State of California Department of Industrial Relations website at <http://www.dir.ca.gov>.

8. Signatures:

Signature: _____ DATE _____
 [NAME OF CONSULTANT FIRM]
 [PRINT NAME]
 [PRINT TITLE]

Signature: _____ DATE _____
 SANTA CLARA VALLEY WATER DISTRICT
 [PRINT NAME]
 [PRINT TITLE]

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

Please Note: Failure to comply with the instructions below could result in a delay in receiving the Notice to Proceed. The District will not be responsible for time lost or costs incurred due to failure to comply with these requirements. Please note the check-list of documents needed at the end of this Appendix Four Insurance Requirement.

Without limiting the Consultant's indemnification of, or liability to, the Santa Clara Valley Water District ("District" or "Valley Water"), the Consultant must provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions as listed below.

Consultant must provide its insurance broker(s)/agent(s) with a copy of these requirements and warrants that these requirements have been reviewed by Consultant's insurance agent(s) and/or broker(s), who have been instructed by Consultant to procure the insurance coverage required herein.

In addition to certificates, Consultant must furnish District with copies of all original endorsements affecting coverage required by this Appendix. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. **All endorsements and certificates are to be received and approved by District before the Agreement is executed.** In the event of a claim or dispute, District has the right to require Consultant's insurer to provide complete, certified copies of all required pertinent insurance policies, including endorsements affecting the coverage required by this Appendix Four Insurance Requirement document.

If your insurance broker has any questions about the above requirements, please advise him/her to call Mr. David Cahen, District Risk Manager at (408) 630-2213.

Certificates of Insurance

Consultant shall furnish the District with a Certificate of Insurance. The certificates will be issued on a standard ACORD Form.

Consultant shall instruct their insurance broker/agent to submit all insurance certificates and required notices electronically in PDF format to the designated District Contract Administrator and email a copy to: valleywater@ebix.com.

The certificates will:

1. Identify the underwriters, the types of insurance, the insurance limits, the deductibles and the policy term;
2. Include copies of all the actual policy endorsements required herein; and
3. In the "Certificate Holder" box include:

**Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118
Agreement A4666A / PB No. VW0041**

IMPORTANT: The agreement or PB number must be included.

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

In the Description of Operations/Locations/Vehicles/Special Items Box:

1. Certificate Holder shall be named as Additional Insured;
2. District agreement or project number shall appear;
3. The list of policies scheduled as underlying on the Umbrella policy shall be listed; and
4. Waiver of Subrogation must be indicated as endorsed to all policies.

If Consultant receives any notice that any of the insurance policies required by this Appendix Four Insurance Requirements may be cancelled or coverage reduced for any reason whatsoever, Consultant or insurer shall immediately provide written notice to the designated District Contract Administrator that such insurance policy required by this Appendix Four Insurance Requirements is canceled or coverage is reduced.

Maintenance of Insurance

If Consultant fails to maintain such insurance as is called for herein, District, at its option, may suspend payment for work performed and/or may order Consultant to suspend all Consultant's work at Consultant's expense until a new policy of insurance is in effect.

Renewal of Insurance

Consultant will provide the District with a current Certificate of Insurance and endorsements within thirty (30) business days from the expiration of insurance.

Consultant shall instruct its insurance broker/agent to:

1. Submit all renewals of insurance certificates and required notices electronically in PDF format to: valleywater@ebix.com
2. Provide the following information in the "Certificate Holder" box:

**Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118
Agreement A4666A / /PB No. VW0041**

IMPORTANT: The agreement or PB number must be included.

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**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

Consultant must, at its sole cost and expense, procure and maintain during the entire period of this Agreement the following insurance coverage(s).

Required Coverages

1. Commercial General/Business Liability Insurance with coverage as indicated:

\$1,000,000 per occurrence / **\$1,000,000** aggregate limits for bodily injury and property damage

General Liability insurance must include:

- a. Coverage at least as broad as found in standard ISO form CG 00 01.
- b. Contractual Liability expressly including liability assumed under this contract.
- c. If Consultant must be working within fifty (50) feet of a railroad or light rail operation, any exclusion as to performance of operations within the vicinity of any railroad bridge, trestle, track, roadbed, tunnel, overpass, underpass, or crossway must be deleted, or a railroad protective policy in the above amounts provided.
- d. Severability of Interest.
- e. Broad Form Property Damage liability.

2. Business Auto Liability Insurance with coverage as indicated:

\$1,000,000 combined single limit for bodily injury and property damage per occurrence, covering all owned, non-owned and hired vehicles.

3. Professional/Errors and Omissions Liability with coverage as indicated:

\$1,000,000 per claim/ **\$1,000,000** aggregate

Professional/Errors and Omission Liability appropriate to the Consultant's profession, and must include:

- a. If coverage contains a deductible, or self-insured retention, it shall not be greater than one hundred thousand dollars (\$100,000) per occurrence/event.
- b. Coverage shall include contractual liability
- c. If coverage is claims-made:
 - i. Certificate of Insurance shall clearly state that the coverage is claims-made.
 - ii. Policy retroactive date must coincide with or precede the Consultant's start of work (including subsequent policies purchased as renewals or replacements).
 - iii. Policy must allow for reporting of circumstances or incidents that might give rise to future claims.
 - iv. Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract of work.

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

4. Workers' Compensation and Employer's Liability Insurance

Statutory California Workers' Compensation coverage covering all work to be performed for the District.

Employer Liability coverage for not less than \$1,000,000 per occurrence.

General Requirements

With respect to all coverages noted above, the following additional requirements apply:

1. **Additional Insured Endorsement(s):** Consultant must provide an additional insured endorsement for Commercial General/Business Liability (for both on-going and completed operations) and Business Automobile liability coverage naming the **Santa Clara Valley Water District, its Directors, officers, employees, and agents, individually and collectively**, as additional insureds, and must provide coverage for acts, omissions, etc. arising out of the named insureds' activities and work. Other public entities may also be added to the additional insured endorsement as applicable and the Consultant will be notified of such requirement(s) by the District. **NOTE:** This section does not apply to the Workers' Compensation and Professional Liability policies.

(**NOTE:** Additional insured language on the Certificate of Insurance is **NOT** acceptable without a separate endorsement such as Form CG 20 10, CG 2033, CG 2037, or CG 2038. Editions dated 07/04 are not acceptable.)

2. **Primacy Clause:** Consultant will provide evidence (either through the Certificate of Insurance, endorsement or language in the insurance contract) that consultant's insurance is primary with respect to any other insurance which may be carried by the District, its Directors, its officers, agents and employees, and the District's coverage must not be called upon to contribute or share in the loss. **NOTE:** This section does not apply to the Workers' Compensation policies.
3. **Cancellation Clause:** Consultant will provide endorsements for all policies stating that the policy will not be cancelled without 30 days prior notification to the District.
4. **Acceptability of Insurers:** All coverages must be issued by companies admitted to conduct business in the State of California, which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the District's Risk Manager. Non-Admitted companies may be substituted on a very limited basis at the Risk Manager's sole discretion.
5. **Self-Insured Retentions or Deductibles:** Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, officials, employees and volunteers; or the Consultant shall provide a

**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

financial guarantee satisfactory to the Entity guaranteeing payment of losses and related investigations, claim administration, and defense expenses. Consultant agrees that in the event of a claim they will pay down any agreed upon SIR in a prompt manner as soon as bills are incurred in order to trigger the insurance related to the SIR.

6. **Subconsultants:** The Consultant shall secure and maintain or shall be responsible for ensuring that all subconsultants performing the Contract Services secure and maintain all insurance coverages appropriate to their tier and scope of work in a form and from insurance companies reasonably acceptable to the District.
7. **Amount of Liability not Limited to Amount of Insurance:** The insurance procured by Consultant for the benefit of the District must not be deemed to release or limit any liability of Consultant. Damages recoverable by the District for any liability of Consultant must, in any event, not be limited by the amount of the required insurance coverage.
8. **Coverage to be Occurrence Based:** Except for Professional Liability, all coverage must be occurrence-based coverage. Claims-made coverage is not allowed.
9. **Waiver of Subrogation:** Consultant agrees to waive subrogation against the District to the extent any loss suffered by Consultant is covered by any Commercial General Liability policy, Automobile policy, Workers' Compensation policy described in **Required Coverages** above. Consultant agrees to advise its broker/agent/insurer and agrees to provide evidence (either through the Certificate of Insurance, endorsement or language in the insurance contract) that subrogation has been waived by its insurer.
10. **Non-compliance:** The District reserves the right to withhold payments to the Consultant in the event of material noncompliance with the insurance requirements outlined above.

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**STANDARD ON-CALL CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

CHECK LIST OF DOCUMENTS NEEDED

General Liability:	A.	Limits (\$1,000,000)	
	B.	Additional Insured (Endorsement)	
	C.	Waiver of Subrogation (COI, Endorsement or policy language)	
	D.	Primacy (COI, Endorsement or policy language)	
	E.	Cancellation Endorsement	

Auto Liability:	A.	Limits (\$1,000,000)	
	B.	Additional Insured (Endorsement)	
	C.	Waiver of Subrogation (COI, Endorsement or policy language)	
	D.	Primacy (COI, Endorsement or policy language)	
	E.	Cancellation Endorsement	

Umbrella:	A.	Limits (\$)	
	B.	Primacy (Endorsement or policy language)	

Workers Comp:	A.	Limits (\$1,000,000)	
	B.	Waiver of Subrogation (Endorsement or policy language)	
	C.	Cancellation Endorsement	

Professional Liability:	A.	Limits (\$1,000,000)	
	B.	Cancellation Endorsement	

Appendix Four Consultants GL1AL1PL1 rev. 7.20.20 / rev. 7.22.22

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SCHEDULE OC SCOPE OF SERVICES

1. Representatives

- A. Valley Water's representatives are as listed below. Unless otherwise provided in this Agreement, all correspondence to Valley Water must be addressed to Valley Water's Project Manager (VWPM).

Thomas Lau (Valley Water Project Manager)
Senior Engineer
Raw Water Division
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: 408-630-2587
Email: tlau@valleywater.org

Joel Jenkins
Unit Manager Raw Water Division
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: 408-630-2609
Email: jjenkins@valleywater.org

Greg Williams
Deputy Operating Officer
Raw Water Division
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: 408-630-2867
Email: gwilliams@valleywater.org

- B. Consultant's Project Manager is as listed below. All Valley Water questions and correspondence pertaining to this Agreement shall be referred to the Consultant's Project Manager.

David T. Schrier (Consultant Project Manager or CPM)
Cotton, Shires and Associates, Inc.
Vice President, Principal Geotechnical Engineer
330 Village Lane
Los Gatos, CA 95030

Phone: 408-354-5542 Ex. 216
Email: dschrier@cottonshires.com

SCHEDULE OC SCOPE OF SERVICES

- C. Consultant's Principal Officer for this Agreement is as listed below. As per the Agreement, Section Twelve, Miscellaneous Provisions, subsection 18. Notices, all notices pertaining to this Agreement must be submitted to the Consultant's Principal Officer.

David T. Schrier (Consultant Principal Officer)
Cotton, Shires and Associates, Inc.
Vice President, Principal Geotechnical Engineer
330 Village Lane
Los Gatos, CA 95030

Phone: 408-354-5542, ex. 216
Email: dschrier@cottonshires.com

2. Scope of Services

- A. This Schedule OC, Scope of Services describes the professional engineering consultant services to be performed by Consultant for Valley Water's Engineering Geology and Geotechnical Engineering (Project). Valley Water reserves the right to initiate a new consultant agreement selection process for services for any subsequent phase(s) and/or utilize Valley Water staff to perform such services.

3. Project Objectives

- A. The Santa Clara Valley Water District (Valley Water) implements a number of capital and operational projects and programs to meet its mission and goals in water supply, flood protection and watershed stewardship. The on-call services provided pursuant to this Agreement will augment the services of Valley Water staff and provide additional Engineering Geology and Geotechnical Engineering services as needed.
- B. The objective of this on-call Services Agreement is for consultant to perform Engineering Geology and Geotechnical Engineering services to support Valley Water's Penitencia Creek Landslide and Santa Clara Conduit Calaveras Fault Crossing Monitoring Program.
- C. The objective of Valley Water's Penitencia Creek Landslide and Santa Clara Conduit Calaveras Fault Crossing Monitoring Program is to identify and evaluate the effects of known engineering geologic hazards on Valley Water's Water Utility Infrastructure.
- D. All Services required pursuant to this Agreement will be provided only on an as-needed/as-requested basis by the issuance of an authorized Task Order by the Valley Water to the Consultant. A project scope will be developed for each task order, including deliverables for a total not-to-exceed amount. No work will be performed without a task order. The Consultant will perform services on a Task Order Basis as authorized by the VWPM, as set forth in the Standard On-Call Consultant Agreement, Section Twelve, Miscellaneous Provisions, subsection 13. Task Orders.

SCHEDULE OC SCOPE OF SERVICES

4. Project Background

- A. The mission of the Santa Clara Valley Water District, now known as Valley Water, is to provide Silicon Valley safe, clean water for a healthy life, environment, and economy. Valley Water is a public agency providing water supply, flood protection, and stream stewardship for Santa Clara County. Valley Water manages an integrated water resources system that includes the supply of clean safe water, flood protection and stewardship of streams on behalf of Santa Clara County's 2 million residents. Valley Water effectively manages ten dams and surface water reservoirs, three water treatment plants, a state-of-the-art water quality laboratory, and more than 275 miles of streams. For information about Valley Water, visit www.valleywater.org.
- B. Valley Water's Penitencia Water Treatment Plant, Penitencia Delivery Main and Penitencia Force Main and the California Department of Water Resource's South Bay Aqueduct and Terminal Tank were constructed on a known, large, and slowly moving landslide that has the potential to adversely impact the structural integrity and operation of the facilities.
- C. The Santa Clara Conduit, which is owned by United States Bureau of Reclamation (USBR) and operated and maintained by Valley Water, was constructed across the known and active Calaveras Seismic Fault that has the potential to adversely impact the structural integrity and operation of the facility.
- D. Since their original construction, Valley Water in an effort to maintain and ensure the long-term reliability of the respective systems has monitored and analyzed the engineering geologic hazards to:
- 1) Determine the effects of the landslide and the Calaveras fault on the water utility infrastructure, and
 - 2) Plan infrastructure improvements to mitigate the effects of the resulting differential displacements.

5. Assumptions and Requirements

A. General Assumptions and Requirements

- 1) **Manage Scope of Services.** Consultant shall manage the Scope of Services such that the work is completed within the Not-to-Exceed Fees limit and in accordance with the Project schedule as stated in each approved Task Order and ensure that all services and deliverables meet Valley Water and Project requirements.
- 2) **Deliverable Format.** Consultant shall submit deliverables in both electronic and hardcopy format If requested. Deliverables shall be submitted in PDF and native (editable) format, including Word documents, Excel spreadsheets, PowerPoint files, AutoCAD files, Geographic Information System (GIS) work product and files, etc. The hard copy deliverables shall be printed in professional quality presentation and submitted in five (5) hard copies and one (1) electronic copy, if requested. Valley Water may require original copies of signed documents and/or scanned (Adobe PDF) versions.

SCHEDULE OC SCOPE OF SERVICES

- 3) **Review of Deliverables.** Valley Water will review and comment on all Project deliverables and forward to the Consultant for revision and preparation of final versions. As determined by Valley Water, some of the deliverables may also be subject to review and comment from regulatory agencies and stakeholders following Valley Water review process. For each deliverable, Valley Water will collect comments from all Valley Water stakeholders and provide a single set of consolidated comments to the Consultant. The comments provided by Valley Water staff during the workshops, meetings and site visits will be documented by the Consultant as meeting minutes and will be included in the next revision of the documents.
- 4) **Valley Water Quality Environmental Management System.** Valley Water maintains a Quality Environmental Management System (QEMS) which has procedures, guidelines, and work instructions for the performance of various Valley Water work. If requested, Consultant will perform the applicable Agreement tasks and/or sub-tasks in accordance with the QEMS framework. In such situations, the VWPM will provide the Consultant with the specific QEMS procedure, guideline, and/or work instruction prior to the production of deliverables.
- 5) **Consultant Responsibility.** Consultant, with its expertise in performing the Services described herein, is responsible for making the appropriate assumptions in each task to complete each task's deliverables and to achieve the Project objectives of this Agreement as described in section 3. Project Objectives.
- 6) **Document Control.** Consultant is responsible for establishing and maintaining its own document control system to execute this Scope of Services. An internal document control system for this Project is maintained by Valley Water.
- 7) **File Exchange Service.** Consultant will provide a file exchange service, accessible to all parties as designated by Valley Water, to facilitate communications; particularly of large files over three megabytes. Difficulties in using and transmitting information with this exchange service shall be resolved by the Consultant. In the event that transmitting or receiving information does not occur in a timely manner, Valley Water will not be responsible for delays in completing Project work. Consultant may need to coordinate with Valley Water's Information Technology Division to address any firewall issues and/or permissions required to allow for these communications.
- 8) **Completeness.**
 - a. The completeness of a design set is determined primarily by the substance of the materials on the set, including the adequacy of background and relevant information. Three levels of completeness of a design set are defined using these four terms: Partially Complete; Substantially Complete; Virtually Complete; and Complete.
 - b. A Complete Design Set must include all the information required for a constructible set of plans and specifications; include a project cost estimate; and provide sufficient direction to enable the construction to be performed. The set must be ready for engineering certification (stamping, signing and dating) by a Registered Professional Engineer(s). The set must show the work with complete details and

SCHEDULE OC SCOPE OF SERVICES

dimensions; identify all constraints; include all background information and provide dimensions, and comply with all drafting, specifications and cost estimating standards.

B. Project-Specific Assumptions and Requirements

- 1) This Schedule OC, Scope of Services describes the on-call Engineering Geology and Geotechnical Engineering professional services to be performed by Consultant for Valley Water's (Project). The deliverables, number of staff hours, and proposed staff for each Task Order will depend on the nature and scope of services requested by Valley Water, as well as the not-to-exceed fees of the Agreement, and will be negotiated along with the Services, payment terms, and not-to-exceed fees for each Task Order. There is no guarantee of any amount of work that will be given to the selected firm.
- 2) The Consultant will not be eligible to propose on future design services or bid on future Valley Water construction projects for which they provided services.
- 3) Task Orders will not be issued to Consultant when Consultant cannot perform the Services due a conflict of interest or if all funds in this Agreement have been expended.
- 4) Conflict of Interest. In addition to Valley Water's General Terms and Conditions, the following will apply with regard to conflict of interest:
 - a. Consultant may be awarded multiple Task Orders pursuant to this agreement, for the same Valley Water Project.
 - b. Consultant is precluded from performing services for any other entity, or in any other capacity for Valley Water, on the same Valley Water project, for which a Task Order has been issued.
 - c. If Consultant is already performing services on a Valley Water project, unrelated to this Agreement, in any capacity, a Task Order related to that project will not be issued pursuant to this Agreement.

6. Scope of Services Tasks

The On-Call Scope of Services will generally include, but not be limited to the Tasks described below. Tasks and deliverables will be determined on a task order basis.

Task 1 - Project Management and Coordination

The purpose of this task is for Consultant to manage this Scope of Services such that the work is completed within the not-to-exceed fees limit stated in Schedule OC, Attachment One, Fees and Payments, and in accordance with the Project Schedule stated in Schedule OC, Attachment Two, Schedule of Completion, while ensuring that all services and deliverables by the Consultant meet Valley Water and Project requirements.

SCHEDULE OC SCOPE OF SERVICES

1.1 Kickoff Meeting

Consultant will attend kickoff meeting with Valley Water. The purpose of the kickoff meeting is to introduce key Valley Water and Consultant team members to one another, acquaint all participants with the purpose of and expectations for the Project, describe team members' roles and responsibilities, describe Project procedures, and summarize scope and schedule.

1.1 Task Order Work Plan. Consultant will prepare a Project Planning Work Plan in accordance with this Scope of Services.

1.1.1 The Task Order Work Plan shall include Project objectives, requirements, constraints, a detailed Project Schedule (showing major tasks and deliverables), a breakdown of Consultant's costs for the major tasks, a list of the Consultant's team members and their roles and responsibilities, communication protocols (internal and external), document control procedures, and other administrative procedures.

1.1.2 The Task Order Work Plan shall include a Project Quality Assurance and Quality Control (QA/QC) Plan documenting the Consultant's procedures to ensure the Consultant's services and deliverables meet Valley Water requirements and accepted practices and standards of the Consultant's profession. Valley Water reserves the right to request and review the Consultant's Project documentation demonstrating its adherence with their own quality assurance procedures.

1.2 Progress Meeting and Workshops. Valley Water and Consultant key staff and subconsultants as determined necessary and appropriate by Consultant, subject to VWPM approval, will coordinate and attend periodic progress meetings and workshops with Valley Water staff, regulatory and resource agencies, and review boards, as needed, to review, and discuss the progress of the work. For each meeting or workshop, the Consultant will prepare the meeting agenda and notes and submit them for review by Valley Water.

1.3 One-on-One Meetings with Valley Water. Consultant Project Manager must provide a brief update of the team's work activities completed within the week, the look-ahead activities, and the issues and actions that require Valley Water's attention. The meeting schedule will be established by Valley Water (weekly, biweekly, quarterly, or as needed) either in person or virtual at Valley Water's discretion.

1.4 Coordination and Communication with External Agencies. Consultant will assist the VWPM with coordination and communication with appropriate regulatory or other agencies, as necessary, to execute this Scope of Services. This task includes support in drafting correspondence related to the Consultant's Project Planning/Pre-Design activities as requested by Valley Water.

1.5 Public Outreach. If requested, the Consultant will provide support and assistance with Valley Water's public outreach activities. Such assistance may include coordination, preparation, and participation including, preparing presentation materials, attendance at meetings, preparation of newsletters, graphics, updates to the Project website, developing responses to questions, and other tasks as directed by the VWPM.

SCHEDULE OC SCOPE OF SERVICES

1.6 Project-Specific Sub-Tasks

1.6.1 Additional Review Meetings.

Consultant shall recommend convening and attending meetings, workshops, and field/site visits with Valley Water as needed to complete the Task Order tasks.

Task 1 - Deliverables

1. Task Order Work Plan including QA/QC Plan (Draft, Draft Final and Final)
2. Meeting Agendas, Minutes, and Presentations
3. Weekly or Twice-a-week Meetings/Conference Calls attendance and notes; frequency of meetings and calls will be at Valley Water's discretion
4. Monthly status update on each task.

Task 2 – Data Collection and Investigation

The purpose of this task is to review existing information and perform studies and analysis to establish existing conditions and define and confirm the problems and deficiencies. The scope of this task includes but is not limited to:

- 2.1 Review Existing Information.** Consultant shall review all existing information including studies, reports, memoranda, survey data, etc., and perform background research, data collection, and field investigation to establish existing conditions. Consultant shall recommend revised monitoring schedules and/or additional studies and assessments, if required, for Valley Water approval.
- 2.2 Studies and Analyses.** Consultant shall conduct further studies and assessment, if approved, and shall use the information from these studies and analyses together with the existing information, to define and confirm the problems and deficiencies. Consultant shall prepare Technical Memoranda to document these studies and analyses.
- 2.3 Task Order Requirements.** Consultant shall assist Valley Water with the identification and establishment of the Project requirements. Consultant shall prepare, at Valley Water's discretion, a Project Requirement Memorandum which shall be updated periodically.
- 2.4 Problem Definition Report.** Consultant shall prepare, at Valley Water's discretion, a Problem Definition Report, which will include detailed information on the project background and existing conditions, detailed descriptions of the problems and deficiencies, a listing of the project requirements, identification of opportunities and constraints, and any refinements to the project objectives.

Task 2 - Deliverables

1. Deliverables will be stated in each Task Order

SCHEDULE OC SCOPE OF SERVICES

Task 3 - Engineering Geologic Hazard Evaluation and Mitigation

A general description of the recommended services for each engineering geologic hazard is provided below.

- 3.1** Monitoring: Monitor, collect, record and analyze data including the following:
 - 3.1.1 Record ground deformation readings from existing instrumentation on a quarterly basis or more frequently as needed or as required by the unique site characteristics and conditions.
 - 3.1.2 Record pertinent visual observations and any unusual or significant change in conditions within Valley Water that may affect maintenance, monitoring, or capital improvements.
- 3.2** Maintenance: Provide routine and ongoing maintenance for instrumentation to insure continuous and proper operation.
- 3.3** Data Review, Evaluation, and Database Maintenance:
 - 3.3.1 Collect, compile and review field monitoring data. Evaluate data trends and provide periodic communication with Valley Water staff regarding data analyses. Maintain databases of monitoring and maintenance records. Refine and modify hazard geometries and models based on data from new engineering geologic/geotechnical investigations performed. Provide Geographic Information System and mapping services.
 - 3.3.2 Prepare plans, specifications, and cost estimates for recommended monitoring improvements including piezometers, inclinometer, automated in-place sensors (such as Shape Accelerometer Arrays), special scanning (such as LiDAR, InSAR, etc.), and standard terrestrial surveys. Provide project administration and task order management and provide recommendations for future assessment Valley Water monitoring and data collection improvements. This could include identified field work involving future instrumentation or unforeseen field geohazard identification, following significant earthquakes and rainfall events in the vicinity of the facilities and provide recommendations for future assessment District monitoring and data collection improvements.
- 3.4** Reporting
 - 3.4.1 Prepare, at Valley Water's discretion, periodic (annual, biannual, quarterly, etc.) reports summarizing engineering geologic/geotechnical analysis of monitoring data, maintenance operations, and recommendations for mitigation measures (sample annual reports from prior years to be provide by Valley Water).
- 3.5** Emergency Services: Provide on-call emergency service support for engineering geologic hazard monitoring, maintenance, and assessment.

SCHEDULE OC SCOPE OF SERVICES

3.6 Project Administration:

- 3.6.1 Assist with project management for engineering geologic hazard monitoring, assessment, and maintenance program activities.
- 3.6.2 Assist with cost estimates for annual budget reports and coordinate engineering geologic hazard monitoring, assessment, and maintenance program activities with other agencies and Valley Water consultants.

3.7 Summary of existing instrumentation facilities and typical activities for each engineering geologic hazard follows below:

3.7.1 Penitencia Creek Landslide:

- Terrestrial Survey Monuments
- Slope Inclinerometer Borings
- Groundwater Vibrating Wire Piezometers
- Shape Accelerometer Arrays (SAAs)
- Remote Sensing (LiDAR, InSAR, etc.)

3.7.2 Santa Clara Conduit Calaveras Fault Crossing:

- Terrestrial Survey Monuments
- Remote Sensing (LiDAR, InSAR, etc.)

3.8 Engineering Geologic Hazard Evaluation and Mitigation: Perform engineering geological studies, geotechnical testing, engineering geologic/geotechnical-engineering evaluation, and design mitigation measures for active faulting and land-sliding on an as-needed basis. Work shall be performed under the direct supervision of a registered California Geotechnical Engineer (GE) and California Certified Engineering Geologist (CEG).

3.9. Engineering Geologic/Geotechnical Design, Observation and Testing: Perform geotechnical studies and provide observation and testing services for Valley Water properties on an as-needed basis. Work shall be performed under the direct supervision of a registered California Geotechnical Engineer (GE) and California Certified Engineering Geologist (CEG).

3.10 Additional Engineering Geologic/Geotechnical Monitoring Instrumentation: Provide recommendations, designs, plans, specifications, engineering and monitoring protocols for the installation of additional geotechnical monitoring instrumentation including slope inclinometers, piezometers and the like on an as-needed basis. Periodically monitor geotechnical instrumentation as appropriate.

3.11 Environmental / Hazardous Waste: Provide Environmental / Hazardous Waste assessment and remediation services on an as-needed basis.

3.12 Litigation Support: Provide litigation support, expert-witness testimony, and conduct geoforensic studies in support of Valley Water-related litigation.

SCHEDULE OC SCOPE OF SERVICES

3.13 Project-Specific Sub-Tasks

3.13.1 TBD

Task 3 - Deliverables

1. Deliverables will be stated in each Task Order.

Task 4 - Supplemental Services

Valley Water may require, and the Consultant will perform, Supplemental Services on an as-needed basis. Prior to performing such Supplemental Services, Consultant must obtain written authorization in the form of a Task Order approved by Valley Water's authorized representative.

4.1 Specific examples include:

4.1.1 Geographic Information System (GIS) Geohazard mapping with ESRI and/or Google Earth complying with Valley Water Standards for Geographic Information System (GIS) products.

4.1.2 AutoCAD and/or Civil 3d Geotechnical plans, drawings, diagrams, and details complying with Valley Water Standards for AutoCAD products.

4.2 Additional Services. Consultant will provide additional quantities of previously identified services as requested by Valley Water. Consultant will provide additional services for any quantity of tasks and deliverables beyond those stated in Task 1 through Task 3 as Task 4 Supplemental Services, to include but not be limited to:

4.2.1 Additional meetings,

4.2.2 Additional time allotted for meetings,

4.2.3 Additional status/progress reports,

4.2.4 Additional phone conference calls,

4.1.5 Additional pages or copies of technical memoranda, plans, reports, drawings, and specifications, and

4.1.6 Additional public outreach visual materials.

7. Attachments

The following Schedule OC Attachments are incorporated herein by this reference as though set forth in full:

Attachment One - Fees and Payments

Attachment Two - Schedule of Completion

Attachment Three - Consultant's Key Staff and Subconsultants

Attachment Four - Reference Materials

**SCHEDULE OC
ATTACHMENT ONE
FEES AND PAYMENTS**

1. Total Authorized Funding

Total payment for Services performed, to the satisfaction of Valley Water, as described in the Schedule and in all approved Task Orders will not exceed a total amount of **\$500,000** (Not-to-Exceed Fees or NTE). Under no conditions will the total compensation to the Consultant exceed this NTE payment amount without prior written approval in the form of an amendment to this Agreement executed by Valley Water's Board of Directors (Board), or Chief Executive Officer, or designee, as authorized by the Board. It is understood and agreed that this total is an estimate, and the total amount of Services to be requested by Valley Water may be less. **There is no guarantee, either expressed or implied, as to the actual dollar amount that will be authorized pursuant to this Agreement.**

2. Terms and Conditions

A. Payments for Services performed, as described in each Task Order, which applies to the specific Services, will be based on the following terms:

- 1) Valley Water will pay for Services provided by the Consultant according to the rates for professional, technical, and administrative personnel, as well as materials and supplies as listed below in the Hourly/Unit Rate Schedule.
- 2) The stated hourly rates are effective for the term of this Agreement unless otherwise revised as indicated. After 12 months from the date this Agreement is entered into by parties ("anniversary date"), and each 12 months thereafter, these hourly rates may be negotiated by the Consultant and Valley Water, provided Consultant submits written notice to Valley Water of Consultant's request to revise the hourly rates 90 calendar days prior to the anniversary date of this Agreement. Both parties will use as a benchmark for negotiations the percent change for the previous 12 months of the "Employment Cost Index (ECI), for total compensation for private industry workers, for the San Francisco-Oakland-San Jose, CA CSA Census region and metropolitan area (not seasonally adjusted)" as published by the U.S. Department of Labor, Bureau of Labor Statistics, or 2.5%, whichever is less. A negative index will result in rates remaining the same. Such rate revisions are subject to written approval by Valley Water's Deputy Operating Officer.

B. Reimbursable Expenses

- 1) All reimbursable expenses not already covered in overhead may include, but are not limited to, mapping, rendering, printouts, leased equipment, mailing and delivery services, printing services, film and processing, plotting, and supplies. These other direct expenses as approved by Valley Water Project Manager (VWPM) will be billed on a monthly basis at actual cost linked to each Agreement Task, provided that the Task total NTE amount is not exceeded. Consultant shall provide receipts for each other direct expense item(s) with monthly invoices submitted.

**SCHEDULE OC
ATTACHMENT ONE
FEES AND PAYMENTS**

- 2) Equipment purchased on behalf of Valley Water that costs \$50 or more must receive the prior written approval of Valley Water Project Manager (VWPM). All equipment purchased on behalf of Valley Water and paid for by Valley Water shall become the property of Valley Water and be delivered to Valley Water prior to expiration of this Agreement.
 - 3) Travel expenses are reimbursed at actual costs. Travel and overnight accommodations, including per diem, required for performance of this Agreement will be paid at reasonable cost not to exceed the U.S. General Services Agency Per Diem Rates for Sunnyvale/Palo Alto/San Jose, California area, provided prior approval has been obtained from Valley Water Project Manager (VWPM). For air travel, Valley Water will pay the cost of a coach class or equivalent ticket. Where air travel is required, Valley Water will pay the total cost of taxi, rideshare, public transportation, or a rental car, which may include insurance, gas, car fee, and taxes and will be paid at the actual costs incurred. Vehicle rental is limited to a compact or economy model, unless prior approval has been obtained from Valley Water Project Manager (VWPM) for a different type of vehicle.
 - 4) No markup will apply for Consultant to manage Subconsultants, subcontractors and vendors, including lab services.
- C. For staff with rates exceeding the rate of \$[RATE LIMIT]/hr., the Consultant must obtain written approval from the Valley Water Project Manager (VWPM) as to the numbers of hours per task prior to that individual working on the Project. [NOT USED]

D. Prevailing Wage Requirements

- 1) The Scope of Services described in a Task Order may be considered by Valley Water to be "Public Works" requiring the payment of prevailing wages. See the Standard On-Call Consultant Agreement, Section Four, Fees and Payments, subsection 3. Prevailing Wages, to ascertain whether any other Task/s would include "Prevailing Wage Requirements."
- 2) In accordance with prevailing wage laws, the Director of the California Department of Industrial Relations (Director) has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes available to the particular craft, classification, or type of workers employed on the Project. These rates are set forth in the latest determination published by the Director and incorporated herein by reference the same as though set forth in full. The rates are available on the State of California Department of Industrial Relations website at <http://www.dir.ca.gov>.

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**SCHEDULE OC
ATTACHMENT ONE
FEES AND PAYMENTS**

HOURLY/UNIT RATE SCHEDULE

CLASSIFICATION/STAFF	HOURLY/ UNIT RATE
Consultant: Cotton Shires & Associates, Inc. (CSA)	
Principal	\$276.02
Manager	\$229.30
Senior Staff	\$169.85
Staff	\$131.63
Subconsultant: Lettis Consultants International, Inc. (LCI)	
Sr. Principal II	\$268.88
Sr. Principal I	\$238.64
Principal	\$220.21
Senior	\$208.73
Sr. Project	\$162.36
Project	\$144.96
Sr. Staff	\$127.57
Staff	\$110.17
Project Staff	\$116.16
AECOM Technical Services, Inc. (AECOM)	
Principal-In-Charge	\$281.21
Project Manager	\$240.65
Tech Advisor QA/QC	\$240.65
Eng./Scientist 3	\$223.75
Eng./Scientist 2	\$183.60
Eng./Scientist 1	\$154.91
CAD/GIS Designer	\$129.08
Technical Editor	\$135.20
Project Controls	\$110.86

**SCHEDULE OC
ATTACHMENT ONE
FEES AND PAYMENTS**

CLASSIFICATION/STAFF	HOURLY/ UNIT RATE
Cross Land Surveying, Inc.	
3 Person Crew-Prevailing Wage	\$256.00
3 Person Crew	\$225.00
2 Person Crew-Prevailing Wage	\$240.00
2 Person Crew	\$180.00
Expert Witness in Court	\$135.00
Licensed Land Surveyor/Consultation	\$135.00
Description Writing	\$123.00
Office Surveyor/Drafting	\$92.00
Clerical	\$50.00
Pitcher Drilling	
Mud Rotary Truck Drill – 2 Person Crew	
Drilling time - Mud Rotary	\$3,906.00
Drilling time- Mud Rotary w/mud conditioning system	\$4,340.00
Standby Time & Development Time	\$3,906.00
Mob/Demob	\$434.00
Overtime (2-man crew)	\$585.90
Transportation (when rig can be left on-site)	\$455.70
Mud Rotary Track Drill – 2 Person Crew	
Drilling time - Mud Rotary	\$4,340.00
Standby Time & Development Time	\$4,340.00
Mob/Demob	\$515.38/hr.
Overtime any hrs. over 9 (2 man crew)	\$629.30/hr.
Transportation (when rig can be left on-site)	\$455.70
Overtime Surcharge Rates (2 Person Crew)	
Night Shift (Premium Time Surcharge)	\$151.90/hr.
Saturday Shift	\$151.90/hr.
Sunday Shift	\$303.80/hr.

**SCHEDULE OC
ATTACHMENT ONE
FEES AND PAYMENTS**

CLASSIFICATION/STAFF	HOURLY/ UNIT RATE
Air Vacuum Rig – 2 Person Crew	
Rig Time	\$379.75
Standby Time	\$379.75
Mob/Demob	\$379.75
Footage Rates	
Drilling Additives (Normal Conditions 5" boring)	\$2.71/ft.
Drilling Additives (6" normal boring or 5" in gavels)	\$4.00/ft.
Portland Cement Grout (5" boring)	\$3.80/ft.
Vibrating Wire Piezometer Install Materials	\$10.00/ft.
HQ3 Coring Surcharge	\$13.02/ft.
101 GeoBarrel Surcharge	\$13.02/ft.
PQ Coring Surcharge	\$30.38/ft.
Other Labor Costs	
Additional Technician (extra helper)	\$86.80/hr.
Premium time for after 8 hours per day, week-end work, night work & holidays	\$75.95/man/hr.
Level C Protection (per day or portion)	\$162.75/man/day
Prevailing Wage or Certified Payroll Surcharge	\$200.00/man/day
Transportation per additional tech	\$217.00/man/day
Repair Costs	
Waste Barrel Repair	\$108.50 each
Equipment	
Decon Station	\$434.00/day
Mud system (mud rotary as needed)	\$542.50/day
Support truck (pick-up)	\$271.25/day
Support truck (stake bed)	\$434.00/day
Support truck (Lift Gate)	\$434.00/day
Support Track (Morooka)	\$542.50/day
Support truck (water-truck)	\$434.00/day

**SCHEDULE OC
ATTACHMENT ONE
FEES AND PAYMENTS**

CLASSIFICATION/STAFF	HOURLY/ UNIT RATE
Materials	
Quik-Gel drilling mud 50lb	\$32.55/bag
Soda Ash 50lb	\$27.13/bag
Easy Mud 5-gal	\$271.25/bucket
Easy Mud Gold 10lb	\$271.25/bucket
N-Seal 30lb	\$162.75/bag
Filter Sand	\$14.11/bag
Coated Bentonite Pellets	\$130.20/bucket
Bentonite Chips	\$23.87/bag
Bentonite Powder	\$32.55/bag
Ready Mix Concrete 60lb	\$16.28/bag
Portland Cement Type II 47lb	\$16.28/bag
Asphalt Patch	\$32.55/bag
Quickset Concrete	\$19.53/bag
Wood Plug	\$27.13/each
7" Traffic Rated Monitoring Well Boxes	\$108.50/each
8" Traffic Rated Monitoring Well Boxes	\$130.20/each
12" Traffic Rated Monitoring Well Boxes	\$151.90/each
4" Anodized Standpipe	\$217.00/each
6" Anodized Standpipe	\$250.00/each
Plastic Liners in 2.5' sections	\$13.02/ft.
Cardboard core Boxes	\$23.87/box
Wooden Core Boxes	\$59.68/box
PVC core trays	\$5.43/tray
DOT 17-H 55 Gal. Drums	\$70.53/each
5-gallon bucket	\$16.28/each
Brass Sleeves & Caps (6" long)	\$8.68/each
Stainless Steel Sleeves & Caps (6" long)	\$8.68/each
Acetate Liners for Macro Core	\$16.28/each
Visqueen (large roll)	\$162.75/roll
Disposable Tips	\$27.13/each
2.5" Brass ring set (6) and canister	\$33.00 /each

**SCHEDULE OC
ATTACHMENT ONE
FEES AND PAYMENTS**

CLASSIFICATION/STAFF	HOURLY/ UNIT RATE
1/4" or 1/2" Tubing	\$0.54/ft.
3" Pitcher or Shelby Tube 36" long	\$48.83/each
D&M tubes and caps	\$60.00/each
Teflon Squares (pack of 100)	\$108.50/pack
PVC Schedule 40	
2" PVC Screen 0.010" or 0.020"	\$8.68/ft.
2" PVC Blank casing	\$6.51/ft.
2" PVC threaded end cap	\$13.02/each
2" PVC slip cap or coupling	\$6.51/ft.
2" Locking Cap	\$37.98/each
4" PVC Screen 0.010" or 0.020"	\$17.36/ft.
4" PVC Blank casing	\$13.02/ft.
4" PVC threaded end cap	\$21.70/each
4" PVC slip cap or coupling	\$13.02/each
4" Locking Cap	\$54.25/each
3/4" PVC Screen 0.010" or 0.020"	\$5.43/ft.
3/4" PVC Blank casing	\$4.34/ft.
3/4" PVC fittings	\$3.26/each

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**SCHEDULE OC
ATTACHMENT TWO
SCHEDULE OF COMPLETION**

1. This Agreement commences on the Effective Date, subject to accomplishment of all conditions to formation of an agreement listed in the Agreement at Section Twelve, Miscellaneous Provisions, subsection 2. Formation of Agreement.
2. This Agreement expires five (5) years after the Effective Date, unless, prior to its expiration, its term is modified by a written amendment hereto, and signed by both Parties.
3. Each Task Order will state the schedule for Consultant's performance of that Task Order.
4. Valley Water and Consultant may agree to modify the schedule specified for Consultant's performance in an executed Task Order, as an administrative modification to the Task Order and will confirm such modification in writing.

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**SCHEDULE OC
ATTACHMENT THREE
CONSULTANT'S KEY STAFF AND SUBCONSULTANTS**

1. Consultant's key staff assigned to the Project are as follows:

Team Member	Classification	Project Role	Contact Information
David Schrier	Principal	Project Manager	dschrier@cottonshires.com (408) 354-5542, Ex. 216
Andrew Mead	Principal	Monitoring Manager	amead@cottonshires.com (408) 354-5542, Ex. 212
Patrick Shires	Principal	Geotechnical Review	cottonshires@me.com
Joe Durdella	Manager	Coordinate and Review Monitoring	mjurdella@cottonshires.com (408) 354-5542 ext. 211
Kevin Harmon	Senior Staff	Lead Field Monitoring	kharmon@cottonshires.com (408) 354-5542 ext. 204
John Stapke	Staff	Staff Monitoring	lstapke@cottonshires.com (408) 354-5542 ext. 206

2. The following Subconsultants are authorized to perform Services pursuant to this Agreement:

Firm	Project Role	Contact Information
Lettis Consultants, Inc.	Seismic characterization, analyses, review and collaboration with landslide issues	Robert Givler Principal Geologist, CEG 1000 Burnett Ave., Suite 350 Concord, CA 94520 Main: (925) 482-0360; Mobile: (510) 499-5226 givler@lettisci.com
AECOM Technical Services, Inc. (AECOM)	Environmental tasks, structural and pipeline engineering	Theodore Feldsher, PE, GE, VP 300 Lakeside Drive, Suite 400 Oakland, CA 94612 Main: (510) 893-3600 Direct: (510) 874-3245 Mobile (510) 423-1392 theodore.feldsher@aecom.com
Cross Land Surveying, Inc.	Surveying	Kristy Comerer 2210 Mt. Pleasant Rd. San Jose, CA 95148 (408) 274-7994 xlsi@msn.com
Pitcher Services	Exploratory drilling	Terry Shewchuk, Manager 218 Demeter St. East Palo Alto, CA 94303 (650) 328-8910 tshewchuk@pitcherservicesllc.com

**SCHEDULE OC
ATTACHMENT FOUR
REFERENCE MATERIALS**

Ref No.	Description
1	Santa Clara Valley Water District Non-Disclosure Agreement (NDA) (FC 1650)
2	Santa Clara Valley Water District (Valley Water) Standards for GIS Products April 2021 version: http://gis.valleywater.org/Download/GIS_PRODUCT_STANDARDS.pdf
3	Santa Clara Valley Water District (Valley Water) CADD STANDARDS (To be provided after award, if needed)

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Santa Clara Valley Water District

File No.: 22-0986

Agenda Date: 9/13/2022

Item No.: 3.8.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve the Consultant Agreement with Anchor QEA, LLC, to Provide Modeling Services in Support of the Calabazas/San Tomas Aquino Creek-Marsh Connection Project, Project No. A4668A, PlanetBids File No. VW0122, for a Not-to-Exceed Amount of \$500,000 (Sunnyvale, Santa Clara, San Jose) (District 3).

RECOMMENDATION:

Approve the Consultant Agreement (Agreement) with Anchor QEA, LLC, for modeling services in support for the Calabazas/San Tomas Aquino Creek-Marsh Connection Project (Project), for a Not-to-Exceed amount of \$500,000.

SUMMARY:

Background

At the April 27, 2021 board meeting, the Santa Clara Valley Water District (Valley Water) Board approved agenda item 6.3 which directed staff to proceed with the Project planning phase after receiving the findings of the feasibility study (Study).

Grant Award

Staff applied for and obtained grants to provide financial support for the Project from the San Francisco Bay Restoration Authority (SFBRA) and the California Department of Fish and Wildlife (CDFW). At its December 14, 2021 meeting, the Board approved staff's recommendation to accept the grant funds from SFBRA and CDFW and authorized the Chief Executive Officer to execute applicable grant agreements. Subsequently, SFBRA and Valley Water executed Agreement Number SFB0031-RA026, whereby SFBRA will provide grant funding in the amount of \$3,370,000; and CDFW and Valley Water executed Agreement Number Q2196005, whereby CDFW will provide grant funding in the amount of \$500,000. The two grants support the Project planning, modeling, and design costs.

Project Element Pond A4

Pond A4, owned by Valley Water, is immediately adjacent to the Project area. Currently, during summer and fall, water in Pond A4 is pumped to the A8 Pond Complex to promote circulation, prevent hyper-salinization, and avoid low dissolved oxygen (DO) levels which would adversely affect the habitat in Pond A4. Current Pond A4 operations would be significantly impacted by

implementation of the Project due to the physical, hydraulic, and regulatory interdependencies of Pond A4 and the A8 Pond Complex. Therefore, staff has included Pond A4 in Project modeling support services.

Consultant Agreement with Anchor QEA, LLC

Anchor QEA, LLC (Consultant) will perform modeling services, which will result in selecting a staff-recommended alternative to proceed with the Project. In addition, consultant will perform hydraulic, sediment transport, and marsh establishment modeling of feasible alternatives at the Project area (including Pond A4) in support of the Project Planning Study Report.

Consultant Selection Process

On March 31, 2022, a Request for Proposals (RFP) for modeling services for the Calabazas/San Tomas Aquino Creek-Marsh Connection Project was published on Valley Water's Procurement Portal, PlanetBids (PB). The RFP notification was sent to 396 firms that were registered in PB, under category codes: 91800 - Consulting Services; 91812 - Analytical Studies And Surveys (Consulting); 91843 - Environmental Consulting; 91846 - Feasibility Studies (Consulting); 92600 - Environmental And Ecological Services; 95825 - Conservation/Resource Management Services; 96132 - Environmental Impact Studies; 96143 - Hydrological Services; 96169 - Testing and Monitoring Service; 92672 - Planning and Advisory Services, Environmental; 92561 - Land Development and Planning/Engineering; 92652 - Impact Studies, Environmental; 92696 - Wetland Delineations (Incl. Assessments); 96195 - Modeling Service.

Valley Water received proposals on April 27, 2022, from two firms: Deltares USA and Anchor QEA, LLC.

The evaluation committee (EC), composed of four Valley Water staff with subject matter expertise and two representatives from the United States Army Corps of Engineers (USACE) and the United States Geological Survey (USGS), also with subject matter expertise, evaluated the two proposals. The two firms with the highest scoring technical proposals were invited for oral interviews. Virtual oral presentations were held on May 18, 2022.

Based on combined scores for the written proposals and oral presentations, the EC recommended staff proceed with the highest-ranked firm, Anchor QEA, for negotiations. The Consultant demonstrated outstanding scientific knowledge of hydraulic, sediment transport, and tidal marsh restoration modeling, including extensive experience in the South Bay Salt Pond area, which includes the project site. In addition, their client references gave the firm very high marks for the quality and timeliness of their deliverables on similar, previous projects.

Negotiations with Anchor QEA, LLC, have been completed successfully. Staff recommends Board approval of the Consultant Agreement with Anchor QEA, LLC. to provide modeling services for the Calabazas/San Tomas Aquino Creek-Marsh Connection Project, for a not-to-exceed fee of \$500,000.

Consultant Agreement and Scope of Services

The recommended Consultant Agreement with Anchor QEA, LLC, provides an initial three-year term and two (2) optional one-year extensions, and a Not-to-Exceed amount of \$500,000.

The Consultant will perform modeling services, including prioritization of project metrics, development

of modeling analysis scope, hydraulic and sediment transport modeling for up to five feasible alternatives and two refined feasible alternatives (including Pond A4) for comparison purposes, hydrodynamic and/or hydraulic modeling of the staff-recommended analysis to assess post-project flood risk, and marsh establishment modeling for the staff-recommended alternatives to reduce certainties related to long-term project success. The consultant’s work products will support the preparation of the Project Planning Study Report and inform Project design.

A summary of tasks and budget for this Consultant Agreement is presented in Table 1.

**Table 1
Cost Breakdown**

Task	Description	Notto-Exceed Fees
1	Project Management	\$75,000
2	Support Project Planning	\$300,000
3	Perform Modeling/Numerical Analysis to Inform Design and Address Uncertainties Related to Project Long Term Success	\$120,000
4	Supplemental Services	\$5,000
Total Notto-Exceed Amount		\$500,000

ENVIRONMENTAL JUSTICE IMPACT

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

The Calabazas San Tomas Aquino Creek-Marsh Connection Project, Project No. 20444001, is included in the Capital Improvement Program (CIP) Fiscal Year (FY) 2023-27 Five-Year Plan and in the FY 2022-23 Adopted Budget. There are adequate funds in the Project’s FY 2022-23 Adopted Budget to encumber the recommended Consultant Agreement total not-to-exceed (NTE) fee of \$500,000 and does not change the overall total project cost reflected in the CIP. The Project is funded through the Watershed and Stream Stewardship Fund (Fund 12).

CEQA:

The recommended action does not constitute a project under CEQA because it does not have the potential to result in direct or reasonably foreseeable indirect physical change in the environment.

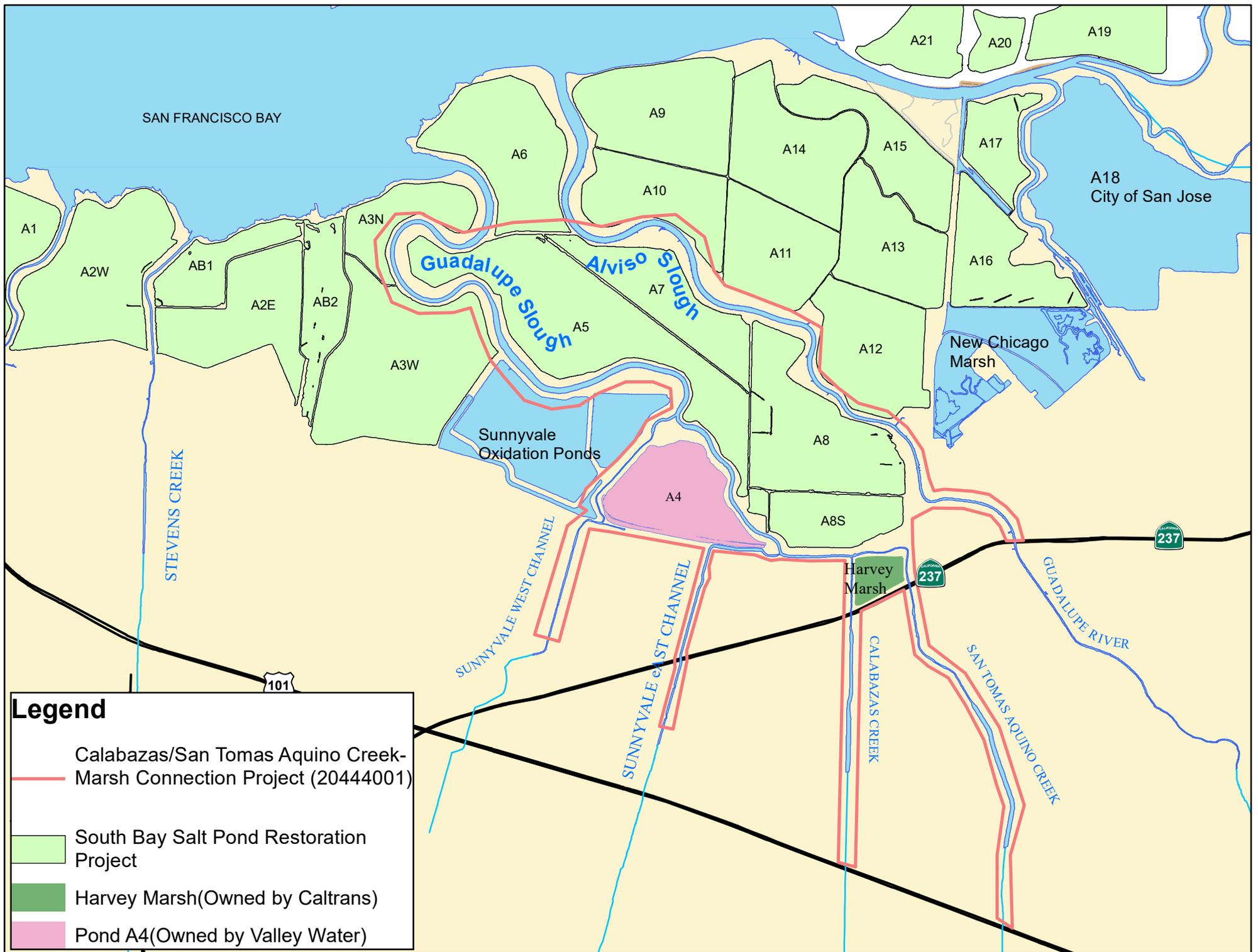
ATTACHMENTS:

- Attachment 1: Project Map
- Attachment 2: Agreement

File No.: 22-0986

Agenda Date: 9/13/2022
Item No.: 3.8.

UNCLASSIFIED MANAGER:
John Bourgeois, (408) 630-2990



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STANDARD CONSULTANT AGREEMENT

(For Capital Consultant Contracts)
Terms and Conditions Template
Rev. B [5/11/2020-6/30/2021]

This agreement (Agreement) is effective once fully executed (Effective Date), by and between SANTA CLARA VALLEY WATER DISTRICT (Valley Water/District), and ANCHOR QEA, LLC, a Washington limited liability company (Consultant), individually the Party or collectively the Parties.

WHEREAS, Valley Water desires certain services hereinafter described and Consultant affirms it has the requisite experience and expertise, and desires to provide such services.

NOW, THEREFORE, Valley Water and Consultant, for the consideration and upon the Terms and Conditions specified, agree as follows:

SECTION ONE

SCOPE OF SERVICES

The Scope of Services (Services) to be performed pursuant to this Agreement is described in the Schedule(s), Scope of Services, attached hereto and incorporated herein by this reference (Schedule(s)). Services described in each Schedule are considered a Scope of Services that is separate and apart from the Scope of Services described in another Schedule.

SECTION TWO

DUTIES OF CONSULTANT

1. Performance

- A. Each Scope of Service described in an attached Schedule(s) must be performed by Consultant, or at its direction, to meet the purposes specified in this Agreement. References to “Consultant” herein include those performing any portion of the Services at its direction such as Subconsultants, vendors, suppliers, subcontractors, and other business entities and individuals. Consultant will collaborate with Valley Water staff in engineering, asset management, operations, and maintenance units to be made aware of Valley Water operational constraints, procedures, or preferences relevant to Consultant’s performance of the Services described in the attached Schedule(s).
- B. Unless the requirements for the Services described in the attached Schedule(s) are specifically modified in writing, Consultant must perform Services and provide all deliverables as required.
- C. Consultant shall not undertake any Services not described in the attached Schedule(s) unless authorized in writing by Valley Water prior to the performance of such Services by issuance of a Task Order or pursuant to an amendment to this Agreement signed by both Parties.

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2. Consultant Controlled Areas

Consultant is responsible for the security and safety of the area(s) it controls wherein it is required to perform field operations pursuant to the Scope of Services.

3. Licensing

Services performed by Consultant will be undertaken only by persons appropriately licensed, certified, or registered in California, as applicable to the Services described herein, when required by statutes or regulations, as well as pursuant to the relevant standard of care as described in subsection 11. Standard of Care. Examples of such Services include those performed by: California State Licensed Contractors, Professional Engineers and Architects, Inspectors, and Surveyors. Consultant shall make available upon Valley Water's request documentation of qualifications and licensing of personnel performing Services described herein. Consultant must be registered with the California Department of Labor Standards Enforcement if the Services or a portion thereof is determined to be "Public Works" pursuant to California Labor Code §1720(a)(1).

4. Valley Water's Approval of Deliverables

Deliverables prepared by Consultant, notwithstanding acceptance and approval by Valley Water, which Valley Water determines must subsequently be modified due to errors or omissions, will be corrected at no additional cost to Valley Water.

5. Errors and Omissions

The Services may include preparation of deliverables by Consultant to be implemented in a public works construction project. Consultant is responsible for any direct or actual damages incurred by Valley Water which Valley Water determines result from Consultant's errors or omissions in Consultant's deliverables, including, but not limited to, any increase in Valley Water's payment(s) due to its construction contractor, which increase is directly attributable to required revisions to the construction contract documents to the extent caused by Consultant's negligent acts, errors, or omissions.

6. Valley Water Standardization Requirements

- A. Consultant shall perform the Services utilizing Valley Water nomenclature, standardized forms, software requirements, documented procedures, and best management practices. Consultant shall use Microsoft Office software and AutoCAD software that is compatible with Valley Water Microsoft Office software and AutoCAD software used at the time(s) Valley Water issues a Notice to Proceed pursuant to this Agreement.
- B. Engineering drawings prepared by Consultant must be in compliance with Valley Water's CADD and drafting standards including line types, line weights, text sizes, text orientation, dimensioning, labeling/numbering system for detailed plan views and detailed section views. Drawings prepared using different CADD software and versions must be converted to be compatible with Valley Water's CADD software at no additional cost to Valley Water. Prior to acceptance, Valley Water reserves the right to test the submitted CADD files to verify that the files are not corrupted or missing linkages (for

blocks, etc., used in the drawing) and that the standards are retained during the conversion process used by the Consultant.

7. Consultant's Key Staff and Subconsultants

- A. Consultant's Key Staff and firms subcontracted by the Consultant (Subconsultants) assigned to perform the Services are identified in the Schedule Scope of Services, Attachment Three, Consultant's Key Staff and Subconsultants.
- B. The Project team organization chart and delegated responsibilities of each team member will be submitted to Valley Water for concurrence.
- C. Consultant may utilize Subconsultants, subcontractors, suppliers, or vendors it deems appropriate to the complexity and nature of the required Services.
 - 1) Consultant must obtain Valley Water's approval of all Subconsultants. Upon Valley Water's request, Consultant must provide copies of all Subconsultant agreements.
 - 2) Consultant must require its delegates or Subconsultants to agree, in writing, to adhere to Terms and Conditions of this Agreement.
- D. Any delegation or use of Subconsultants by Consultant will not operate to relieve Consultant of its responsibilities as described in this Agreement.
- E. If any of Consultant's designated key staff persons or Subconsultants fail to perform to the satisfaction of Valley Water, on written notice from Valley Water, Consultant will have 15 calendar days to remove that person from the Project and provide a replacement acceptable to Valley Water.
- F. Consultant will not charge Valley Water for the time it takes Consultant's replacement personnel to obtain Valley Water-specific Project knowledge in the possession of the person(s) being replaced.
- G. Consultant's Key Staff: Valley Water Project Manager may approve any revisions to Consultant's list of key staff assigned to the Project as an administrative modification to this Agreement, and such approval will be confirmed in writing.
- H. Consultant's Subconsultants
 - 1) Valley Water Project Manager may approve any revisions to Consultant's list of authorized Subconsultants when the Subconsultant is deleted from the list and the Scope of Services is deleted from the Agreement or such services are assumed by the Consultant; such approval will be confirmed in writing.
 - 2) Valley Water's authorized representative may approve any revisions to Consultant's list of authorized Subconsultants when a listed Subconsultant is replaced (to perform the same Scope) or a new Subconsultant is added (to perform new Scope), provided the firm complies with all insurance requirements established by Valley Water for such work; such approval will be confirmed in writing.

8. Compliance with All Laws

- A. Consultant's performance must be in compliance with the most current versions of any and all laws relevant to the Services it performs pursuant to this Agreement, including, but not limited to adherence to: all applicable governmental laws, statutes, ordinances, rules, codes, regulations, orders, and other requirements; governmental requirements applicable to state and federal compliance with the Professional Land Surveyors Act; state and federal Endangered Species Act; state and federal water quality laws; and all other state and federal laws or regulations regarding environmental protection and compliance, health, safety, wages, hours, equal employment opportunity, nondiscrimination, working conditions, and transportation. In the event that Valley Water's assistance is necessary to achieve such compliance, Consultant shall promptly notify Valley Water.
- B. Consultant shall provide, at Valley Water's request, documentation demonstrating Consultant's compliance with all laws as described herein. After reasonable notice and according to reasonable conditions, Valley Water has the right to inspect and copy any records of Consultant regarding such compliance.
- C. Consultant represents and warrants that neither Consultant nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal government department or agency.

9. Occupational Safety and Health

- A. Consultant will perform the Services in compliance with the most current versions of all laws, standards, rules, and regulations of the Occupational Safety and Health Act, and all state and federal laws and regulations relating to safety and health standards. Consultant shall perform the Services in compliance with, will furnish only supplies, articles, and equipment that comply with such laws, standards, and regulations.
- B. Consultant shall immediately notify Valley Water in the event of any personal injury accident or occurrence occurring during the performance of the Services. Upon Valley Water's request, Consultant shall provide Valley Water with documentation fully describing the accident and injury and the actions implemented to prevent similar occurrences.

10. Consultant as Independent Contractor

Consultant will perform all Services as an independent contractor and not an agent or employee of Valley Water. Consultant represents and warrants that it and its contractors who are performing any of the Services as Subconsultants will perform such Services as an independent contractor, and neither Consultant nor Subconsultants nor their employees are the servants, agents or employees of Valley Water. Except as expressly provided in this Agreement, Valley Water exercises no direction, supervision or control over Consultant, its employees, agents, or Subconsultants.

11. Standard of Care

- A. Consultant must possess and maintain during the term of this Agreement all certifications, licenses, permits, and qualifications to perform the Services and prepare all deliverables. Consultant must perform all Services and prepare all deliverables in accordance with those standards and practices of care, skill, and diligence that are generally recognized and customarily observed by competent persons in Consultant's area of specialty in the State of California at the time such Services are rendered.
- B. Consultant shall perform the Services and prepare all deliverables without any errors or omissions, and in accordance with Section Two, Duties of Consultant, subsection 8. Compliance with All Laws.
- C. Consultant and its Subconsultants must perform the Services in compliance with all applicable written federal, state and local codes, statutes, laws, regulations, and ordinances, including, but not limited to, environmental, energy conservation, and disabled access requirements as per the provisions of Section Two, Duties of Consultant, subsection 8. Compliance with All Laws.

SECTION THREE

DUTIES OF VALLEY WATER

1. Available Data

Valley Water will make available to Consultant all data and information in its possession and control and which it deems necessary to the preparation of the deliverables specified in the Schedule(s). Valley Water will actively aid and assist Consultant in obtaining such information from other agencies and individuals as it deems necessary. Valley Water is not responsible for providing data and information that it does not possess.

2. Review of Deliverables

- A. Valley Water will designate a Project Manager (Valley Water Project Manager) for purposes of administering and managing this Agreement.
- B. Consultant's progress in completing the Services will be reviewed by Valley Water Project Manager at each milestone identified in the Schedule(s) and at such other time(s) at the discretion of Valley Water.
- C. Consultant must notify Valley Water in writing when it completes each deliverable described in the Schedule(s) and provide Valley Water with said deliverable. Deliverables deemed satisfactory and in compliance with this Agreement are subject to approval by Valley Water. Within 30 calendar days of receipt of each deliverable, Valley Water will either (1) notify Consultant that Valley Water accepts the deliverable, or (2) notify the Consultant that the deliverable is not acceptable and must be revised.

- D. If Valley Water advises Consultant that a deliverable must be revised due to errors or omissions by the Consultant, Consultant must correct, at no cost to Valley Water, those deficiencies as soon as possible and shall notify Valley Water upon completion of the revised deliverable and submit to Valley Water.
- E. Valley Water will then review the revised deliverable and within 30 calendar days of receipt, advise the Consultant if the revised deliverable is acceptable. All deficient deliverables will be revised at no cost to Valley Water and this process will continue until Consultant has corrected all deficiencies identified by Valley Water.
- F. None of the proposed changes or revisions or anything else in this Agreement will be construed to relieve the Consultant of professional or legal responsibility for the performance of the Services as otherwise required by the Terms and Conditions of this Agreement. Corrections to any deliverable as a result of Consultant's errors or omissions, as determined by Valley Water, will not result in additional costs or expenses to Valley Water.

3. Access to Valley Water Facilities

Valley Water will facilitate access to Valley Water facilities as required for the Consultant to perform the Services.

SECTION FOUR

FEES AND PAYMENTS

1. Total Fixed Not-to-Exceed Fees

- A. Payment for all Services performed by Consultant to the satisfaction of Valley Water, as described in the Schedule(s) will be based on the hourly rates, subject to the Total Fixed Not-to-Exceed (NTE) Fees stated in the Schedule, Attachment One, Fees and Payments, for completion of the associated tasks. Valley Water will make payments to the Consultant according to the terms provided for herein and in the Schedule, Attachment One, Fees and Payments. Payments made by Valley Water to the Consultant for Services rendered will be considered full compensation for all personnel, materials, supplies, Subconsultant(s), equipment, reimbursable travel and per diem expenses incurred by the Consultant to perform the Services.
- B. Upon the written approval of Valley Water Deputy Operating Officer referenced herein, unused fees from a completed or cancelled task may be re-allocated to a task that has not yet been completed, provided the Agreement Total Not-to-Exceed Fees is not exceeded. Transferring fees from a task not yet completed to a different task is not permitted.
- C. Upon the written approval of Valley Water Deputy Operating Officer referenced herein, the Scope of Services described in a task may be reduced or eliminated. If the Scope of Services of a task is reduced or eliminated, the portion of the fees attributable to that reduced or eliminated task may be allocated to revised existing tasks, or transferred to a Supplemental Services task, if provided for herein.

- D. Any reduction or elimination of tasks and any inter-task transfers will be clearly noted and described in the subsequent monthly progress report to Valley Water.
- E. Services to be performed pursuant to the Supplemental Services task, if provided for herein, will commence only after issuance of a fully executed Task Order.
- F. Automobile travel mileage expenses will be paid at the current IRS rate. Valley Water will not reimburse Consultant nor its Subconsultants for mileage nor travel time to and from Valley Water Headquarters and surrounding campus located at 5700 Almaden Expressway, San Jose, California. However, Valley Water will reimburse Consultant and its Subconsultants for mileage incurred from Valley Water Headquarters or Consultant's and Subconsultants' firm address, whichever is closer to the destination, to Project site(s) and, if directed or authorized by Valley Water, to meeting locations such as with regulatory agencies, for community outreach activities and meetings, for partnering meetings, and Dispute Review Board meetings.

2. Consultant Monthly Invoices

- A. Consultant's monthly invoices will be prepared in accordance with the terms of this Agreement, Section Four Fees and Payments and Exhibit A, Section 2, and represent Services performed and reimbursable costs incurred during the identified billing period. Invoices must be consistent with Scope of Services described in the Schedule(s) attached hereto; and include the following:
 - 1) Employee classification and name itemized with all labor charges by Service task;
 - 2) Summary of the amount Consultant has been billed by their Subconsultants and further detailed by Service task;
 - 3) Other direct charges and expenses by Service task;
 - 4) Other direct charges and expenses must reflect actual fees versus the Agreement Not-to-Exceed Fees as stated in the Schedule, Attachment One, Fees and Payments; and
 - 5) To the extent that the Consultant is adding an administrative, processing, overhead or mark-up fee, Valley Water will not pay for such duplication of costs for both the Consultant and its Subconsultants.
- B. Before submitting monthly invoices, a progress report and draft invoice (in Adobe PDF format) will be provided by the Consultant for preliminary review by Valley Water Project Manager. Upon preliminary approval by Valley Water, the Consultant will mail the complete signed and dated hardcopy invoice, including all supporting documentation. Valley Water's preliminary review of the draft invoice does not represent final approval of the hardcopy invoice, but is intended to reduce potential for re-submittals of hardcopy invoice by Consultant.

C. Each monthly invoice must include a monthly progress report that documents whether or not the Services are on schedule to be completed in accordance with the Schedule, Attachment Two, Schedule of Completion, which applies to the specific Scope of Services, and within the Agreement NTE Fees in accordance with the Schedule, Attachment One, Fees and Payments. The progress report shall document Services completed, the execution of the tasks described in this Services, and enable Valley Water to evaluate the Consultant's progress and performance towards completion of the Services.

1) The monthly progress report shall include:

- a. An assessment of actual versus planned progress in completing the Services, including a description of the tasks and deliverables completed to date;
- b. A look-ahead schedule listing deliverables and activities planned for the next two months;
- c. A statement that progress towards completion of the Services is on schedule and will be completed within the timeline set forth in the Schedule of Completion; or, if completion of the Services is not on schedule, then a statement of the anticipated length of the delay, the cause of the delay, measures proposed or taken to prevent or minimize the delay, and the schedule for implementation of such measures;
- d. A summary of performed tasks to date, an updated Project work plan including estimate of work required to complete this Agreement, explanation of any major variances in percentage of services to be completed compared to percentage of this Agreement NTE fees remaining, and any anticipated changes to this Agreement that may be necessary to complete the Services;
- e. For any proposed change to the Scope of Services, provide a summary of the proposed changes, including supporting rationale for such change;
- f. For each task, the percentage of the fees incurred for the task compared to dollar amount allocated to the task, the percentage of services performed versus the percentage of Agreement NTE fees incurred for such task, and explanation of any significant variances in percentage of services performed compared to percentage of fees incurred;
- g. A statement that all tasks, as specified in this Agreement, shall be completed within the NTE amount of the Agreement;
- h. Level of Small Business Enterprise (SBE) participation, if applicable, documenting the level of SBE participation throughout the Project; and
- i. Any changes in Consultant's key staff or Subconsultants.

D. Invoices will include a summary of labor expenditures, direct costs, and billed Subconsultant charges. Invoices, transmitted separately from the monthly progress reports, will be organized such that the billing categories correspond with the Services tasks.

E. Consultant shall send all invoices as follows: APinvoice5750@valleywater.org

Valley Water address, if needed:

Santa Clara Valley Water District
Attention: Accounts Payable
P.O. Box 20670
San Jose, CA 95160-0670

F. In addition to ensuring that each invoice is accompanied with a monthly progress report, Consultant must also ensure that each invoice contains the following information:

- 1) Agreement Number;
- 2) Full Legal Name of Consultant/Firm;
- 3) Payment Remit-to Address;
- 4) Invoice Number;
- 5) Invoice Date (the date invoice is mailed);
- 6) Detailed description of services provided, including the “distribution account(s)” for those services;
- 7) Number of hours spent by each person performing services and a brief description of the services performed by each person; and
- 8) Beginning and end date for billing period that services were provided.

G. Consultant shall invoice for its performance of the Services on a monthly basis consistent with the task fee breakdown stated in the Schedule(s), Attachment One, Fees and Payments, which applies to the specific Scope of Services.

H. Valley Water Project Manager will review Consultant’s written invoice within five Valley Water business days of receipt, address any questions with Consultant’s Contact/Principal Officer and approve the undisputed amount of the invoice within ten working days of receipt of the invoice. Valley Water will pay undisputed invoice amounts within 30 calendar days from date invoice is received by Valley Water Project Manager.

I. Consultant’s services will be performed by its staff members and Subconsultants’ staff members at the lowest hourly and unit rates commensurate with the complexity of the required Services.

J. Consultant shall ensure that its personnel performing services pursuant to this Agreement document their time doing so.

3. Prevailing Wages

- A. A portion of the Services to be performed pursuant to this Agreement may be considered “Public Works” subject to California Labor Code §1771, et. seq. and the applicable implementing regulations. If Consultant’s Services includes such work, Consultant and its Subconsultants must comply with all Labor Codes applicable to prevailing wages.
- B. Labor Code §1720 provides as follows:
 - “(a) As used in this chapter, “public works” means all of the following:
 - (1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by a public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, “construction” includes work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction, including, but not limited to, inspection and land surveying work, regardless of whether any further construction work is conducted, and work performed during the postconstruction phases of construction, including, but not limited to, all cleanup work at the jobsite. For purposes of this paragraph, “installation” includes, but is not limited to, the assembly and disassembly of freestanding and affixed modular office systems.”
- C. Consultant and its Subconsultants shall not engage in the performance of public work, as defined in California Labor Code §1771.1, unless currently registered and qualified to perform public work pursuant to California Labor Code §1725.5.
- D. The General Prevailing Wage Rates issued by the California Department of Industrial Relations may be adjusted by the State throughout the term of this Agreement. Notwithstanding any other provision of this Agreement, Consultant will not be entitled to any adjustment in compensation rates in the event there are adjustments to the General Prevailing Wage Rates.
- E. This Agreement is subject to compliance monitoring and enforcement by the State of California Department of Industrial Relations. Upon request, Consultant and Subconsultants must furnish the records specified in Labor Code §1776 directly to the Labor Commissioner, in a format prescribed by the Labor Commissioner.
- F. All records or documents required to be kept verifying statutory compliance with the prevailing wage requirement, such as certified payroll records, must be made available for audit at no cost to Valley Water, in electronic or hard copy format, at Valley Water’s discretion, and hard copies made available at any time during regular business hours, upon written request by Valley Water.

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G. California State Department of Industrial Relations Contractor and Sub-Contractor Registration Requirements

Prior to Valley Water executing a Task Order for Services involving public works, as defined herein, Consultant, and its Subconsultant(s) performing public works, must provide evidence, in the form required by Valley Water, that Consultant and its Subconsultant(s) are in compliance with the California State Department of Industrial Relations Contractor and Sub-Contractor Registration Requirements.

4. Retention

- A. Unless otherwise specified in the Schedule(s), Attachment One, Fees and Payments, when the total compensation payable pursuant to this Agreement exceeds \$20,000, ten percent of each invoice will be withheld by Valley Water and not paid to Consultant until 30 calendar days after the assigned Valley Water representative signs the final approval for all Services/deliverables as stated in the applicable Schedule, Attachment Two, Schedule of Completion, and Section Three, Duties of Valley Water, subsection 2. Review of Deliverables.
- B. Provided that at any time after 50% of the work has been completed, Valley Water may, at its sole discretion, determine that satisfactory progress is being made in the completion of the Agreement, and prospectively make the remaining progress payments in full. The retention previously withheld on the first 50% of the work will continue to be withheld until final contract close out.

SECTION FIVE

SCHEDULE OF COMPLETION

1. Performance of Tasks

Consultant will commence performing the tasks described in the Scope of Services of the attached Schedule(s) to this Agreement upon receipt of the Notice to Proceed (NTP) issued by Valley Water.

2. Project Schedule Table

Consultant will perform and complete the services described in the Scope of Services in accordance with the Project Schedule table (Project Schedule) as stated in the Schedule, Attachment Two, Schedule of Completion. Consultant will coordinate services with Valley Water to provide the timeline of all tasks and subtasks, including the site visits, document review, meetings, and deliverables.

3. Monitoring of Project Schedule

The approved Project Schedule will be monitored monthly. Changes to the schedule for performance of tasks and deliverables are subject to advance written approval by Valley Water.

4. Project Delays

Consultant will make all reasonable efforts to comply with the Project Schedule as stated in the Schedule, Attachment Two, Schedule of Completion. In the event the Project Schedule will be delayed, Consultant will notify Valley Water Project Manager as soon as possible,

providing the reason why, the length of the delay, and a description of the actions being taken to address the delay. In the event Consultant is delayed in performance of its services by circumstances beyond its control, Valley Water may, at its discretion, grant a reasonable adjustment in the Project Schedule.

5. Changes to the Project Schedule

Valley Water Project Manager and Consultant may agree to modify the Project Schedule specified for Consultant's performance as an administrative modification to the Agreement and will confirm such modifications in writing.

SECTION SIX

AGREEMENT MODIFICATIONS

The Parties may agree to modify the Terms and Conditions of this Agreement by executing a written amendment hereto.

SECTION SEVEN

TERM AND TERMINATION

1. Term & Automatic Termination

This Agreement encompasses all Services that Consultant is responsible to perform within the time limits and Not-to-Exceed Fees set forth herein. Consultant will not undertake to provide Services where it reasonably appears that the Services cannot be provided and expenses cannot be incurred within said total compensation limit and the applicable Not-to-Exceed Fees of any Task Order.

2. Valley Water Rights

- A. Suspension: Valley Water may, by written notice to Consultant, suspend any or all Services pursuant to this Agreement or to any individual Task Order. Valley Water may subsequently terminate this Agreement or any Task Order for convenience, or determine to proceed. If a decision to proceed is not made within 90 days from the date of the notice of suspension, any decision to proceed must be conditioned upon execution of a new Notice to Proceed or Task Order.

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- B. Termination for Convenience: Valley Water may, by written notice to Consultant, terminate all or part of this Agreement or any Task Order at any time for Valley Water's convenience. Upon receipt of such notice, Consultant will immediately cease all work as specified in the notice. If this Agreement or any Task Order is so terminated, Consultant will be compensated as set forth in subsection 3. Consultant's Compensation upon Termination or Suspension.
- C. Termination for Breach: If Consultant violates any of the covenants, agreements or stipulations of this Agreement or a Task Order, or if Consultant fails to fulfill in a timely and proper manner its obligations pursuant to this Agreement or any Task Order, and does not cure such failure or violation within 30 days (or a reasonable extension thereof, if requested, which extension will not be unreasonably withheld) after receipt of written notice from Valley Water specifying such failure or violation, Valley Water will thereupon have the right to terminate this Agreement and any or all uncompleted Task Orders by giving written notice to Consultant of such termination. Such notice will specify the effective date thereof, and Consultant will not be entitled to compensation for services or expenses beyond the specified termination date.
- D. If, after notice of termination for breach of this Agreement or any Task Order, it is determined that Consultant did not breach the Agreement or Task Order, the termination will be deemed to have been effected for Valley Water's convenience, and Consultant will receive payment that is allowed by this Agreement for a termination for convenience.
- E. The rights and remedies provided herein to Valley Water are in addition to any other rights and remedies provided by law, this Agreement, or a Task Order.

3. Consultant's Compensation upon Termination or Suspension

In the event of termination of this Agreement or any Task Order, or suspension of Services by Valley Water, Consultant shall receive compensation based on satisfactory performance, accepted by Valley Water, as follows:

- A. Direct Labor: Consultant shall be entitled to receive compensation for all authorized direct labor performed prior to termination pursuant to the provisions of this Agreement or Task Order and all authorized labor expenses incurred to demobilize from the Project after the date of termination;
- B. Other Direct Costs and Expenses: Consultant shall be entitled to receive compensation for all authorized other direct costs and expenses incurred prior to termination and all authorized expenses incurred to demobilize from the Project after the date of termination; and
- C. In no event shall the total compensation paid for any item of Service exceed the payment specified in the Agreement or applicable Task Order for that item of Service.

4. Survival

The Terms and Conditions of this Agreement, that by their context and a standard of reasonableness, are intended to survive termination, suspension, completion, and expiration of this Agreement, shall survive, including but not limited to, the following Sections and subsections: Independent Contractor Status, Confidentiality, Indemnification, Insurance Requirements, and Dispute Resolution, as well as any Consultant representations and warranties.

SECTION EIGHT

INDEMNIFICATION

Notwithstanding any other provision of this Agreement, Consultant agrees to indemnify, defend and hold harmless Valley Water, its agents, officers, directors, and employees from and against any and all demands, claims, damages, losses and reasonable expenses, including but not limited to liabilities, obligations, claims, costs, reasonable expenses (including, without limitation, interest, penalties and reasonable attorney's fees), fines, taxes, levies, imposts, assessment, demands, damages or judgments of any kind or nature, whether in law or equity (including, without limitation, death or injury to any person, property damage, administrative and judicial orders and consents, or any other loss) to the extent they arise out of, pertain to, or relate to the Consultant's negligence, recklessness, or willful misconduct. The foregoing does not limit any strict liability imposed onto the Consultant by law. The rights, duties, and obligations of the Parties as set forth above in this Section Eight, Indemnification, survive termination, expiration, completion, and suspension of this Agreement.

SECTION NINE

INSURANCE REQUIREMENTS

Insurance requirements applicable to this Agreement are set forth in the Standard Consultant Agreement, Appendix Four, Insurance Requirements. Consultant must provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, all insurance coverages as detailed in the Standard Consultant Agreement, Appendix Four, Insurance Requirements and comply with all provisions stated therein.

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SECTION TEN

OWNERSHIP AND REUSE OF DELIVERABLES

1. Valley Water Ownership

All deliverables and other materials prepared by Consultant, including computer programs and media developed by the Consultant, to perform the Services, during the term of this Agreement, will be and remain the property of Valley Water following payment in full to Consultant for each task or portion of a completed task, or in accordance with Section Seven Term and Termination. In the event the work is not completed, the completed portions thereof will become the property of Valley Water. Consultant will provide Valley Water with such deliverables and material at appropriate times during this Agreement. Consultant may retain a copy for its records. Consultant does not convey, assign, or transfer the intellectual property rights it has so as to limit its ability or right to develop, design, or provide services on other projects of or for its other clients.

2. Reuse of Instruments of Service

If Valley Water desires to reuse the completed plans, specifications, or other deliverables, in total or in part, on project sites associated with this Agreement, or any other site, or to complete any incomplete portion of construction documentation which Valley Water has already paid Consultant, Valley Water will release Consultant from any liability incurred by Valley Water from reusing said deliverables.

3. Copies of Data

Copies of data exchanged by, through, and between Valley Water and Consultant that may be relied upon are limited to printed copies. Computer-generated files, disks, or tapes of text, data or graphics that are furnished are only for the mutual convenience of the Parties.

4. Computer-Generated Material

Any risk of translation or reliance on information obtained or derived from computer-generated material is at the user's sole risk, and no representations are made, either express or implied, as to the long-term performance of data thus transferred.

5. Work for Hire

Any and all original correspondence, memoranda, reports, designs, plans, specifications, data compilations, computer programs, or drawings created specifically for Valley Water by Consultant according to the Terms of this Agreement, in or by any medium is deemed to be "work for hire" according to the copyright laws of the United States and the copyright belongs to Valley Water.

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6. Copyright Claims

Co-venturers, subcontractors, Subconsultants, suppliers, and vendors to Consultant are likewise bound by these copyright terms. Valley Water makes no copyright claim and requires no release for copyrighted material or trademarked names used incidentally by Consultant.

SECTION ELEVEN

EQUAL OPPORTUNITY

1. Equal Opportunity Employer

Valley Water is an equal opportunity employer and requires its consultants to have and adhere to a policy of equal opportunity and non-discrimination. In the performance of the Agreement, Consultant will comply with all applicable federal, state, local laws and regulations, and will not discriminate against any subcontractor, employee, or applicant for employment in the recruitment, hiring, employment, utilization, promotion, classification or reclassification, transfer, recruitment advertising, evaluation, treatment, demotion, layoff, termination, rates of pay or other forms of compensation, and selection for professional development training (including apprenticeship), or against any other person, on the basis of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, color, national origin (including language use restrictions), ancestry, religious creed (including religious dress and grooming practices), political affiliation, disability (mental and physical, including HIV or AIDS), medical condition (cancer and genetic characteristics), genetic information, marital status, parental status, gender, age (40 and over), pregnancy, military and veteran status, sexual orientation, gender identity and gender expression, the exercise of family and medical care leave, the exercise of pregnancy disability leave, or the request, exercise, or need for reasonable accommodation.

2. Compliance with Applicable Equal Opportunity Laws

The Consultant's policy must conform with applicable state and federal guidelines including the Federal Equal Opportunity Clause, "Section 60-1.4 of Title 41, Part 60 of the Code of Federal Regulations," Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973 (§503 and §504); the Age Discrimination Act of 1975 (42 U.S.C. §6101 et seq.); the California Fair Employment and Housing Act (Government Code §12900 et. Seq.); and California Labor Code §1101 and §1102.

3. Investigation of Claims

Consultant must designate a specific position within its organization to be responsible for investigating allegations of non-compliance with the anti-discrimination and anti-harassment provisions of this Agreement. Consultant must conduct a fair, prompt, and thorough investigation of all allegations directed to Consultant by Valley Water. In cases where such investigation results in a finding of discrimination, harassment, or hostile work environment, Consultant must take prompt, effective action against the offender.

SECTION TWELVE

MISCELLANEOUS PROVISIONS

1. Entire Agreement

This Agreement, which includes the Terms and Conditions, Appendices, the Schedule(s), Attachments to the Schedule(s), and all executed Task Orders, represents the entire understanding between the Parties hereto relating to the Services described in this Agreement and supersedes any and all prior proposals or agreements, whether written or oral, that may exist between the Parties. This Agreement may not be modified or amended except in writing as stated herein. To the extent that any Schedule conflicts with this Agreement, this Agreement shall control.

2. Formation of Agreement

- A. No agreement between the Parties is formed until all applicable actions have been completed to the satisfaction of Valley Water. Valley Water Project Manager will not issue a Notice to Proceed until all required documents have been submitted and accepted by Valley Water.
- B. Formation of this Agreement between the Parties requires accomplishment of the following, as applicable:
 - 1) Execution of the Agreement by Consultant;
 - 2) Submission by the Consultant, and acceptance by Valley Water, of evidence of all required insurance coverages and documents;
 - 3) Submission by the Consultant, and acceptance by Valley Water, of evidence of all required Form 700 documents, if applicable;
 - 4) Submission by the Consultant, and acceptance by Valley Water, of all required Non-Disclosure Agreements (NDA) as provided in the Schedule(s), Attachment Four, Reference Materials, if applicable;
 - 5) Submission by the Consultant, and acceptance by Valley Water, of a Health and Safety Plan, if applicable;
 - 6) Any other requirements that are deemed necessary by Valley Water; and
 - 7) Execution of the Agreement by Valley Water.

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3. No Assignment

- A. The expertise and experience of Consultant are material considerations for Valley Water's award and execution of this Agreement. Consultant will not assign or transfer any interest in this Agreement nor the performance of any of Consultant obligations hereunder, without prior written consent of Valley Water in the form of an amendment executed by the Parties, and any attempt to so assign this Agreement, or any rights, duties or obligations arising hereunder, will be void and of no effect. Any assignment of monies due or to become due in accordance with this Agreement, will be to the extent permitted by law, and will be subject to all proper set-offs, deductions, and withholdings in favor of Valley Water.
- B. In no event shall an assignment of any interest in this Agreement release the Consultant from its duties and responsibilities as described in this Agreement nor shall the Consultant be released from liability created by the provision of Services as described in this Agreement until such assignment takes effect. Any attempted or purported assignment without Valley Water's written consent in the form of an amendment executed by the Parties is null and void.

4. Reasonableness

Discretionary actions or approvals to be performed by the Parties will be exercised in a reasonable manner.

5. Gifts

Consultant hereby acknowledges that Valley Water policy prohibits the acceptance by Valley Water personnel of gifts of any kind from its contractors, consultants, suppliers or vendors. Consultant shall honor this policy by not sending or bringing gifts to Valley Water.

6. Audits

Consultant agrees that Valley Water and its agent(s) have the right to review, obtain, and copy all records pertaining to performance of this Agreement. Consultant agrees to provide Valley Water and its agent(s) with any relevant information requested, in electronic and hard copy format, at Valley Water's discretion, and will permit Valley Water and its agent(s) access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees (alternatively, by phone at Valley Water's discretion) and inspecting or copying books, records, accounts, computerized records, and other materials that may be relevant to the matter under investigation or subject to audit, such as by a government agency, providing Valley Water with grant funds to pay for Consultant's services for the purpose of determining compliance with this Agreement. Consultant further agrees to maintain such records for a period of three years after final payment as provided for in this Agreement.

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7. Force Majeure

Neither Party will be held responsible for delays caused by acts beyond its control, such as acts of God or public enemies, utility or communication delays, or failures not caused by such Party's negligence or fault, accidents not caused by such Party's negligence or fault, labor disputes, war, or failure of the other Party to provide data as required pursuant to this Agreement.

8. Binding Effect

This Agreement is binding on the heirs, executors, administrators, successors and assigns of the Parties.

9. Choice of Law and Venue

The Parties agree that this Agreement is to be governed, construed, and enforced in accordance with the laws of the State of California. The Parties also agree that the venue of any litigation arising out of or connected with this Agreement will lie exclusively in the state trial court or Federal District Court located in Santa Clara County in the State of California. The Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

10. Confidentiality

- A. Due to the nature of the services Consultant will provide pursuant to this Agreement, there may be disclosures made to Consultant of detailed information about Valley Water's operations, including on a need-to-know basis information which may be protected from public disclosure by confidentiality laws, the attorney-client privilege, and/or other provisions of law which govern the nature and timing of disclosure of public information.
- B. Consultant understands and acknowledges that Valley Water staff members providing information to the Consultant do so with the understanding that such information will be handled appropriately.
- C. In the event Consultant receives such restricted or confidential information, Consultant will limit access to the information to only those of Consultant's employees, its subcontractors and its Subconsultants authorized by Valley Water to have the information.
- D. Consultant will notify Valley Water immediately of any request by any third party to have access to confidential information and will not disclose the requested information without first receiving express written authorization from Valley Water.
- E. The requirements stated herein will survive completion, expiration, suspension, and termination of this Agreement.

11. Release of Information Prohibited

Consultant is not permitted to provide any information concerning the Project to the media nor anyone other than authorized Valley Water personnel. Consultant will not release any information pertinent to the Project for publication, public disclosure, or in any other manner without first obtaining clearance and a release in writing from Valley Water. Any media inquiry at any time to Consultant relating to any matter concerning Services provided or requested to be provided pursuant to this Agreement will be referred immediately to Valley Water. Consultant will not communicate with the media regarding any such matter.

12. Conflict of Interest

- A. Consultant represents that there exists no actual or potential conflict of interest concerning the services to be performed pursuant to this Agreement.
- B. Consultant represents that Consultant's performance required as stated in this Agreement does not require the breach of any agreement or obligation to keep in confidence the proprietary information of another party. Consultant will not bring to Valley Water, or use in the performance of Consultant's duties as described in this Agreement, any materials or documents of another party considered confidential or proprietary unless Consultant has obtained written authorization from such party, and the informed consent of Valley Water, for the possession and use of such materials.
- C. Consultant represents and warrants that during the term of the Agreement, Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant shall not act as a Consultant or expert for any party in support of any potential or active claim or legal action against Valley Water by such party.
- D. CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION STATEMENT OF ECONOMIC INTEREST FORM 700 ("FORM 700"): Upon Valley Water's request, Consultant employees, officers, agents, Subconsultants, and subcontractors shall complete, execute, and submit a Form 700 as follows:
 - 1) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, shall file, in a manner prescribed by Valley Water, an Assuming Office Statement. The Assuming Office Statement shall be filed:
 - a. Within 30 calendar days of the effective date of this Agreement; or
 - b. Within 30 calendar days of Consultant hiring, adding, or promoting to a designated filer position, employees, officers, agents, Subconsultants, and subcontractors to perform services pursuant to this Agreement.
 - 2) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, that filed an Assuming Office Statement, shall file in a manner prescribed by Valley Water, an amendment to their Form 700 any time there is a change to their disclosure information.

- 3) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, that filed an Assuming Office Statement, shall file an Annual Statement in a manner prescribed by Valley Water, during Valley Water's annual filing season, as determined by Valley Water;
- 4) Consultant employees, officers, agents, Subconsultants, and subcontractors assigned to perform services pursuant to this Agreement, that filed an Assuming Office Statement, shall file, in a manner prescribed by Valley Water, a Leaving Office Statement with Valley Water when one of the following occurs:
 - a. Upon termination of this Agreement; or
 - b. Within 30 calendar days of Consultant employees, officers, agents, Subconsultants, and subcontractors vacating a designated filing position (i.e., removed from the Project, promotion, demotion, transfer to non-designated position, end of employment, or as a result of changes in designated filer positions in Valley Water's Conflict of Interest Code).
- 5) Consultant understands and agrees that its employees, officers, agents, Subconsultants, and subcontractors may be disqualified from providing services to Valley Water pursuant to the California Political Reform Act, Government Code (GC) §81000 et. Seq. and GC §1090. If any of Consultant's employees, officers, agents, Subconsultants, and subcontractors are disqualified from providing services, on written notice from Valley Water Project Manager, Consultant will have 15 calendar days to remove said employee(s), officer(s), agent(s), Subconsultant(s)' and subcontractor(s)' employee(s) from the Project and provide a replacement acceptable to Valley Water.
- 6) The failure of Consultant's employees, officers, agents, Subconsultants, and subcontractors to file an Assuming Office, Annual, Amended, or Leaving Office Statement within the time prescribed by Valley Water is deemed a material breach and may result in termination of the Agreement for cause.

13. Task Orders

- A. Some tasks and Services will be assigned to the Consultant through issuance of Task Orders. After the tasks and Services are identified and communicated to the Consultant by Valley Water Project Manager, Consultant will prepare a proposed Task Order (see Standard Consultant Agreement, Appendix Three, Task Order Template). The proposed Task must identify the following:
 - 1) Description of the services, including deliverables;
 - 2) The total Not-to-Exceed Fees for Consultant to complete the services, including estimated number of hours per assigned staff to complete the services;
 - 3) Proposed staff that will be assigned to complete the services, including resumes if not previously provided to Valley Water's Project Manager;

- 4) Estimated cost of each other direct cost and reimbursable expense, including any applicable fees;
 - 5) Schedule for completing the services; and
 - 6) Copies of applicable state and federal permits required to complete the services, unless previously provided to Valley Water.
- B. Consultant agrees that the Not-to-Exceed Fees specified in a proposed Task Order will be the product of a good faith effort in exercising its professional judgment. After an agreement has been reached on the negotiable items, the finalized Task Order will be signed by both Valley Water's authorized representative referenced in the Standard Consultant Agreement, Appendix One, Additional Legal Terms, and Consultant's authorized representative.
- C. Consultant must not commence performance of work or services on a Task Order until it has been approved by Valley Water's authorized representative and Notice to Proceed has been issued by Valley Water Project Manager. No payment will be made for any services performed prior to approval or after the period of performance of the Task Order. The period of performance for Task Orders will be in accordance with dates specified in the Task Order. No Task Order will be written which extends beyond the expiration date of this Agreement. The total amount payable by Valley Water for an individual Task Order will not exceed the amount agreed to in the Task Order.
- D. Prevailing Wage Requirements: The Scope of Services may be considered by Valley Water to be "Public Works" requiring the payment of prevailing wages. See the Standard Consultant Agreement, Section Four, Fees and Payments, subsection 3. Prevailing Wages, and Appendix Three, Task Order Template.

14. Good Neighbor

Valley Water always strives to be a good neighbor to the community adjacent to its facilities. Consultant will ensure that disturbance to neighbors is minimized. Consultant, its staff, and Subconsultants will always interact with the members of the public in a polite and professional manner.

15. Governmental Permits and Notifications

Unless otherwise expressly stated herein or in an executed Task Order, Consultant represents and warrants that it has investigated the need for, and has or will procure, at its cost, and in its own name to the extent allowed by law, all governmental permits, notifications, approvals and inspections required for the performance of the Services. Consultant shall promptly notify Valley Water if any such permit or approval lapses or is modified or revoked. If, pursuant to applicable law, any such permits or approvals must be procured in Valley Water's name, Consultant shall promptly so inform Valley Water and assist Valley Water in obtaining such permits or approvals.

16. Taxes and Benefits

Consultant has full and exclusive liability for the payment of, and Consultant will pay, any and all taxes and contributions for unemployment insurance, retirement benefits, workers' compensation insurance or benefits, life insurance, pensions, annuities and similar benefits and any other employment-related costs, obligations, and duties that may now or hereafter be imposed by law, collective bargaining agreements or otherwise with respect to persons employed by Consultant for the performance of Services pursuant to this Agreement.

17. Nonwaiver of Rights

The failure of either Party to this Agreement to object to or to take affirmative action with respect to any conduct of the other Party that is in violation of the terms of this Agreement will not be construed as a waiver thereof, or as waiver of any future breach or subsequent wrongful conduct.

18. Notices

Unless otherwise specified in this Agreement, all requests for written approval or legal notices must be sent to the representatives below. All notices are deemed to have been given when made in writing and when delivered or mailed to the representatives of Valley Water and Consultant at their respective addresses as follows:

VALLEY WATER:

Deputy Operating Officer, as listed in Section 1. Representatives, of the attached Schedule(s), Scope of Services

CONSULTANT:

Consultant Principal Officer, as listed in Section 1. Representatives, of the attached Schedule(s), Scope of Services

19. No Third-Party Beneficiaries

Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity, other than the Parties hereto, any legal or equitable right, remedy, or claim under or in respect of this Agreement or any covenants, conditions, or provisions contained herein.

20. Severability

If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.

21. Debt Limitation

This Agreement is contingent on the appropriation of sufficient funding by Valley Water for the services described in this Agreement. Valley Water is subject to laws or policies which limit its ability to incur debt in future years. Nothing in this Agreement shall constitute an obligation of future legislative bodies of Valley Water to appropriate funds for purposes of this Agreement.

22. Appendices

The following listed Standard Consultant Agreement Appendices are incorporated herein by this reference as though set forth in full:

- Appendix One - Additional Legal Terms
- Appendix Two - Dispute Resolution
- Appendix Three - Task Order Template
- Appendix Four - Insurance Requirements

23. Schedule(s) and Attachments

Schedule P, Scope of Services, and the following listed Attachments are incorporated herein by this reference as though set forth in full:

- Attachment One - Fees and Payments
- Attachment Two - Schedule of Completion
- Attachment Three - Consultant’s Key Staff and Subconsultants
- Attachment Four - Reference Materials

IN WITNESS WHEREOF, THE PARTIES HAVE SET FORTH BELOW THEIR CONSENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT THROUGH THE SIGNATURES OF THEIR DULY AUTHORIZED REPRESENTATIVES.

SANTA CLARA VALLEY WATER DISTRICT
Valley Water

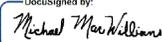
By: _____
John L. Varela
Chair Pro Tem
Board of Directors

Date: _____

ATTEST:

Michele L. King, CMC
Clerk, Board of Directors

ANCHOR QEA, LLC
Consultant

By:  _____
Michael MacWilliams, PhD, PE
Authorized Signatory, Principal
Engineer

Date: 8/18/2022

Consultant’s Address:
1201 Third Avenue, Suite 2600
Seattle, WA 98101

**STANDARD CONSULTANT AGREEMENT
APPENDIX ONE
ADDITIONAL LEGAL TERMS**

1. Conflict of Interest for Future Services

Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant, shall not submit a proposal independently or as part of a team:

- A. For any agreement to be awarded for CEQA/NEPA-related services, modeling, permitting, design, construction management, or the construction of the Calabazas/San Tomas Aquino Creek-Marsh Connection Project (Project) or any other project that is related to the Services provided pursuant to this Agreement.
- B. Subconsultants working for the Consultant on this project are similarly precluded from proposing to, or performing services pursuant to future modeling, CEQA/NEPA, permitting, design, construction and construction management agreements with Valley Water if their services performed pursuant to this Agreement for Planning and Monitoring include any of the three (3) scopes listed below.
 - 1) formulation or modification of conceptual alternatives, final alternatives, or the staff-recommended alternative;
 - 2) scoring or ranking of conceptual, feasible, or Valley Water (VW) staff-recommended alternatives; or
 - 3) development of design inputs or basis of design for conceptual alternatives, final alternatives, or the VW staff-recommended alternative.
- C. In response to any request for proposal or Valley Water solicitation developed or prepared by or with the assistance of Consultant, Consultant's parent company, Consultant's subsidiaries, or any affiliated entity sharing substantially similar ownership of or control with Consultant; or
- D. For any single or sole source products/services related to the Services pursuant to this Agreement or have a financial stake in any single or sole source products/services resulting from this Agreement.

2. Dispute Resolution

If a dispute occurs between the Parties as a result of this Agreement, then the Parties agree to use the Dispute Resolution process outlined in the Standard Consultant Agreement, Appendix Two, Dispute Resolution.

3. Small Business Enterprise (SBE) Participation – NOT USED

4. Task Order Approvals

- A. Services to be performed pursuant to a Task Order may only commence once a specific Notice to Proceed for that Task Order has been issued by Valley Water.
- B. Task Orders are subject to approval by Valley Water Deputy Operating Officer unless delegated to an Assistant Officer and/or Unit Manager.

**STANDARD CONSULTANT AGREEMENT
APPENDIX ONE
ADDITIONAL LEGAL TERMS**

- C. Valley Water Unit Manager(s) is authorized to approve individual Task Orders in an amount not-to-exceed \$[authorization amount]. [NOT USED]
- D. The total not-to-exceed amount for any one Task Order shall not exceed \$[NTE Amount]. [NOT USED]

5. California Department of Fish and Wildlife (CDFW) Proposition 1 Watershed Restoration Grant Program Calabazas/San Tomas Aquino Creek – Marsh Connection Project Grant Agreement Requirements

- A. This Agreement is funded by a grant Valley Water received from the California Department of Fish and Wildlife (CDFW) Proposition 1 Watershed Restoration Grant Program Calabazas/San Tomas Aquino Creek – Marsh Connection Project. Pursuant to the Grant Agreement dated November 1, 2021, between, Valley Water and CDFW), Valley Water must include certain provisions in its grant-funded consultant agreements. All such applicable provisions are set forth in Exhibit A, California Department of Fish and Wildlife (CDFW) Proposition 1 Watershed Restoration Grant Program Calabazas/San Tomas Aquino Creek – Marsh Connection Project Grant Agreement Required Provisions, attached hereto and incorporated herein by this reference. Consultant agrees to comply with all CDFW required provisions stated in Exhibit A of this Appendix One.
- B. In the event of a conflict or inconsistency between the Grant Agreement Provisions set forth in Exhibit A, and any other provision in the Standard Consultant Agreement entered into by Valley Water and Consultant, or subsequent amendments thereto, the requirements stated in Exhibit A will control.

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**STANDARD CONSULTANT AGREEMENT
EXHIBIT A
OF
APPENDIX ONE
ADDITIONAL LEGAL TERMS
CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CDFW) PROPOSITION 1
WATERSHED RESTORATION GRANT PROGRAM CALABAZAS/SAN TOMAS
AQUINO CREEK – MARSH CONNECTION PROJECT
GRANT AGREEMENT REQUIRED PROVISIONS**

1. **Landowner Access.** Consultant must acquire all necessary permits and access permission from landowners where on the ground implementation activities are to be conducted, prior to start of any such work. Consultant must provide all required permits and permission documentation to Valley Water. Valley Water will issue a Notice to Proceed (NTP) for such work once CDFW determines the documentation is adequate to meet the grant requirements.

2. **Reporting**
 - A. **Progress Reports.** Consultant will submit quarterly progress reports to Valley Water as described in the Scope of Services. Progress reports shall contain the following:
 - 1) Activities and tasks performed and/or completed, a summary of progress to date including progress since the last report, and a brief outline of upcoming work scheduled for the subsequent quarter;
 - 2) Documentation of all subconsultant activities
 - 3) Updates on progress towards meeting Project objectives, output and outcome performance measures;
 - 4) Document delivery of any intermediate work products;
 - 5) Costs incurred during the subject period, total of costs incurred to date, and the remaining balance;
 - 6) Any problems encountered while performing the tasks and proposed solutions, timeline for resolution, and status of previously unresolved problems; and
 - 7) Quarterly reports must be submitted using the progress reports template provided by Valley Water.

 - B. **Draft and Final Progress Report:** Consultant will submit quarterly progress reports to Valley Water as described in the Scope of Services. Summary of the life of the grant agreement and description of the work and results pursuant to the CDFW Grant Agreement.

3. **Audit.** Consultant agrees that CDFW, the Department of Finance (DOF), Department of General Services (DGS), California State Auditor's Office (CSA), or their designated representatives shall have the right to review and to copy any records and supporting documentation related to the performance of this agreement. Consultant agrees to maintain such records for possible audit for a minimum of three years after final payment, unless a longer period of records retention is stipulated. Consultant agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Consultant agrees to put a substantially similar term in any subconsultant agreement executes with

**STANDARD CONSULTANT AGREEMENT
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CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CDFW) PROPOSITION 1
WATERSHED RESTORATION GRANT PROGRAM CALABAZAS/SAN TOMAS
AQUINO CREEK – MARSH CONNECTION PROJECT
GRANT AGREEMENT REQUIRED PROVISIONS**

another entity related to the performance of this agreement.

- 4. Indemnification.** In addition to Consultant's indemnification obligations to Valley Water under Section 8 of this Agreement, Consultant also agrees to indemnify, defend, and save harmless the State of California ("State") and CDFW and their officers, agents, and employees from any and all claims and losses accruing or resulting to any and all subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Consultant in the performance of this Agreement.
- 5. Independent Contractor.** Consultant, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of CDFW or Valley Water. Consultant acknowledges and promises that CDFW is not acting as an employer to any individuals furnishing services or work on the Project pursuant to this Agreement.
- 6. Non-Discrimination.** Valley Water is an equal opportunity employer and requires its consultants to have and adhere to a policy of equal opportunity and non-discrimination. In the performance of the Agreement, Consultant will comply with all applicable federal, state, local laws and regulations, and will not discriminate against any subcontractor, employee, or applicant for employment in the recruitment, hiring, employment, utilization, promotion, classification or reclassification, transfer, recruitment advertising, evaluation, treatment, demotion, layoff, termination, rates of pay or other forms of compensation, and selection for professional development training (including apprenticeship), or against any other person, on the basis of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, color, national origin (including language use restrictions), ancestry, religious creed (including religious dress and grooming practices), political affiliation, disability (mental and physical, including HIV or AIDS), medical condition (cancer and genetic characteristics), genetic information, marital status, parental status, gender, age (40 and over), pregnancy, military and veteran status, sexual orientation, gender identity and gender expression, the exercise of family and medical care leave, the exercise of pregnancy disability leave, or the request, exercise, or need for reasonable accommodation.

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**STANDARD CONSULTANT AGREEMENT
EXHIBIT A
OF
APPENDIX ONE
ADDITIONAL LEGAL TERMS
CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CDFW) PROPOSITION 1
WATERSHED RESTORATION GRANT PROGRAM CALABAZAS/SAN TOMAS
AQUINO CREEK – MARSH CONNECTION PROJECT
GRANT AGREEMENT REQUIRED PROVISIONS**

- 7. Rights In Data.** Consultant agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement, are subject to the rights of CDFW as set forth in this agreement. CDFW shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, Consultant may copyright the same, except that, as to any work which is copyrighted by Consultant, CDFW reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so.
- 8. Use of Subconsultant(s).** If Consultant wishes to accomplish part of the Project through the use of one or more subconsultants, the following conditions must be met:
- A. Consultant shall submit any subconsultant agreements to Valley Water, upon request;
 - B. Agreements between the Consultant and subconsultant must be in writing;
 - C. Consultant must include language establishing the audit rights of CDFW, DOF, DGS, CSA, or their designated representatives with respect to subconsultants that complies with Section 6, Non-Discrimination;
 - D. Subconsultant agreements must include non-discrimination clause language with respect to subconsultants that complies with Section 6, Non-Discrimination; and
 - E. Upon termination of any subconsultant agreement, Valley Water shall be notified immediately, in writing.
- 9. Travel and Per Diem.** If travel or per diem costs are authorized by this Agreement, such costs shall be reasonable and not exceed those amounts identified in the California Department of Human Resources travel reimbursement guidelines. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the Valley Water and CDFW.
- 10. Consultant Staff Requirements.** Consultant personnel shall not be employees of or have any contractual relationship with CDFW.
- 11. Equipment Purchases.** For purposes of this Agreement, “Equipment” means tangible personal property having a useful life of four years, and “Major Equipment” means Equipment with a unit cost of \$5,000 or more. The unit cost includes the purchase price plus all costs to acquire, install, and prepare the equipment for its intended use. Consultant may purchase Major Equipment under this Agreement only when a specific type of Major Equipment is listed in the Budget Details and Funding Summary section of this Agreement. This restriction on the purchase of Major Equipment does not include the lease or rental of Major Equipment. Consultant shall own all Equipment purchased under this Agreement; CDFW and Valley Water do not claim title or ownership to such Equipment. Consultant shall keep, and make

**STANDARD CONSULTANT AGREEMENT
EXHIBIT A
OF
APPENDIX ONE
ADDITIONAL LEGAL TERMS
CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CDFW) PROPOSITION 1
WATERSHED RESTORATION GRANT PROGRAM CALABAZAS/SAN TOMAS
AQUINO CREEK – MARSH CONNECTION PROJECT
GRANT AGREEMENT REQUIRED PROVISIONS**

available to CDFW upon CDFW's request, appropriate records of all Equipment purchased with Grant Funds. Equipment purchased by Consultant outside the term of this Agreement is not eligible for reimbursement by Valley Water or CDFW under this Agreement. When Consultant submits an invoice to Valley Water for reimbursement of Major Equipment purchase costs, that invoice must include a receipt listing the purchase price of the Major Equipment and the serial number and model number of the Major Equipment. That invoice must also include the location, including street address, where the Major Equipment will be used during the term of this Agreement.

12. Union Organizing. Consultant acknowledges the following:

- a. Grant funds, which are being used to fund this Agreement, shall not be used to assist, promote, or deter union organizing;
- b. If Consultant makes expenditures to assist, promote, or deter union organizing, Consultant will maintain records sufficient to show that no Grant Funds were used for those expenditures and shall provide those records to the Attorney General upon request.

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**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

1. Consultant's Questions and Concerns

Questions regarding the Terms, Conditions, and Services relating to this Agreement will be decided by Valley Water who will furnish the decisions to Consultant in writing within 30 days after receiving a written request from Consultant.

2. Dispute Resolution

A. Alternate Dispute Resolution

Valley Water intends to use Alternate Dispute Resolution (ADR) techniques including partnering and mediation to resolve disputes relating to the Project.

B. Consultant and its Subconsultants are expected to participate in all ADR efforts.

C. The cost of partnering, training facilities, and facilitator will be borne by Valley Water.

3. Negotiations Before and During Mediation

Negotiations to resolve disputes before and during mediation are initiated for settlement purposes only, are confidential, and are not binding unless otherwise agreed by Valley Water and Consultant.

4. Voluntary Mediation

A. Initiation of Mediation

Any Party to a dispute or claim may initiate mediation by notifying the other Party or Parties in writing.

B. Request for Mediation

A request for mediation must contain a brief written statement of the nature of the dispute or claim, and the names, addresses, and phone numbers of all parties to the dispute or claim, and those who will represent them, if any, in the mediation.

C. Selection of Mediator

- 1) Upon receipt of a written request for mediation, unless otherwise agreed by the Parties, within 14 days, the Parties will confer to select an appropriate mediator agreeable to all Parties.
- 2) If the Parties cannot agree on a mediator, they hereby agree to accept a mediator appointed by a recognized association such as the American Arbitration Association.

**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

D. Qualifications of a Mediator

- 1) Any mediator selected must have expertise in the area of the dispute and be knowledgeable in the mediation process.
- 2) No person shall serve as a mediator in any dispute in which that person has any financial or personal interest in the result of the mediation.
- 3) Before accepting an appointment, the prospective mediator must disclose any circumstances likely to create a presumption of bias or prevent a prompt meeting with the Parties. Upon receipt of such information, the Parties will confer and decide whether to select another mediator.

E. Vacancies

If any mediator becomes unwilling or unable to serve, another mediator will be selected unless the Parties agree otherwise.

F. Representation

- 1) Any Party may be represented by person(s) of their choice who must have full authority to negotiate.
- 2) The names and addresses of such person(s) must be communicated in writing to both Parties and to the mediator.

G. Time and Place of Mediation

- 1) The mediator will set the time of each mediation session.
- 2) The mediation will be held at a convenient location agreeable to the mediator and the Parties, as determined by the mediator.
- 3) All reasonable efforts will be made by the Parties and the mediator to schedule the first session within 60 days after selection of the mediator.

H. Identification of Matters in Dispute

- 1) Parties shall comply with the process as required by the mediator with regard to providing the mediator with a memorandum setting forth its position with regard to the issues that need to be resolved. At the discretion of the mediator, or otherwise agreed by the Parties, the Parties may mutually exchange such memoranda.
- 2) At the first session, the Parties will be expected to produce all information reasonably required for the Mediator to understand the issue(s) presented. The mediator may require each Party to supplement such information.

**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

I. Authority of Mediator

- 1) The mediator does not have authority to impose a settlement on the Parties but will attempt to assist the Parties in reaching a satisfactory resolution of their dispute.
- 2) The mediator is authorized to conduct joint and separate meetings with the Parties and to make oral and written recommendations for settlement.
- 3) Whenever necessary, the mediator may also obtain expert advice concerning technical aspects of the dispute, provided the Parties agree and assume the expenses of obtaining such advice. Arrangements for obtaining such advice will be made by the mediator or the Parties, as determined by the mediator.
- 4) The mediator is authorized to end the mediation whenever, in the mediator's judgment, further efforts at mediation would not contribute to a resolution of the dispute between the Parties.

J. Privacy

- 1) Mediation sessions are private.
- 2) The Parties and their representatives may attend mediation sessions.
- 3) Other persons may attend only with the permission of the Parties and with the consent of the mediator.

K. Confidentiality

Except as provided by California or federal law or regulation:

- 1) The mediator will not divulge confidential information disclosed to a mediator by the Parties or by witnesses in the course of the mediation.
- 2) All records, reports, or other documents received by a mediator while serving as mediator, are confidential.
- 3) The mediator must not be compelled to divulge such records or to testify in regard to the mediation in any adversary proceeding or judicial forum.
- 4) The Parties must maintain the confidentiality of the mediation and must not rely on, or introduce as evidence in any arbitration, judicial or other proceedings:
 - a. Views expressed, or suggestions made by the other Party with respect to a possible settlement of the dispute;
 - b. Statements made by the other Party in the course of the mediation proceedings;

**STANDARD CONSULTANT AGREEMENT
APPENDIX TWO
DISPUTE RESOLUTION**

- c. Proposals made or views expressed by the mediator; and
- d. Whether the other Party had or had not indicated willingness to accept a proposal for settlement made by the mediator.

L. No Stenographic Record

There shall be no stenographic record of the mediation.

M. Termination of Mediation

The mediation shall be terminated:

- 1) By the execution of a Settlement Agreement by the Parties;
- 2) By a written declaration of the mediator to the effect that further efforts at mediation are no longer worthwhile; or
- 3) By a written declaration of a Party or Parties to the effect that the mediation proceedings are terminated.

N. Exclusion of Liability

No mediator shall be a necessary Party in judicial proceedings related to the mediation.

O. Interpretation and Application of These Mediation Provisions

The mediator will interpret and apply these mediation provisions insofar as they relate to the mediator's duties and responsibility.

P. Expenses

- 1) The expenses of witnesses for each Party must be paid by the Party producing the witnesses.
- 2) All other expenses of the mediation, including required travel and other expenses of the mediator, and the expenses of any witness called by the mediator, or the cost of any proofs or expert advice produced at the direct request of the mediator, will be apportioned as the mediator finds appropriate or as otherwise agreed to by the Parties.

5. Compensation for Participation in Mediation

Neither Consultant nor Valley Water is entitled to compensation for time spent in or for negotiations or mediation to resolve questions or disputes between Consultant and Valley Water arising out of this Agreement.

**STANDARD CONSULTANT AGREEMENT
APPENDIX THREE
TASK ORDER TEMPLATE**

Task Order No. _____

Title: _____

Agreement: Standard Consultant Agreement _____ (“Agreement”) Between the Santa Clara Valley Water District (“Valley Water”) and _____ (“Consultant”), dated _____.

Valley Water: _____

Consultant: _____

Dollar Amount of Task Order: Not-to-Exceed \$ _____

1. Upon full execution of this Task Order No. _____, as set forth in the Standard Consultant Agreement, Section Twelve, Miscellaneous Provisions, subsection 13. Task Orders, and the issuance of a Notice to Proceed by Valley Water Project Manager, the Consultant is hereby authorized to perform the Services described in Attachment A to this Task Order. Any costs incurred, Services performed or expenditures by the Consultant before this Task Order is executed or before the issuance of the Notice to Proceed will be considered outside the contracted Scope of Services and will not be eligible for payment.
2. Both the Scope of Services to be performed and the deliverables to be provided in accordance with this Task Order are described in Attachment A which is attached hereto and incorporated by this reference. Attachment A shall include at a minimum the following:
 - A. The Consultant personnel to be assigned to perform the Services, including resumes if not previously provided to Valley Water;
 - B. The total not-to-exceed fees amount for Consultant to complete the Services, including estimated number of hours required to perform the Services assigned to each Consultant classification;
 - C. Estimated cost of each other direct cost and reimbursable expense, including any applicable fees; and
 - D. The distribution detail for each service, direct cost, and reimbursable expense. This information must be included in the invoice for the services authorized under this task order; and
 - E. Project schedule for completing the Scope of Services.
3. Consultant shall be compensated at fixed fees or at the hourly rates established in Schedule P, Attachment One, Fees and Payments. Consultant agrees that it will provide all equipment, furnish all materials, except as may be otherwise noted in the Attachment A.
4. This Task Order becomes effective on the date of full execution by authorized representatives of the Parties and remains in effect until the earlier of: completion of the tasks set forth in Attachment A; or [expected completion date].

Modeling Support for the Calabazas/San Tomas Aquino Creek Agreement No. A4668A / PB File No. VW0122
Marsh Connection Project
Standard Consultant Agreement-Capital - Prop 1 Grant CDFW
Ver.: 8/15/22

**STANDARD CONSULTANT AGREEMENT
APPENDIX THREE
TASK ORDER TEMPLATE**

- 5. Copies of applicable local, state and federal permits required to perform the Services described in Attachment A are attached to this Task Order, unless the Consultant previously provided the appropriate permits to Valley Water.
- 6. Consultant shall perform all Services described in Attachment A to this Task Order in accordance with the Terms and Conditions of the Agreement.
- 7. Prevailing Wage Requirements [NOT USED]
 - A. The Scope of Services described in this Task Order is considered by Valley Water to be "Public Works" requiring the payment of prevailing wages. See the Standard Consultant Agreement, Section Four, Fees and Payments, subsection 3. Prevailing Wages.
 - B. In accordance with prevailing wage laws, the Director of the California Department of Industrial Relations (Director) has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes available to the particular craft, classification, or type of workers employed on the Project. These rates are set forth in the latest determination obtained from the Director, which is on file in Valley Water's Office of the Clerk of the Board of Directors and incorporated herein by reference the same as though set forth in full. The rates are also available on the State of California Department of Industrial Relations website at <http://www.dir.ca.gov>.

8. Signatures:

Signature: _____
 NAME OF CONSULTANT FIRM
 [PRINT NAME]
 [PRINT TITLE] _____
 DATE _____

Signature: _____
 SANTA CLARA VALLEY WATER DISTRICT
 [PRINT NAME]
 [PRINT TITLE] _____
 DATE _____

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**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

Please Note: Failure to comply with the instructions below could result in a delay in receiving the Notice to Proceed. The District will not be responsible for time lost or costs incurred due to failure to comply with these requirements. Please note the check-list of documents needed at the end of this Appendix Four Insurance Requirements.

Without limiting the Consultant's indemnification of, or liability to, the Santa Clara Valley Water District ("District" or "Valley Water"), the Consultant must provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions as listed below.

Consultant must provide its insurance broker(s)/agent(s) with a copy of these requirements and warrants that these requirements have been reviewed by Consultant's insurance agent(s) and/or broker(s), who have been instructed by Consultant to procure the insurance coverage required herein.

In addition to certificates, Consultant must furnish District with copies of all original endorsements affecting coverage required by this Appendix. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. **All endorsements and certificates are to be received and approved by District before the Agreement is executed.** In the event of a claim or dispute, District has the right to require Consultant's insurer to provide complete, certified copies of all required pertinent insurance policies, including endorsements affecting the coverage required by this Appendix Four Insurance Requirements document.

If your insurance broker has any questions about the above requirements, please advise him/her to call Mr. David Cahen, District Risk Manager at (408) 630-2213.

Certificates of Insurance

Consultant shall furnish the District with a Certificate of Insurance. The certificates will be issued on a standard ACORD Form.

Consultant shall instruct their insurance broker/agent to submit all insurance certificates and required notices electronically in PDF format to the designated District Contract Administrator and email a copy to valleywater@ebix.com.

The certificates will:

1. Identify the underwriters, the types of insurance, the insurance limits, the deductibles and the policy term;
2. Include copies of all the actual policy endorsements required herein; and
3. In the "Certificate Holder" box include:

**Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118
Agreement A4668A / PB No. VW0122**

**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

IMPORTANT: The agreement or PB number must be included.

In the Description of Operations/Locations/Vehicles/Special Items Box:

1. Certificate Holder shall be named as Additional Insured (except for Professional Liability);
2. District agreement or project number shall appear;
3. The list of policies scheduled as underlying on the Umbrella policy shall be listed; and
4. Waiver of Subrogation must be indicated as endorsed to all policies.

If Consultant receives any notice that any of the insurance policies required by this Appendix Four Insurance Requirements may be cancelled or coverage reduced for any reason whatsoever, Consultant or insurer shall immediately provide written notice to the designated District Contract Administrator that such insurance policy required by this Appendix Four Insurance Requirements is canceled or coverage is reduced.

Maintenance of Insurance

If Consultant fails to maintain such insurance as is called for herein, District, at its option, may suspend payment for work performed and/or may order Consultant to suspend all Consultant's work at Consultant's expense until a new policy of insurance is in effect.

Renewal of Insurance

Consultant will provide the District with a current Certificate of Insurance and endorsements within thirty (30) business days from the expiration of insurance.

Consultant shall instruct its insurance broker/agent to:

1. Submit all renewals of insurance certificates and required notices electronically in PDF format to: valleywater@ebix.com
2. Provide the following information in the "Certificate Holder" box:

**Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118
Agreement A4688A / PB No. VW0122**

IMPORTANT: The agreement or PB number must be included.

Consultant must, at its sole cost and expense, procure and maintain during the entire period of this Agreement the following insurance coverage(s).

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**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

Required Coverages

1. Commercial General/Business Liability Insurance with coverage as indicated:

\$2,000,000 per occurrence / **\$2,000,000** aggregate limits for bodily injury and property damage

General Liability insurance must include:

- a. Coverage at least as broad as found in standard ISO form CG 00 01.
- b. Contractual Liability expressly including liability assumed under this contract.
- c. If Consultant must be working within fifty (50) feet of a railroad or light rail operation, any exclusion as to performance of operations within the vicinity of any railroad bridge, trestle, track, roadbed, tunnel, overpass, underpass, or crossway must be deleted, or a railroad protective policy in the above amounts provided.
- d. Severability of Interest.
- e. Broad Form Property Damage liability.

2. Business Auto Liability Insurance with coverage as indicated:

\$2,000,000 combined single limit for bodily injury and property damage per occurrence, covering all owned, non-owned and hired vehicles.

3. Professional/Errors and Omissions Liability with coverage as indicated:

\$2,000,000 per claim/ **\$2,000,000** aggregate

Professional/Errors and Omission Liability appropriate to the Consultant's profession, and must include:

- a. If coverage contains a deductible, or self-insured retention, it shall not be greater than one hundred thousand dollars (\$100,000) per occurrence/event.
- b. Coverage shall include contractual liability
- c. If coverage is claims-made:
 - i. Certificate of Insurance shall clearly state that the coverage is claims-made.
 - ii. Policy retroactive date must coincide with or precede the Consultant's start of work (including subsequent policies purchased as renewals or replacements).
 - iii. Policy must allow for reporting of circumstances or incidents that might give rise to future claims.
 - iv. Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract of work.

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**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

4. Workers' Compensation and Employer's Liability Insurance

Statutory California Workers' Compensation coverage covering all work to be performed for the District.

Employer Liability coverage for not less than \$1,000,000 per occurrence.

General Requirements

With respect to all coverages noted above, the following additional requirements apply:

1. **Additional Insured Endorsement(s):** Consultant must provide an additional insured endorsement for Commercial General/Business Liability (for both on-going and completed operations) and Business Automobile liability coverage naming the **Santa Clara Valley Water District, California Department of Fish and Wildlife (CDFW), its Directors, officers, employees, and agents, individually and collectively**, as additional insureds, and must provide coverage for acts, omissions, etc. arising out of the named insureds' activities and work. Other public entities may also be added to the additional insured endorsement as applicable and the Consultant will be notified of such requirement(s) by the District. **NOTE:** This section does not apply to the Workers' Compensation and Professional Liability policies.

(**NOTE:** Additional insured language on the Certificate of Insurance is **NOT** acceptable without a separate endorsement such as Form CG 20 10, CG 2033, CG 2037, or CG 2038. Editions dated 07/04 are not acceptable.)

2. **Primacy Clause:** Consultant will provide evidence (either through the Certificate of Insurance, endorsement or language in the insurance contract) that consultant's insurance is primary with respect to any other insurance which may be carried by the District, its Directors, its officers, agents and employees, and the District's coverage must not be called upon to contribute or share in the loss. **NOTE:** This section does not apply to the Workers' Compensation policies.
3. **Cancellation Clause:** Consultant will provide endorsements for all policies stating that the policy will not be cancelled without 30 days prior notification to the District.
4. **Acceptability of Insurers:** All coverages must be issued by companies admitted to conduct business in the State of California, which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the District's Risk Manager. Non-Admitted companies may be substituted on a very limited basis at the Risk Manager's sole discretion.

**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

5. **Self-Insured Retentions or Deductibles:** Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the Entity guaranteeing payment of losses and related investigations, claim administration, and defense expenses. Consultant agrees that in the event of a claim they will pay down any agreed upon SIR in a prompt manner as soon as bills are incurred in order to trigger the insurance related to the SIR.
6. **Subconsultants:** The Consultant shall secure and maintain or shall be responsible for ensuring that all subconsultants performing the Contract Services secure and maintain all insurance coverages appropriate to their tier and scope of work in a form and from insurance companies reasonably acceptable to the District.
7. **Amount of Liability not Limited to Amount of Insurance:** The insurance procured by Consultant for the benefit of the District must not be deemed to release or limit any liability of Consultant. Damages recoverable by the District for any liability of Consultant must, in any event, not be limited by the amount of the required insurance coverage.
8. **Coverage to be Occurrence Based:** Except for Professional Liability, all coverage must be occurrence-based coverage. Claims-made coverage is not allowed.
9. **Waiver of Subrogation:** Consultant agrees to waive subrogation against the District to the extent any loss suffered by Consultant is covered by any Commercial General Liability policy, Automobile policy, Workers' Compensation policy described in **Required Coverages** above. Consultant agrees to advise its broker/agent/insurer and agrees to provide evidence (either through the Certificate of Insurance, endorsement or language in the insurance contract) that subrogation has been waived by its insurer.
10. **Non-compliance:** The District reserves the right to withhold payments to the Consultant in the event of material noncompliance with the insurance requirements outlined above.

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**STANDARD CONSULTANT AGREEMENT
APPENDIX FOUR
INSURANCE REQUIREMENTS**

CHECK LIST OF DOCUMENTS NEEDED

General Liability:	A.	Limits (\$2,000,000)	
	B.	Additional Insured (Endorsement)	
	C.	Waiver of Subrogation (COI, Endorsement or policy language)	
	D.	Primacy (COI, Endorsement or policy language)	
	E.	Cancellation Endorsement	

Auto Liability:	A.	Limits (\$2,000,000)	
	B.	Additional Insured (Endorsement)	
	C.	Waiver of Subrogation (COI, Endorsement or policy language)	
	D.	Primacy (COI, Endorsement or policy language)	
	E.	Cancellation Endorsement	

Umbrella:	A.	Limits (\$)	
	B.	Primacy (Endorsement or policy language)	

Workers Comp:	A.	Limits (\$1,000,000)	
	B.	Waiver of Subrogation (Endorsement or policy language)	
	C.	Cancellation Endorsement	

Professional Liability:	A.	Limits (\$2,000,000)	
	B.	Cancellation Endorsement	

Appendix Four ConsultantGL2AL2PL2_rev. 07.20.20/rev. 8.15.22

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SCHEDULE P SCOPE OF SERVICES

1. Representatives

- A. Valley Water's representatives are as listed below. Unless otherwise provided in this Agreement, all correspondence to Valley Water shall be addressed to Valley Water Project Manager (VWPM).

Judy Nam (Valley Water Project Manager)
Senior Water Resources Specialist Watershed Stewardship Planning Division Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: 408-630-2747
Email: jnam@valleywater.org

Afshin Rouhani (Valley Water Unit Manager)
Water Policy and Planning Manager Watershed Stewardship Planning Division
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: 408-630-2616
Email: arouhani@valleywater.org

John Bourgeois (Division Deputy Operating Officer)
Watershed Stewardship and Planning Division Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118-3638

Phone: 408-630-2990
Email: jbourgeois@valleywater.org

- B. Consultant's Project Manager is as listed below. All Valley Water questions pertaining to this Agreement shall be referred to the Consultant's Project Manager.

Michael MacWilliams (Consultant Project Manager)
Anchor QEA, LLC
Principal Engineer
33 New Montgomery Street, Suite 1210
San Francisco, CA 94105

Phone: 415-361-5154
Email: mamacwilliams@anchorgea.com

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SCHEDULE P SCOPE OF SERVICES

- C. Consultant's Principal Officer for this Agreement is as listed below. As per the Agreement, Section Twelve, subsection 18. Notices, all notices pertaining to this Agreement must be submitted to the Consultant's Principal Officer.

Michael MacWilliams (Consultant Principal Officer)
Principal Engineer/Authorized Signatory 33 New Montgomery Street, Suite 1210
San Francisco, CA 94105

Phone: 415-361-5154

Email: mamacwilliams@anchorgea.com

2. Scope of Services

- A. This Schedule P, Scope of Services describes the professional services to be performed by Consultant for Valley Water's Calabazas/San Tomas Aquino Creek-Marsh Connection Project (Project). Valley Water reserves the right to initiate a new consultant agreement selection process for services for any subsequent phase(s) and/or utilize Valley Water (VW) staff to perform such services.
- B. Consultant will provide Modeling Support for the Various Phase of the Calabazas/San Tomas Aquino Creek-Marsh Connection Project by conducting ecological, hydraulics, hydrodynamics and sediment transport modeling to support of the Calabazas/San Tomas Aquino Creek-Marsh Connection Project. In addition to conducting modeling, the consultant will assess project impacts and benefits in terms of ecological restoration, flood risk and long-term flood protection, changes in maintenance, and changes to water quality. Refer to Standard Consultant Agreement, Appendix One, Additional Legal Terms, Section 1. Conflict of Interest for Future Services.

3. Project Objectives

- A. Ecological restoration/enhancement of tidal marsh, freshwater marsh, and riverine habitat at the project area.
- B. Resilient flood projection that will adapt to projected sea level rise (SLR)
- C. Reduced maintenance needs for lower Calabazas and San Tomas Aquino (STA) Creeks.
- D. Enhanced public access and improved trails.

4. Project Background

- A. The mission of the Santa Clara Valley Water District, now known as Valley Water, is to provide Silicon Valley safe, clean water for a healthy life, environment, and economy.

Valley Water is a public agency providing water supply, flood protection, and stream stewardship for Santa Clara County. Valley Water manages an integrated water resources system that includes the supply of clean safe water, flood protection and stewardship of streams on behalf of Santa Clara County's 2 million residents. Valley Water effectively manages ten dams and surface water reservoirs, three water treatment

SCHEDULE P SCOPE OF SERVICES

plants, a state-of-the-art water quality laboratory, and more than 275 miles of streams. For information about Valley Water, visit www.valleywater.org.

- B. The A8 Ponds, part of the South Bay Salt Pond Restoration Project (SBSPRP), are located at the southern boundary of San Francisco (SF) Bay and the northern shoreline of Santa Clara County. These former tidal marshes were converted to salt-production ponds and diked off from the Bay over a century ago. Calabazas and STA Creeks, which historically discharged into tidal marshes at the edge of SF Bay, were realigned many years ago to bypass the salt production ponds and discharge directly into Guadalupe Slough and SF Bay. This resulted in unnatural flow lines with sharp bends that reduce hydraulic conveyance capacity and result in deposition of a large amount of sediment in the channels. Valley Water periodically removes the accumulated sediment at great expense to maintain channel capacity and prevent increased flood risks to local development.
- C. Over the last 100+ years, the A8 Ponds have subsided by about 8 feet. As a result, ground surface elevations at the ponds are below the tidal elevation range, and the ponds primarily consist of open water. The establishment of tidal marsh requires ground elevations within the tidal range. A large amount of sediment will be needed to elevate pond bottom elevations to tidal marsh plain elevation, which is necessary to establish marsh vegetation. The Calabazas/STA Creek-Marsh Connection Project (Project) will connect these two creeks to the A8 Ponds, providing sediment needed to foster establishment of tidal marsh at the former salt production ponds. The established tidal marsh is expected to accrete over time, thereby keeping pace with SLR and providing resilient storm protection.
- D. The SBSPRP, being led by the California State Coastal Conservancy (CSCC), in partnership with local, state, and federal agencies, is working to restore 10,000 acres of tidal marsh in South San Francisco Bay. Valley Water has been an active partner in the SBSPRP and a member of its project management team (PMT) since the beginning. As part of Phase 1 management actions, the SBSPRP opened the A8 Ponds to muted tidal action through construction of a variable width notch in the A8 Ponds levee. The ultimate goal is to return the A8 Ponds to full tidal action and establish about 1,440 acres of restored tidal marsh. The Calabazas and STA Creeks Marsh Connection Project will complement the SBSPRP marsh restoration efforts by providing natural sources of sediment needed by the restored A8 Ponds tidal marsh to establish and thrive.
- E. The Calabazas and STA Creeks Marsh Connection Project arose out of a vision effort led by San Francisco Estuary Institute (SFEI) and partially funded by U.S. Environmental Protection Agency (EPA). The project consists of realigning the lower portions of the two creeks to remove sharp bands and improve hydrodynamics of creek flows. The realignment of the creeks would remove the existing connection to Guadalupe Slough and redirect creek flow through a newly constructed breach in the A8 Ponds levee into the ponds. Additional breaches in the A8 Ponds levees will be considered as necessary to provide improved tidal flows, provide increased sediment input from the Bay to accelerate tidal marsh establishment, and prevent increased risk of fish entrainment in the A8 Ponds.

SCHEDULE P SCOPE OF SERVICES

- F. Valley Water completed a Feasibility Study for the Calabazas and STA Creeks Marsh Connection Project in Spring 2021. The study analyzed a range of conceptual approaches and found that connection of the two creeks to the A8 Ponds is feasible. Basic project elements consist of realigning the lower channels of the two creeks and constructing a breach in the A8 Ponds levee to direct creek flow into the A8 Ponds. Additional elements that may increase the effectiveness and amount of ecological benefits achieved by the project include additional breaches of the A8 Ponds levees to promote tidal exchange and prevent increased flood risks, enhancement of habitat at Harvey Marsh (a roughly 50-acre freshwater/brackish marsh adjoining the lower creek channels), and improvements to the Collishaw and Bay Trails, which pass through the project area and provide public coastal access.
- G. The San Francisco Bay Restoration Authority awarded a Measure AA grant in the amount of \$3.37 million grant to Valley Water for planning and design of the Calabazas and STA Creeks Marsh Connection Project. California Department of Fish and Wildlife (CDFW) awarded a Proposition 1 grant in the amount of \$500,000 to Valley Water for the project, for modeling. This modeling work performed by the Consultant will be funded by Proposition 1 grant funds. Therefore, this Agreement includes conditions and provisions passed through to the Consultant, which is required by CDFW as part of the Proposition 1 grant to Valley Water.
- H. The Consultant will conduct hydrodynamics, sediment transport, ecological, and water quality modeling and/or numerical analysis to support the Calabazas and STA Creeks Marsh Connection Project and prepare a summary report. The modeling and/or numerical analysis will assess project consequences in terms of ecological restoration, flood risk and long-term flood protection, decrease in maintenance, water quality, etc.

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SCHEDULE P SCOPE OF SERVICES



Figure 1- Focus Area for Modeling

- I. The Project objectives include creation of high-quality tidal marsh habitat that does not induce increased flooding risk within the project area. Correspondingly, different modeling and/or numerical studies will need to be conducted to address the project objectives and uncertainties. Seven major Project uncertainties are listed below for completeness. Addressing the uncertainties listed below will require coordination with between the Planning and Monitoring Consultant, Stillwater Sciences (PMC), Modeling Consultant, Anchor QEA, LLC (Consultant), and Valley Water.

Uncertainty 1 - Potential A8 Ponds and Pond A4 Bottom Accretion Rates

- 1) The long-term sediment accretion rate in A8 Ponds and Harvey Marsh due to the proposed breaches in A8 Ponds levees is uncertain, and projections are needed to address the following questions:
 - a. Will A8 Ponds and Harvey Marsh sediment accretion rates be sufficient to raise substantial areas of pond bottoms into the intertidal zone, which is necessary to establish a tidal marsh within Harvey Marsh and/or A8 Ponds?
 - b. Would the rate of marsh accretion be sufficient to offset projected Sea Level Rise (SLR) into the future?
 - c. Will sediment augmentation be needed to meet project objectives?

SCHEDULE P SCOPE OF SERVICES

- 2) Quantify Project's expected tidal marsh habitat benefits.
 - a. Change in quality and quantity of tidal/freshwater marsh, transitional and upland habitats in the A8 ponds and Harvey Marsh
- 3) The same uncertainties about accretion and habitat benefits apply to Pond A4 if it is opened to tidal actions.

Uncertainty 2 - Potential Reduction in Creek Sedimentation

It is expected that the Project will reduce sedimentation in the lower channels of San Tomas Aquino and Calabazas Creeks; and Sunnyvale East and West Channels for a period of time due to transport of sediment and biomass to and deposition in Harvey Marsh, the A8 ponds, and potentially Pond A4 (if opened to tidal actions). Modeling/numerical analysis must address the following:

- 1) Which creek channel reaches will experience degradation and/or aggradation due to the project?
- 2) Will reductions in maintenance (e.g., sediment removal in creeks to maintain channel capacity, bank stabilization and repair) be achieved after the project is constructed?
- 3) How will the sedimentation change during periods of normal tidal cycles and how would it change during storm events with higher flows and/or coastal flooding?
- 4) Change in quality and quantity of riparian habitats in Alviso and Guadalupe Sloughs and lower reaches of the affected creeks

Uncertainty 3 - Potential Mercury Mobilization Risk

- 1) How much legacy mercury will be mobilized due to project construction and consequential scour of pond bottoms and sloughs?
- 2) How would proposed breaches in A8 Ponds levees change the existing sediment transport and deposition and scour patterns in A8 Ponds, Guadalupe Slough, and Alviso Slough? Quantify changes in mercury risks due to changes in the deposition and scour patterns.
- 3) How will the rate of mercury methylation in the A8 Ponds, Guadalupe Slough, and Alviso Slough change?
- 4) How should the feasible alternatives be designed to minimize mercury remobilization risk?
- 5) Any changes in mercury risks if tidal actions are introduced to Pond A4.

Uncertainty 4 - Long-term Potential Changes in Water Quality

- 1) Would the project result in significant changes in water quality of Calabazas and STA creeks, Sunnyvale East Channel, A8 Ponds, Pond A4, and/or Alviso and Guadalupe Sloughs?
- 2) How would changes in water quality parameters, with emphasis on salinity and dissolved oxygen, affect the types and quality of habitats present at the project area?
- 3) Would the project result in significant changes in stormwater quality parameters especially those with Total Maximum Daily Load (TMDL)s or similar designations such as Polychlorinated biphenyls (PCB)s, (Mercury) Hg, Pesticide?

SCHEDULE P SCOPE OF SERVICES

Uncertainty 5 - Potential Change in Flood Risks

Guadalupe River, San Tomas Aquino Creek and Calabazas Creek all currently have 100-year flood protection meeting FEMA standards that is reflected in FEMA floodplain maps. Sunnyvale East and West Channels have planned flood protection projects which are currently awaiting construction permits. The Shoreline Phase I project is under construction and will provide 100-year coastal flood protection to the area of Alviso east of Guadalupe River and Alviso Slough. Shoreline Phases 2 and 3 are currently in planning and, if implemented, would provide flood protection to areas west of Guadalupe River. Hydraulic modeling will be needed to evaluate future changes in flood risk, whether those changes could affect the FEMA accreditation of levees, and whether tidal marsh established at A8 Ponds (and possibly at Pond A4) will reduce long-term flood risks.

- 1) Will the project increase flooding risk?
- 2) Will the project negatively impact the effective or future FEMA accreditation of existing levee systems or those in construction?
- 3) Will the established tidal marsh help provide long-term flood protection?

Uncertainty 6 – Potential Impacts and Benefits to Existing Special-status Species/Habitat due to Changes in Hydrodynamics and Sediment Patterns

- 1) How would the project change habitats present at the project?
- 2) What would be the potential impacts on existing special-status species and their habitats?
- 3) How could the feasible alternatives be optimized to reduce impacts on existing special-status species and their habitats while maximizing species and habitat benefits?

Uncertainty 7 – Potential Effects on Existing Facilities at the Project Area and Vicinity Owned by Others

The following facilities are present at the project area and could be directly or indirectly affected by the project.

- 1) Power Transmission Towers and Lines owned and operated by PG&E
- 2) Harvey Marsh Wetland Mitigation Area (Caltrans)
- 3) Closed Highway 237 Landfill at America Center (privately owned)
- 4) Bayland Pump Station No. 2, Sunnyvale Pollution Control Plant and Baylands Park, owned and operated by City of Sunnyvale
- 5) A4 Pond, which is owned by Valley Water (water from Pond A4 is pumped into a detention basin which drains via a syphon directly into the A8 Ponds)
- 6) County stormwater storage basin operated by Santa Clara County
- 7) Collishaw Trail, maintained by Clara County Department of Parks and Recreation
- 8) Bay Trail segment, maintained by City of San Jose
- 9) Alviso Marina
- 10) Sunnyvale East Channel

SCHEDULE P SCOPE OF SERVICES

Modeling/numerical analysis results will need to be leveraged to understand how the facilities listed above might be impacted if the project is implemented, and what mitigating actions may be necessary.

5. Assumptions and Requirements

A. General Assumptions and Requirements

- 1) **Manage Scope of Services.** Consultant shall manage the Scope of Services such that the work is completed within the Not-to-Exceed Fees limit and in accordance with the Project schedule and ensure that all services and deliverables meet Valley Water and Project requirements.
- 2) **Deliverable Format.** Consultant shall submit deliverables in both electronic and hardcopy format If requested. Deliverables shall be submitted in PDF and native (editable) format, including Word documents, Excel spreadsheets, PowerPoint files, AutoCAD files, etc. The hard copy deliverables shall be printed in professional quality presentation, and submitted in 5 (five) copies, if requested. Valley Water may require original copies of signed documents and/or scanned (Adobe PDF) versions.
- 3) **Review of Deliverables.** Valley Water will review and comment on all Project deliverables and forward to the Consultant for revision and preparation of final versions. As determined by Valley Water, some of the deliverables may also be subject to review and comment from regulatory agencies and stakeholders following Valley Water review process. For each deliverable, Valley Water will collect comments from all Valley Water stakeholders and provide a single set of consolidated comments to the Consultant. The comments provided by Valley Water staff during the workshops will be documented by the Consultant as meeting minutes and will be included in the next revision of the documents.
- 4) **Valley Water Quality Environmental Management System.** Valley Water maintains a Quality Environmental Management System (QEMS) which has procedures, guidelines, and work instructions for the performance of various Valley Water work. If requested, Consultant will perform the applicable Agreement tasks and/or sub-tasks in accordance with the QEMS framework. In such situations, the VWPM will provide the Consultant with the specific QEMS procedure, guideline, and/or work instruction prior to the production of deliverables.
- 5) **Consultant Responsibility.** Consultant, with its expertise in performing the Services described herein, is responsible for making the appropriate assumptions in each task to complete each task's deliverables and to achieve the Project objectives of this Agreement as described in Section 3. Project Objectives.
- 6) **Document Control.** Consultant is responsible for establishing and maintaining its own document control system to execute this Scope of Services. An internal document control system for this Project is maintained by Valley Water.

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- 7) **File Exchange Service.** Consultant will provide a file exchange service, accessible to all parties as designated by Valley Water, to facilitate communications; particularly of large files over three megabytes. Difficulties in using and transmitting information with this exchange service shall be resolved by the Consultant. In the event that transmitting or receiving information does not occur in a timely manner, Valley Water will not be responsible for delays in completing Project work. Consultant may need to coordinate with Valley Water's Information Technology Division to address any firewall issues and/or permissions required to allow for these communications.

B. Project-Specific Assumptions and Requirements

- 1) The California State Coastal Conservancy (CSCC) will continue to serve as the lead agency for the South Bay Salt Pond Restoration Project (SBSPRP), supplying an executive project manager, contract services, and considerable funding. It is assumed this will continue through the life of the SBSPRP. Because of the Project proximity and inherent connection to SBSPRP, extensive engagement with partner agencies and stakeholder group of SBSPRP will be required in addition to regulatory agencies, local municipalities and all the adjacent property owners including America Center Maintenance Association, Caltrans, County of Santa Clara, City of Sunnyvale, City of Santa Clara, City of San, Jose, and Pacific Gas and Electric (PG&E).
- 2) Valley Water will serve as project lead for implementing the Project, and the SBSPRP team led by CSCC would provide support.
- 3) Close coordination with the consultants performing planning service and data collection and analysis will be required.
- 4) Any numerical model codes or other software developed by or owned by Consultant prior to or independent of the work performed under this Agreement, shall remain in Consultant's sole ownership. Consultant shall make use of certain proprietary information ("Consultant's Proprietary Information") in connection with the performance of the Services. Consultant's Proprietary Information, which includes the UnTRIM model hydrodynamic solver license, the UnTRIM model user interface code, and pre-and post-processing software used for analysis and interpretation of model results, shall remain the exclusive property of the Consultant, and no rights to Consultant's Proprietary Software shall be transferred to any person or entity, including Client by the terms of this Agreement.
- 5) Because the UnTRIM model and the SediMorph models are not open-source software and require a license for use, the model codes and executables for these models will not be provided as part of the deliverables. The full Bay-Delta UnTRIM model grid and full set of input files is a pre-existing proprietary product. Using this well-established hydrodynamic and sediment transport model for this Project results in significant savings for Valley Water, both in terms of project cost and schedule relative to developing and calibrating a new model for the site. Based on the requirements outlined in the RFP, for the area inside the region identified as the focus area for modeling outlined in Figure 1: Project Area, the existing model grid,

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model bathymetry/DEM, and all model input files (bathymetry, flow and sediment flux time series for all inflows, predictions of tidal water levels, salinity, and sediment concentration) along the bayward edge of the focus area for modeling will be provided for the area outlined in Figure 1: Project Area. Note that the boundaries for the input files may deviate from the area shown in Figure 1: Project Area to follow the alignment of the existing grid cells on the focus area boundary but are not expected to be substantially different. For each modeling Deliverable developed using the UnTRIM and SediMorph models, the model bathymetry/DEM and all inputs, relevant outputs, and model parameters within the area outlined in Figure 1: Project Area will be provided in a format that can be imported or reformatted for import readily into other software as required by the CDFW Proposition 1 grant funding and the terms of the RFP and described below for each of these Deliverables in the Scope of Work.

- 6) All input and output for modeling and numerical analyses modeling in the Focus Area for Modeling as listed in the Deliverables for each task must be submitted to Valley Water and may be posted on EcoAtlas or the Valley Water Project Website.
- 7) Consultant shall comply with applicable conditions and provisions of Proposition 1 grant funding from CDFW.
- 8) Technical memos/reports under each deliverable section will include executive summaries and outline of each executive summary to be approved Valley Water prior to the submittal of the draft deliverable.
- 9) The deliverable dates under each task assume that the information needed by the Modeling Consultant, Anchor QEA, LLC (Consultant) from Planning and Monitoring Consultant, Stillwater Sciences, (PMC) and Valley Water to begin each task is available as described in the assumptions for each task. Delays in receiving this information as scheduled may result in corresponding delays in the timeline for deliverables or subsequent tasks.

6. Modeling Tasks

Task 1 - Project Management

The purpose of this task is for Consultant to manage this Scope of Services such that the work is completed within the not-to-exceed fees limit stated in Schedule P, Attachment One, Fees and Payments, and in accordance with the Project Schedule stated in Schedule P, Attachment Two, Schedule of Completion, while ensuring that all services and deliverables by the Consultant meet Valley Water and Project requirements.

1.1 Kickoff Meeting

Consultant will attend kickoff meeting with Valley Water. The purpose of the kickoff meeting is to introduce key Valley Water and Consultant team members to one another, acquaint all participants with the purpose of and expectations for the Project, describe team members' roles and responsibilities, describe Project procedures, and summarize scope and schedule. Planning and Monitoring Consultant (PMC) and other select external stakeholders may be invited to this meeting.

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- 1.2 Project Work Plan.** Consultant will prepare a Project Work Plan in accordance with this Scope of Services.
- 1.2.1 The Project Work Plan shall include Project objectives, requirements, constraints, a detailed Project Schedule (showing major tasks and deliverables), a breakdown of Consultant's costs for the major tasks, a list of the Consultant's team members and their roles and responsibilities, communication protocols (internal and external), document control procedures, and other administrative procedures.
- 1.2.1 The Project Work Plan shall include a Project Quality Assurance and Quality Control (QA/QC) Plan documenting Consultant's procedures to ensure Consultant's services and deliverables meet Valley Water requirements and accepted practices and standards of the Consultant's profession. Valley Water reserves the right to request and review the Consultant's Project documentation demonstrating its adherence with their own QA/QC procedures.
- 1.3 Progress Meeting and Workshops.** Valley Water and Consultant key staff and subconsultants, as determined necessary and appropriate by Consultant, will be subject to approval by the VW PM. Additionally, at Valley Water's direction, they may be required to coordinate and participate in periodic progress meetings and workshops with Valley Water staff, PMC, external stakeholders, regulatory and resource agencies, and review boards, as needed, to review and discuss the progress of the work. For each meeting or workshop, the Consultant will prepare the meeting agenda and notes and submit them for review by Valley Water. Some progress meeting and workshops may be combined with Valley Water progress meeting and workshops facilitated by PMC.
- 1.4 Weekly Meetings with Valley Water.** The Consultant Project Manager must provide a brief update of the teams work activities completed within the week, look-ahead activities, and issues and actions that may require Valley Water's attention, in a roughly once per week meeting/conference call with the VW PM; frequency and timing of these meetings and calls will be as directed by Valley Water. Some weekly meetings may be combined with Valley Water periodic meetings with PMC.
- 1.5 Quarterly and Final Progress Reports**
- 1.5.1 Consultant will submit quarterly progress reports to Valley Water containing the following items:
1. Consultant name, project title, agreement number, and period covered by progress report
 2. Activities and tasks performed and/or completed
 3. Summary of progress to date including progress since the last report,
 4. Brief outline of upcoming work scheduled for the subsequent quarter;
 5. Documentation of all subconsultant activities
 6. Updates on progress towards meeting Project objectives, output and outcome performance measures;
 7. Document delivery of any intermediate work products;
 8. Costs incurred during the subject period, total of costs incurred to date, and the remaining balance;

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9. Any problems encountered while performing the tasks and proposed solutions, timeline for resolution, and status of previously unresolved problems; and
10. Quarterly reports shall be in electronic format and conform to the templates provided by Valley Water.

1.5.2 Consultant will submit Final Progress Report containing the following items:

1. Summary of the life of the grant agreement and description of the work and results pursuant to the CDFW grant agreement
2. Summary of the Project's accomplishment consistent with the project's objectives pursuant to the CDFW grant agreement
3. Final Progress Report shall conform to the templates provided by Valley Water.

Task 1 Assumptions:

1. Task 1.1 assumes a single kickoff meeting of up to 2 hours. Consultant's project manager, each of Consultant's technical leads, and other key staff will participate in the kickoff meeting. Attendance for non-local staff will be by video conference. Local staff will attend either in-person or remotely as decided in coordination with Valley Water. A Meeting Agenda, Meeting Minutes, and any Presentations from the kick-off meeting will be provided by Consultant to Valley Water.
2. Task 1.2, Project Work Plan, assumes that the Project Work Plan will expand on the information provided in the Scope of Work to provide additional details on the proposed technical approach for Tasks 2, Support Project Planning and 3, Perform Modeling/Numerical Analysis to Inform Design and Address Uncertainties related to Project Long-Term Success. It is assumed that the Project work plan will not deviate significantly from the project approach outlined in the scope of work and described in the workplan submitted in response to the RFP. The estimated level of effort assumes a Draft, Final Draft and Final work plan will be submitted. Changes to the approach from what is described in the Final work plan during the course of the project may require additional cost or schedule changes.
3. Task 1.3, Progress Meeting and Workshops, assumes up to six progress meetings and/or workshops of two (2) hours duration will be held during the planning phase of the Project. These meetings will be attended by Consultant's project manager, as well as the technical leads and other key staff with technical expertise relevant to the topics discussed at each meeting. It is assumed that four of these meetings will be held by video conference and up to two (2) of these meetings will be in person. All attendance for non-local staff will be by video conference. Bay Area staff will attend either in-person or remotely as decided in coordination with Valley Water. A Meeting Agenda, Meeting Minutes, and any Presentations from the will be provided by Consultant to Valley Water for each of the progress meetings and/or workshops if appropriate.
4. Task 1.4, Weekly Meetings with Valley Water, assumes that Consultant's project manager will hold a conference call with the Valley Water project manager on average once per week for the duration of the project. Consultant's estimated level of effort assumes that these calls will be 30 minutes in duration, occurring weekly for 26 months (up to 110 weekly meetings, for a total of a maximum of 55 hours). However, the actual meeting duration and frequency and meeting attendees may vary to meet project needs. E.g., some meetings may be longer or may be skipped, and some will be attended by the PMC. A formal meeting agenda and meeting minutes will not be prepared for regular check in meetings, but action items will be recorded informally by email as needed.

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5. Task 1.5 assumes that Consultant will submit up to 8 quarterly progress reports and a single final progress report, containing the items outlined in Task 1.5, Quarterly and Final Reports.

Task 1 Deliverables:

1. Draft and Final Project Work Plan including QA/QC Plan
2. Kickoff Meeting Agendas, Minutes, and Presentations
3. Six (6) Progress Meeting Agendas, Minutes, and Presentation
4. Action items lists resulting from one hundred and ten (110) Weekly Conference and calls will be at Valley Water's discretion
5. Eight (8) Quarterly Reports and One Final Progress Report

Task 2 - Support Project Planning

The primary focus of Task 2, Support Project Planning, is applying hydrodynamic and sediment transport models to evaluate the set of feasible alternatives (Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models and 2.3, Develop and Evaluate Up to Two Refined Alternatives), select and refine the preferred alternative based on prioritized Project metrics established as part of Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope, and quantify the changes in flood risk associated with this alternative (Task 2.4, Perform Additional Hydrodynamic and/or Hydraulic Modeling on VW Staff-Recommended Alternative to Assess Any Increases In Flood Risk Post-Project).

2.1 Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope

2.1.1 In coordination with the Planning and Monitoring Consultant (PMC), Valley Water and other Stakeholders, the Consultant will provide necessary support for development and refinement of conceptual and feasible alternatives and prioritization of Project Objectives/metrics which will be used to evaluate and compare Feasible Alternatives. The Consultant will prepare a memorandum describing the modeling and/or numerical analysis approach that will be used to evaluate the extent to which each feasible alternative achieves the prioritized project objectives and also reduces project uncertainties described in Section 4. Project Background. Consultant will conduct a review of past modeling conducted for the Project, participate in two video conference meetings of up to two (2) hours each for this purpose, and prepare a memo summarizing the prioritized project metrics and proposed modeling/numerical analysis approach.

2.1.2 Final project metrics which will be used to evaluate and compare feasible alternatives will address, at a minimum, the following (additional metrics may be added as determined necessary):

1. Areas, quality, and types of habitat (e.g., tidal marsh, open water, ecotone, upland)
2. Pond bottom accretion in A8 Ponds
3. Level of Creek maintenance
4. Mercury mobilization risk
5. Water quality parameters affecting habitat type and quality (e.g., salinity and dissolved oxygen)

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6. Flooding risk (coastal and riverine)
7. Impacts to existing infrastructure

Task 2.1 Assumptions:

1. Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope, support will be limited to review of past modeling and providing input to the planning team; no new modeling is anticipated as part of this task.
2. For each project metric selected, the memo will establish specific model predictions that will be used to quantify the effect of each alternative on these project objectives to establish a basis for selecting the preferred alternative based on the desired project metrics. Where possible, metrics will be quantifiable based on model predictions (e.g., area/volume of scour or deposition in the ponds or creek channels). However, for processes not directly modeled (e.g., dissolved oxygen, mercury methylation, vegetation establishment), qualitative metrics will be established to allow for a relative comparison between alternatives (e.g., higher or lower inundation frequency, higher or lower salinity, etc.).
3. It is assumed that a maximum of ten project metrics will be established to evaluate and compare feasible alternatives.
4. It is assumed that the PMC will be responsible for the for development and refinement of conceptual and feasible alternatives and selection of the five feasible alternatives that will be modeled in Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models, but the Consultant will provide needed support including preliminary technical analysis such as sediment accretion, flood risk, etc. required for alternative formulation. It is assumed that the PMC will provide the location and geometric details of the five feasible alternatives in an electronic format that sufficient detail that they can be appropriately represented in the hydrodynamic model (i.e., GIS shape files or CAD files). This includes the number, location, inverts, and size of any breaches, pilot channels, horizontal levees, berm lowering, or other elements incorporated into the project design.
5. It is assumed that the PMC will prepare the Meeting Agendas and Meeting Minutes for the three meetings in support of development and evaluation of alternatives. Any presentations presented by the modeling team during these meetings will be provided to the PMC and Valley Water.
6. One of the uncertainties identified for the marsh connection project is mercury remobilization. Mercury remobilization can refer to physical processes that move solids (e.g., scour) containing mercury or to biogeochemical processes (e.g., mercury methylation) that result in mercury being released from solids and transported into water and potentially biota. For physical processes, the hydrodynamic and sediment transport modeling will identify areas of deposition and scour for comparison to available data on mercury concentrations in sediment. Mercury mobilization and mercury methylation will not be explicitly modeled as part of this scope of work.
7. Consideration of remobilization potential for the evaluation of the feasible alternatives in this analysis will be informed by a conceptual model of mercury behavior in tidal marshes that includes these processes where the conceptual model will be developed and refined by PMC. The conceptual model will rely on the large number of studies done in San Francisco Bay, supplemented by studies in other tidal marshes including the Shoreline Conceptual Site Model being developed by H.T Harvey. Together, this information will be considered within the context of the conceptual model being adapted by PMC and will support a

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qualitative evaluation to distinguish among alternatives that are more or less likely to impact methylmercury formation and bioaccumulation. For example, hydrodynamic modeling will also provide information on biogeochemical processes controlling mercury methylation. Salinity and the extent and duration of tidal inundation may be compared among alternatives along with potential areas of tidal and muted tidal open water, mudflats, and marsh habitats.

8. One of the uncertainties identified for the marsh connection project is water quality parameters affecting habitat type and quality, including dissolved oxygen. With the exception of salinity which will be simulated in the hydrodynamic model, no other water quality variables will be directly simulated. The science is not established on exactly how restoration of the A8 Ponds or Pond A4 will affect other aspects of water quality such as dissolved oxygen (DO) or nutrients. Until the science and mechanisms on how the restoration will affect DO are more established, and sufficient water quality data following restoration are available for model calibration, directly modeling nutrient and DO effects of the alternatives is not practical, and we have not included it in our proposed approach. Based on the state of the science, our approach would make inferences based on available water quality monitoring data following previous breaches in the SBSP and changes to hydrodynamics predicted in the modeling conducted for this study. This would be the primary method we would use to assess potential impacts of the restoration on water quality, including the Sunnyvale Water Pollution Control Plant compliance with permit conditions, rather than trying to directly model these water quality effects. Proposed assessment methodologies of potential change in water quality not relying on direct modeling will be documented in the technical memorandum under Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope.
9. Assessing impacts to existing habitats and the potential for creating new habitats under the feasible alternatives will be evaluated primarily based on the physical properties of the habitat such as elevation over time, tidal range, tidal inundation frequency, and salinity. The hydrodynamic and sediment transport modeling proposed for this study is ideally suited for evaluating changes to physical habitat through sediment accretion over both short and long-time scales, changes to inundation frequency, and changes to tidal range.

Task 2.1 Deliverables:

1. Participate in three video conference meetings of up to two (2) hours duration in support of development and evaluation of alternatives.
2. Prepare draft and final technical memorandum describing proposed modeling/numerical analysis scope, including technical approach, types of models/numerical analysis, scenarios, and model/analysis outputs. The memorandum will document the extent to which outputs align with prioritized feasible alternative evaluation metrics and the extent to which they will reduce project uncertainties. The final technical memorandum will address comments from Valley Water, PMC and other stakeholders.
3. Consultant will provide the following Task 2.1 Deliverables to PMC Agreement:
 - a. Modeling approach for representing alternative assessment metrics (Task 2.1) by January 2023

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2.2 Develop and Evaluate Feasible Alternatives & Baseline Models

2.2.1 Purpose: Support evaluation of feasible alternatives as described in the Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope, memo.

1. Support PMC and Valley Water in defining up to five feasible alternatives and modeling baseline.
2. Develop models/numerical analyses as described in the approach from Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope, for each of the feasible alternatives and the baseline condition (existing condition)- a total of up to six model scenarios
 - a. Models/analyses will be based on and calibrated to best available data.
 - b. More than one type of model or numerical analysis may be run for this Task; however, at a minimum a hydrodynamic/sediment transport model will be developed for the project area.
3. Compare the model/numerical analysis results for the five feasible alternatives to each other and to the baseline/existing condition, using the metrics developed in Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope, and document the comparison as needed to support preparation of the Project Planning Phase documents (e.g., problem definition / refined objectives report, project outreach and communications strategy, feasible alternative analysis study, VW staff-recommended alternatives report, planning study report, planning-to-design phase transition report).
4. Prepare a technical memorandum describing the methodology and results of the comparison and evaluation of feasible alternatives.
5. Prepare figures, exhibits, graphs, and tables as needed for use in planning phase documents to be prepared by Valley Water/PMC.
6. Participate in up to two video conference meetings of up to two (2) hours duration with the PMC, Valley Water and possibly other stakeholders to assist with selecting the VW staff-recommended alternative. If no single alternative stands out as the best approach to achieving the project objectives up to two refined alternatives will be evaluated under optional Task 2.3 Develop and Evaluate Up to Two Refined Alternatives.

Task 2.2 Assumptions:

1. Timeframe of hydrodynamic/sediment transport modeling: A single simulation period will be selected to include both normal conditions (tides and low flows) as well as larger flow events, to explore how sedimentation occurs from coastal vs. riverine sources. To allow for efficient evaluation and comparison of the feasible alternatives, the expected evaluation period will be between 3 and 4 months, plus a period of model spin-up, such that the total length of the simulation period will be no more than 12 months.

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2. The Coupled UnTRIM-SWAN-SediMorph model will be applied to evaluate the feasible alternatives under Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models. Because the model has already been extensively calibrated in the Far South Bay, additional model calibration is not planned as part of this study. The simulation of the baseline condition will be used for model validation. Predicted water levels, salinity, suspended sediment concentration, waves, and predicted current speeds will be compared to any available data in the vicinity of the project area to validate the model.
3. One additional hydrodynamic model simulation (not including waves or sediment transport) will be made for the baseline scenario and each of the five feasible alternatives. In this simulation, tracers will be used to evaluate the flushing time of the A8 Ponds and Pond A4, and tagging of the outflows from the Sunnyvale Water Pollution Control Plant (WPCP) will be simulated to compute water age of the outflow from the WPCP in the study area. It is expected that this simulation will be made over the same period of time simulated using the coupled UnTRIM-SWAN-SediMorph model. Due to the additional computational time required for calculations of flushing time and age, these simulations will be conducted using only the hydrodynamic model without the sediment transport and wave models. The same model grids for the baseline scenario and the five feasible alternatives will be used for these simulations. It is assumed that Valley Water will provide the outflows from the Sunnyvale WPCP at either hourly or daily intervals for this simulation.
4. It is assumed that the PMC will provide the location and geometric details of the five feasible alternatives in an electronic format that sufficient detail that they can be appropriately represented in the hydrodynamic model (i.e., GIS shape files, CAD files, or DEMs). This includes the number, location and size of any breaches, pilot channels, horizontal levees, berm lowering, or other elements incorporated into the project design.
5. PMC will provide the following Data Deliverables to Consultant to support Modeling Task 2, Support Project Planning:
 - a. Existing monitoring data inventory (included in PMC Task 5.1 Workplan)
 - b. Existing data for use in model development to be provided after PMC Task 5.1 Workplan (target mid-November). Data may include the following:
 - 1) Historical topographic and bathymetric data, and or seamless DEM encompassing planning area.
 - 2) Available time series data at creek, slough, and pond locations, potentially including precipitation, water level/stage, creek discharge, cross-sectional sediment flux, water quality (DO, Temperature, EC, pH, turbidity).
 - 3) Available sediment characterization data (e.g., grain size) collected during
 - c. Contemporary (Fall 2022) topographic/bathymetric data of planning area (PMC Task 5.2.2) to be provided Dec 2022.
 - d. Sediment accumulation mapping (PMC Task 5.2.3) by topographic differencing (contemporary vs historical) in GIS or CAD to be provided by Feb 2023
 - e. Year 1 time series data at creek, slough, and pond locations, to be delivered Dec 2023, including:
 - 1) Sediment flux measurements in Guadalupe and Alviso sloughs (PMC Task 5.2.4)
 - 2) Water level and turbidity data in Guadalupe River, Calabazas, and STA creeks (PMC Task 5.2.4)
 - 3) Continuous water quality data (DO, Temperature, EC, pH, chlorophyll-a) in Pond A8S, Pond A5, and Guadalupe Slough.

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- f. PMC will provide the following Restoration Project Alternative Deliverables to Consultant to support Modeling Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models:
1. Alternative assessment metrics selected for modeling (PMC Task 2.1) by December 2022.
 2. Drawings/dimensions for 5 Conceptual Alternatives (PMC Task 2.2) delivered as GIS shop files by February 2023.

Task 2.2 Deliverables:

1. As described in the Project-Specific Assumptions and Requirements, the model input files and boundary conditions inside the region identified as the focus area for modeling outlined in Figure 1: Project Area will be provided in an ASCII text format that can be imported or reformatted for import readily into other software as required by the CDFW Proposition 1 grant funding.
2. Model outputs inside the focus area for modeling outlined in Figure 1: Project Area which are used as project metrics, are used to compare between alternatives, or used for model validation will be provided as a deliverable for each feasible alternative. Model outputs will be provided in ascii text format to allow for readability and allow for the output to be imported or reformatted for import readily into other software. Model output and output formats will be documented in a short memo or appendix.
3. Draft and final technical memorandum describing the model/analysis development, methodology, and results by September 2023. Coordinate with PMC to determine whether this is a standalone report to serve as an appendix to the Planning phase documents, or a section within those documents. The final technical memorandum will address comments from Valley Water, PMC and other stakeholders.
4. Figures, exhibits, graphs, and tables as needed for use in planning phase documents to be prepared by Valley Water/PMC.
6. Consultant will provide the following Task 2.2 Deliverables to the PMC:
 - a. Exported model grids in the Focus Area for modeling for Baseline and 5 Alts in GIS or CAD format (Task 2.2) by June 2023
 - b. Modeling outputs of Baseline and 5 Conceptual Alternatives (Task 2.2) targeting July 2023, potentially including:
 - 1) Map-based exhibits showing areal variations in tidal WSELs (spring/neap), salinity and SSC at high to low tide, vector/color maps of peak velocities.
 - 2) Time series plots of hydrodynamic outputs (WSEL, velocity, bottom velocity, and water quality (EC/salinity, SSC) at index stations in Guadalupe River, Alviso and Guadalupe sloughs, Calabazas and STA creeks, Sunnyvale E-W channels, Ponds A4, A5, A8.
 - 3) Estimates of tidal datums (MHHW, MHW, MTL, MLW, MHHW) at index locations listed in 2b above.

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2.3 Develop and Evaluate Up to Two Refined Alternatives

- 2.3.1 Purpose: This Task 2.3 is intended to refine alternatives rather than create new alternatives from scratch. VW Staff-recommended alternative will also be finalized under Task 2.3, Develop and Evaluate Up to Two Refined Alternatives.
- 2.3.2 Develop models/numerical analyses for up to two refined feasible alternatives, and evaluate the results using the approach from Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope.
- a. Support PMC and Valley Water in defining up to two refined feasible alternatives.
 - b. Develop models/numerical analyses as described in the modeling approach from Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope, for each refined feasible alternative
 - c. Modeling/numerical analysis under Task 2.3, Develop and Evaluate Up to Two Refined Alternatives, will either be conducted with open-source software, or, alternatively, the model bathymetry/DEM and all inputs, outputs, and model parameters would be provided in a format that can be imported or reformatted for import readily into other software. This is a requirement of the CDFW Proposition 1 grant funding.
 - d. Compare the model/numerical analysis results for the refined feasible alternatives to each other and baseline/existing condition, using the metrics developed in Task 2.1, Prioritization of Project Metrics, Development of a Modeling and/or Numerical Analysis Scope, and document the comparison as needed to support the Project Study Report (PSR):
 - 1) Documentation will include a technical memo describing the results and also include figures and tables to support the Planning phase documents.
 - e. Participate in up to two video conference meetings of up to two (2) hours duration with the PMC, Valley Water and other stakeholders to assist with selecting a refined feasible alternative which will move forward to become the VW staff-recommended alternative.

Task 2.3 Assumptions:

1. It is assumed that the same timeframe simulated in Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models, to evaluate the five feasible alternatives will also be used to evaluate the two refined alternatives.
2. The Coupled UnTRIM-SWAN-SediMorph model will be applied to evaluate the refined alternatives under Task 2.3. No additional model validation or calibration will be conducted as part of Task 2.3.
3. Modeling will support the design optimization by PMC and Valley Water to determine the optimal alignment of the lower reaches of Calabazas and San Tomas Aquino creeks into A8 Ponds, the optimal number of breaches of the A8 Ponds and Pond A4 levees, the optimal locations and geometries of pilot channels, the optimal dimensions of levee breaches, and the optimal locations of levee breaches.

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4. It is assumed that the PMC will provide the location and geometric details of the two refined alternatives in an electronic format that sufficient detail that they can be appropriately represented in the hydrodynamic model (i.e., GIS shape files, CAD files, or DEMs). This includes the number, location and size of any breaches, pilot channels, horizontal levees, berm lowering, or other elements incorporated into the project design.
5. The PMC will provide the following Restoration Project Alternative Deliverables to Consultant to support Modeling Task 2.3:
 - a. Revised drawings/dimensions for any changed alternatives (PMC Task 3.1) by August 2023
 - b. Updated Feasible Alternative Assessment metrics for modeling (PMC Task 3.2) by September 2023
 - c. VW Staff Recommended Alternative (PMC Task 3.3) to Consultant by January 2024

Task 2.3 Deliverables:

1. As described in the Project-Specific Assumptions and Requirements, the model input files and boundary conditions inside region identified as the focus area for modeling outlined in Figure 1: Project Area will be provided in an ascii text format that can be imported or reformatted for import readily into other software.as required by the CDFW Proposition 1 grant funding. Model input, input formats and boundary conditions will be documented in a short memo or appendix.
2. Model outputs inside the focus area for modeling outlined in Figure 1; Project Area which are used as project metrics, are used to compare between alternatives, or used for model validation will be provided as a deliverable for each feasible alternative. Model outputs will be provided in ascii text format to allow for readability and allow for the output to be imported or reformatted for import readily into other software. Model output and output formats will be documented in a short memo or appendix.
3. Update to the Task 2.2 technical memorandum describing the models/numerical analyses development and modeling/numerical analyses results for the refined feasible alternatives. Coordinate with PMC to determine whether this will be a standalone report to serve as an appendix to the Planning phase documents, or a section within those documents. The updated memo be expanded version of the memo for Task 2.2 which include comparison of 7 alts and one baseline, but exact format and content to be decided in consultation with PMC and Valley Water. Submit final updated technical memo by February 2024
4. Graphs/plots/tables as required to support project planning and outreach.
5. Consultant will provide the following Task 2.3 Deliverables to PMC:
 - a. Updated model results and additional metrics for refined Feasible Alternatives (Task 2.3) by January 2024.

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2.4 Perform Additional Hydrodynamic and/or Hydraulic Modeling on Valley Water (VW) Staff-Recommended Alternative to Assess Any Increases in Flood Risk Post-Project

2.4.1 Purpose: Perform modeling to identify additional project elements that may be needed to prevent the VW Staff Recommended Alternative from increasing or inducing new flooding risk or increasing erosion/scour that might threaten existing flood protection elements such as levees or ecotone. The PMC and Valley Water would be involved with identifying the needed elements for this task. This task may be iterative in nature if the new project elements and/or mitigation solutions impact the floodplain negatively (e.g., due to backwater effects).

2.4.2 Perform hydrodynamic and/or hydraulic modeling to analyze the effect of VW staff recommended alternatives on Federal Emergency Management Agency (FEMA) accreditation of existing or in construction levee systems. The analysis will quantify the effect of the VW Staff Recommended Alternative on peak water surface elevations levels (WSELs) from various events including both large coastal and riverine flood events considering not only peak WSELs level but also duration of peak WSELs, potential shoreline erosion and other factors that may affect food risk. It will also address factors that may increase threats to existing or proposed flood protection elements, such as the increased risk of erosion due to waves or increased velocity that may occur at smaller flows. As noted above, the Consultant, PMC and Valley Water would work together to develop mitigation elements. The modeling will also address the following:

- a. Need for additional flood protection elements within the Project area necessary to provide protection against 100-year coastal flooding event if Shoreline Project Phases 2 and 3 are delayed past the expected project implementation time frame.
- b. Would the VW staff-recommended alternative induce new or increased flood risks during large flow events? If so, how could they be mitigated with new flood protection features (e.g., new or modified levees)?
- c. Would the VW staff-recommended alternative result in threats to the existing FEMA flood protection features during 100-year flow events? If so, work with PMC to identify flood mitigation solutions.
- d. Would the VW staff-recommended alternative create new pathways for flood flows (e.g., via overtopping into Pond A4, filling it, and then overtopping its lower south levee to flood adjacent developed areas in Sunnyvale)? If so, work with PMC to identify flood mitigation solutions.
- e. Would the VW staff recommended alternative lead to increased risks of failure of any flood protection elements, e.g., through increased risk of levee erosion? If so, work with PMC to identify flood mitigation solutions.

Task 2.4 Assumptions:

1. The Hydrologic Engineering Center's (HEC) River Analysis System (RAS) (HEC-RAS) model will be applied to evaluate flood risk for Task 2.4. HEC-RAS is one of the most widely used FEMA-approved models available for the evaluation of 100-year water levels.
2. Existing HEC-RAS 1D models are available and will be provided by Valley Water for Calabazas Creek, STA Creek, Sunnyvale East Creek, and Guadalupe River.

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3. The existing HEC-RAS 1D models for Calabazas Creek, STA Creek, Sunnyvale East Creek, and Guadalupe River will be connected to a 2D mesh spanning the A8 Ponds and the downstream portions of Guadalupe Slough and Alviso Slough.
4. The downstream boundary for the 2D portion of the HEC-RAS model will be at the mouths of Alviso Slough and Guadalupe Slough.
5. Valley Water will provide the water level calibration data for the HEC-RAS 1D models for Calabazas Creek, STA Creek, Sunnyvale East Creek, and Guadalupe River.
6. The combined 1D/2D HEC-RAS model will be calibrated to the same water level calibration data used to calibrate for the HEC-RAS 1D models of these streams. The predicted water levels for the 100-year flows in the combined 1D/2D HEC-RAS model will be compared to the predicted water levels in the existing 1D HEC-RAS models for model validation and calibrated to available high-water marks and other relevant water level records.
7. The HEC-RAS model will not be used to simulate water levels only and will not be used to simulate sediment transport.
8. Model must be calibrated to address fluvial and coastal flood events.
9. Model boundaries and geometries are to be determined in consultation with VW and the PMC, but will likely include Alviso and Guadalupe Sloughs and all flanking ponds, lower reaches of Guadalupe River, Calabaza Creek, San Tomas Aquino Creek, and Sunnyvale East and Sunnyvale West channels. The model area must be large enough to capture all major flooding risks (e.g., overtopping of lower creek reaches, successive overtopping of ponds).
9. A maximum of five Flow Scenarios will be analyzed using the HEC-RAS model. It is expected that these five scenarios will likely include the following scenarios, or similar scenarios selected by Valley Water:
 - a. 100-year event on Guadalupe River and smaller flows (tbd) on West Valley Watershed creeks, concurrent with spring tide conditions
 - b. 100-year events on the West Valley Watershed creeks with a smaller flow event on Guadalupe River, concurrent with spring tides
 - c. 100-year coastal flooding event, concurrent with smaller flows on all creeks in the vicinity 10-year riverine flow event on Guadalupe River and smaller flows (tbd) on West Valley Watershed creeks, concurrent with spring tide conditions
 - d. 100-year coastal flooding event, concurrent with 10-year riverine flow events on the West Valley Watershed creeks (Sunnyvale West Channel, Sunnyvale East Channel, Calabazas Creek and San Tomas Aquino Creek) with a smaller flow event (to be determined in discussion with Valley Water) on Guadalupe River, concurrent with spring tides
 - e. 100-year coastal flooding event, concurrent with smaller flow on all creeks in the project vicinity. The flows will be determined through discussions among Valley Water, the Consultant and PMC.
10. The budget for this task assumes that the five flow scenarios will be simulated for the VW staff recommended alternative identified following the completion of Task 2.3. Additional iterations on new project elements and/or mitigation solutions or on the details of the flow scenarios would be covered under the optional tasks.

Task 2.4 Deliverables:

1. Draft and final technical memorandum including comparison of refined feasible alternatives to each other and to existing/baseline conditions and detailed flood risk analysis of VW staff - recommended alternative. The final memorandum will address comments from Valley Water, PMC, and other stakeholders.

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2. HEC-RAS is not an open-source model (because the source code is not available); however, the model itself is publicly available for download from HEC. All model input and output files for the HEC-RAS simulations conducted for this Task will be provided to Valley Water. These files will be usable using the current release of the HEC-RAS software.
3. Presentation of modeling results at one video conference meeting of up to two (2) hours duration with external stakeholders and either in-person or by video conference at a Valley Water Board of Directors meeting of up to two (2) hours in duration. Consultant presentation at Valley Water Board of Directors meeting will have strong emphasis on results from hydraulic modeling including comparison of floodplain under current FEMA map and floodplain with VW staff-recommended alternative in place.
4. Consultant will provide the following Task 2.4 Deliverables to PMC:
 - a. Flood risk modeling of VW Staff Recommended Alternative (Task 2.4) under current conditions by May 2024

Task 3 - Perform Modeling/Numerical Analysis to Inform Design and Address Uncertainties related to Project Long-term Success

3.1 Detailed pond bottom accretion and/or tidal marsh establishment modeling of VW Staff-Recommended Alternative, analysis of potential habitat changes, and projection of future maintenance levels at Harvey Marsh and lower reaches of Calabazas and STA creeks; and Sunnyvale East/West Channels

- 3.1.1 Purpose: Building on the Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models, modeling/numerical analysis, perform additional, more detailed modeling/numerical analysis of the VW Staff-Recommended Alternative to determine the timeframe over which pond bottom accretion and tidal marsh establishment is expected to occur, considering expected sea-level rise (SLR). Analyze whether artificial sediment augmentation would be required to create substantial amounts of tidal marsh at the A8 Ponds. In addition, the modeling will support design optimization for the VW staff-recommended alternative.
- 3.1.2 Conduct marsh accretion and ecological modeling/numerical analysis to determine the feasibility of successfully establishing a long-term resilient tidal marsh within the A8 ponds and Pond A4, considering the following uncertainties:
 - a. What is the expected rate and timeframe over which sediment accretion at A8 Ponds and Pond A4 is expected to occur?
 - b. Will expected change in pond bottom elevation lift and maintain the pond bottom into the tidal range, considering expected SLR, to support establishment of tidal marsh?
 - c. Once tidal marsh elevations are attained, how will biological processes contribute to the accretion rate and the ability of the marsh plane to keep up with SLR? What biological feedback processes will be included?
 - d. What acreage of tidal marsh do we expect to establish at selected future points in time, considering connectivity to tidal flows?
 - e. How will the back of tidal marsh habitat change over time, based on the age of the marsh, expected plant composition, drainage network development, and proximity to ecotone and refugia?
 - f. How will the model take into account sediment input from fluvial process?

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- 3.1.3 Analyze the expected changes in habitat type, acreage, and quality that would occur at Harvey Marsh and the lower reaches of Calabazas and San Tomas Aquino creeks; and Sunnyvale East/West Channels using elevation, salinity, and inundation frequency and others based on consultation with PMC if the VW staff-recommended alternative is implemented.
- 3.1.4 Quantitatively project the long-term level of maintenance, including sediment removal (cy/year) and bank stabilization repair, expected at the lower reaches of Calabazas and San Tomas Aquino creeks if the VW staff-recommended alternative is implemented, and compare to historic levels of creek maintenance activities.

Task 3.1 Assumptions:

1. The Wetland Accretion Rate Model for Ecosystem Resilience (WARMER) model will be applied to evaluate long-term accretion within the A8 Ponds and Pond A4 for VW staff-recommended alternative and assess the resulting habitat under future conditions.
2. The assumed level of effort assumes that the calibrated version of the WARMER model published by Swanson et al (2015) and used in the EIA 1-10 study for Valley Water will be used for this study. If a different version of the WARMER model is preferred by Valley Water (i.e., WARMER 2.0) and can be provided to Consultant, an alternate version of WARMER could be used if it is made available prior to the start of Task 3 and does not require any additional model parameters or calibration as part of this project.
3. WARMER incorporates both biological and physical processes that result in vertical marsh accretion. The processes incorporated into the model specifically include below-ground processes such as root growth, compaction and decay. As the marsh elevation changes over time relative to sea level, the rate of organic matter accumulation in the WARMER model varies as a function of elevation to account for the changing productivity of vegetation as it is established.
4. WARMER by itself accounts only for sediment input from Bay sediments, based on ambient Bay sediment concentrations, and does not have a mechanistic way to separately account for an increase in incoming inorganic creek sediment due to the realignment of San Tomas and Calabazas Creeks. However, projections of sediment accretion at A8 ponds and Pond A4 from the short-term 3D sediment transport simulations conducted in Task 2, Support Project Planning, will be used as additional inputs into the modeling/numerical analysis of tidal marsh establishment in the WARMER model. To accomplish this the inorganic sediment originating in the upstream tributaries which is predicted to be deposited inside the A8 Ponds and Pond A4 from the sediment model simulations conducted in Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models and 2.3 will be scaled (the exact scaling procedure may require some iteration) and added to the marsh accretion predicted using WARMER at intervals through time. Through this approach the predicted year 50 marsh surface will include the effects of both deposition of creek sediment and marsh accretion over the time horizon evaluated. Consultant will work with Valley Water and other modeling experts to refine the aforementioned scaling approach to incorporate the short-term Hydrodynamic modeling results of inorganic sediment deposition into the longer-term WARMER modeling.
5. The time frame for analysis will be 50 years after project construction, with interim outcomes determined at 10-year intervals within the 50-year period.

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6. Evaluation of the habitat conditions will be conducted for the 50-year horizon and each ten-year interval. This habitat evaluation will be based purely on elevation, relative to the tidal datums at each time horizon. For example, MHHW and MLLW will be at a different elevation relative to NAVD88 at each time horizon, however habitat within specific elevation bands relative to the tidal datums (e.g., below MLLW, MLLW to MTL, MTL to MHHW, Above MHHW) can be evaluated at each time interval to calculate areas of habitat within the ponds within these ecologically relevant elevation bands through time. This elevation-based habitat assessment will be used to compare habitat conditions to existing conditions/baseline and to each ten-year interval outcome over the 50-year period.
7. This task assumes that a single SLR curve is used in the development of the marsh surface using WARMER and in the subsequent evaluation of sediment deposition and erosion under future conditions. Since this surface will also be used to evaluate future flood risk in Task 3.2, Long Term Flood Risk Assessment and Attenuation Benefit, it is recommended that this analysis should be conducted using a “high” sea level rise scenario representing the high end of sea level projected for the project timeline is necessary to address future uncertainty. An optional task (Task 4.2) is included to allow for an additional evaluation of habitat conditions for an additional (i.e., intermediate) sea level rise rate.
8. Following the prediction of the year 50 marsh elevation surface for Year 50 conditions, the coupled UnTRIM-SWAN-SediMorph model will be applied to evaluate the VW staff recommended alternative under future conditions with sea level rise. The same model simulation period used to evaluate Year 0 conditions in Task 2.2 and 2.3 will be used to model future conditions. All boundary conditions will remain the same with the exception of the tidal boundary which will be adjusted to account for sea level rise. The same sea level rise rate for year 50 used in the WARMER model will be used to adjust the tidal boundary for the UnTRIM model. The scope for this task assumes the simulation of only a single VW staff preferred alternative under future conditions.
9. The results of the UnTRIM-SWAN-SediMorph simulation will be used to quantitatively evaluate the long-term level of maintenance in the creek channels and compare this to existing conditions. Similarly, these results will be used to evaluate the long-term deposition of incoming inorganic creek sediment due to the realignment of San Tomas and Calabazas Creeks inside the A8 ponds and Pond A4.

Task 3.1 Deliverables:

1. Draft and Final Technical Memorandum describing:
 - a. projected Pond Sediment Accretion and Tidal Marsh Establishment
 - b. habitat quality of tidal marsh habitat change over time, based on the age of the marsh, expected plant composition, drainage network development, and proximity to ecotone and refugia;
 - c. expected changes in habitat type, acreage, and quality that would occur at Harvey Marsh and the lower reaches of Calabazas and San Tomas Aquino creeks; and Sunnyvale East/West Channels
 - d. evaluation of the long-term creek maintenance from the assumption 8 of Task 3.1.
2. The final memorandum will address comments from Valley Water and PMC and external stakeholders.
3. For the WARMER model, the model source code, input files, and model output for the scenarios simulated will be provided to Valley Water. Model input and output files will be documented in a short memo or appendix

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4. For the UnTRIM-SWAN-SediMoprh model, any model inputs that are changed for Year 50 conditions from those provided for Year 0 Conditions under Task 2, Support Project Planning, will be provided. This is expected to include the model bathymetry and the tidal boundary condition along the bayward edge of the focus area for modeling. As described in the Project-Specific Assumptions and Requirements, model outputs inside the focus area for modeling outlined in Figure 1, Project Area, which are used to evaluate the VW staff preferred alternative under future conditions will be provided as a deliverable. Model outputs will be provided in ascii text format to allow for readability and allow for the output to be imported or reformatted for import readily into other software. Model output and output formats will be documented in a short memo or appendix.
5. Participation in two video conference meetings of up to two (2) hours duration at which the modeling/numerical analysis results will be presented to external stakeholder and Valley Water.
6. Consultant will provide the following Task 3.1 Deliverables to PMC:
 - a. Sediment accretion and hydrodynamic modeling of VW Staff Recommended Alternative under future conditions (Task 3.1) by September 2024, including time series plots and estimated tidal datums

3.2 Long Term Flood Risk Assessment and Attenuation Benefit

- 3.2.1 Purpose: Compare the future flooding risk for with and without-Project conditions for Analyze a variety of 100-year flood events for the VW staff-recommended alternative, compared to baseline/existing conditions with consideration of SLR.
- 3.2.2 The Future Project Year for the long-term flood risk assessment will be selected to develop the future marsh condition based on the final year from the pond accretion modeling results in Task 3.1 (i.e., Year 50). The channel and pond bathymetry will be updated to account for the Future Project Year conditions by incorporating the Future Project Year marsh surface developed as part of Task 3.1. Any other projected changes to the bathymetry that will be included in the Future Project Year Conditions will be determined based on the modeling results from Task 2, discussions between the stakeholders, and also the input from Planning and Monitoring consultant team members with expertise in geomorphology. Discussions will also determine the future baseline condition, which may include elements of the South Bay Salt Ponds project, for example. Any changes to the design bathymetry for either the Future Project Year Conditions or the future baseline condition that differs from the Future Project Year marsh surface developed as part of Task 3.1 will be provided by the Planning and Monitoring consultant team.
- 3.2.3 Use hydraulic modeling to assess the flooding risk for both the No Project and With Project (i.e., VW staff recommended alternative) conditions, both when it was first formed (Year 0, with Year 0 sea level rise applied) and at Project Year 0 + the Future Project Year years with sea level rise applied for the Future Project Year. The with-Project (VW staff-recommended alternative) condition will incorporate pond-bottom and creek bathymetry expected for Future Project Year. The Future Project Year without project condition will be determined based on discussions between the Consultant, Valley Water and the PMC. Under this task, one future SLR value will be applied to each of the flow scenarios listed below; VW will provide guidance on what value to use. The simulation of additional SLR

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values for future conditions would also require development of a future conditions marsh elevation using WARMER for that rate of sea level rise, since the rate of marsh accretion is affected by the rate of sea level rise in the projection.

3.2.4 As part of Task 2.4, Perform Additional Hydrodynamic and/or Hydraulic Modeling on VW Staff-Recommended Alternative to Assess Any Increases in Flood Risk Post-Project, the 100-year flood risk analysis included five different flow scenarios under both existing with and without project conditions, for a total of ten Year 0 scenarios: Year 0 for existing conditions (5 flow scenarios), Year 0 with project (5 flow scenarios). Under this task, future with and without project conditions will be simulated for 1 SLR rate and five flow scenarios, for a total of 10 future conditions scenarios for this task: Future Project Year without project (5 flow scenarios), and Future Project Year with project (5 flow scenarios).

3.2.5 Questions to be addressed by this modeling include:

1. For the Year 0 runs:
 - a. Use results from Task 2.4, Perform Additional Hydrodynamic and/or Hydraulic Modeling on VW Staff-Recommended Alternative to Assess Any Increases in Flood Risk Post-Project.
2. For the Future Project Year (hoping by then, marsh will be fully formed):
 - a. Identify potential pathways for new flooding risks to arise (e.g., overtopping of sloughs into ponds that could overtop landward levees and cause urban flooding)
 - b. Identify other threats -e.g., to existing and currently planned FEMA flood protection projects near the project site (i.e., Guadalupe River, San Tomas Aquino Creek, Calabazas Creek, Sunnyvale East and West Channels Flood Protection Projects), as well as to infrastructure listed in Section 4, Uncertainty 7.
 - c. Assess how the established tidal marsh and Project geometry will act to change flood risks, when compared to the future with without project condition (i.e., will the tidal marsh be expected to dampen waves, and how much will that help reduce future flood risks)?
3. Flow Scenarios:
 - a. The same five flow scenarios simulated for Task 2.4 for Year 0 conditions will be simulated for Year 50 conditions:
 - b. NOTE: Additional scenarios may be conducted at the direction of Valley Water as part of Task 4.3 (Supplemental Services).

Task 3.2 Assumptions:

1. The HEC-RAS model will be applied to evaluate flood risk for Task 3.2. HEC-RAS is one of the most widely used FEMA-approved models available for the evaluation of 100-year water levels.
2. The combined 1D/2D HEC-RAS model developed and validated for Task 2.4 will be applied in Task 3.2. The model will be updated for Future Project Year Conditions (e.g., Year 50) conditions by incorporating the Year 50 marsh surface developed as part of Task 3.1. The model geometry will also be updated to include a geometry for the future baseline condition, which may include elements of the South Bay Salt Ponds project, for example.

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3. Any changes to the bathymetry for either the Future Project Year Conditions or the future baseline condition will be provided by the Planning and Monitoring consultant team or Valley Water in an electronic format that sufficient detail that they can be appropriately represented in the hydrodynamic model (i.e., GIS shape files, CAD files, or DEMs).
4. It is assumed that the future flooding risk will be assessed for the same future time (e.g., Year 50), which was used to develop the future marsh condition based on the pond accretion modeling results in Task 3.1.
5. The HEC-RAS model will be used to simulate the same five flow scenarios simulated in Task 2.4, adjusted to account for Sea Level Rise. These five flow scenarios will be simulated for both the Future Project Year Conditions and the future baseline condition (10 simulations total).
6. The HEC-RAS model will not be used to simulate water levels only and will not be used to simulate sediment transport.

Task 3.2 Deliverables:

1. Technical memorandum (draft and final technical memorandum) describing modeling results and mapping showing current and Future Project Year floodplains. The final technical memorandum will address comments from Valley Water, the PMC, and external stakeholders.
2. HEC-RAS is not an open-source model (because the source code is not available); however, the model itself is publicly available for download from HEC. All model input and output files for the HEC-RAS simulations conducted for this Task will be provided to Valley Water. Model input, and output files will be documented in a short memo or appendix. These files will be usable using the current release of the HEC-RAS software.
3. The Consultant will provide the following Task 3.2 Deliverables to PMC:
 - a. Flood risk modeling of VW Staff Recommended Alternative (Task 3.2) under future conditions by September 2024.

Task 4 - Supplemental Services

Valley Water may require, and the Consultant will perform, Supplemental Services on an as-needed basis. Prior to performing any Supplemental Services, Consultant must receive an approved Task Order issued by Valley Water and executed by both Parties. Refer to the Standard Consultant Agreement, Section Twelve, Miscellaneous Provisions, subsection 13. Task Orders, and Appendix Three, Task Order Template.

Subtasks 4.1 through 4.3 provide specific examples of optional tasks scoped and budgeted as part of the contract negotiations. Additional possible Supplemental services that could be included at a later date, but which are not defined in the current scope are listed in Task 4.4 and 4.5.

4.1 Additional Hydrodynamic and Sediment Transport Model Scenarios to Evaluate Additional Pond A4 Feasible Alternatives

The evaluation of the feasible alternatives under Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models, assumes the simulation of up to five feasible alternatives plus a baseline scenario. The inclusion of Pond A4 in the set of feasible alternatives to be evaluated under Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models, may require additional hydrodynamic and sediment transport simulations to screen and evaluate additional

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feasible alternatives. For example, if each of the five feasible alternatives were evaluated with and without the inclusion of Pond A4, or multiple different Pond A4 alternatives were considered with a single feasible alternative for the A8 Ponds, then more than five feasible alternatives would need to be simulated concurrent with Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models. This task assumes that the UnTRIM-SWAN-SediMorph model will be applied for one or more additional feasible alternatives. The model bathymetry and geometry will be updated to represent the features of the additional Pond A4 feasible alternative. The same model simulation period and boundary conditions used in Task 2.2, Develop and Evaluate Feasible Alternatives & Baseline Models, will be used to evaluate the additional feasible alternative(s).

Task 4.1 Assumptions:

1. The same model simulation period used to evaluate the feasible alternatives for Year 0 conditions in Task 2.2, will be used to model evaluate additional feasible alternatives. All boundary conditions will remain the same as those used in Task 2.2, except as needed to account for changes related to the feasible alternative being modeled.
2. The model bathymetry and geometry will be updated to represent the features of the additional feasible alternative.
3. It is assumed that the PMC or Valley Water will provide the location and geometric details of the additional feasible alternative in an electronic format that sufficient detail that they can be appropriately represented in the hydrodynamic model (i.e., GIS shape files, CAD files, or DEMs).

Task 4.1 Deliverables:

1. Update to the Task 2.2 technical memorandum to document the results and analysis of the additional feasible alternative and if appropriate, additional comparisons of the additional feasible alternative simulated for this task and one or more of the other feasible alternatives simulated under Task 2.2.
2. Based on the requirements outlined in the RFP, for the area inside the region identified as the focus area for modeling outlined in Figure 1; Project Area, the model grid for the additional alternative, model bathymetry/DEM for the additional alternative, and all model input files (bathymetry, flow and sediment flux time series for all inflows, predictions of tidal water levels, salinity, and sediment concentration along the bayward edge of the focus area for modeling will be provided for the area outlined in Figure 1; Project Area. Note that the boundaries for the input files may deviate from the area shown in Figure 1: Project Area to follow the alignment of the existing grid cells on the focus area boundary but are not expected to be substantially different. The model input files and boundary conditions inside region identified as the focus area for modeling outlined in Figure 1: Project Area will be provided in a ascii text format that can be imported or reformatted for import readily into other software.as required by the CDFW Proposition 1 grant funding.
3. Model outputs inside the focus area for modeling outlined in Figure 1: Project Area which are used as project metrics, are used to compare between alternatives, or used for model validation will be provided as a deliverable for each feasible alternative. Model outputs will be provided in ascii text format to allow for readability and allow for the output to be imported or reformatted for import readily into other software. Model output and output formats will be documented in a short memo or appendix.

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4.2 Additional Marsh Accretion Scenario and Future Condition Hydrodynamic Model Simulation to Evaluate Future Habitat with Intermediate SLR Rate

Under Task 3.1 the WARMER model will be applied for a single SLR rate to predict future marsh accretion for Year 50. Under this optional task, the WARMER model will be applied to evaluate long-term accretion within the A8 Ponds and Pond A4 for the VW staff-recommended alternative and assess the resulting habitat under future conditions for an additional rate of SLR (i.e., an intermediate rate of SLR or other SLR curve selected by Valley Water). Following the prediction of the year 50 marsh elevation surface for Year 50 conditions, the coupled UnTRIM-SWAN-SediMorph model will be applied to evaluate the VW staff recommended alternative under future conditions with the additional SLR rate.

Task 4.2 Assumptions:

1. The WARMER model will be applied to evaluate long-term accretion within the A8 Ponds and Pond A4 for VW staff-recommended alternative and assess the resulting habitat under future conditions for an additional SLR rate.
2. The same version of WARMER that was used for Task 3.1 will be used for this task.
3. The same approach to incorporate the effects of both deposition of creek sediment and marsh accretion over the time horizon evaluated which was developed in Task 3.1 will be applied for this task.
4. The time frame for analysis will be 50 years after project construction, with interim outcomes determined at 10-year intervals within the 50-year period.
5. The same approach used to evaluate habitat conditions for the 50-year horizon and each ten-year interval in Task 3.1 will be used to evaluate habitat conditions for the additional WARMER marsh accretion simulation.
6. Following the prediction of the year 50 marsh elevation surface for the additional SLR rate, the coupled UnTRIM-SWAN-SediMorph model will be applied to evaluate the VW staff recommended alternative under future conditions with additional rate of SLR. The same model simulation period and boundary conditions will remain the same as those used for Task 3.1, with the exception of the tidal boundary which will be adjusted to account for the additional SLR rate. The same sea level rise rate for year 50 used in the additional WARMER model simulation will be used to adjust the tidal boundary for the UnTRIM model. The scope for this task assumes the simulation of only a single VW staff preferred alternative under future conditions with the additional SLR rate.

Task 4.2 Deliverables:

1. Update to the Task 3.1 technical Memorandum describing projected Pond Sediment Accretion and Tidal Marsh Establishment. To include additional Year 50 marsh accretion scenario and additional evaluation of future habitat conditions with additional SLR rate.
2. For the WARMER model, the model source code, input files, and model output for the scenarios simulated will be provided to Valley Water.
3. For the UnTRIM-SWAN-SediMorph model, any model inputs that are changed for the additional model simulation conducted for this task will be provided. This is expected to include the model bathymetry and the tidal boundary condition along the bayward edge of the focus area for modeling. Model outputs inside the focus area for modeling outlined in Figure 1; Project Area which are used to evaluate the VW staff preferred alternative under future conditions with the additional rate of SLR will be provided as a deliverable. Model outputs will

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be provided in ascii text format to allow for readability and allow for the output to be imported or reformatted for import readily into other software.

4.3 Simulation of Additional Flow Scenario for Flood Risk Analysis

The HEC-RAS 1D/2D model was applied to assess post project flood risk under Year 0 conditions (Task 2.4, Perform Additional Hydrodynamic and/or Hydraulic Modeling on VW Staff-Recommended Alternative to Assess Any Increases In Flood Risk Post-Project) and under Year 50 conditions (Task 3.2, Long Term Flood Risk Assessment and Attenuation Benefit). This optional task includes one additional flow scenario to augment the flood risk analysis conducted for Tasks 2.4 and 3.2, Perform Additional Hydrodynamic and/or Hydraulic Modeling on VW Staff-Recommended Alternative to Assess Any Increases in Flood Risk Post-Project. Additional flow scenarios may be added as an optional task to consider different recurrence interval events (i.e., 50-year event), or other combinations of tidal and flow recurrence events beyond those simulated under Task 2.4 and 3.2 (i.e., 10-year extreme tides + 100-year riverine flows). The cost estimate for these scenarios assumes that the alternative geometry will not change from the scenarios simulated under Task 2.4 and 3.2, however the flow or tidal boundary conditions will change. Cost for this task includes coordination with Valley Water on development of new boundary conditions, simulation of the additional scenario, update to the technical memorandum, and providing model files for the additional scenario.

Task 4.3 Assumptions:

1. The 1-D HEC-RAS model will be applied to simulate one additional flow scenario to support the existing or future flood risk analysis.
2. No changes to alternative geometry will be made for the additional flow scenario.
3. The scenario will include changes to either tidal conditions and/or the inflows.

Task 4.3 Deliverables:

1. Update to the Task 2.4 technical memorandum (for additional flow scenario under Year 0 conditions) or update to the Task 3.2 technical memorandum (for additional flow scenario under Year 50 conditions) to include additional flow scenario.
2. HEC-RAS is not an open-source model (because the source code is not available); however, the model itself is publicly available for download from HEC. All model input and output files for the HEC-RAS simulations conducted for this Task will be provided to Valley Water. These files will be usable using the current release of the HEC-RAS software.

4.4 Review Draft Deliverables Submitted by Planning and Monitoring Consultant (PMC)

Under this task, the Consultant will review the Draft Deliverables submitted to Valley Water. This review may include the following documents:

- 1) Assessment methodology for conceptual and
- 2) Assessment methods for feasible alternatives
- 3) 5% drawings of alternatives
- 4) Conceptual Alts draft report
- 5) Feasible Alts Draft Report

Modeling Support for the Calabazas/San Tomas Aquino Creek Agreement No. A4668A / PB File No. VW0122
Marsh Connection Project
FY22 Scope of Services Template – Schedule P-Planning Pre-Design – 7/25/22
Ver. 8/15/22

SCHEDULE P SCOPE OF SERVICES

- 6) Planning Study Report
- 7) Monitoring Plan

Task 4.4 Assumptions:

1. Consultant will only review the sections of the PMC deliverables that fall within Consultant's area of expertise.
2. Review comments will be provided directly into the document using either Microsoft Word or Adobe Acrobat software.
3. A total of up to four (4) hours is budgeted for each of the seven (7) PMC deliverables listed above (32 hours total).

Task 4.4 Deliverables:

1. Review comments on each PMC draft deliverable will be provided to Valley Water.

4.5 Specific examples of possible Supplemental Services include, but not limited to:

- 4.5.1 Additional modeling/numerical analysis to support conceptual alternative development or analysis of refined alternatives;
- 4.5.2 Data collection in support of model calibration including flow monitoring, suspended sediment sampling, etc.;
- 4.5.3 Ecological modeling to support design that contributes to improved future habitat (e.g., adding refugia or additional ecotone);
- 4.5.4 Additional modeling numerical analysis to support the project design, CEQA/NEPA, or permitting activities.

4.6 Additional Services. The Consultant will provide additional quantities of previously identified services as requested by Valley Water. Consultant will provide additional services for any quantity of tasks and deliverables beyond those stated in Task 1 through 3 as Task 4 Supplemental Services, to include but not be limited to:

- 4.6.1 Participation at additional project and stakeholder meetings including preparation of materials, presentations, and meeting notes;
- 4.6.2 Additional time allotted for meetings;
- 4.6.3 Additional status/progress reports;
- 4.6.4 Additional phone conference calls;
- 4.6.5 Additional and refined modeling and numerical analyses, including the potential for some simple modeling to be conducted during the Conceptual Alternatives phase, if required;
- 4.6.6 Revisions and/or amendments to Task 1 through 3 deliverables;
- 4.6.7 Additional pages or copies of technical memoranda, plans, exhibits, reports, drawings, figures, and tables; and

**SCHEDULE P
SCOPE OF SERVICES**

4.6.8 Additional public and stakeholder outreach materials.

7. Attachments

The following Schedule P Attachments are incorporated herein by this reference as though set forth in full:

Attachment One - Fees and Payments

Attachment Two - Schedule of Completion

Attachment Three - Consultant's Key Staff and Subconsultants

Attachment Four - Reference Materials

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**SCHEDULE P
ATTACHMENT ONE
FEES AND PAYMENTS**

1. Total Authorized Funding

Total payment for Services performed, to the satisfaction of Valley Water, as described in the Schedule(s) will not exceed a total amount of **\$500,000** (Not-to-Exceed Fees or NTE). Under no conditions will the total compensation to the Consultant exceed NTE payment amount without prior written approval in the form of an amendment to this Agreement executed by Valley Water's Board of Directors (Board), or Chief Executive Officer, or designee, as authorized by the Board.

2. Cost Breakdown

The total NTE amount of this Agreement consists of the following breakdown. No services will be performed or fees paid by Valley Water to the Consultant for Supplemental Services without prior written authorization by Valley Water as stated in this Agreement.

COST BREAKDOWN

Task	Description	Not-to-Exceed Fees
1	Project Management	\$75,000
2	Support Project Planning	\$300,000
3	Perform Modeling/Numerical Analysis to Inform Design and Address Uncertainties related to Project Long-term Success	\$120,000
4	Supplemental Services	\$5,000
Total Not-to-Exceed Amount		\$500,000

3. Terms and Conditions

- A. Payments for services performed, as defined in this Schedule, which applies to the specific Services, will be based on the following terms:
- 1) Valley Water will pay for Services provided by the Consultant according to the schedule of rates for professional, technical, and administrative personnel as well as materials and supplies as listed below in the Hourly/Unit Rate Schedule.
 - 2) The stated hourly rates are effective for the term of this Agreement unless otherwise revised as indicated. After 12 months from the date this Agreement is entered into by parties ("anniversary date"), and each 12 months thereafter, these hourly rates may be negotiated by the Consultant and Valley Water, provided Consultant submits written notice to Valley Water of Consultant's request to revise the hourly rates 90 calendar days prior to the anniversary date of this Agreement. Both parties will use as a benchmark for negotiations the percent change for the previous 12 months of the "Employment Cost Index (ECI), for total compensation for private industry workers, for the San Francisco-Oakland-San Jose, CA CSA Census region and

**SCHEDULE P
ATTACHMENT ONE
FEES AND PAYMENTS**

metropolitan area (not seasonally adjusted)” as published by the U.S. Department of Labor, Bureau of Labor Statistics, or 3%, whichever is less. A negative index will result in rates remaining the same. Such rate revisions are subject to written approval by Valley Water’s Deputy Operating Officer.

B. Reimbursable Expenses

- 1) All reimbursable expenses not already covered in overhead may include, but are not limited to, mapping, rendering, printouts, leased equipment, mailing and delivery services, printing services, film and processing, plotting, and supplies. These other direct expenses as approved by Valley Water Project Manager (VWPM) will be billed on a monthly basis at actual cost linked to each Agreement Task, provided that the Task total NTE amount is not exceeded. Consultant shall provide receipts for each other direct expense item(s) with monthly invoices submitted. No markup will be applied to reimbursable expenses, either by the Consultant or by its subconsultants, subcontractors, or vendors. Consultant shall provide invoices for all such services regardless of cost.
- 2) Equipment purchased on behalf of Valley Water that costs \$50 or more must receive the prior written approval of Valley Water Project Manager (VWPM). All equipment purchased on behalf of Valley Water and paid for by Valley Water shall become the property of Valley Water and be delivered to Valley Water prior to expiration of this Agreement.
- 3) Travel expenses are reimbursed at actual costs. Travel and overnight accommodations, including per diem, required for performance of this Agreement will be paid at reasonable cost not to exceed the state employee rates as identified on the California Department of Human Resources (CalHR) website under travel reimbursements for state employees, <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>, provided prior approval has been obtained from Valley Water Project Manager (VWPM). For air travel, Valley Water will pay the cost of a coach class or equivalent ticket. Where air travel is required, Valley Water will pay the total cost of taxi, rideshare, public transportation, or a rental car, which may include insurance, gas, car fee, and taxes and will be paid at the actual costs incurred. Vehicle rental is limited to a compact or economy model, unless prior approval has been obtained from Valley Water Project Manager (VWPM) for a different type of vehicle.
- 4) Expenses incurred by the Consultant, including for Subconsultants, subcontractors and vendors, including lab services, will be reimbursed at actual cost. Consultant shall provide invoices for all such services regardless of cost. No markup will be applied, either by the Consultant or by its subconsultants, subcontractors, or vendors.

- C. For staff with rates exceeding the rate of \$[RATE LIMIT]/hr, the Consultant must obtain written approval from the Valley Water Project Manager (VWPM) as to the numbers of hours per task prior to that individual working on the Project. [NOT USED]

**SCHEDULE P
ATTACHMENT ONE
FEES AND PAYMENTS**

D. Prevailing Wage Requirements [NOT USED]

- 1) The Scope of Services described in a Task INSERT APPLICABLE TASK NUMBER HERE may be considered by Valley Water to be “Public Works” requiring the payment of prevailing wages. See the Standard Consultant Agreement, Section Four, Fees and Payments, subsection 3. Prevailing Wages.

- 2) In accordance with prevailing wage laws, the Director of the California Department of Industrial Relations (Director) has ascertained the general prevailing rate of wages and employer payments for health and welfare, pension, vacation, and similar purposes available to the particular craft, classification, or type of workers employed on the Project. These rates are set forth in the latest determination obtained from the Director, which is on file in Valley Water’s Office of the Clerk of the Board of Directors and incorporated herein by reference the same as though set forth in full. The rates are also available on the State of California Department of Industrial Relations website at <http://www.dir.ca.gov>.

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**SCHEDULE P
ATTACHMENT ONE
FEES AND PAYMENTS**

HOURLY/UNIT RATE TABLE

CLASSIFICATION/STAFF	HOURLY/ UNIT RATE
Consultant: Anchor QEA, LLC.	
Principal Engineer 2	\$337.00
Principal Engineer 1	\$295.00
Principal Scientist 1	\$326.00
Principal Scientist 2	\$337.00
Senior Manager 1	\$221.00
Senior Manager 2	\$283.00
Managing Scientist	\$221.00
Managing Engineer	\$215.00
Managing Biologist	\$206.00
Managing Geospatial Scientist	\$175.00
Senior Staff	\$150.00
Senior GIS Analyst	\$143.00
Staff 3	\$137.00
Staff 2	\$134.00
Staff 1	\$118.00
Senior Technical Editor	\$92.00
Technical Editor	\$87.00
Subconsultant(s): None	

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**SCHEDULE P
ATTACHMENT TWO
SCHEDULE OF COMPLETION**

1. This Agreement commences on the Effective Date, subject to accomplishment of all of conditions to formation of an agreement listed in the Agreement at Section Twelve, Miscellaneous Provisions, subsection 2. Formation of Agreement.
2. This Agreement expires three (3) years, after the Effective Date, unless, prior to its expiration, its term is modified by a written amendment hereto, and signed by both Parties. Upon agreement, the parties may extend the Agreement for two (2) additional one (1) year term extensions, if desired by Valley Water.
3. Valley Water and Consultant may agree to modify the schedule specified for Consultant's performance as an administrative modification to the Agreement and will confirm such modification in writing.

PROJECT SCHEDULE

Task	Description	Duration From Notice to Proceed (months)
1	Project Management	Duration of the Agreement
2	Support Project Planning	Month 1 to Month 21
3	Perform Modeling/Numerical Analysis to Inform Design and Address Uncertainties related to Project Long-term Success	Month 15 to Month 25 (End of Project)
4	Supplemental Services	Duration of the Agreement

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**SCHEDULE P
ATTACHMENT THREE
CONSULTANT'S KEY STAFF AND SUBCONSULTANTS**

1. Consultant's key staff assigned to the Project are as follows:

Team Member	Classification	Project Role	Contact Information
Michael MacWilliams	Principal Engineer 2	Modeling Lead	33 New Montgomery St., Suite 1210 San Francisco, CA 94105 Phone: 415-361-5154 mmacwilliams@anchorgea.com
Aaron Bever	Managing Scientist	Sediment Transport Modeling	1201 Third Street., Suite 2600 Seattle, WA 98101 Phone: 206-709-6859 abever@anchorgea.com

2. The following Subconsultants are authorized to perform Services pursuant to this Agreement:

Firm	Project Role	Contact Information
N/A	-	-

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**SCHEDULE P
ATTACHMENT FOUR
REFERENCE MATERIALS**

Ref No.	Description
1	Santa Clara Valley Water District Non-Disclosure Agreement (NDA) (FC 1650)
2	Santa Clara Valley Water District (Valley Water) Standards for GIS Products April 2021 version: http://gis.valleywater.org/Download/GIS_PRODUCT_STANDARDS.pdf
3	Calabazas and San Tomas Aquino Creek Realignment Project - Final Feasibility Report: https://fta.valleywater.org/dl/cGtbScbVM4
4	Technical Memorandum – Realignment Phase 1 Modeling Report: https://fta.valleywater.org/dl/AGyam3l8BG Technical Memorandum – Realignment Phase 2 Modeling Report: https://fta.valleywater.org/dl/r4QZKhXrD2
5	South Bay Salt Pond Restoration Project – Pond A8 Phase 1 Action Engineer’s Report: https://fta.valleywater.org/dl/KYMbyolzRS
6	South San Francisco Bay Shoreline Economic Impact Areas 1 to 10 – Hydraulic Analysis Report: https://www.valleywater.org/sites/default/files/E7_Final_Appendix%204_Southshore_Hydraulics_Report_0316_NCI.pdf
7	South San Francisco Bay Sediment Transport Modeling Report: https://fta.valleywater.org/dl/PbjaggZF9p
8	Calabazas-San Tomas Aquino Pond A8 Reconnection: Preliminary scenario simulations Report: https://fta.valleywater.org/dl/emC3lqlji6
9	Morphodynamic Development in the Alviso Slough System Modeling Report: https://fta.valleywater.org/dl/prWi5AknH9
10	Proposition 1 Watershed Restoration Grant Program Calabazas/San Tomas Aquino Creek – Marsh Connection Project Grant Agreement: https://fta.valleywater.org/dl/wDvWA7C4iP

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Santa Clara Valley Water District

File No.: 22-0996

Agenda Date: 9/13/2022
Item No.: 3.9.

BOARD AGENDA MEMORANDUM

SUBJECT:

Approve the Board of Directors' Quarterly Expense Report for the Quarter Ending June 30, 2022.

RECOMMENDATION:

- A. Review the Board of Directors' Quarterly Expense Report for the Quarter Ending June 30, 2022; and
- B. Approve the report, if the reimbursements comply with Board Policy.

SUMMARY:

The Board of Directors' Expense Report is submitted on a quarterly basis to the Board for review and public disclosure. According to the Governance Policies of the Board GP-10.4, a quarterly report of the per diem and expense reimbursements of each Board member shall be placed on an open session Board meeting agenda for review and a determination by the Board whether the reimbursements comply with the Board's reimbursement policies adopted pursuant to Section 53232.3 of the Government Code. Only expenses in compliance with those policies may be reimbursed by the District.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

The reimbursements sought are within the fiscal year 2021/22 Directors' budget.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Quarterly Expense Report

File No.: 22-0996

Agenda Date: 9/13/2022
Item No.: 3.9.

UNCLASSIFIED MANAGER:
Darin Taylor, 408-630-3068

SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTORS'
QUARTERLY EXPENSE REPORT

FOR THE QUARTER ENDING 6/30/22



Valley Water

Clean Water • Healthy Environment • Flood Protection

**Santa Clara Valley Water District
Board of Directors' Expenses
For the Quarter Ending 6/30/22
Summary
(Unaudited ~ for Board of Directors' review)**

	Gross ¹ Fee	Mileage ²	Board ³ Approved	Board ⁴ Allocated	Communications ⁵ Charges	Total Current Expenses	Total Expenses Fiscal Year 2022
Tony Estremera	\$ 15,564.12	\$ 316.19	\$ 429.26	\$ -	\$ -	\$ 16,309.57	\$ 61,508.35
Nai Hsueh	13,855.05	-	-	-	-	\$ 13,855.05	\$ 52,018.95
Barbara Keegan	20,143.80	211.89	-	-	-	\$ 20,355.69	\$ 49,936.41
Gary Kremen	11,482.26	473.59	1,901.27	-	-	\$ 13,857.12	\$ 58,934.32
Linda LeZotte	13,506.60	217.85	1,410.79	-	-	\$ 15,135.24	\$ 53,881.22
Richard Santos	15,547.53	711.47	31.28	30.00	340.51	\$ 16,660.79	\$ 64,265.31
John Varela	15,547.53	787.25	1,805.68	13.25	-	\$ 18,153.71	\$ 65,506.58
Total	\$ 105,646.89	\$ 2,718.24	\$ 5,578.28	\$ 43.25	\$ 340.51	\$ 114,327.17	\$ 406,051.14

DocuSigned by:
Fanny Chan
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Prepared by Fanny Chan, Accountant II

8/10/2022

Date

DocuSigned by:
Oliva Manaloto
20E023321C32435

Reviewed by Oliva Manaloto, Senior Accountant

8/11/2022

Date

DocuSigned by:
Jimmy Salandanan
60AA5DA7D35549D

Approved by Jimmy Salandanan, Accounting Manager

8/11/2022

Date

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.
2-Mileage Reimbursement @ \$0.585/mile.
3-Per GP-10.6.3.
4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.
5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: TONY ESTREMER

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE ¹	BOARD MILEAGE ²	BOARD APPROVED ³	BOARD ALLOCATED ⁴	COMMUNICATIONS CHARGES ⁵	TOTALS
4/4/22	1. Weekly Agenda Review, Virtual	\$331.86	-				\$331.86
4/6/22	1. Meeting w/ VW CEO & Dir. Santos, Virtual	331.86	-				331.86
4/7/22	1. Meeting w/ DCA CEO	331.86	-				331.86
4/8/22	1. Special DCA Board Meeting, Virtual	331.86	-				331.86
4/11/22	1. Weekly Agenda Review, Virtual	331.86	-				331.86
4/12/22	1. Valley Water Closed Session & Special Board Mtg (Attended In Person at VWHQ)	331.86	\$4.58				336.44
4/13/22	1. Meeting w/ Dist Counsel, Virtual	331.86	-				331.86
4/14/22	1. South San Francisco Bay Shoreline Project Groundbreaking Ceremony at Alviso Marina Park	348.45	17.33				365.78
	2. Mtg w/ California Secretary of Natural Resources Wade Crowfoot at SVAWPC	-	-				-
	3. Special Valley Water Bd Mtg - South County Public Hearing (Attended In Person at VWHQ)	-	4.58				4.58
4/18/22	1. Interview w/ ABC7 David Louie at SCVAWPC	348.45	15.29				363.74
	2. CIP Committee Meeting, VWHQ	-	4.58				4.58
	3. Weekly Agenda Review, Virtual	-	-				-
	4. Environmental and Water Resources Committee Meeting, VWHQ	-	4.58				4.58
4/19/22	1. REDI Event: Cultural Speaker Panel: Environmental Justice Through the Tribal Nation Lens, Virtual	348.45	-				348.45
4/20/22	1. Meeting w/ VW CEO & Dir. Santos, Virtual	348.45	-				348.45
4/21/22	1. Special DCA Board Meeting (AB 361), Virtual	348.45	-				348.45
4/25/22	1. Weekly Agenda Review, Virtual	348.45	-				348.45
4/26/22	1. Valley Water Tuesday Regular Board Mtg (Attended In Person at VWHQ)	348.45	4.58				353.03
4/27/22	1. Mtg w/ Investigator	348.45	-				348.45
	2. One on One Mtg w/ Dist Counsel	-	-				-
	3. Special Board Mtg (Re: Board Budget Work Study Session #1), VWHQ	-	4.58				4.58
4/29/22	* 1. La Raza Roundtable Meeting, Virtual	-	-				-
	* Exceeded 15 Meetings in April						
5/3/22	1. ACWA Spring Conference, Sacramento	348.45	72.68				421.13
5/4/22	1. ACWA Spring Conference, Sacramento	348.45	73.20				421.65
5/3-5/4	1 Night Lodging	-	-	\$394.26			394.26
5/3-5/4	Hotel Parking	-	-	35.00			35.00
5/5/22	1. Mtg W/ DCA CEO, Virtual	348.45	-				348.45
	2. Meeting w/ VW CEO & Dir. Santos, Virtual	-	-				-
5/9/22	1. Meeting w/ Supervisor Chavez, County Exec Smith & Staff, San Jose	348.45	8.06				356.51
5/10/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	4.58				353.03
5/11/22	1. Meeting w/ Dist Counsel, Virtual	-	-				-
5/12/22	1. Valley Water Town Hall Meeting, Virtual	-	-				-
	2. Stream Planning and Operations Committee (SPOC) Meeting, VWHQ	348.45	4.58				353.03
5/13/22	1. DCA Board Meeting Prep, Virtual	348.45	-				348.45

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: TONY ESTREMER

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE¹	BOARD MILEAGE²	BOARD APPROVED³	BOARD ALLOCATED⁴	COMMUNICATIONS CHARGES⁵	TOTALS
5/16/22	1. CIP Committee Meeting, VWHQ	348.45	4.58				353.03
	2. Ethics Committee Meeting w/ Investigator, Virtual	-	-				-
5/17/22	1. Sacramento Legislative Days, Virtual	348.45	-				348.45
5/18/22	1. Sacramento Legislative Days, Virtual	348.45	-				348.45
	2. Meeting w/ VW CEO, Virtual	-	-				-
5/19/22	1. DCA Board Meeting, Virtual	348.45	-				348.45
5/23/22	1. Agenda Review Meeting, Virtual	348.45	-				348.45
5/24/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	4.58				353.03
5/25/22	1. Recycled Water Committee Meeting, VWHQ	348.45	4.58				353.03
	2. Meeting w/ Dist Counsel, Virtual	-	-				-
	3. State Legislative Days: Mtg w/ DWR Director Karla Nemeth & Staff, Virtual	-	-				-
5/27/22	1. La Raza Roundtable Meeting, Virtual	348.45	-				348.45
5/31/22	1. Agenda Review Meeting, Virtual	-	-				-
	* 2. Mtg w/ Rep. Khanna and Staff at Alviso Marina	-	17.35				17.35
	* Exceeded 15 Meetings in May						
6/1/22	1. State Legislative Day: Mtg w/ Director Chuck Bonham & Staff, Virtual	348.45	-				348.45
	2. State Legislative Day: Mtg w/ Joaquin Esquivel, Virtual	-	-				-
	3. Water 101 Academy Session 6: Graduation, Virtual	-	-				-
6/2/22	1. Mtg W/ DCA CEO, Virtual	348.45	-				348.45
6/3/22	1. Tour of SVAWPC w/ Supervisor Otto Lee at SVAWPC	348.45	15.29				363.74
6/6/22	1. Special Districts Association Meeting, Virtual	348.45	-				348.45
	2. Agenda Review Meeting, Virtual	-	-				-
6/8/22	1. Diversity and Inclusion AdHoc Committee Meeting, VWHQ	348.45	4.58				353.03
6/9/22	1. Meeting w/ VW CEO, Virtual	348.45	-				348.45
6/10/22	1. DCA Board Meeting Prep, Virtual	348.45	-				348.45
6/13/22	1. Special CIP Committee Meeting, VWHQ	348.45	4.58				353.03
6/14/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	4.58				353.03
6/15/22	1. Delta Conveyance Briefing w/ Staff, Virtual	348.45	-				348.45
6/16/22	1. DCA Board Meeting, Virtual	348.45	-				348.45
6/17/22	1. Reclamation's 120th & Groundbreaking of Sisk Dam Project (Carpool w/ Dir. Kremen from VWHQ)	348.45	4.58				353.03
6/20/22	1. Meeting w/ Dist Counsel at 5560 Santa Teresa Blvd, San Jose	348.45	3.84				352.29
6/21/22	1. Tour of SVAWPC w/ League of CA Cities	348.45	15.29				363.74
6/22/22	1. Recycled Water Committee Meeting, VWHQ	348.45	4.58				353.03
	2. Meeting w/ VW CEO	-	-				-

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: TONY ESTREMER

MEETING		GROSS		BOARD	BOARD	COMMUNICATIONS	
DATE	PURPOSE / LOCATION OF MEETING	FEE¹	MILEAGE²	APPROVED³	ALLOCATED⁴	CHARGES⁵	TOTALS
6/23/22	* 1. Meeting w/ Unions Reps, Virtual	-	-				-
6/24/22	* 1. La Raza Roundtable Meeting, Virtual	-	-				-
6/27/22	* 1. Agenda Review Meeting, Virtual	-	-				-
6/28/22	* 1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	-	4.58				4.58
6/29/22	* 1. Mtg w/ VW General Counsel, Virtual	-	-				-
	* Exceeded 15 Meetings in June						
TOTALS		\$15,564.12	\$316.19	\$429.26	\$0.00	\$0.00	\$16,309.57

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: NAI HSUEH

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE¹	MILEAGE²	BOARD APPROVED³	BOARD ALLOCATED⁴	COMMUNICATIONS CHARGES⁵	TOTALS
4/1/22	1. Sunnyvale Unhoused Collaborative Meetings, Virtual	\$331.86	-				\$331.86
4/4/22	1. Agricultural Water Advisory Committee Meeting	331.86	-				331.86
4/5/22	1. Special Board Policy and Planning Committee Meeting, Virtual	331.86	-				331.86
4/8/22	1. One on One Mtg w/ VW CEO, Virtual	331.86	-				331.86
4/12/22	1. Valley Water Closed Session & Special Board Mtg (Attended In Person at VWHQ)	331.86	-				331.86
4/14/22	1. Special Valley Water Bd Mtg - South County Public Hearing, Via Zoom	348.45	-				348.45
4/15/22	1. Meeting on Board Decorum Ordinance	348.45	-				348.45
4/18/22	1. CIP Committee Meeting, VWHQ	348.45	-				348.45
4/20/22	1. Outdoor Classroom and Garden Grand Opening Ribbon-Cutting at Baker Elementary School	348.45	-				348.45
4/22/22	1. Meeting w/ Dir. Keegan & VW CEO	348.45	-				348.45
4/25/22	1. Water Conservation & Demand Management Committee Meeting, VWHQ	348.45	-				348.45
4/26/22	1. Valley Water Tuesday Regular Board Mtg (Attended In Person at VWHQ)	348.45	-				348.45
4/27/22	1. Special Board Mtg (Re: Board Budget Work Study Session #1), VWHQ	348.45	-				348.45
5/9/22	1. Mtg w/ VW CEO on Career-Ready Program	348.45	-				348.45
5/10/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
5/11/22	1. Special Board Policy and Planning Committee Meeting, VWHQ	348.45	-				348.45
5/12/22	1. Briefing for Sacramento Legislative Days, Virtual	348.45	-				348.45
5/13/22	1. Mtg w/ Dir. Keegan on CIP Audit	348.45	-				348.45
5/16/22	1. CIP Committee Meeting, VWHQ	348.45	-				348.45
5/17/22	1. Sacramento Legislative Days, Virtual	348.45	-				348.45
5/18/22	1. Sacramento Legislative Days, Virtual	348.45	-				348.45
5/19/22	1. Special Water Conservation & Demand Management Committee Meeting, VWHQ	348.45	-				348.45
5/20/22	1. Meeting w/ VW CEO	348.45	-				348.45
5/21/22	1. National River Cleanup Day - Youth Commission Site	348.45	-				348.45
5/24/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
5/25/22	1. Directors' Mtg w/ DWR Director Karla Nemeth, Virtual	348.45	-				348.45
6/1/22	1. State Legislative Day: Mtg w/ Director Chuck Bonham & Staff, Virtual	348.45	-				348.45
6/6/22	1. Board Policy and Planning Committee Meeting, VWHQ	348.45	-				348.45
6/7/22	1. Landscape Committee Meeting	348.45	-				348.45
6/8/22	1. Diversity and Inclusion AdHoc Committee Meeting, VWHQ	348.45	-				348.45
6/9/22	1. Interview w/ World Journal (Re: Drought)	348.45	-				348.45
6/13/22	1. Special CIP Committee Meeting, VWHQ	348.45	-				348.45
6/14/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
6/16/22	1. ¡Viva Valley Water Town Hall Meeting	348.45	-				348.45

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: NAI HSUEH

MEETING		GROSS		BOARD	BOARD	COMMUNICATIONS	
DATE	PURPOSE / LOCATION OF MEETING	FEE¹	MILEAGE²	APPROVED³	ALLOCATED⁴	CHARGES⁵	TOTALS
6/21/22	1. Financial Sustainability Committee Meeting, VWHQ	348.45	-				348.45
6/22/22	1. West Valley Mayors and Managers Meeting at Hakone Gardens	348.45	-				348.45
6/23/22	1. Delta Conveyance Project Briefing	348.45	-				348.45
6/24/22	1. Meeting w/ VW CEO	348.45	-				348.45
6/27/22	1. Water Conservation & Demand Management Committee Meeting, VWHQ	348.45	-				348.45
6/28/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
TOTALS		\$13,855.05	\$0.00	\$0.00	\$0.00	\$0.00	\$13,855.05

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: BARBARA KEEGAN

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE ¹	MILEAGE ²	BOARD APPROVED ³	BOARD ALLOCATED ⁴	COMMUNICATIONS CHARGES ⁵	TOTALS
2/2/22	# 1. BAC Briefing, Virtual	\$331.86	-				\$331.86
	2. Drought Promo Video, VWHQ	-	\$9.85				9.85
2/3/22	# 1. Coyote Creek Public Meeting Briefing, Virtual	331.86	-				331.86
2/4/22	# 1. Meeting w/ VW CEO & Dir. Hsueh, Virtual	331.86	-				331.86
2/7/22	# 1. Board Policy and Planning Committee Meeting, Virtual	331.86	-				331.86
2/9/22	# 1. BAC Annual Self Evaluation, Virtual	331.86	-				331.86
2/16/22	# 1. Monthly Board Audit Committee Meeting, Virtual	331.86	-				331.86
2/17/22	# 1. Special DCA Board Meeting, Virtual	331.86	-				331.86
2/18/22	# 1. Reviewed last Delta Conveyance Authority Stakeholder Engagement Committee Meeting	-	-				-
	2. Meeting w/ VW CEO & Dir. Hsueh, Virtual	331.86	-				331.86
2/23/22	# 1. Water Conservation & Demand Management Meeting, Virtual	331.86	-				331.86
	2. Youth Commission Meeting, Virtual	-	-				-
2/24/22	# 1. Mtg w/ Brian Hopper and Darin Taylor to Review the Board Audit Committee Charter, Virtual	331.86	-				331.86
3/1/22	# 1. Capital Project Audit Planning, Virtual	331.86	-				331.86
3/2/22	# 1. Pre-Audit Briefing, Virtual	331.86	-				331.86
3/4/22	# 1. Meeting w/ VW CEO & Dir. Hsueh, Virtual	331.86	-				331.86
3/7/22	# 1. Phone Mtg w/ Dist Counsel	331.86	-				331.86
3/10/22	# 1. Stream Planning and Operations Committee Meeting, Virtual	331.86	-				331.86
3/15/22	# 1. Financial Sustainability Working Group Meeting, Virtual	331.86	-				331.86
3/17/22	# 1. DCA Board Meeting, Virtual	331.86	-				331.86
	2. SCV Habitat Agency Joint Governing & Implementation Board Meeting, Virtual	-	-				-
3/18/22	# 1. Meeting w/ VW CEO & Dir. Hsueh, Virtual	331.86	-				331.86
3/21/22	# 1. Water Conservation & Demand Management Committee Meeting, Virtual	331.86	-				331.86
	2. Briefing on Delta Conveyance, Virtual	-	-				-
3/23/22	# 1. Recycled Water Committee Meeting, Virtual	331.86	-				331.86
4/4/22	1. RWC Briefing, Virtual	331.86	-				331.86
4/5/22	1. Prep for Climate Adaptation Committee Meeting, Virtual	-	-				-
	2. Special BPPC Meeting, Virtual	331.86	-				331.86
4/6/22	1. BAC Prep Meeting, Virtual	331.86	-				331.86
4/12/22	1. Valley Water Closed Session & Special Board Mtg (Attended In Person at VWHQ)	331.86	9.85				341.71
4/13/22	1. One on One Mtg w/ Dist Counsel at 1115 Lincoln Ave, San Jose	331.86	1.16				333.02
4/14/22	1. Special Valley Water Bd Mtg - South County Public Hearing, Via Zoom	348.45	-				348.45
4/15/22	1. Special Santa Clara Valley Water District Youth Commission Meeting, Virtual	348.45	-				348.45
4/18/22	1. Environmental Creek Cleanup Committee Meeting, VWHQ	348.45	9.85				358.30
4/19/22	1. Briefing for 4/20/22 Santa Clara Library Drought Presentation, Virtual	348.45	-				348.45
4/20/22	1. Monthly Board Audit Committee Meeting, VWHQ	348.45	9.85				358.30
	2. Santa Clara Library Drought Presentation, Virtual	-	-				-

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: BARBARA KEEGAN

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE¹	MILEAGE²	BOARD APPROVED³	BOARD ALLOCATED⁴	COMMUNICATIONS CHARGES⁵	TOTALS
4/21/22	1. Special DCA Board Meeting (AB 361), Virtual	348.45	-				348.45
4/22/22	1. Meeting w/ VW CEO & Dir. Hsueh, Virtual	348.45	-				348.45
5/2/22	1. Prep for Board Audit Committee Meeting, Virtual	348.45	-				348.45
5/10/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	9.85				358.30
5/11/22	1. Special Board Policy and Planning Committee Meeting, VWHQ	348.45	9.85				358.30
5/12/22	1. Stream Planning and Operations Committee (SPOC) Meeting, VWHQ	348.45	9.85				358.30
5/13/22	1. Mtg w/ Board Auditor, Virtual	348.45	-				348.45
	2. Meeting w/ VW CEO & Dir. Hsueh, Virtual	-	-				-
5/16/22	1. Environmental Creek Cleanup Committee Meeting, VWHQ	348.45	9.85				358.30
5/18/22	1. Briefing for Coyote Creek Public Meeting, Virtual	348.45	-				348.45
5/19/22	1. Special Water Conservation & Demand Management Committee Meeting, VWHQ	348.45	9.85				358.30
5/20/22	1. Meeting w/ VW CEO & Dir. Hsueh, Virtual	348.45	-				348.45
5/23/22	1. Board Audit Committee Meeting, VWHQ	348.45	9.85				358.30
5/24/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	9.85				358.30
5/25/22	1. Recycled Water Committee Meeting, VWHQ	348.45	9.85				358.30
5/26/22	1. Open House for Coyote Creek Project at Olinder Park, San Jose	348.45	3.88				352.33
6/3/22	1. Audit Prep, Virtual	348.45	-				348.45
6/6/22	1. Board Policy and Planning Committee Meeting, VWHQ	348.45	9.85				358.30
6/8/22	1. Youth Commission Meeting, VWHQ	348.45	9.85				358.30
6/10/22	1. Meeting w/ VW CEO & Dir. Hsueh, Virtual	348.45	-				348.45
6/13/22	1. Upper Guad Tour w/ USACE LTG Scott Spellmon, VWHQ	348.45	9.85				358.30
	2. Presentation to Winchester Orchard Neighborhood Association, Virtual	-	-				-
6/14/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	9.85				358.30
6/15/22	1. Delta Conveyance Updates, Virtual	348.45	-				348.45
6/16/22	1. DCA Board Meeting, Virtual	348.45	-				348.45
6/21/22	1. Financial Sustainability Committee Meeting, VWHQ	348.45	9.85				358.30
6/22/22	1. Recycled Water Committee Meeting, VWHQ	348.45	9.85				358.30
6/27/22	1. Water Conservation & Demand Management Committee Meeting, VWHQ	348.45	9.85				358.30
6/28/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	9.85				358.30
6/29/22	1. Climate Adaptation & Sustainability Committee Meeting, VWHQ	348.45	9.85				358.30
6/30/22	1. Welcome Remarks for VW Employee Recognition Event, Virtual	348.45	-				348.45
TOTALS		\$20,143.80	\$211.89	\$0.00	\$0.00	\$0.00	\$20,355.69

Note: # Data Submitted on Expense Claims Dated 7/15/22 and Not Reported on Quarter Ending 3/31/22

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: GARY KREMEN

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE ¹	MILEAGE ²	BOARD APPROVED ³	BOARD ALLOCATED ⁴	COMMUNICATIONS CHARGES ⁵	TOTALS
4/12/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, Via Zoom	\$331.86	-				\$331.86
4/26/22	1. Valley Water Tuesday Regular Board Mtg (Attended In Person at VWHQ)	348.45	\$24.96				373.41
4/27/22	1. Special Board Mtg (Re: Board Budget Work Study Session #1), VWHQ	348.45	24.96				373.41
5/2/22	1. Travel to Sacramento for ACWA Spring Conference	348.45	71.30				419.75
	2. Weekly Agenda Review	-	-				-
5/3/22	1. ACWA 2022 Spring Conference: Sites Reservoir Board "Pop-Up" Gathering	-	-				-
	2. ACWA 2022 Spring Conference: Delta Conveyance Project and EIR Update	348.45	-				348.45
5/4/22	1. ACWA 2022 Spring Conference: Meeting w/ USBR	348.45	-				348.45
	2. ACWA 2022 Spring Conference: Women in Water Hosted Reception	-	-				-
5/5/22	1. ACWA 2022 Spring Conference: Directors' Policy Breakfast	348.45	-				348.45
	2. ACWA 2022 Spring Conference: Meet & Greet w/ SLDMWA	-	71.64				71.64
5/2-5/5	3 Nights Lodging	-	-	\$1,126.27			1,126.27
5/3-5/5	Full Registration Fee & Meals (5/4 & 5/5 Breakfast/Lunch)	-	-	775.00			775.00
5/6/22	1. Meeting w/ Los Altos Hills Town Manager and Planner on Water Conservation, Virtual	348.45	-				348.45
5/9/22	1. Los Vaqueros JPA Staff Briefing	-	-				-
	2. Weekly Agenda Review, Virtual	348.45	-				348.45
5/10/22	1. One on One Mtg w/ VW CEO, Virtual	-	-				-
	2. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	24.96				373.41
5/11/22	1. Los Vaqueros Reservoir JPA Board Meeting, Virtual	348.45	-				348.45
	2. Purissima Hills Water District Meeting	-	-				-
5/12/22	1. SLDMWA Board Meeting, Los Banos	348.45	111.42				459.87
	2. Visit to Mr. Jin's Property along Pacheco Reservoir (Re: Pacheco Reservoir Project)	-	-				-
5/16/22	1. Weekly Agenda Review, Virtual	348.45	-				348.45
5/19/22	1. DC Finance Authority Board Meeting, Virtual	348.45	-				348.45
5/20/22	1. Mtg w/ M. Richardson & Palo Alto Mayor Burt on PA Advanced Water Purification Issues, Virtual	348.45	-				348.45
5/23/22	1. Meeting on Short Term Debt, Virtual	348.45	-				348.45
5/24/22	1. One on One Mtg w/ VW CEO, Virtual	-	-				-
	2. Valley Water Closed Session & Tuesday Regular Board Mtg, Via Zoom	348.45	-				348.45
5/26/22	1. SFCJPA Regular Meeting of the Board, Virtual	348.45	-				348.45
5/29/22	* 1. Pacheco EIR Comments Review / Update Formulation	-	-				-
5/30/22	* 1. Meeting w/ VW CEO (Re: Pacheco and Emergency Purchase of Water), Virtual	-	-				-
5/31/22	1. 5/30 Agenda Review	-	-				-
	* 2. Meeting w/ A. Baker on Update on Pacheco and Imported Water, Virtual	-	-				-
	* Exceeded 15 Meetings in May						

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: GARY KREMEN

MEETING		GROSS		BOARD	BOARD	COMMUNICATIONS	
DATE	PURPOSE / LOCATION OF MEETING	FEE ¹	MILEAGE ²	APPROVED ³	ALLOCATED ⁴	CHARGES ⁵	TOTALS
6/1/22	1. Call w/ Bill Brown (Constituent) on Land Purchase in Santa Clara County	-	-				-
	2. LAFCO Commission Meeting, Virtual	348.45	-				348.45
6/2/22	1. Los Vaqueros JPA Briefing, Virtual	348.45	-				348.45
6/3/22	1. Call w/ VW Officer Aaron Baker	348.45	-				348.45
6/6/22	1. Phone Call w/ VW CEO on Pacheco Issues	-	-				-
	2. Weekly Agenda Review, Virtual	348.45	-				348.45
6/7/22	1. Briefing for Monthly SLDMWA Board Meeting, Virtual	348.45	-				348.45
6/8/22	1. Los Vaqueros Reservoir JPA Board Meeting, Virtual	348.45	-				348.45
6/9/22	1. SLDMWA Board Meeting, Virtual	348.45	-				348.45
6/13/22	1. Weekly Agenda Review, Virtual	348.45	-				348.45
6/14/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, Via Zoom	348.45	-				348.45
6/15/22	1. Meeting w/ VW Officer Rechelle Blank on Permanente Creek Erosion Repair Project, Virtual	-	-				-
	2. Meeting w/ Aaron Baker for Update on 4S Property, Virtual	-	-				-
	3. Delta Conveyance Briefing, Virtual	348.45	-				348.45
6/16/22	1. Phone Call w/ SFCJPA (Re: SAFER Bay Proejct)	348.45	-				348.45
6/17/22	1. Celebration of Reclamation's 120th Anniversary and Groundbreaking of Sisk Dam Project	348.45	94.43				442.88
	2. Special Water Storage Exploratory Committee Meeting, VWHQ	-	-				-
6/20/22	1. Meeting w/ Margaret Bruce of SFCJPA, Virtual	348.45	-				348.45
6/21/22	1. Weekly Agenda Review, Virtual	348.45	-				348.45
6/22/22	1. Updates on Purified Water (MV/PA), Virtual	348.45	-				348.45
	2. Policy Check-In w/ Candice Kwok-Smith, Virtual	-	-				-
6/23/22	* 1. SFCJPA Regular Meeting of the Board, Virtual	-	-				-
6/24/22	* 1. Meeting w/ VW Officer Greg Williams on Well Exemption Status, Virtual	-	-				-
6/27/22	* 1. Weekly Agenda Review, Virtual	-	-				-
6/28/22	1. One on One Mtg w/ VW CEO, Virtual	-	-				-
	* 2. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	-	24.96				24.96
6/29/22	* 1. Climate Adaptation & Sustainability Committee Meeting, VWHQ	-	24.96				24.96
6/30/22	* 1. Meeting w/ Darin Taylor on Audit RFP, Virtual	-	-				-
	* Exceeded 15 Meetings in June						
TOTALS		\$11,482.26	\$473.59	\$1,901.27	\$0.00	\$0.00	\$13,857.12

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: LINDA LEZOTTE

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE¹	MILEAGE²	BOARD APPROVED³	BOARD ALLOCATED⁴	COMMUNICATIONS CHARGES⁵	TOTALS
4/5/22	1. Landscape Committee Meeting, Virtual	-	-				-
	2. Special BPPC Meeting, Virtual	\$331.86	-				\$331.86
4/6/22	1. LAFCO Meeting, Virtual	331.86	-				331.86
4/11/22	1. Mtg w/ VW CEO and Dir. Keegan, Virtual	331.86	-				331.86
4/12/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, Via Zoom	331.86	-				331.86
	2. Staff Briefing for Los Vaqueros JPA Board Meeting, Virtual	-	-				-
4/13/22	1. Los Vaqueros JPA Board Meeting, Virtual	331.86	-				331.86
4/14/22	1. Special Valley Water Bd Mtg - South County Public Hearing, Via Zoom	348.45	-				348.45
4/18/22	1. CIP Committee Meeting, VWHQ	348.45	\$5.29				353.74
	2. Environmental and Water Resources Committee Meeting, VWHQ	-	5.29				5.29
4/20/22	1. Staff Briefing for 4/25/22 Water Conservation & Demand Management Committee Mtg, Virtual	348.45	-				348.45
4/25/22	1. Water Conservation & Demand Management Committee Meeting, VWHQ	348.45	5.29				353.74
4/26/22	1. Valley Water Tuesday Regular Board Mtg (Attended In Person at VWHQ)	348.45	-				348.45
4/27/22	1. Staff Briefing for LVE JPA Finance Committee Mtg, Virtual	-	-				-
	2. Special Board Mtg (Re: Board Budget Work Study Session #1), VWHQ	348.45	-				348.45
4/28/22	1. LVE JPA Finance Committee Meeting, Virtual	348.45	-				348.45
5/2/22	1. Staff Briefing for SPOC Meeting	348.45	72.73				421.18
5/3/22	1. Staff Briefing for LVE JPA In Sacramento - ACWA	348.45	-				348.45
5/4/22	1. Attend at ACWA and Meetings w/ Regulators and Others	348.45	-				348.45
5/5/22	1. Attend at ACWA and Meetings w/ Regulators and Others	348.45	72.49				420.94
5/3-5/4	Meals (5/3 Lunch/Dinner & 5/4 Dinner)	-	-	\$46.85			46.85
5/2-5/3	Hotel Housekeeping Tips	-	-	10.00			10.00
5/3-5/5	2 Nights Lodging	-	-	508.94			508.94
5/3-5/5	Hotel Parking	-	-	70.00			70.00
5/3-5/5	Full Registration Fee & Meals (5/4 & 5/5 Breakfast/Lunch)	-	-	775.00			775.00
5/9/22	1. Meeting w/ Campbell Mayor / City Manager & PW Director	348.45	-				348.45
	2. Internal Staff Briefing (Re: LVE JPA)	-	-				-
	3. Almaden Valley HOA Meeting at 6601 Camden Ave, SJ	-	7.22				7.22
5/10/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
5/11/22	1. LVE JPA Board Meeting	348.45	-				348.45
	2. Special Board Policy and Planning Committee Meeting, VWHQ	-	5.29				5.29
5/12/22	1. Stream Planning and Operations Committee (SPOC) Meeting, VWHQ	348.45	5.29				353.74
5/16/22	1. CIP Committee Meeting, VWHQ	348.45	5.29				353.74
	2. Mtg w/ Dist Counsel	-	-				-

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: LINDA LEZOTTE

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE¹	BOARD MILEAGE²	BOARD APPROVED³	BOARD ALLOCATED⁴	COMMUNICATIONS CHARGES⁵	TOTALS
5/19/22	1. Special Water Conservation & Demand Management Committee Meeting, VWHQ 2. SCV Habitat Agency Implementation Board Meeting	348.45 -	5.29 -				353.74 -
5/24/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
5/25/22	1. Staff Briefing for LVE JPA Finance Committee Mtg 2. SCC Emergency Operational Area Council Meeting, Virtual	- 348.45	- -				- 348.45
5/26/22	1. LVE JPA Finance Committee Mtg	348.45	-				348.45
6/1/22	1. LAFCO Commission Meeting, Virtual	348.45	-				348.45
6/2/22	1. LVE JPA Briefing w/ JPA Staff, Virtual	348.45	-				348.45
6/8/22	1. LVE JPA Board Meeting, Virtual	348.45	-				348.45
6/13/22	1. Special CIP Committee Meeting, VWHQ 2. Mtg w/ Constituent (Re: Morgan Hill Project)	348.45 -	5.29 -				353.74 -
6/14/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
6/15/22	1. Campbell Chamber of Commerce Luncheon Meeting	-	3.49				3.49
6/16/22	1. Staff Briefing for Campbell City Council Meeting, Virtual	348.45	-				348.45
6/17/22	1. Special Water Storage Exploratory Committee Meeting, Virtual	348.45	-				348.45
6/21/22	1. Financial Sustainability Committee Meeting, VWHQ 2. Purified Water Presentation to Campbell City Council at Campbell City Hall	348.45 -	5.29 3.73				353.74 3.73
6/22/22	1. Staff Briefing for LVE JPA Finance Committee Meeting, Virtual	348.45	-				348.45
6/23/22	1. LVE JPA Finance Committee Meeting, Virtual	348.45	-				348.45
6/27/22	1. Water Conservation & Demand Management Committee Meeting, VWHQ	348.45	5.29				353.74
6/28/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	-				348.45
6/29/22	1. Climate Adaptation & Sustainability Committee Meeting, VWHQ	348.45	5.29				353.74
6/30/22	1. Staff Mtg (Re: Sites Reservoir Project), Virtual	348.45	-				348.45
TOTALS		\$13,506.60	\$217.85	\$1,410.79	\$0.00	\$0.00	\$15,135.24

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: RICHARD SANTOS

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE ¹	MILEAGE ²	BOARD APPROVED ³	BOARD ALLOCATED ⁴	COMMUNICATIONS CHARGES ⁵	TOTALS
1/18/22 #	Berryessa Citizens Advisory Council - Annual Membership Fee for 2022	-	-		\$10.00		\$10.00
4/1/22	1. Pajaro River Watershed Flood Prevention Authority Board Meeting, Virtual	-	-				-
	2. Sunnyvale Unhoused Collaborative Meetings, Virtual	\$331.86	-				331.86
	3. Milpitas Chamber of Commerce Annual Crab Feed Event at Milpitas Community Center	-	\$6.21				6.21
4/4/22	1. Water Conservation Meeting (Re: Artificial Turf and Rebates)	-	-				-
	2. Milpitas Rotary Club Lunch Meeting at Omega Restaurant, Milpitas Luncheon Fee	-	-	\$20.00			-
	3. Agricultural Water Advisory Committee Meeting (On-Site Mtg at VWHQ)	331.86	18.84				20.00
4/5/22	1. Landscape Committee Meeting, Virtual	331.86	-				350.70
	2. Briefing for Monthly SLDMWA Board Meeting, Virtual	-	-				331.86
	3. Monthly SCC Farm Bureau Board Meeting, Virtual	-	-				-
4/6/22	1. Joint Water Resources Committee Mtg (City of Gilroy, City of Morgan Hill & SCVWD), Virtual	331.86	-				331.86
	2. Meeting w/ VW CEO & Dir. Estremera, Virtual	-	-				-
4/8/22	1. Follow Up w/ 4/6/22 Joint Water Resources Committee Meeting	331.86	-				331.86
	2. Meeting w/ SJ Police Captain Carlos Acosta	-	11.43				11.43
	3. Milpitas Kiwanis Annual Dinner and Auction Event at Milpitas Community Center	-	6.21				6.21
4/9/22	1. Sunnyvale Chamber "56th Annual Murphy Awards" Event at Hilton Garden Inn, Sunnyvale	331.86	15.18				347.04
4/11/22	1. Berryessa Citizens Advisory Council Meeting, Virtual	331.86	18.84				350.70
4/12/22	1. Valley Water Closed Session & Special Board Mtg (Attended In Person at VWHQ)	331.86	18.84				350.70
4/14/22	1. South San Francisco Bay Shoreline Project Groundbreaking Ceremony at Alviso Marina Park	348.45	12.13				360.58
	2. Mtg w/ California Secretary of Natural Resources Wade Crowfoot at SVAWPC	-	3.64				3.64
	3. Special Valley Water Bd Mtg - South County Public Hearing (Attended In Person at VWHQ)	-	18.84				18.84
4/18/22	1. Environmental Creek Cleanup Committee Meeting, VWHQ	348.45	18.84				367.29
4/19/22	1. REDI Event: Cultural Speaker Panel: Environmental Justice Through the Tribal Nation Lens, Virtual	-	-				-
4/20/22	1. Mission College Earth Day Drought Presentation (Zoom Mtg at VWHQ)	-	18.84				18.84
	2. Monthly Board Audit Committee Meeting	348.45	-				348.45
	3. Meeting w/ VW CEO & Dir. Estremera, Virtual	-	-				-
4/22/22	1. Gilroy Chamber Legislative Summit at Hilton Garden Inn, San Jose	348.45	42.85				391.30
4/23/22	1. Milpitas Earth Day Event at Milpitas Senior Center	-	6.48				6.48
4/26/22	1. Valley Water Tuesday Regular Board Mtg (Attended In Person at VWHQ)	348.45	18.84				367.29
4/27/22	1. Special Board Mtg (Re: Board Budget Work Study Session #1), VWHQ	348.45	18.84				367.29
4/29/22	1. Mtg w/ Jean Cohen of South Bay Labor Council & Jethroe Moore of NAACP	-	1.06				1.06
	Donuts / Coffee	-	-	11.28			11.28
	2. La Raza Roundtable Mtg, Virtual	348.45	-				348.45
	AT&T Internet Service Charge - Bill Issue Date 3/31/22	-	-			\$55.66	55.66
	Fax Line - Plans & Service Chg - Billing Date 4/19/22	-	-			57.81	57.81

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: RICHARD SANTOS

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE¹	MILEAGE²	BOARD APPROVED³	BOARD ALLOCATED⁴	COMMUNICATIONS CHARGES⁵	TOTALS
5/2/22	1. Milpitas Rotary Club Meeting, Virtual	-	-				-
	2. Phone Interview w/ Cupertino 7th Grade Student for School Project on Clean Water & Sanitation	-	-				-
5/3/22	1. Briefing for Monthly SCRWA Board Meeting w/ VW Staff David Tucker, Via Zoom	-	-				-
	2. Monthly SCC Farm Bureau Board Meeting at Farm Bureau Office	348.45	31.31				379.76
5/4/22	1. SCRWA Board Meeting, Virtual	348.45	-				348.45
5/5/22	1. Meeting w/ VW CEO & Dir. Estremera, Virtual	348.45	-				348.45
5/7/22	1. Berryessa Art and Wine Festival at Berryessa Community Center	-	1.70				1.70
5/9/22	1. Joint Creek Clean-Up Meeting at SC County Board of Supervisors Office, SJ	348.45	6.63				355.08
	2. Berryessa Citizens Advisory Council Meeting at Berryessa Community Center	-	1.70				1.70
5/10/22	1. Briefing for Monthly SLDMWA Board Meeting, Via Zoom	-	-				-
	2. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	18.84				367.29
5/11/22	1. Zoom Meeting w/ Supervisor Otto Lee's Office (Re: Spring Valley Golf Course - Water)	-	-				-
	2. Milpitas Historical Society Mtg at Milpitas Library	-	7.01				7.01
5/12/22	1. SLDMWA Board Meeting & Pacheco Dam Tour (Zoom Mtg at VWHQ)	348.45	18.84				367.29
	2. Briefing for Sacramento Legislative Days, Virtual	-	-				-
5/13/22	1. Meeting on Water Conservation at Bay View Golf Club	-	6.73				6.73
	1. Environmental Creek Cleanup Committee Meeting, VWHQ	348.45	18.84				367.29
5/17/22	1. Sacramento Legislative Days (Zoom Mtg at VWHQ)	348.45	18.84				367.29
5/18/22	1. Sacramento Legislative Days, Virtual	348.45	-				348.45
5/19/22	1. ERG: APRG & Indo American Cultural Event, VW Adm Patio	348.45	18.84				367.29
	AT&T Internet Service Charge - Bill Issue Date 4/30/22	-	-			55.66	55.66
5/21/22	1. National River Cleanup Day - Media Event, VWHQ Sanchez Ponds	348.45	9.42				357.87
	National River Cleanup Day - Visited Volunteers at Los Coches Creek Site, Milpitas	-	9.85				9.85
	National River Cleanup Day - Visited Volunteers at Coyote Creek Site, Milpitas	-	2.08				2.08
	National River Cleanup Day - Visited Volunteers at Lick Mill Blvd & Tasman Drive Site	-	7.32				7.32
5/22/22	1. Assemblymember Lee's AAPI Month Honoree Event, Milpitas	348.45	10.46				358.91
5/23/22	Membership Renewal Fee for San Francisco Bay Wildlife Society	-	-		20.00		20.00
5/23/22	1. Briefing on Pacheco Reservoir Expansion Project, Virtual	-	-				-
	1. Board Audit Committee Meeting, VWHQ	348.45	18.84				367.29
5/24/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	18.84				367.29
5/25/22	1. State Legislative Days: Mtg w/ DWR Director Karla Nemeth & Staff, Virtual	-	-				-
	2. Recycled Water Committee Meeting, VWHQ	348.45	18.84				367.29
	3. Open House for Coyote Creek Flood Mgmt Measures Project at Golden Wheel Mobile Home Park	-	6.04				6.04
5/26/22	1. NAACP SJ/Silicon Valley General Association Meeting, Virtual	-	-				-
5/27/22	1. La Raza Roundtable Meeting, Virtual	-	-				-
	Fax Line - Plans & Service Chg - Billing Date 5/19/22	-	-			57.86	57.86

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: RICHARD SANTOS

MEETING		GROSS	BOARD	BOARD	COMMUNICATIONS	TOTALS
DATE	PURPOSE / LOCATION OF MEETING	FEE ¹	MILEAGE ²	APPROVED ³	ALLOCATED ⁴	CHARGES ⁵
6/3/22	1. Pajaro River Watershed Flood Prevention Authority Board Meeting, Virtual	-	-			-
	2. Tour of SVAWPC w/ Supervisor Lee, SVAWPC	348.45	9.76			358.21
6/7/22	1. Landscape Committee Meeting, VWHQ	348.45	18.84			367.29
	2. Briefing for Monthly SLDMWA Board Meeting, Virtual	-	-			-
	3. Monthly SCC Farm Bureau Board Meeting, Virtual	-	-			-
6/8/22	1. Interview w/ NorCal Media on Shoreline at Alviso Library	348.45	11.16			359.61
6/9/22	1. SLDMWA Board Meeting, Virtual	348.45	18.84			367.29
6/11/22	1. Attended Dia de Portugal Festival	348.45	10.45			358.90
6/12/22	1. Assemblymember Alex Lee's Rebates and Incentives Workshop, Virtual	348.45	-			348.45
6/13/22	1. Berryessa Citizens Advisory Council Meeting	348.45	1.70			350.15
6/14/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	18.84			367.29
6/15/22	1. Milpitas Historical Society Meeting, Virtual	-	-			-
6/16/22	1. ¡Viva Valley Water Town Hall Meeting	348.45	18.84			367.29
	2. Valley Water Stream Maintenance Program Renewal Public Meeting, Virtual	-	-			-
6/17/22	1. Reclamation's 120th & Groundbreaking of Sisk Dam Project (Carpool w/ Dir. Kremen from VWHQ)	348.45	18.84			367.29
	2. Special Water Storage Exploratory Committee Meeting, Virtual	-	-			-
6/20/22	1. Lunch Mtg w/ VW General Counsel	348.45	17.15			365.60
6/21/22	1. Tour of SVAWPC w/ League of CA Cities	348.45	9.76			358.21
6/22/22	1. Recycled Water Committee Meeting, VWHQ	348.45	18.84			367.29
	2. San Joaquin Valley Water Supply & Sustainability, Virtual	-	-			-
	3. Meeting w/ VW CEO & Dir. Estremera, Virtual	-	-			-
	4. Anderson Dam Tunnel Project Public Mtg, Virtual	-	-			-
6/23/22	1. Meeting w/ Unions Reps, Virtual	348.45	-			348.45
	2. NAACP Meeting, Virtual	-	-			-
6/24/22	1. La Raza Roundtable Meeting, Virtual	-	-			-
6/27/22	1. Mtg on Well Executive Order, Virtual	-	-			-
6/28/22	1. Shoreline Tour w/ Michael Connor (Assistant Secretary of the Army) at Don Edwards Refuge Center	348.45	12.73			361.18
	2. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ		18.84			18.84
	AT&T Internet Service Charge - Bill Issue Date 5/31/22	-	-			55.66
	Fax Line - Plans & Service Chg - Billing Date 6/19/22	-	-			57.86
TOTALS		\$15,547.53	\$711.47	\$31.28	\$30.00	\$340.51
		\$16,660.79				

Note: # Payment to BCAC Processed on 1/18/22 and Not Reported on Quarter Ending 3/31/22

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: JOHN VARELA

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE ¹	MILEAGE ²	BOARD APPROVED ³	BOARD ALLOCATED ⁴	COMMUNICATIONS CHARGES ⁵	TOTALS
4/4/22	1. Valley Water - MHUSD: Education Program Huddle	\$331.86	-				\$331.86
	2. Artificial Turf and Rebates Meeting, Virtual	-	-				-
	3. ACWA's Women in Water Workgroup, Virtual	-	-				-
	4. Agricultural Water Advisory Committee Meeting, Virtual	-	-				-
	5. Weekly Agenda Review w/ VW CEO	-	-				-
4/5/22	1. Briefing for Monthly SLDMWA Board Meeting, Virtual	331.86	-				331.86
	2. Monthly SCC Farm Bureau Board Meeting, Virtual	-	-				-
4/6/22	1. Joint Water Resources Committee Mtg (City of Gilroy, City of Morgan Hill & SCVWD), Virtual	331.86	-				331.86
	2. Water 101 Academy Session #3: Where Does Your Water Come From?	-	-				-
4/7/22	1. SLDMWA Board Meeting	331.86	-				331.86
4/8/22	1. Follow Up w/ 4/6/22 Joint Water Resources Committee Meeting	331.86	-				331.86
4/11/22	1. Meeting w/ Andy G. of San Jose Water, Virtual	331.86	\$24.35				356.21
	2. Interview w/ Marty Cheek from Morgan Hill Life and Gilroy Life	-	-				-
	3. Weekly Agenda Review w/ VW CEO	-	-				-
4/12/22	1. Valley Water Closed Session & Special Board Mtg (Attended In Person at VWHQ)	331.86	24.73				356.59
4/13/22	1. South County Realtors Association Presentation - Anderson Dam	331.86	2.15				334.01
	2. Quarterly Water Commission Meeting, Virtual	-	-				-
	3. Special Youth Commission Meeting	-	-				-
4/14/22	1. South San Francisco Bay Shoreline Project Groundbreaking Ceremony at Alviso Marina Park	348.45	39.47				387.92
	2. South County Open House (Re: Surface Water Charge)	-	-				-
	3. Special Valley Water Bd Mtg - South County Public Hearing, Via Zoom	-	-				-
4/15/22	1. Upper Llagas Flood Control and Anderson Dam Projects Elected Officials Mtg, Virtual	348.45	-				348.45
4/18/22	1. Environmental Creek Cleanup Committee Meeting, VWHQ	348.45	24.73				373.18
	2. Weekly Agenda Review, Virtual	-	-				-
4/19/22	1. ACWA Board of Directors' Strategic Planning Workshop, Virtual	348.45	-				348.45
4/20/22	1. Advanced Metering Infrastructure in South County	348.45	-				348.45
4/21/22	1. ERG Event: Green Team Annual Earth Day Celebration	348.45	-				348.45
4/22/22	1. Gilroy Chamber 2022 Legislative Summit at Hilton Garden Inn, 6070 Monterey Rd	348.45	14.30				362.75
4/25/22	* 1. Weekly Agenda Review, Virtual	-	-				-
4/26/22	* 1. Interview w/ "Viewpoint with Dennis Quaid", SVAWPC	-	37.61				37.61
	2. Valley Water Tuesday Regular Board Mtg (Attended In Person at VWHQ)	-	24.73				24.73
4/27/22	* 1. ACWA DEI Workgroup, Virtual	-	-				-
	2. Special Board Mtg (Re: Board Budget Work Study Session #1), VWHQ	-	24.73				24.73
4/29/22	* 1. Update Mtg w/ Constituent Doug Muirhead at 15862 Monterey Rd., Morgan Hill	-	0.84				0.84
	* Exceeded 15 Meetings in April						
5/2/22	1. ACWA JPIA Board Mtg, Sacramento	348.45	81.88				430.33
5/3/22	1. ACWA Agriculture Committee Meeting, Sacramento	348.45	-				348.45
	2. ACWA: Sites Reservoir Board "Pop-Up" Gathering	-	-				-

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: JOHN VARELA

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE ¹	MILEAGE ²	BOARD APPROVED ³	BOARD ALLOCATED ⁴	COMMUNICATIONS CHARGES ⁵	TOTALS
5/4/22	1. ACWA: Water Industry Trends Program - Making the Business Case for Education in DEI Panel	348.45	-				348.45
	2. ACWA Spring Conference: Roundtable Talk - Diversity, Equity & Inclusion	-	-				-
	3. ACWA: Zone7 / ACWD / VW	-	-				-
	4. ACWA: Board Photo Shoot	-	-				-
	5. ACWA: Region 5 Membership Meeting	-	-				-
	6. ACWA: Cal Desal Spring Mixer	-	-				-
	7. ACWA: Women in Water Hosted Reception	-	-				-
5/5/22	1. ACWA Spring Conference: Directors' Policy Breakfast	348.45	-				348.45
	2. ACWA Spring Conference: Meet & Greet w/ SLDMWA	-	81.58				81.58
5/2-5/5	3 Nights Lodging	-	-	\$763.41			763.41
5/2-5/5	Hotel Parking	-	-	105.00			105.00
5/2-5/3	Meals (5/2 Dinner & 5/3 Lunch & Dinner)	-	-	67.89	\$13.25		81.14
5/3-5/5	Full Registration Fee & Meals (5/4 & 5/5 Breakfast/Lunch)	-	-	775.00			775.00
5/6/22	1. Mtg Developer Rockie Garcia Cross Valley Pipeline Issue	348.45	6.51				354.96
5/9/22	1. One on One Mtg w/ VW CEO, Virtual	348.45	-				348.45
5/10/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	24.73				373.18
5/11/22	1. Meeting on Pacheco at Peets Coffee, Morgan Hill	348.45	6.52				354.97
	2. Update Meeting w/ Paul Hernandez of WELL, ACWA D&I	-	-				-
5/12/22	1. SLDMWA Board Meeting	348.45	68.77				417.22
5/13/22	1. ACWA Region 5 Board Meeting, Virtual	348.45	-				348.45
	2. ACWA Election Task Force Meeting, Virtual	-	-				-
5/16/22	1. Environmental Creek Cleanup Committee Meeting, VWHQ	348.45	24.73				373.18
	2. Ethics Committee Mtg	-	-				-
	3. Weekly Agenda Review, Virtual	-	-				-
5/24/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ	348.45	24.73				373.18
	2. One on One Mtg w/ VW CEO, Virtual	-	-				-
	3. Video Shoot for Drought	-	-				-
5/25/22	1. Morgan Hill Chamber Board of Directors Meeting	348.45	2.66				351.11
	2. Youth Commission Meeting, Virtual	-	-				-
5/27/22	1. Morgan Hill Education Committee Monthly Meeting	348.45	2.66				351.11
	2. ACWA Election Task Force Meeting, Virtual	-	-				-
5/28/22	1. Morgan Hill Mushroom Mardi Gras Valley Water Exhibit	348.45	2.15				350.60
5/29/22	* 1. Morgan Hill Mushroom Mardi Gras Valley Water Exhibit	-	-				-
5/31/22	* 1. Welcome Remarks to Summer Interns, VW Admin Patio	-	24.73				24.73
	2. Weekly Agenda Review	-	-				-
	* Exceeded 15 Meetings in May						

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

**SANTA CLARA VALLEY WATER DISTRICT
BOARD OF DIRECTOR'S COMPENSATION
For the Quarter Ending 6/30/22
(Unaudited ~ for Board of Directors review)**

DIRECTOR: JOHN VARELA

MEETING DATE	PURPOSE / LOCATION OF MEETING	GROSS FEE¹	MILEAGE²	BOARD APPROVED³	BOARD ALLOCATED⁴	COMMUNICATIONS CHARGES⁵	TOTALS
6/2/22	1. Good Morning Morgan Hill - Chamber Breakfast Event Registration Fee	348.45 -	2.15 -			20.00	350.60 20.00
6/3/22	1. ACWA Board of Directors Meeting, Virtual	348.45	-				348.45
6/6/22	1. Weekly Agenda Review, Virtual	348.45	-				348.45
6/7/22	1. Briefing for Monthly SLDMWA Board Meeting, Virtual	348.45	-				348.45
6/8/22	1. Youth Commission Meeting, Virtual	348.45	-				348.45
6/9/22	1. SLDMWA Board Meeting Call In Via Phone	348.45	-				348.45
6/10/22	1. Joint Venture Silicon Valley Board Meeting, Virtual 2. ACWA Elections Task Force Meeting, Virtual	348.45 -	- -				348.45 -
6/13/22	1. Welcome Remarks to Summer Interns, VWHQ 2. Weekly Agenda Review, Virtual	348.45 -	24.73 -				373.18 -
6/14/22	1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ 2. One on One Meeting w/ VW CEO 3. Prep for SMP and Anderson Public Meeting, VWHQ	348.45 - -	24.73 - -				373.18 - -
6/16/22	1. SVLG Energy & Sustainability Summit, Oracle Conference Center, Redwood City 2. Valley Water Stream Maintenance Program Renewal Public Meeting, Virtual	348.45 -	58.89 -				407.34 -
6/17/22	1. Reclamation's 120th & Groundbreaking of Sisk Dam Project Celebration Event 2. Special Water Storage Exploratory Committee Meeting, Virtual	348.45 -	- -				348.45 -
6/21/22	1. Tour of SVAWPC w/ League of CA Cities 2. Weekly Agenda Review, Virtual 3. Gilroy Parks & Rec Commission Presentation on Uvas Creek Fish Habitat Improvement Proj	348.45 - -	37.61 - 10.96				386.06 - 10.96
6/22/22	1. Morgan Hill Chamber Board of Directors Meeting, Virtual 2. Anderson Dam Tunnel Project Public Mtg at Morgan Hill Community & Cultural Center	348.45 -	- 2.15				348.45 2.15
6/23/22	1. Meeting w/ Unions Reps, Virtual	348.45	-				348.45
6/24/22	1. Prep for JWRC/Morgan Hill & Gilroy, Virtual 2. ACWA Election Task Force Meeting, Virtual	348.45 -	- -				348.45 -
6/25/22	* 1. Mushroom Mardi Gras, Morgan Hill	-	2.15				2.15
6/26/22	* 1. Mushroom Mardi Gras, Morgan Hill	-	2.15				2.15
6/27/22	* 1. Agenda Review Meeting, Virtual 2. Mtg on Well Executive Order, Virtual	- -	- -				- -
6/28/22	* 1. Valley Water Closed Session & Tuesday Regular Board Mtg, VWHQ 2. One on One Meeting w/ VW CEO, Virtual	- -	24.73 -				24.73 -
6/30/22	* 1. Video Shoot for Pacheco Reservoir 2. Lunch Mtg w/ Gilroy Mayor Blankley & Councilmember Dion Bracco Lunch Exp 3. ACWA Diversity, Equity, Inclusion & Women in Water Workgroup Meeting, Virtual * Exceeded 15 Meetings in June	- - - -	13.28 14.43 - -			74.38	13.28 14.43 74.38 -
TOTALS		\$15,547.53	\$787.25	\$1,805.68	\$13.25	\$0.00	\$18,153.71

1-Compensation up to 15 days/mth; increases to \$348.45 effective 4/14/22.

2-Mileage Reimbursement @ \$0.585/mile.

3-Per GP-10.6.3.

4-Annual fiscal year limit of \$250 per Director per Board Resolution 11-73.

5-Per GP-10.7.

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Santa Clara Valley Water District

File No.: 22-1057

Agenda Date: 9/13/2022
Item No.: *3.10.

BOARD AGENDA MEMORANDUM

SUBJECT:

Accept the CEO Bulletin for the Week of August 19 Through September 8, 2022.

RECOMMENDATION:

Accept the CEO Bulletin.

SUMMARY:

The CEO Bulletin is a weekly communication for the CEO, to the Board of Directors, assuring compliance with Executive Limitations Policy EL-7: The BAOs inform and support the Board in its work. Further, a BAO shall: 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 report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

CEO Bulletins are produced and distributed to the Board weekly as informational items, and then placed on the bimonthly, regular Board meeting agendas to allow opportunity for Board discussion on any of the matters contained therein.

ENVIRONMENTAL JUSTICE IMPACT:

There is no Environmental Justice impact associated with this item.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: 090822 CEO Bulletin

UNCLASSIFIED MANAGER:

Rick Callender, 408-630-2017

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

Weeks of August 19 – September 8, 2022

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>	Update on State and Federal Actions Related to PFAS
<u>2</u>	Uvas Creek Fish Habitat Improvement Project Construction Completed

1. Update on State and Federal Actions Related to PFAS

The state and federal governments continue to move toward increased consumer notification and regulation of per- and polyfluoroalkyl substances (PFAS). PFAS have been widely used in consumer and industrial products such as stain-resistant fabrics, food packaging, and firefighting foams. PFAS can accumulate in humans, animals, and the environment.

On July 7, 2022, the State Water Resources Control Board Division of Drinking Water (DDW) proposed notification and response levels for Perfluorohexane Sulfonic Acid (PFHxS) at 2 and 20 parts per trillion, respectively. If a notification level is exceeded, drinking water providers must notify their governing bodies and DDW recommends they inform customers. If a response level is exceeded, the water provider must remove the source from service; use treatment or blending; or notify customers if the affected source remains in service without treatment.

PFHxS is one of the more commonly detected PFAS in water supplies throughout California. If the proposed notification and response levels are finalized there may be significant impacts to drinking water providers. Statewide data from over 1,000 drinking water sources sampled from 2017 to 2022 indicate that 95% of sources have PFHxS above the notification level and 15% have PFHxS above the response level. Based on Valley Water's voluntary testing of 55 groundwater monitoring wells, PFHxS was above the notification level in 15 wells and above the response level in 2 wells. These wells are not used for drinking water. PFHxS has not been detected in Valley Water's treated surface water.

On August 26, 2022, the U.S. Environmental Protection Agency (EPA) released a pre-publication rule to designate two PFAS substances (PFOA and PFOS) as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act. Valley Water is evaluating the potential implications of this rule.

Valley Water continues to track the rapidly evolving PFAS science and regulations, work with regulatory agencies and water retailers to evaluate potential sources and treatment technologies, and provide timely, transparent communication to our customers and the public.

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

2. Uvas Creek Fish Habitat Improvement Project Construction Completed

The recently completed Uvas Creek Fish Habitat Improvement Project is part of Valley Water's Stream Maintenance Program. The project was funded by the Safe, Clean Water and Natural Flood Protection program, project D4. Uvas Creek provides important habitat for steelhead trout and other native fish. Every year, steelhead migrate upstream through Uvas Creek, seeking appropriate sediment to build their gravel nests (redds). As they migrate upstream, they need a diversity of instream habitats such as sheltered pools to hide from predators, and fast flowing waters to forage for food. The objective of this project is to increase native fish habitat through gravel and large wood augmentation at three sites on Uvas Creek between Santa Teresa Boulevard and Miller Avenue in Gilroy.

The large wood installed at the project sites are engineered log jams, which are designed to encourage development of shallower, more diverse-flowing water within the existing slow flowing habitat to increase the variety of habitat types. Two of the three sites in this project feature the "engineered bar apex jams" design approach, which were the first of their kind to be constructed in a Valley Water creek. Engineered bar apex jams mimic naturally forming log jams that result in a scour-pool at the upstream end, and a mid-channel sediment bar that forms with the deposition of gravels at the downstream side of the log jam. This results in the flow splitting around the newly formed sediment bar island, resulting in faster and more diverse flow patterns that increase habitat variety.

Planning and design of this project involved the concerted efforts of Valley Water engineers, biologists, stream maintenance staff, and design engineer consultants from AECOM and Balance Hydrologics in order to complete the necessary designs, flood analyses, permitting, biological surveys, and migration planning to minimize impacts of this project. Construction of the engineered log jams and gravel augmentation, conducted by Valley Water's field construction staff, started this summer in mid-June 2022 and was successfully completed by mid-August 2022.

On August 4, 2022, the project was featured in Gilroy Dispatch under the title "Uvas Creek work aims to help fish" (<https://gilroydispatch.com/uvass-creek-work-aims-help-fish/>).

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



Santa Clara Valley Water District

File No.: 22-0828

Agenda Date: 9/13/2022

Item No.: 4.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Receive the Audit Report of the Water Utility Enterprise Funds for the Fiscal Year Ended June 30, 2021.

RECOMMENDATION:

Receive the Audit Report of the Water Utility Enterprise Funds for the Fiscal Year ended June 30, 2021.

SUMMARY:

In 2006, Santa Clara Valley Water District (Valley Water) began conducting an annual Water Utility fund(s) audit to assess the reasonableness of the direct and indirect cost allocations between its North County and South County groundwater benefit zones. The audit was initiated to respond to water retailers' and constituents' inquiries on groundwater production charges.

As part of Valley Water's core water supply function, four groundwater benefit zones form the basis for establishing Valley Water's water charges. Water charges are set separately for each zone, reflecting Valley Water activities carried out in each.

On April 28, 2020 the Board adopted adjustments to the boundaries of the existing groundwater benefit zones that took effect on July 1, 2020; this included partitioning the South County zone into three. The 2021 WUE audit reflects these revised and new groundwater benefit zones.

In the North County, the revised Zone W-2 encompasses the Santa Clara Valley groundwater basin north of Metcalf Road. It includes those groundwater producing facilities that benefit from recharge with local and imported water. In the South County, the revised Zone W-5 overlays most of the Llagas Subbasin, the new Zone W-7 encompasses the Coyote Valley, and the new Zone W-8 encompasses areas in the foothills southeast of Uvas and Chesbro Reservoirs.

The report entitled "Water Utility Enterprise Funds of the Santa Clara Valley Water District - Annual Financial Report for the Fiscal Year Ended June 30, 2021," which encompasses the Water Utility Fund financial statements and independent auditor's opinion, is provided as Attachment 1.

The report is presented in the format prescribed under Generally Accepted Accounting Principles. The report and accompanying audit opinion indicate that there were no findings. In addition,

Attachment 1 includes a Schedule of Revenues and Expenses by Zone, which is also fairly stated in all material respects, in relation to the basic financial statements as a whole according to the report.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

FINANCIAL IMPACT:

The cost of this audit was budgeted in FY 2021-22. There is no cost impact associated with presenting this audit report.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Audit Report, FY Ending 2021 WUE Funds

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068

**WATER UTILITY ENTERPRISE FUNDS
OF THE
Santa Clara Valley Water District
San Jose, California**

Annual Financial Report
For the Fiscal Year Ended June 30, 2021

**WATER UTILITY ENTERPRISE FUNDS
OF THE
SANTA CLARA VALLEY WATER DISTRICT
Annual Financial Report
For the Year Ended June 30, 2021**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Santa Clara Valley Water District
San Jose, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Water Enterprise Fund and State Water Projects Fund (Funds) of the Santa Clara Valley Water District (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Funds basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Funds as of June 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management’s Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements as a whole. The Schedule of Revenue and Expenses by Zone, as listed in the Table of Contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The Schedule of Revenue and Expenses by Zone is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenue and Expenses by Zone is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.



Pleasant Hill, California
July 8, 2022

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WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Management's Discussion and Analysis

Our discussion and analysis of the financial performance of Valley Water's Water Utility Enterprise Funds (the "Funds") provide an overview of the Funds financial activities for the fiscal year ended June 30, 2021. This information is presented in conjunction with the audited financial statements that follow this section.

The Funds account for the management and supply of wholesale treated water, groundwater, recycled water, and surface water for the residents of Santa Clara County. The Funds are separate enterprise funds of Valley Water that were established to account for the water utility transactions of Valley Water. The Funds are comprised of two funds – Water Enterprise Fund and State Water Project Fund. The Water Enterprise Fund is used to record ongoing water utility operations, with revenues comprised primarily of charges to Valley Water's groundwater and treated water customers. The State Water Project Fund is used to account for state water project tax revenue and state water project contractual costs.

Because service needs are different in the northern and southern portions of the county, operations and expenditures are tracked separately based on the relative benefits to the North County and South County zones. Likewise, Valley Water's water charges between the zones are set independently.

For fiscal year 2021, the Valley Water Board modified the existing groundwater benefit zones W-2 and W-5, and created two new zones: zone W-7, which overlays the Coyote Valley, and zone W-8, which includes areas below Uvas and Chesbro Reservoirs. The modified and new zone boundaries ensure that rate payers are grouped in a way that reflects the most recent and relevant data regarding services and benefits received by well users.

Valley Water engaged Maze and Associates to conduct the audit of Valley Water's Funds for the fiscal year ended June 30, 2021. The purpose of the audit was to analyze the reasonableness of the allocations of cost and revenue between the two groundwater charge zones within the Funds, the North County zone, and the three South County zones. For the purpose of this report, the term "North County zone" refers to benefit zone W-2, while the "South County zones" refers to the combination of the three South County benefit zones W-5, W-7 and W-8.

Overview of the Financial Statements

The accounting policies of the Funds of Valley Water conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

The financial statements of the Funds, as presented here, are for Valley Water's Water Enterprise Funds activities only and do not reflect the financial position of Valley Water as a whole. The Funds are accounted for as proprietary-type funds, where the cost of providing goods and services to the general public are financed and recovered primarily through user charges.

Management Discussion and Analysis (continued)

The following items comprise the statements of the Funds:

- *The Statement of Net Position* presents information on the Funds' assets, deferred outflow of resources, deferred inflow of resources and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Funds is improving or deteriorating.
- *The Statement of Revenues, Expenses and Changes in Net Position* provides information about the Funds' revenues and expenses on an accrual basis.
- *The Statement of Cash Flows* provides relevant information on the Funds' cash receipts and cash payments during the period. This statement presents changes in the Funds' cash and cash equivalents resulting from operating, noncapital financing, capital and related financing, and investing activities.
- *The Notes to Basic Financial Statements* provide additional information that is essential to a better understanding of the data provided in the Funds' financial statements.

The Funds record the financial transactions in a manner similar to a private business enterprise. Operations are recorded at full accrual and accounted for to show net income or loss. The Funds are intended to be entirely or predominantly self-supported by user charges.

Financial Highlights

Water Utility Enterprise Funds Net Position (Dollars in Millions)

	2021	2020
Current and other assets	\$ 567.3	\$ 468.3
Capital assets	1,350.3	1,266.3
Other non current assets	-	0.1
Total assets	1,917.6	1,734.7
Deferred outflow of resources		
Deferred amount on refunding	0.5	0.6
Pension activities	40.4	20.8
OPEB activities	4.8	4.6
Total deferred outflows of resources	45.7	26.0
Current liabilities	89.0	130.3
Long-term liabilities	846.4	620.5
Total liabilities	935.4	750.8
Deferred inflow of resources		
Pension activities	1.3	4.0
OPEB activities	2.1	5.0
Total deferred inflows of resources	3.4	9.0
Net position:		
Net investment in capital assets	624.5	689.2
Restricted	78.5	84.7
Unrestricted	321.5	227.0
Total net position	\$ 1,024.5	\$ 1,000.9

Management Discussion and Analysis (continued)

The total net position of the Funds amounted to \$1,024.5 million at June 30, 2021. The largest portion of the Funds' net position (61.0% or \$624.5 million) reflects investment in capital assets (e.g., land, buildings, infrastructure, machinery, equipment, and contract water rights) less any related debt outstanding used to acquire the capital assets. These capital assets are used to provide services to citizens and consumers. Consequently, these assets are not available for future spending. Although the Funds' investment in its capital assets is reported net of related debts, it should be noted that the resources needed to repay this debt must be provided from other sources since, in general, the capital assets themselves cannot be used to liquidate these liabilities.

Investment in capital assets, net of related debt, decreased by \$64.7 million or 9.4% from the previous fiscal year. Capital assets, net of depreciation and amortization, increased by \$84.0 million. Long term liabilities, which include related debt outstanding, went up by \$225.9 million mainly due to new bonds issued.

New construction in progress amounted to \$102.3 million for the Funds. There were 49 in progress and completed projects during the fiscal year, with the major projects listed below (in millions):

- \$32.8 – Rinconada Water Treatment Plant Reliability Improvement
- \$30.7 – Anderson Dam Seismic Retrofit
- \$16.5 – Pacheco Reservoir Expansion
- \$13.2 – 10-year Pipeline Rehabilitation
- \$ 2.3 – Coyote Pumping Plant
- \$ 1.8 – Indirect Potable Reuse
- \$ 1.6 – Water Utility Computer Network Modernization
- \$ 1.0 – Calero Dam Seismic Retrofit
- \$ 1.0 – Guadalupe Dam Seismic Retrofit
- \$ 1.0 – Calero-Guadalupe Dam Safety Seismic Stability

Net position categorized as “unrestricted” may be used to meet ongoing obligations to citizens, customers, and creditors. The Funds' unrestricted net position of \$321.5 million represents an increase of \$94.5 million or 41.6% when compared to the prior fiscal year.

The \$94.5 million increase in unrestricted net position in fiscal year 2021 was mainly from increases in reserve amounts for current authorized projects by \$46.1 million, operating and capital by \$38.3 million and encumbrances by \$17.0 million.

Management Discussion and Analysis (continued)

Water Utility Enterprise Funds Change in Net Position (Dollars In millions)

	2021	2020
Revenues:		
Ground Water Charges	\$ 132.1	\$ 112.6
Treated Water Charges	154.9	152.6
Surface and recycled water charges	2.7	1.7
Operating Grants	4.0	3.7
Capital grants and contributions	6.4	4.3
Property Taxes	30.2	30.2
Investment Income	1.6	8.8
Miscellaneous	2.7	2.7
Total Operating revenues	334.6	316.6
Expenses:		
Operating Expenses	213.9	203.3
Nonoperating and other expenses	23.0	19.4
Total Expenses	236.9	222.7
Change in net position before transfers	97.7	93.9
Transfers	(74.1)	(1.5)
Change in net position	23.6	92.4
Net position, beginning	1,000.9	775.3
Prior period adjustment - beg. water inventory	-	133.2
Net Position, ending	\$ 1,024.5	\$ 1,000.9

Net position of the Funds of \$1,024.5 million increased by \$23.6 million when compared to the prior fiscal year. Total revenues and expenses of \$334.6 million and \$236.9 million, respectively, less net transfers out of \$74.1 million, added \$23.6 million to net position.

Compared to the prior fiscal year, total revenues and expenses increased by \$18.0 million and \$14.2 million, respectively. Key elements of the changes in revenues and expenses from prior year are as follows:

- Total water charge revenues, at 86.6% of total revenue source, were \$22.8 million or 8.5% higher than last fiscal year. Groundwater and treated water revenues were up \$19.5 million and \$2.3 million, respectively due to higher sales volume generated during the year.
- Capital grants and contributions increased \$2.1 million compared to the last fiscal year as more capital costs reimbursements from the Department of Water were received for the Pacheco Reservoir Expansion Project early funding agreement with the California Water Commission.
- Water enterprise expenses increased by \$14.2 million or 6.4% over the prior fiscal year due to increased costs for purchased water, equipment repair and replacement, utilities, and other technical services.

Management Discussion and Analysis (continued)

Water Utility Enterprise Funds Change in Net Position
(Budgetary Basis)
(Dollars in millions)

	North County		South County		Total	
	2021	2020	2021	2020	2021	2020
Operating revenues:						
Ground water charges	\$ 118.0	\$ 97.4	\$ 14.1	\$ 15.2	\$ 132.1	\$ 112.6
Treated water charges	154.9	152.6	-	-	154.9	152.6
Surfaced and recycled water charges	2.0	1.1	0.7	0.7	2.7	1.8
Total water charges	274.9	251.1	14.8	15.9	289.7	267.0
Other	0.1	0.2	-	-	0.1	0.2
Total operating revenues	275.0	251.3	14.8	15.9	289.8	267.2
Operating expenses:						
Source of supply	98.4	77.4	10.1	10.7	108.5	88.1
Water treatment	43.6	37.4	0.5	0.3	44.1	37.7
Transmission and distribution:						
Raw water	11.9	9.8	3.6	3.3	15.5	13.1
Treated water	2.4	1.7	-	-	2.4	1.7
Cost of goods sold	156.3	126.3	14.2	14.3	170.5	140.6
Administration and general	21.2	20.5	5.9	4.2	27.1	24.7
Capital cost recovery	(6.9)	(5.6)	6.9	5.6	-	-
Total operating expenses	170.6	141.2	27.0	24.1	197.6	165.3
Operating income (loss)	104.4	110.1	(12.2)	(8.2)	92.2	101.9
Non-operating income (expenses):						
Property taxes	27.5	27.1	2.7	3.1	30.2	30.2
Investment income	1.6	8.8	-	-	1.6	8.8
Operating grants	4.0	3.7	-	-	4.0	3.7
Rental income	0.1	0.1	-	-	0.1	0.1
Other	1.7	2.2	0.8	0.2	2.5	2.4
Interest/fiscal agent fees	(23.0)	(19.4)	-	-	(23.0)	(19.4)
Open space credit transfer	(6.9)	(7.0)	6.9	7.0	-	-
Interest earned credit	(0.2)	(0.3)	0.2	0.3	-	-
Net non-operating income	4.8	15.2	10.6	10.6	15.4	25.8
Net income (loss)	\$ 109.2	\$ 125.3	\$ (1.6)	\$ 2.4	\$ 107.6	\$ 127.7

Budgetary basis discussion:

- The Funds' total operating revenues were \$289.8 million during the current fiscal year. 94.9 percent of those revenues, or \$275.0 million were related to the North County, while the remaining 5.1 percent or \$14.8 million were related to the South County.

Management Discussion and Analysis (continued)

- Operating expenses for the North County include \$156.3 million in cost of goods sold, or 56.8 percent of its total operating revenues. For the South County, cost of goods sold is \$14.2 million or 95.9 percent of its total operating revenues.
- Administration and general expenses were \$21.2 million or 7.7 percent of total operating revenues for the North County and \$5.9 million or 39.9 percent of total operating revenues for the South County.
- Total operating revenues of \$289.8 million, less total operating expenses of \$197.6 million, netted \$92.2 million of income from operations. The North County registered a net operating gain of \$104.4 million, while the South County incurred a loss of \$12.2 million.

Income from operations was supplemented with property tax, operating grants, investment earnings and other income totaling \$38.3 million.

- Property taxes collected in the North County amounted to \$27.5 million, while \$2.7 million were collected in South County for a total of \$30.2 million. These are comprised of the voter approved obligations for State Water Project and the water utility's allocated share of the countywide 1 percent ad valorem taxes.
- Operating grants applied for and received amounted to \$4.0 million, all coming from the North County. These grants helped to fund water conservation, landscape water efficiency, raw water field maintenance and operations, and recycled/reclaimed water programs.
- Current fiscal year investment earnings of \$1.6 million were down by \$7.2 million when compared to the \$8.8 million earned during the previous fiscal year, due to decrease in interest rates and the GASB 31 par value adjustment to market (see Note 5)
- Other income of \$2.5 million is at par with the \$2.4 million other income from prior fiscal year.

Management Discussion and Analysis (continued)

The following table shows the rates for water services for fiscal year 2021

Water Utility Enterprise Funds Rate Summary

	Rate
<u>Groundwater</u>	
Zone W-2 North County -Agricultural	\$ 28.86
Zone W-2 North County -Non-Agricultural	1,374.00
Zone W-5 South County -Agricultural	28.86
Zone W-5 South County -Non-Agricultural	467.00
Zone W-7 South County -Agricultural	28.86
Zone W-7 South County -Non-Agricultural	481.00
Zone W-8 South County -Agricultural	28.86
Zone W-8 South County -Non-Agricultural	327.00
 <u>Treated Water</u>	
Contract (Scheduled) ⁽²⁾	1,474.00
Non-Contract ⁽³⁾	1,574.00
 <u>Surface Water (Basic User Charge)</u>	
Zone W-2 North County -Agricultural	28.86
Zone W-2 North County -Non-Agricultural	1,374.00
Zone W-5 South County -Agricultural	28.86
Zone W-5 South County -Non-Agricultural	467.00
Zone W-7 South County -Agricultural	28.86
Zone W-7 South County -Non-Agricultural	481.00
Zone W-8 South County -Agricultural	28.86
Zone W-8 South County -Non-Agricultural	327.00
 Water Master ⁽¹⁾	 37.50
 <u>Minimum Surface Water Charge</u>	
Zone W-2 North County -Agricultural	21.65
Zone W-5 South County -Agricultural	21.65
Zone W-7 South County -Agricultural	21.65
Zone W-8 South County -Agricultural	21.65
Zone W-2 North County -Non-Agricultural	1,030.50
Zone W-5 South County -Non-Agricultural	350.25
Zone W-7 South County -Non-Agricultural	360.25
Zone W-8 South County -Non-Agricultural	245.25
 <u>Reclaimed Water</u>	
Gilroy Reclamation Facility – Agricultural	56.26
Gilroy Reclamation Facility – Non-Agricultural	447.00

⁽¹⁾ The surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge.

⁽²⁾ The total treated water contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the contract surcharge.

⁽³⁾ The total treated water non-contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the non-contract surcharge.

Management Discussion and Analysis (continued)

Capital Assets

The Funds' capital asset balance, net of accumulated depreciation, amounts to \$1.35 billion at June 30, 2021. Capital asset composition includes land, intangible rights, buildings, structures and improvements, machinery and equipment, and construction in progress. Capital assets for the current fiscal year went up \$84.0 million or 6.6%.

A fiscal year comparative breakdown of the categories of capital assets for the Funds is shown below.

<i>Water Utility Enterprise Funds Capital Assets</i>			
(Net of Accumulated Depreciation)			
(Dollars in Millions)			
	2021	2020	
Land	\$ 20.0	\$ 20.0	
Easements	3.7	0.2	
Contract Water and storage rights	36.1	38.5	
Buildings	83.2	84.9	
Structures and improvements	630.9	623.8	
Equipment	3.8	5.0	
Intangible software	0.1	0.1	
Construction in progress	572.5	493.8	
Total	\$ 1,350.3	\$ 1,266.3	

Additional information on the Funds capital assets activity for the current fiscal year is shown in Note 6 of this report.

Debt Administration

The Funds' total long-term debts at June 30, 2021 amount to \$870.3 million. A comparative breakdown of its long-term debts is shown below:

<i>Water Utility Enterprise Funds Outstanding Debt Obligations</i>		
(Dollars in Millions)		
	2021	2020
Bonds payable	\$ 659.9	\$ 458.0
Compensated absences	7.8	6.3
Net pension liability	110.3	100.6
Semitropic water banking	12.4	10.0
Other post employment benefits	25.8	25.7
Premium on bond issue	54.1	37.0
Total	\$ 870.3	\$ 637.6

Total long-term debts increased by \$232.7 million during the current fiscal year. Bonds payable, inclusive of premium and discounts, went up \$219.0 million with the issuance of the 2020 certificates of participation and water revenue bonds. Liabilities related to compensated

Management Discussion and Analysis (continued)

absences went up by \$1.5. The pension liability and other post-employment (OPEB) liabilities increased by \$9.7 million and \$0.1 million, respectively.

Additional information on the Funds' long-term liabilities can be found in Note 7(b) of this report.

Next Year's Budgets

Valley Water's \$837.6 million net operating and capital budget for fiscal year 2022 will focus on the following work plan strategies:

- Protect and maintain existing assets and infrastructure and advance new infrastructure projects
- Pursue opportunities to improve internal capacity to acquire regulatory permits
- Engage and educate the community, elected officials, and staff on our management of water resources in Santa Clara County
- Actively Pursue New Water Supply and Storage Opportunities
- Actively Participate in decisions regarding the CA Delta Conveyance
- Lead Recycled and Purified Water Efforts with committed partners
- Advance Anderson Dam Seismic Retrofit Project
- Promote Making Water Conservation a California Way of Life in Santa Clara County
- Plan, design and maintain flood protection projects with multiple benefits, including protecting ecosystem functions and enhancing habitat
- Provide flood protection equitably in all regions of the County, prioritizing disadvantaged communities
- Attain net positive impact on the environment when implementing flood protection and water supply projects
- Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation
- Continue the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE)
- Advance racial equity, diversity, and inclusion
- Maintain appropriate staffing levels and expertise and ensure the safety of our staff
- Provide affordable and cost-effective level of services
- Address future impacts of climate change to Valley Water's mission and operations

Requests for Information

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors of the North and South Counties with a general overview of the Funds' finances and to demonstrate accountability for the money that the Funds receive. If you have any questions about this report or need any additional information, contact the General Accounting Unit at 5750 Almaden Expressway, San Jose, CA 95118, or call (408) 265-2600.

Basic Financial Statements

**WATER UTILITY ENTERPRISE FUNDS
OF THE
SANTA CLARA VALLEY WATER DISTRICT**

Statement of Net Position
June 30, 2021
(Dollars in Millions)

	Water Enterprise Fund	State Water Project Fund	Total
ASSETS			
Current assets:			
Cash and investments (Note 3)	\$ 377.8	\$ 14.0	\$ 391.8
Receivables:			
Accounts	44.1	-	44.1
Taxes	-	0.1	0.1
Inventory - water (Note 1(d))	130.0	-	130.0
Deposits and other assets	1.3	-	1.3
Total current assets	<u>553.2</u>	<u>14.1</u>	<u>567.3</u>
Non current assets:			
Capital assets: (Note 6)			
Contract water rights, net	21.9	14.2	36.1
Depreciable, net	718.0	-	718.0
Nondepreciable	<u>596.2</u>	<u>-</u>	<u>596.2</u>
Total non current assets	<u>1,336.1</u>	<u>14.2</u>	<u>1,350.3</u>
Total assets	<u>1,889.3</u>	<u>28.3</u>	<u>1,917.6</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	0.5	-	0.5
Deferred outflows of resources - pension activities (Note 10)	40.4	-	40.4
Deferred outflows of resources - OPEB (Note 11)	4.8	-	4.8
Total deferred outflows of resources	<u>45.7</u>	<u>-</u>	<u>45.7</u>
LIABILITIES			
Current liabilities:			
Accounts payable	10.6	0.1	10.7
Accrued liabilities	53.1	0.4	53.5
Deposits payable	0.9	-	0.9
Bonds payable - current (Note 7)	22.2	-	22.2
Compensated absence (Note 7)	1.7	-	1.7
Total current liabilities	<u>88.5</u>	<u>0.5</u>	<u>89.0</u>
Non current liabilities:			
Bonds payable - net of discounts and premiums (Note 7)	691.8	-	691.8
Compensated absence (Note 7)	6.1	-	6.1
Net pension liability (Note 10)	110.3	-	110.3
Other post employment benefits liability (Note 11)	25.8	-	25.8
Other debt	12.4	-	12.4
Total non current liabilities	<u>846.4</u>	<u>-</u>	<u>846.4</u>
Total liabilities	<u>934.9</u>	<u>0.5</u>	<u>935.4</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension activities (Note 10)	1.3	-	1.3
Deferred inflows of resources - OPEB (Note 11)	2.1	-	2.1
Total deferred inflows of resources	<u>3.4</u>	<u>-</u>	<u>3.4</u>
NET POSITION (Note 9)			
Net investment in capital assets	610.3	14.2	624.5
Restricted			
San Felipe operations	3.3	-	3.3
GP5 reserve	9.7	-	9.7
State water project	-	13.6	13.6
Rate stabilization	25.1	-	25.1
Advanced water purification center	1.3	-	1.3
Supplemental water supply	15.5	-	15.5
Drought reserve	10.0	-	10.0
Unrestricted	<u>321.5</u>	<u>-</u>	<u>321.5</u>
Total net position	<u>\$ 996.7</u>	<u>\$ 27.8</u>	<u>\$ 1,024.5</u>

See accompanying notes to basic financial statements.

**WATER UTILITY ENTERPRISE FUNDS
OF THE
SANTA CLARA VALLEY WATER DISTRICT**

Statement of Revenues, Expenses and Changes in Net Position

For the Year Ended June 30, 2021

(Dollars in Millions)

	Water Enterprise Fund	State Water Project Fund	Total
Operating revenues:			
Ground water production charges	\$ 132.1	\$ -	\$ 132.1
Treated water charges	154.9	-	154.9
Surface and recycled water revenue	2.7	-	2.7
Other	0.1	-	0.1
Total operating revenues	<u>289.8</u>	<u>-</u>	<u>289.8</u>
Operating expenses:			
Sources of supply	78.8	26.3	105.1
Water treatment	47.3	-	47.3
Transmission and distribution:	-	-	
Raw water	17.2	-	17.2
Treated water	2.1	-	2.1
Administration and general	9.9	-	9.9
Depreciation and amortization	31.4	0.9	32.3
Total operating expenses	<u>186.7</u>	<u>27.2</u>	<u>213.9</u>
Operating income (loss)	<u>103.1</u>	<u>(27.2)</u>	<u>75.9</u>
Nonoperating revenues (expenses):			
Property taxes (Note 8)	8.9	21.3	30.2
Investment income (Note 5)	1.6	-	1.6
Operating grants	4.0	-	4.0
Rental income	0.1	-	0.1
Other	0.7	1.8	2.5
Interest and fiscal agent fees	(23.0)	-	(23.0)
Net nonoperating revenues	<u>(7.7)</u>	<u>23.1</u>	<u>15.4</u>
Income before capital contributions and transfers	95.4	(4.1)	91.3
Capital contributions (Note 4)	6.4	-	6.4
Transfers in from District (Note 13)	68.2	-	68.2
Transfers out to District (Note 13)	(142.3)	-	(142.3)
Change in net position	<u>27.7</u>	<u>(4.1)</u>	<u>23.6</u>
Net position, beginning of year	969.0	31.9	1,000.9
Net position, end of year	<u>\$ 996.7</u>	<u>\$ 27.8</u>	<u>\$ 1,024.5</u>

See accompanying notes to basic financial statements.

**WATER UTILITY ENTERPRISE FUNDS
OF THE
SANTA CLARA VALLEY WATER DISTRICT**

Statement of Cash Flows
For the Year Ended June 30, 2021
(Dollars in Millions)

	Water Enterprise Fund	State Water Project Fund	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 288.8	\$ -	\$ 288.8
Payments to suppliers	(35.7)	(26.1)	(61.8)
Payments to employees	(101.3)	-	(101.3)
Well permits, refunds and adjustments	0.7	1.8	2.5
Net cash provided by (used for) operating activities	<u>152.5</u>	<u>(24.3)</u>	<u>128.2</u>
Cash flows from noncapital financing activities:			
Property taxes received	8.9	21.3	30.2
Operating grant	4.0	-	4.0
Transfers in from other funds	0.6	-	0.6
Net cash provided by noncapital financing activities	<u>13.5</u>	<u>21.3</u>	<u>34.8</u>
Cash flows from capital and related financing activities:			
COP/revenue bonds issuance/(payment)	219.1	-	219.1
Commercial paper issuance/(payment)	(72.7)	-	(72.7)
Capital grants	6.4	-	6.4
Interest and fiscal agent fees paid	(23.0)	-	(23.0)
Payments for contract water rights	(10.4)	-	(10.4)
Acquisition and construction of capital assets	(105.9)	-	(105.9)
Transfers in from other funds	67.6	-	67.6
Transfers out - capital project reimbursements	(142.3)	-	(142.3)
Net cash used by capital and related financing activities	<u>(61.2)</u>	<u>-</u>	<u>(61.2)</u>
Cash flows from investing activities:			
Proceeds from sale of investments	0.1	-	0.1
Rental income received	0.1	-	0.1
Interest received on cash and investments	1.6	-	1.6
Net cash provided by investing activities	<u>1.8</u>	<u>-</u>	<u>1.8</u>
Net increase/(decrease) in cash and cash equivalents	106.6	(3.0)	103.6
Cash and cash equivalents, beginning of year	271.2	17.0	288.2
Cash and cash equivalents, end of year	<u>\$ 377.8</u>	<u>\$ 14.0</u>	<u>\$ 391.8</u>
Cash and cash equivalents are reported on the Statement of Net Position:			
Cash and investments	\$ 377.8	\$ 14.0	\$ 391.8
Restricted cash and investments	-	-	-
Less cash and investments not meeting the definition of cash equivalents	-	-	-
Cash and cash equivalents, end of year	<u>\$ 377.8</u>	<u>\$ 14.0</u>	<u>\$ 391.8</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 103.1	\$ (27.2)	\$ 75.9
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation, amortization and asset deletion	31.3	0.9	32.2
Other revenues - well permits, refunds and adjustments	0.7	1.8	2.5
Change in operating assets and liabilities:			
(Increase)/decrease in deposits and other assets	5.7	-	5.7
(Increase)/decrease in accounts receivable	(5.5)	-	(5.5)
(Increase)/decrease in water inventory	4.5	-	4.5
Increase/(decrease) in accounts payable	(20.9)	(0.2)	(21.1)
Increase/(decrease) in accrued liabilities	51.2	0.4	51.6
Increase/(decrease) in compensated absences	1.5	-	1.5
Increase/(decrease) in deposits payable	(5.8)	-	(5.8)
Increase/(decrease) in other post employment benefits payable	0.1	-	0.1
Increase/(decrease) in deferred inflows/outflow of resources	(25.5)	-	(25.5)
Increase/(decrease) in pension liabilities	9.7	-	9.7
Increase/(decrease) in payable to Semitropic	2.4	-	2.4
Net cash provided (used) by operating activities	<u>\$ 152.5</u>	<u>\$ (24.3)</u>	<u>\$ 128.2</u>

See accompanying notes to basic financial statements.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements
For the Year Ended June 30, 2021

NOTE 1 - THE FINANCIAL REPORTING ENTITY

(a) Description of the Reporting Entity

Valley Water is a special district created by an act of the legislature of the State of California (State) in 1951 and as amended. Valley Water encompasses all of Santa Clara County.

Valley Water is governed by a seven-member Board of Directors (District Board). Each member is elected from equally divided districts drawn through a formal process. The term of office of a director is four years.

On October 12, 2009, Assembly Bill 466 was signed by the Governor of California revising the composition of the board of Valley Water by requiring the board to transition to an all-elected board that, on or after noon on December 3, 2010, consists of seven directors who are elected pursuant to specified requirements. On May 14, 2010, the Board of Directors adopted a resolution that officially set the boundaries of the seven electoral districts. As required by state law, Valley Water redrew its boundaries to reflect 2010 Census results, and on October 11, 2011, the Board of Directors adopted Resolution No. 11-63 selecting the Redistricting Plan, known as the Current Adjusted Map.

Valley Water has broad powers relating to all aspects of flood control and storm waters within Valley Water, whether or not such waters have their sources within Valley Water. It is also authorized to import, store, treat and distribute water for use within its jurisdictional boundaries and to provide sufficient water for present or future beneficial use of the lands and inhabitants of Valley Water. Valley Water acquires, stores, and distributes water for groundwater recharge and for irrigation, residential, fire protection, municipal, commercial, industrial, and all other uses. In addition to the broad authorities provided by the District Act, the Sustainable Groundwater Management Act (SGMA) provides several additional specified powers to Valley Water. These legal authorities under SGMA include the ability to regulate groundwater pumping and assess different types of groundwater charges as potential tools to support continued groundwater sustainability. Valley Water also directly supports the caring for the environment and the community through careful stewardship.

The Water Utility Enterprise Funds (the "Funds") are separate enterprise funds that were established to account for the water utility related transactions of Valley Water. The Funds supply wholesale treated water, ground water, recycled water, and surface water for the residents of the Santa Clara County. The Funds are comprised of two accounting funds – the Water Enterprise Fund and the State Water Project Fund. The Water Enterprise Fund accounts for ongoing water utility operations, with revenues comprised primarily of charges to Valley Water's groundwater and treated water customers. The State Water Project Fund accounts for the state water project tax revenue and state water project contractual costs.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

Fund Financial Statements

The Water Enterprise Fund and the State Water Project Fund (the Funds) financial statements are prepared in conformity with the generally accepted accounting principles (GAAP) in the United States of America. The Government Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America. The Funds are included as part of Valley Water's Annual Comprehensive Financial Report. Therefore, the financial statements of the Funds do not purport to represent the financial position and changes in financial position of Valley Water as a whole.

The Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

(b) Basis of Accounting

The Funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Funds give (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, benefit assessments and grants. On an accrual basis, revenues from property taxes and benefit assessments are recognized in the fiscal year for which the taxes and assessments are levied; revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied; and revenue from investments is recognized when earned.

The Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Funds' principal ongoing operations. The principal operating revenue of the Funds is the sale of water to outside customers. Operating expenses for the Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. *Operating* revenues, such as charges for services, result from the exchange transactions associated with the principal activity of the Funds. Exchange transactions are those in which each party receives and gives up essentially equal value. *Non-operating* revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

(c) Cash and Investments

While maintaining safety and liquidity, Valley Water maximizes its investment return by pooling its available cash for investment purposes. Interest earnings are apportioned among funds based upon the average monthly cash balance of each fund and are allocated to each fund on a monthly basis.

Valley Water reported investments in nonparticipating interest earnings contracts (including guaranteed investment contracts) at cost, and all other investments at fair value. The fair value of investments is based on current market prices.

For purposes of the Statement of Cash Flows, the Funds consider all highly liquid investments with a maturity of three months or less when purchased (including restricted investments), and their equity in the cash and investment pool to be cash equivalents.

(d) Inventory

Inventory consists of materials and supplies held for consumption. The cost of all inventory acquired is recorded as an expense at the time of purchase. At the end of the accounting period, the inventory values of materials and supplies on hand are determined using a current cost method which approximates market value. For financial statement purposes inventories are presented under deposits and other assets.

Starting fiscal year 2020, the Valley Water's Board of Directors decided to record stored water as inventory. Water inventory is listed as a separate line item on the financial statements.

The component of water inventory as of the end of the current fiscal year is shown below. Water inventory is valued based on the rolling average of imported water purchase cost.

<u>Type</u>	<u>Acre Feet</u>		<u>Total (in millions)</u>
	<u>Volume</u>	<u>Unit Cost</u>	
Semitropic	321,974	376	\$ 121.1
Local Reservoir Storage	23,688	376	8.9
Total			\$ 130.0

(e) Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. Valley Water defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets including assets under capital leases used in operations are depreciated or amortized using the straight-line method over the lesser of the capital lease period or their estimated useful lives.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

The estimated useful lives are as follows:

Water treatment facilities	50 Years
Buildings, structures, and trailers	25 – 50 Years
Flood control projects	30 – 100 Years
Dams	80 Years
Office furniture, fixtures, and equipment	5 - 20 Years
Automobiles and trucks	6 - 12 Years
Computer equipment	5 Years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

(f) Amortization of Contract Water Rights

Valley Water has contracted with the State for water deliveries from the State Water Project through calendar year 2035. A portion of the payments under this contract represent reimbursement of capital costs for transportation facilities (the capital cost component). The Funds capitalize the capital cost component and amortizes such component, using the straight-line method, over the remaining entitlement period.

(g) Amortization of Water Banking Rights

Valley Water has contracted with the Semitropic Water Storage District and its Improvement Districts for the water banking and exchange program. The program is in effect through calendar year 2035. Participation in the program provides Valley Water a 35% allocation for storage rights at the Semitropic Water Storage District facility, totaling 350,000 acre-feet. The Funds have capitalized the cost of the program and amortizes the cost over the 40-year entitlement period using the straight-line method.

(h) Amortization of Water Delivery Rights

Valley Water has contracted with the United States Department of the Interior Bureau of Reclamation for water deliveries from Central Valley through calendar year 2027. A portion of this contract represents reimbursement of capital costs for general construction in the San Felipe Division facilities. The San Felipe Division transports water from San Luis Reservoir to the Santa Clara – San Benito service area through the Pacheco Tunnel and other project features, which include 48.5 miles of closed conduits, two pumping plants and one small reservoir. The Funds capitalizes the capital cost component and amortizes such component, using the straight-line method, over the remaining entitlement period.

(i) Receivables

Receivables include amounts due from water utility customers, as well as from other miscellaneous revenue sources. All receivables are shown net of an allowance for doubtful

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

accounts. For the current fiscal year, the allowance balance was \$0.9 million. At the end of every fiscal year, a review of outstanding receivables results in the recalculation of the bad debt allowance where delinquent balances greater than 3 years are assigned a weight of 75%, up to 3 years a weight of 50%, up to 2 years a weight of 20%, and up to 1 year a weight of 5%. The totals of each of these amounts are then combined to determine the fiscal year's ending bad debt allowance.

(j) Accrued Vacation and Sick Leave Pay

It is the policy of Valley Water to permit employees to accumulate earned but unused vacation and sick leave benefits. Vested or accumulated vacation and sick leave are reported as noncurrent liabilities on the statement of net position.

Maximum vacation accruals may not exceed three times the employee's annual accrual rate, per employee. All regular full-time employees are eligible for twelve (12) days of sick leave per fiscal year. Unused sick leave may be carried forward to the following fiscal year without limitation. Upon retirement, up to 480 hours of accrued sick leave shall be paid to the eligible employee at the rate of 50% of the equivalent cash value. Upon resignation with ten or more years of service, or upon separation by layoff regardless of service, up to 480 hours of accrued sick leave shall be paid off at the rate of 25% of the cash value.

(k) Bond Premiums, Discounts and Issuance Costs

The Funds' bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond discounts. Refunding costs associated with debt refinancing are reported as deferred outflows of resources. Issuance costs are recorded as an expense of the current period.

On the statement of net position and the statement of revenues, expenses, and changes in net position, premiums and discounts related to outstanding debt are deferred and amortized over the life of the debt obligation. Debt payable are reported net of the applicable bond premiums or discounts. Prepaid insurance associated with the issuance of debts are reported as prepaid expenses.

(l) Accounting for Encumbrances

Valley Water employs encumbrance accounting as a significant aspect of budgetary control. Under encumbrance accounting, purchase orders, contracts and other expenditure commitments are recorded as assignment of net position since they are not treated as current expenditures or outstanding liabilities at year end for GAAP financial reporting.

(m) Net Position

The net position of the Funds is classified based primarily to the extent to which Valley Water is bound to observe constraints imposed upon the use of the resources. When both restricted and unrestricted resources are available for expenses, Valley Water expends the restricted funds and then the unrestricted funds.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

(n) Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(o) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Valley Water's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020

(p) Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of Valley Water's plan (OPEB Plan) and additions to/deductions from the OPEB's Plan's fiduciary net position have been determined on the same basis as reported by CalPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020

(q) Fair Value Measurement

Valley Water has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. Valley Water categorizes the fair value measurements of its investments based on the hierarchy established by

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are observable inputs (other than quoted marked prices) using matrix pricing based on the securities relationship to benchmark quoted prices; and Level 3 inputs are significant unobservable inputs.

(r) Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow or resources (revenues) until such time.

(s) New Pronouncements

The Governmental Accounting Standards Board (GASB) releases new accounting and financial reporting standards which may have a significant impact on Valley Water's financial reporting process. Current and future new standards which may impact Valley Water include the following:

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, Subscription-based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. Valley Water has not determined the impact of this pronouncement on the financial statements.

GASB Statement No. 95 – In May 2020, GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The objective of this statement is to provide temporary relief to government and other stakeholders in light of the COVID-19 pandemic by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to be effective for periods beginning June 15, 2018 and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, Certain Asset Retirement Obligations
- Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements

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Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

- Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- Statement No. 90, Majority Equity Interests
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates
- Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)
- Implementation Guide No. 2018-1, Implementation Guidance Update—2018
- Implementation Guide No. 2019-1, Implementation Guidance Update—2019
- Implementation Guide No. 2019-2, Fiduciary Activities.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, Leases
- Implementation Guide No. 2019-3, Leases.

Valley Water has implemented this GASB standard.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Valley Water has not determined the impact of this pronouncement on the financial statements.

GASB Statement No. 93 – In March 2020, GASB issued Statement No. 93, Replacement of Interbank Offered Rates (LIBOR). This statement requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. This pronouncement is not applicable to Valley Water.

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose

**WATER UTILITY ENTERPRISE FUNDS OF
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Notes to Basic Financial Statements (Continued)
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information about the amount recognized and how the liabilities changed during the reporting period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020, or fiscal year 2022. Valley Water has not determined the impact of this pronouncement on the financial statements.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in the financial statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, or fiscal year 2021. Valley Water has not determined the impact of this pronouncement on the financial statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Valley Water has implemented this GASB standard.

GASB Statement No. 88 – In April 2018, GASB Issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Valley Water has implemented this GASB standard.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the reporting periods beginning after December 15, 2019, or fiscal year 2021. Valley Water has not yet determined the impact of this pronouncement on the financial statements.

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Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 3 - CASH AND INVESTMENTS

The Funds pool their cash and investments with Valley Water. The pool balance at June 30, 2021 is as follows (in millions):

Statement of Net Position:	
Cash and investments	\$ 778.8
Restricted cash and investments	73.5
Statement of Fiduciary Net Position:	
Cash and investments	0.2
	\$ 852.5

Investments

At June 30, 2021, cash and investments based on fair market value consist of the following (in millions):

U.S. Government Agencies	\$ 343.5
U.S. Treasury Obligations	32.3
Medium Term Notes	15.3
Local Agency Investment Fund	142.1
Mutual Funds	0.2
Supranational Obligations	15.2
Municipal Bonds	67.1
Negotiable Certificates of Deposit	0.5
Time Certificates of Deposit	195.0
Money Market Funds	33.7
Total Investments	\$ 844.9
Carrying amount of cash	7.6
Total Cash and Investments	\$ 852.5

As of June 30, 2021, the fair value of Valley Water's investment in the State investment pool (LAIF) was \$74.1 million in non-restricted cash and \$68.0 million in restricted cash. The Local Investment Advisory Board (LIA Board) has oversight responsibility for LAIF. The LIA Board consists of five members as designated by State Statute. Valley Water is a voluntary participant in the pool. The value of the pool shares in LAIF, which may be withdrawn, is

**WATER UTILITY ENTERPRISE FUNDS OF
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For the Year Ended June 30, 2021

determined on an amortized cost basis, which is different than the fair value of Valley Water's position in LAIF. The pool is not registered with the Securities Exchange Commission.

Authorized Investments by Valley Water

Valley Water's Investment Policy and the California Government Code allow Valley Water to invest in the following types of investments, provided the credit ratings of the issuers are acceptable to Valley Water. The following items also identify certain provisions of Valley Water and California Government Code that address interest rate risk, credit risk, and concentration of credit risk. This list does not address Valley Water's investments of debt proceeds held by fiscal agents that are governed by the provisions of debt agreements of Valley Water, rather than the general provisions of the California Government Code or Valley Water's investment policy, when more restrictive.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	5 years	(Exempt from disclosure)	None	None
U.S. Government Agency Issues ^(A)	5 years	(Exempt from disclosure)	None	None
Bankers Acceptances	180 days	AA-	40%	4.8%
Commercial Paper	90 days	AA-	15%	1.8%
Negotiable Certificates of Deposit	5 years	AA-	30%	3.6%
Time Certificates of Deposit ^(B)	5 years	Satisfactory CRA	5%	\$250,000 & FDIC Membership
Collateralized Repurchase Agreements	30 days	AA-	None	None
Medium Term Notes	5 years	AA-	15%	1.8%
Municipal Obligations	5 years	AA-	15%	1.8%
California Local Agency Investment Fund ^(C)	N/A	N/A	(B)	(B)
Mutual Funds	N/A	AAA	10%	- -
Supranational Obligations	5 years	AA	15%	1.8%

^(A) Securities issued by agencies of the federal government such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal Agricultural Mortgage Corporation of America and the Tennessee Valley Authority.

^(B) Valley Water Board of Directors approved investments in California based local banks with a threshold of a minimum of 4% invested in banks with up to \$10 billion in assets and 1% in banks with up to \$2 billion in assets for a limit of 5 years in the form of collateralized deposits, FDIC/NCUA insured CDs, CDARS, or any legally allowable deposits.

^(C) LAIF will accept no more than \$75 million of an agency's unrestricted funds while placing no constraints on funds relating to unspent bond proceeds.

Restricted Cash and Investments for Bond Interest and Redemption

Under the provisions of Valley Water's revenue bond resolutions and Installment Purchase Agreement for the 2012A, 2016C, 2016D, 2017A, 2020C and 2020D Certificates of

**WATER UTILITY ENTERPRISE FUNDS OF
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For the Year Ended June 30, 2021

Participations (COPs) and Water Utility Revenue and Refunding Bonds 2006B, 2016A, 2016B, 2017A, 2019A, 2019B, 2019C, 2020A and 2020B, a portion of the proceeds from these debt issuances is required to be held in custody accounts by a fiscal agent as trustee.

As of June 30, 2021, the amount invested in assets held by fiscal agent amounted to \$73.5 million and was equal to or in excess of the amount required at that date.

Restricted Cash and Investments for Capital Projects

Valley Water, through the PFFC, has also issued commercial paper to provide for any Valley Water purposes, including but not limited to, capital expenditure, investment and reinvestment, and the discharge of any obligation or indebtedness of Valley Water. At June 30, 2021, the total balance of the taxable and the tax-exempt commercial paper certificate accounts held by fiscal agent is \$0.0 million. Both account balances were cash transfers from Valley Water to fiscal agent to fund maturing interest payments on commercial paper outstanding.

Authorized Investments by Debt Agreements

Valley Water must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if Valley Water fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in instruments which, at the time of such investment, are legal investments under the laws of the State of California, Valley Water ordinances, policies, and bond indentures. The following table identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>
U.S. Treasury Obligations ^(A)	N/A	N/A
U.S. Agency Securities ^(B)	N/A	N/A
State Obligations ^(C)	N/A	A
Commercial Paper	270 days	A1
Unsecured CD's, deposit accounts, time deposits, and bankers acceptances	365 days	A-1
FDIC Insured Deposit ^(D)	N/A	N/A
Money Market Funds	N/A	AAA
Collateralized Repurchase Agreements ^(E)	N/A	A-1
Investment Agreements ^(F)	N/A	AA-
Investment Approved in Writing by the Certificate Insurer ^(G)	N/A	N/A
Local Agency Investment Fund of the State of CA	N/A	N/A
Supranational Obligations	N/A	AA

(A) Direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided that the full

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

faith and credit of the United States of America must be pledged to any such direct obligation or guarantee.

(B) Direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; consolidated debt obligations and letter of credit-backed issues of the Federal Home Loan Banks; participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation ("FHLMCs"); debentures of the Federal Housing Administration; mortgage-backed securities (except stripped mortgage securities which are valued greater than par on the portion of unpaid principal) and senior debt obligations of the Federal National Mortgage Association ("FNMA's"); participation certificates of the General Services Administration; guaranteed mortgage-backed securities and guaranteed participation certificates of the Government National Mortgage Association ("GNMA's"); guaranteed participation certificates and guaranteed pool certificates of the Small Business Administration; local authority Certificates of the U.S. Department of Housing & Urban Development; guaranteed Title XI financings of the U.S. Maritime Administration; guaranteed transit Certificates of the Washington Metropolitan Area Transit Authority; Resolution Funding Corporation securities.

(C) Direct obligations of any state of the United States of America or any subdivision or agency thereof whose unsecured, uninsured and unguaranteed general obligation debt is rated, at the time of purchase, "A" or better by Moody's and "A" or better by S&P.

(D) Deposits of any bank or savings and loan association which has combined capital, surplus and undivided profits of not less than \$3.0 million, provided such deposits are continuously and fully insured by the Bank Insurance Fund or the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation.

(E) Repurchase agreements collateralized by Direct Obligations, GNMA's, FNMA's or FHLMCs with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank insured by the FDIC, if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rated "P-1" or "A3" or better by Moody's and "A-1" or "A-" or better by S&P, provided: (1) a master repurchase agreement or specific written repurchase agreement governs the transaction; and (2) the securities are held free and clear of any lien by the Trustee or an independent third party acting solely as agent ("Agent") for the Trustee, and such third party is (i) a Federal Reserve Bank, or (ii) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$50.0 million or (iii) a bank approved in writing for such purpose by the Certificate Insurer, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee; and (3) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. if such securities are created for the benefit of the Trustee; and (4) the repurchase agreement has a term of 180 days or less, and the Trustee or the agent will value the collateral securities no less frequently than weekly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation; and (5) the fair value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 103%.

(F) Investment agreements, guaranteed investment contracts, funding agreement, or any other form of corporate note representing the unconditional obligations of entities or agencies with the unsecured long-term debt obligations or claims-paying ability rated in one of the top two rating categories by Moody's and S&P.

(G) Any investment approved in writing by the Certificate Insurer.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Interest Rate Risk

Interest Rate Risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Valley Water generally manages its own interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair value of Valley Water's investments to market interest rate fluctuations, summarized by the following table, shows the distribution to Valley Water's investments by maturity or earliest call date (in millions).

	<u>Total</u>	<u>12 Months or less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>
U.S. Government Agencies	\$ 243.5	\$ 53.9	\$ 67.6	\$ 122.0
U.S. Government Agencies - Callable	100.0	-	-	100.0
U.S. Treasury Obligations	32.3	9.2	8.3	14.8
Medium Term Notes	3.1	-	3.1	-
Medium Term Notes - Callable	12.2	3.0	7.2	2.0
Local Agency Investment Fund	142.1	142.1	-	-
Mutual Funds	0.2	0.2	-	-
Supranational Obligations	10.3	-	-	10.3
Supranational Obligations - Callable	4.9	-	-	4.9
Municipal Bonds	67.1	7.6	28.7	30.8
Negotiable Certificates of Deposit	0.5	-	0.3	0.2
Time Certificates of Deposit	195.0	195.0	-	-
Money Market Funds	33.7	33.7	-	-
Total Investments	<u>\$ 844.9</u>	<u>\$ 444.7</u>	<u>\$ 115.2</u>	<u>\$ 285.0</u>

Credit Risk

Credit Risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The following table shows the minimum rating required by the` California Government Code, Valley Water's investment policy, or debt agreements and the actual rating as of June 30, 2021 for each investment type as provided by Standard and Poor's (in millions):

**WATER UTILITY ENTERPRISE FUNDS OF
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Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

	Total	Minimum Legal Rating	Exempt from Disclosure	Rating as of Year-end				Not Rated
				AAA	AA+	AA	AA-	
U.S. Government Agencies	\$ 343.5	AA-	\$ -	\$ -	\$ 282.5	\$ -	\$ -	\$ 61.0
U.S. Treasury Obligations	32.3	AA-	32.3	-	-	-	-	-
Medium Term Notes	15.3	AA-	-	7.1	5.1	-	-	3.1
Local Agency Investment Fund	142.1	N/A	-	-	-	-	-	142.1
Mutual Funds	0.2	AAA	-	0.2	-	-	-	-
Supranational Obligations	15.2	AA	-	15.2	-	-	-	-
Municipal Bonds	67.1	AA-	-	11.1	20.0	31.3	3.1	1.6
Negotiable Certificates of Deposit	0.5	AA-	-	-	-	-	-	0.5
Time Certificates of Deposit	195.0	N/A	-	-	-	-	-	195.0
Money Market Funds	33.7	N/A	-	-	-	-	-	33.7
Total Investments	\$ 844.9		\$ 32.3	\$ 33.6	\$ 307.6	\$ 31.3	\$ 3.1	\$ 437.0

Concentration of Credit Risk

Valley Water's investment policy regarding the amount that can be invested in any one issuer is stipulated by the California Government Code and Valley Water's investment policy, whichever is more restrictive. However, Valley Water is required to disclose investments that represent a concentration of five percent or more of investments in any one issuer, held by individual Valley Water Funds in the securities of issuers other than U.S. Treasury securities, mutual funds and external investments pools. At June 30, 2021, those investments consisted of the following (in millions):

Issuer	Investment Type	Reported Amount
Government-wide		
Federal Farm Credit Bank	U.S. Government Agency	\$ 112.6
Federal Home Loan Bank	U.S. Government Agency	100.1
Federal Home Loan Mortgage Corp.	U.S. Government Agency	61.0
Federal National Mortgage Association	U.S. Government Agency	65.2

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, Valley Water will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

**WATER UTILITY ENTERPRISE FUNDS OF
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Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Under California Government Code Section 53651, depending on specific types of eligible securities, a bank must deposit eligible securities posted as collateral with its Agent having a fair value of 105% to 150% of public agencies' cash on deposit. All of Valley Water's deposits are either insured by the Federal Depository Insurance Corporation (FDIC) or collateralized with pledged securities held in the trust department of the financial institutions but not in Valley Water's name.

Fair Value Measurement and Application

Valley Water measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as shown below:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs (other than quoted marked prices) using matrix pricing based on the securities relationship to benchmark quoted prices; and
- Level 3: Unobservable inputs (not applicable to Valley Water).

Shown below is a summary of the fair value hierarchy of Valley Water's investment at fair value on June 30, 2021 (in millions):

	<u>6/30/2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Uncategorized</u>
Investments by Fair Value Level				
U.S. Government Agencies	\$ 343.5	\$ 343.5	\$ -	\$ -
U.S. Treasury Obligations	32.3	32.3	-	-
Medium Term Notes	15.3	-	15.3	-
Mutual Funds	0.2	-	0.2	-
Supranational Obligations	15.2	-	15.2	-
Municipal Bonds	67.1	-	67.1	-
Negotiable Certificates of Deposit	0.5	-	0.5	-
Time Certificates of Deposit	195.0	-	195.0	-
Subtotal - Leveled Investments	<u>669.1</u>	<u>375.8</u>	<u>293.3</u>	<u>-</u>
Local Agency Investment Fund	142.1	-	-	142.1
Money Market Funds	33.7	-	-	33.7
Subtotal - Uncategorized	<u>175.8</u>	<u>-</u>	<u>-</u>	<u>175.8</u>
Total Investments	<u><u>\$ 844.9</u></u>	<u><u>\$ 375.8</u></u>	<u><u>\$ 293.3</u></u>	<u><u>\$ 175.8</u></u>

Deposits and withdrawals in the State Investment Pool are made on the basis of \$1 and are not using fair value. Accordingly, Valley Water's investments of \$74.1 million in LAIF at June 30, 2021 are classified as uncategorized input (not classified as Level 1, Level 2, or Level 3).

**WATER UTILITY ENTERPRISE FUNDS OF
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Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 4 - REIMBURSEMENT OF CAPITAL COSTS

The Funds derive certain revenues from reimbursements of capital costs by local, state, federal agencies and other outside sources. The following table is a summary of the reimbursements made during fiscal year 2021 (in millions):

Local Agencies:		<u>Amount</u>
San Benito County Water District	\$	0.4
State Agencies:		
Department of Water Resources		6.0
Total	\$	<u>6.4</u>

NOTE 5 - INVESTMENT INCOME

Valley Water earns interest income from the investment of cash. Generally accepted accounting principles, as discussed in GASB 31, require reporting investment at fair value in the financial statements. Because of this requirement, interest income earned from investing activity during the current fiscal year is adjusted upwards or downwards to reflect the change in fair value of investment.

The following represents the investment income as reported in the financial statements of the Funds, the current year GASB 31 fair value adjustment, and the unadjusted investment income at June 30, 2021 (in millions):

Investment Income as Reported	Current Year GASB 31 Fair Value Adjustment	Investment Income Before Adjustment
<u>\$ 1.6</u>	<u>\$ (2.5)</u>	<u>\$ 4.1</u>

**WATER UTILITY ENTERPRISE FUNDS OF
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Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 6 - CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2021 is as follows (in millions):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers / Reclassified</u>	<u>Ending Balance</u>
Nondepreciable capital assets:					
Land	20.0	-	-	-	20.0
Intangible - Easement	0.2	3.5	-	-	3.7
Construction in progress	493.8	102.3	-	(23.6)	572.5
Total nondepreciable capital assets	<u>514.0</u>	<u>105.8</u>	<u>-</u>	<u>(23.6)</u>	<u>596.2</u>
Depreciable capital assets:					
Contracted water rights	226.6	10.4	-	-	237.0
Buildings	97.2	-	-	0.6	97.8
Structures and improvements	939.5	-	-	23.0	962.5
Equipment	29.9	0.1	-	-	30.0
Total depreciable capital assets	<u>1,293.2</u>	<u>10.5</u>	<u>-</u>	<u>23.6</u>	<u>1,327.3</u>
Less accumulated depreciation and amortization					
Contracted water rights	(188.1)	(12.8)	-	-	(200.9)
Buildings	(12.3)	(2.3)	-	-	(14.6)
Structures and improvements	(315.8)	(15.9)	-	-	(331.7)
Equipment:	(24.7)	(1.3)	-	-	(26.0)
Total accumulated depreciation and amortization	<u>(540.9)</u>	<u>(32.3)</u>	<u>-</u>	<u>-</u>	<u>(573.2)</u>
Net depreciable capital assets	<u>752.3</u>	<u>(21.8)</u>	<u>-</u>	<u>23.6</u>	<u>754.1</u>
Total capital assets, net	<u>1,266.3</u>	<u>84.0</u>	<u>-</u>	<u>-</u>	<u>1,350.3</u>

New construction in progress amounted to \$102.3 million. There were 49 in progress and completed projects during the fiscal year, with the major projects listed below (in millions):

- \$32.8 – Rinconada Water Treatment Plant Reliability Improvement
- \$30.7 – Anderson Dam Seismic Retrofit
- \$16.5 – Pacheco Reservoir Expansion
- \$13.2 – 10-year Pipeline Rehabilitation
- \$ 2.3 – Coyote Pumping Plant
- \$ 1.8 – Indirect Potable Reuse
- \$ 1.6 – Water Utility Computer Network Modernization
- \$ 1.0 – Calero Dam Seismic Retrofit
- \$ 1.0 – Guadalupe Dam Seismic Retrofit
- \$ 1.0 – Calero-Guadalupe Dam Safety Seismic Stability

Depreciation and amortization expense for the fiscal year amounted to \$ 32.2 million.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 7 - SHORT-TERM AND LONG-TERM LIABILITIES

(a) Short-term debt

On December 17, 2002, the Valley Water Board authorized a commercial paper program, through the PFFC. The commercial paper program allows Valley Water to finance capital acquisitions while taking advantage of short-term rates, and Valley Water issues tax and revenue anticipation notes on an annual basis to secure the commercial paper program. This program is used in conjunction with issuing long-term liabilities to obtain the least expensive financing for Valley Water.

On January 13, 2015, the Valley Water Board took certain actions to support an increase in the commercial paper program to \$150.0 million. The proceeds of the commercial paper may be used for any Valley Water purposes, including but not limited to, capital expenditure, investment and reinvestment, and the discharge of any obligation or indebtedness of Valley Water.

On April 22, 2020, Valley Water issued \$17.7 million of Tax Exempt and \$25.0 million of Taxable commercial paper to reimburse Water Utility capital project costs incurred between May 2019 and February 2020. On June 25, 2020, Valley Water issued \$10.0 million of Taxable commercial paper to prefund Water Utility costs incurred in March 2020 and in the future.

On October 14, 2020, Valley Water closed on a debt issuance to finance capital improvement costs for the water utility system. A portion of the total debt proceeds consisting of \$216.0 million, plus \$20.0 million of original issue premium, were used to repay \$72.7 million of beginning commercial paper balance, leaving a remaining balance of \$30.0 million. The \$30.0 million commercial paper outstanding balance was issued through the PFFC for the benefit of the Safe, Clean Water program

Commercial paper activity for the year ended June 30, 2021 was as follows (in millions):

	<u>Authorized</u>	<u>Outstanding Amount</u>
Commercial Paper Program		
Beginning balance	\$ 150.0	\$ 102.7
Reductions	-	(72.7)
Ending balance	<u>\$ 150.0</u>	<u>\$ 30.0</u>

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

(b) Long-term liabilities

The long-term liabilities outstanding at the end of current fiscal year for the Funds consisted of the following (in millions):

<u>Type of indebtedness</u>	<u>Maturity</u>	<u>All-in True Interest Cost*</u>	<u>Authorized and Issued</u>	<u>June 30, 2021</u>	<u>Due Within One Year</u>
2006B Water revenue bond	2035	5.39%	\$ 25.6	\$ 16.5	\$ 0.9
2016A Water revenue bond	2046	3.25%	106.3	106.3	-
2016B Water revenue bond	2046	4.32%	75.2	75.2	-
2017A Water revenue bond	2037	3.13%	54.7	47.7	2.0
2019A Water revenue bond	2049	3.75%	15.2	14.8	0.4
2019B Water revenue bond	2049	3.81%	80.0	76.7	1.7
2019C Water revenue bond	2036	2.76%	38.3	35.1	2.1
2016C Water revenue COP bond	2029	2.13%	43.1	31.6	3.4
2016D Water revenue COP bond	2029	3.14%	55.0	40.0	4.4
2020A Water revenue bond	2050		24.1	24.1	
2020B Water revenue bond	2050		68.5	68.5	
2020C Water revenue COP bond	2041		41.8	41.8	1.7
2020D Water revenue COP bond	2041		81.6	81.6	3.2
Bond premium				54.1	2.4
Compensated absences				7.8	1.7
Net pension liability				110.3	-
Other post employment liability				25.8	-
Semitropic water banking agreement	2035		46.9	12.4	-
State revolving fund loan	2028		6,350	-	-
Total enterprise funds debt				<u>\$ 870.3</u>	<u>\$ 23.9</u>

* All-in true interest cost represents the total cost of a bond financing, taking account any accrued interest, original issue premium or discount and costs of issuance.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

The following is a summary of changes in long-term liabilities for the current fiscal year (in millions):

	Balance 7/1/2020	Additions	Reductions	Balance 6/30/2021	Due Within One Year
2006B Water revenue bonds	\$ 17.3	\$ -	\$ (0.8)	\$ 16.5	\$ 0.9
2016A Water revenue bonds	106.3	-	-	106.3	-
2016B Water revenue bonds	75.2	-	-	75.2	-
2016C Water revenue COP	34.9	-	(3.3)	31.6	3.4
2016D Water revenue COP	44.3	-	(4.3)	40.0	4.4
2017A Water revenue bonds	49.6	-	(1.9)	47.7	2.0
2019A Water revenue bonds	15.0	-	(0.2)	14.8	0.4
2019B Water revenue bonds	78.4	-	(1.7)	76.7	1.7
2019C Water revenue bonds	37.0	-	(1.9)	35.1	2.1
2020A Water revenue bonds	-	24.1	-	24.1	-
2020B Water revenue bonds	-	68.5	-	68.5	-
2020C Water revenue COP	-	41.8	0	41.8	1.7
2020D Water revenue COP	-	81.6	0	81.6	3.2
Premium on debt issuance	37.0	19.5	(2.4)	54.1	2.4
Compensated absences	6.3	4.9	(3.4)	7.8	1.7
Net pension liability (See Note 10)	100.6	9.7	-	110.3	-
Other post employment benefits (See Note 11)	25.7	0.1	-	25.8	-
Semitropic water banking agreement (See Note 15)	10.0	2.4	-	12.4	-
Total business-type activity long-term liabilities	<u>\$ 637.6</u>	<u>\$252.6</u>	<u>\$ (19.9)</u>	<u>\$ 870.3</u>	<u>\$ 23.9</u>

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

The aggregate maturities of long-term debt are as follows (in millions):

Description	Year Ending June 30	Principal	Interest and amortization
Bonds payable	2022	\$ 19.8	\$ 25.9
	2023	20.4	25.3
	2024	21.0	24.6
	2025	21.7	23.9
	2026	22.4	23.2
	2027 - 2031	125.0	102.7
	2032 - 2036	127.1	77.0
	2037 - 2041	112.1	52.1
	2042 - 2046	132.1	27.6
	2047 - 2051	58.3	5.1
Total bonds payable requirements		659.9	\$ 387.4
Compensated absence		7.8	
Premium		54.1	
OPEB		25.8	
Pension		110.3	
Semitropic water banking agreement		12.4	
Total outstanding non-current at June 30, 2021		\$ 870.3	

The following provides a brief description of the Funds' outstanding debt and long-term liabilities as of June 30, 2021:

2006B Water Utility System Refunding Revenue Bonds

In December 2006, Valley Water issued \$99.8 million of Water Utility System Refunding Revenue Bonds, Series 2006A and Taxable Series 2006B, pursuant to the Water Utility Senior System Master Resolution (94-58, as amended by 06-80). The proceeds of \$57.4 million of the 2006A and 2006B Bonds were used to refinance \$55.3 million of the remaining 2000A and 2000B and the proceeds of \$42.4 million of 2006A and 2006B were used to repay approximately \$40.9 million of commercial paper notes. In March 2016, Valley Water issued Series 2016A Water System Refunding Revenue Bonds to refund all 2006A outstanding principal.

2016A/B Water Systems Refunding Revenue Bonds

In March 2016, Valley Water issued \$181.5 million of Water Systems Refunding Revenue Bonds comprising of Series 2016A for \$106.3 million and Taxable Series B for \$75.2 million, pursuant to the Water Utility Parity System Master Resolution (16-10) approved by the Board in February 2016. Proceeds of the 2016A Revenue Bonds, along with the original issue premium, were used to refinance all the currently outstanding Water Utility System Refunding Revenue Bonds Series 2006A and repay \$73.0 million of outstanding tax-exempt commercial paper notes and costs of issuance. Proceeds of the 2016B Revenue Bonds were used to repay \$75.0 million of the balance of the outstanding taxable commercial paper notes and

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

costs of issuance. The obligation of Valley Water to pay principal and interest of the 2016A/B Water Systems Refunding Revenue Bonds is secured by a pledge of and lien on Valley Water's Water Utility System Revenues.

2017A Water System Refunding Revenue Bonds

In May 2017, Valley Water issued \$54.7 million of Water Systems Refunding Revenue Bonds to refund the \$64.8 million outstanding balance of the Water Utility System Revenue Certificates of Participation Series 2007A and pay costs of issuance of the 2017A Bonds. The obligation of Valley Water to pay principal and interest on the 2017A Bonds is secured by a pledge of and lien on Valley Water's Water Utility System Revenues and are payable from the Net Water Utility System Revenues pursuant to the Water Utility System Parity Master Resolution (16-10).

2019A/B Water Systems Refunding Revenue Bonds

In April 2019, Valley Water issued \$95.3 million of Water System Refunding Revenue Bonds to repay the outstanding Commercial Paper Certificates to free up capacity in Valley Water's commercial paper program to finance on-going capital costs and costs of issuance. The obligation of Valley Water to pay principal and interest on the 2019A/B Bonds is secured by a pledge of and lien on Water Utility System Revenues and are payable from the Net Water Utility System Revenues pursuant to the Parity Master Resolution (16-10).

2019C Water Utility Refunding Revenue Bonds

In November 2019, Valley Water issued \$38.3 million of Water System Refunding Revenue Bonds to refinance all the currently outstanding Water Utility Revenue Certifications of Participation Taxable Series 2007B and fund costs of issuance. The obligation of Valley Water to pay principal and interest on the 2019C Bonds is secured by a pledge of and lien on Water Utility System Revenues and are payable from the Net Water Utility System Revenues pursuant to the Parity Master Resolution (16-10).

2016C/D Water Utility Revenue Certificates of Participation

In March 2016, Valley Water issued \$98.0 million of Water Revenue Certificate of Participation, Series 2016C for \$43.4 million and Taxable Series 2016D for \$55.0 million, which were executed and delivered through the PFFC. Proceeds of the 2016C and 2016D COPs, along with the original issue premium will be used to finance capital construction projects in the Water Utility Enterprise and costs of issuance. The 2016C and 2016D COPs are payable from 2016 Installment Payments which are payable by Valley Water from and secured by a pledge and lien on water utility revenues pursuant to the Water Utility Parity System Master Resolution (16-10).

2020A/B Water Systems Refunding Revenue Bonds

In September 2020, Valley Water issued \$92.6 million of Water System Refunding Revenue Bonds comprised of Series 2020A for \$24.1 million and Taxable Series 2020B for \$68.5 million. Proceeds of the 2020A Revenue Bonds, along with the original issue premium, were

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

used to repay \$31.0 million of outstanding tax-exempt commercial paper notes and costs of issuance. Proceeds of the 2020B Revenue Bonds were used to repay \$68.3 million of outstanding taxable commercial paper notes and costs of issuance. The obligation of Valley Water to pay principal and interest of the 2020A/B Water Systems Refunding Revenue Bonds is secured by a pledge of and lien on Valley Water's Water Utility System Revenues and are payable from the Net Water Utility System Revenues pursuant to the Water Utility Parity System Master Resolution (16-10).

2020C/D Water Utility Revenue Certificates of Participation

In September 2020, Valley Water issued \$123.4 million of Water Utility Revenue Certificates of Participation, comprised of Series 2020C for \$41.8 million and Taxable Series 2020D for \$81.6 million, executed and delivered through the PFFC. Proceeds of the 2020C and 2020D COPs, along with the original issue premium, will be used to finance capital construction projects in the Water Utility Enterprise and costs of issuance. The 2020C and 2020D COPs are payable from 2020 Installment Payments which are payable by Valley Water from and secured by a pledge and lien on water utility revenues and are payable from the Net Water Utility System Revenues pursuant to the Water Utility Parity System Master Resolution (16-10).

Semitropic Water Banking Agreement

In December 1995, Valley Water entered into a water banking and exchange program with Semitropic Water Storage District and its Improvement Districts that entitles Valley Water to storage, withdrawal, and exchange rights for Valley Water's State Water Project supplies. Valley Water's share of the total program capital costs is \$46.9 million based on a 35 percent vesting in the program. Valley Water pays the program capital costs when storing and recovering water. At June 30, 2021, Valley Water has \$12.4 million outstanding liability related to water storage and banking rights. See Note 14c for further information on Valley Water's Semitropic water banking program.

Compensated Absences

Compensated absences are paid out of the general fund as an employee benefit expense in the year the expense is realized and are charged to the different funds as part of the direct benefit rate. The compensated absences liability for the year is recognized in Valley Water's various enterprise funds and on the governmental activities column in the statement of net position.

(c) Other Debt Related Information

Valley Water has adopted master resolutions with respect to its water utility and watershed utility which contain certain events of default and remedies as described therein. Valley Water has also issued various bonds, notes or other obligations secured by such master resolutions or other revenues of Valley Water and which contain certain events of default and remedies as described therein. Valley Water has also entered into various reimbursement agreements or other financial contracts which contain certain events of default and remedies as described therein. Certain of these master resolutions, bonds, notes and other obligations and

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

reimbursement agreement and other financial contracts contain provisions concerning the application of applicable Valley Water revenues if certain of the following conditions occur: default on debt service payments; the failure of Valley Water to observe or perform the conditions, covenants, or other agreement with respect thereto; bankruptcy filing by Valley Water; or if any court or competent jurisdiction shall assume custody or control of Valley Water, among other defaults. Certain of such master resolutions, bonds, notes and other obligations and reimbursement agreement and other financial contract contain acceleration provisions that allows a trustee, owners of bonds, notes or other obligations or the parties to such reimbursement agreements or other financial contracts to accelerate payments thereunder to the extent and as provided therein.

Resolutions and other financing agreements associated with Valley Water's and PFFC's bonds and certificates of participation contain a number of covenants, limitations, and restrictions. Valley Water believes it is in compliance with all significant covenants, limitations, and restrictions.

Financial obligations incurred under the commercial paper program, issued through the PFFC, currently include the obligations to reimburse the bank issuing direct pay letter of credit supporting the commercial paper program and to pay letter of credit fees to the bank. Valley Water's failure to comply with certain such obligations could result in an event of default. If an event of default occurs, the bank may exercise one or more rights and remedies. In addition to rights and remedies provided for under the law, the bank can declare all financial obligations with respect to such letter of credit to be immediately due and payable, cause the issuance of commercial paper to be temporarily ceased, or terminate the letter of credit which would cause the issuance of commercial paper to be permanently ceased. Commercial paper certificates are not subject to acceleration.

Valley Water has pledged future flood control system revenues to repay \$57.0 million in long-term debt outstanding as of June 30, 2021, that was issued to finance the cost of flood control improvements. The Certificates of Participation (COPs) are payable from installment payments that are secured by flood control system revenues and are payable through fiscal years 2024 (2012A) and 2030 (2017A). The total principal and interest remaining to be paid on the combined debt is \$69.2 million. A ten-year comparison of flood control system revenues to related debt service titled "Flood Control System Historical Operating Results – Combined Statements of Revenues and Debt Service Coverage – Last Ten Fiscal Years" can be found in Valley Water's Statistical Section.

Valley Water has also pledged water utility system revenues, net of specified maintenance and operating expenses, to repay \$659.8 million in long-term debt outstanding as of June 30, 2021, that was issued to finance the cost of capital construction projects for the water utility enterprise. The secured debt includes revenue bonds and COPs. The revenue bonds are payable from net water utility system revenues and the revenue COPs are payable from installments that are secured by net water utility system revenues. The long-term debt is payable through fiscal year 2049. Total principal outstanding and interest costs remaining to be paid on the combined debt is \$1,047.3 million.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 8 - PROPERTY TAXES AND BENEFIT ASSESSMENTS

The Funds derive certain revenues from the assessment of property tax parcel levies. The property tax levy is composed of two categories: (1) an allocation of the County of Santa Clara's 1 percent tax; and (2) voter approved levy to repay capital and operating costs related to imported water from the State Water Project.

Property tax revenues recorded for the year ended June 30, 2021 are as follow (in millions):

	<u>Amount</u>
Property taxes:	
1% tax allocation	\$ 8.9
Voter approved indebtedness:	
State Water Project Fund	21.3
Total property taxes	<u>\$ 30.2</u>

The County of Santa Clara (County) is responsible for the assessment, collection, and apportionment of property taxes for Valley Water. The amount of property tax levies is restricted by Article 13A of the California State Constitution (commonly referred to as Proposition 13). Valley Water is responsible for determining the amount of benefit assessment, special parcel tax, and State Water Project Debt Service. Secured property taxes and benefit assessments are each payable in equal installments, November 1 and February 1, and become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year. Property taxes on the unsecured roll are due on the March 1 lien date and become delinquent if still unpaid on August 31.

Valley Water has elected to participate in the "Teeter Plan" offered by the County whereby Valley Water receives 100 percent of secured property and supplemental property taxes levied in exchange for foregoing any interest and penalties collected on the related delinquent taxes.

NOTE 9 - NET POSITION

The Funds financial statements utilize a net position presentation. Net position is categorized as follows:

Net Investment in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net position – This category presents external restrictions imposed by creditors, grantors, contributors, laws, or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net position – This category represents net position of Valley Water, not restricted for any project or other purpose.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

The following table shows the breakdown of the Funds' net position at June 30, 2021 (in millions):

	Water Enterprise Fund	State Water Projects Fund	Total
Net investment in capital assets	\$ 610.3	\$ 14.2	\$ 624.5
Restricted Net Position			
San Felipe Emergency Reserve	3.3	-	3.3
GP5 reserve	9.7	-	9.7
Rate Stabilization	25.1	-	25.1
Advance Water Purification Center	1.3	-	1.3
Supplemental Water Supply Reserve	15.5	-	15.5
Drought Reserve	10.0	-	10.0
State Water Projects	-	13.6	13.6
Total restricted net position	<u>64.9</u>	<u>13.6</u>	<u>78.5</u>
Unrestricted Net Position			
Operating & Capital Contingencies	87.0	-	87.0
Water inventory	130.0	-	130.0
Currently Authorized Projects	85.3	-	85.3
Market Valuation	2.4	-	2.4
Encumbrances	125.5	-	125.5
Net Pension Liability	(76.5)	-	(76.5)
Net Other Post Employment Benefit Liability	(32.2)	-	(32.2)
Total unrestricted net position	<u>321.5</u>	<u>-</u>	<u>321.5</u>
Net Position	<u>\$ 996.7</u>	<u>\$ 27.8</u>	<u>\$ 1,024.5</u>

NOTE 10 - EMPLOYEES' RETIREMENT PLAN

Plan Description

All qualified permanent and probationary employees are eligible to participate in the agent multiple-employer defined benefit pension plan (the Plan) administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Valley Water's resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the California Public Employees' Retirement Law. Benefit provisions and all other requirements are established by State statutes and may be amended by Valley Water's governing board.

The Plan's provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Prior to	3/19/2012 to	On or after
Hire date	3/19/2012	12/31/2012	1/1/2013
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Minimum Retirement age	50	50	52
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.1% to 2.4%	1.0% to 2.5%
Required employee contribution rates	8.0% + 2.5%*	7.0% + 3.5%*	6.75% + 1.5%
Required employer contribution rates	10.911% plus \$3.0 million prepayment for prior unfunded service cost		

* Member additional contribution towards Valley Water's CalPERS cost per negotiated agreement with the bargaining units

Employees Covered – As of the most recent CalPERS annual valuation report, dated June 30, 2020, the following employees were covered by the benefit terms of the Plan:

Inactive employees or beneficiaries currently receiving	1,044
Active employees	752

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2021, contributions to the plan were \$31.6 million. Valley Water is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. All funds with payroll charges contribute to the actuarially determined contribution.

Net Pension Liability

Valley Water’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Reporting date	June 30, 2021
Actuarial cost method	Entry-age normal cost method
Discount rate	7.15%
Inflation ⁽¹⁾	2.625%
Salary increases	Varies by entry age and service
Investment rate of return ⁽²⁾	7.25%
Retirement age	Based on the 2017 CalPERS Experience Study for the period from 1997 to 2015
Mortality rate table ⁽³⁾	Derived using CalPERS’ membership data for all funds

⁽¹⁾ Inflation rate was adjusted from 2.75% to 2.625% in accordance with the CalPERS Experience Study.

⁽²⁾ Net of pension plan investment and administrative expenses; includes inflation

⁽³⁾ The mortality rate table was developed based on CalPERS’ specific data. The table includes 15 years of mortality improvements using Society of Actuarial Scale BB.

The Experience Study can be obtained at Cal PERS’ website under “Forms and Publications”.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Change in Assumptions

Inflation Rate

The inflation rate was 2.75% in fiscal year 2020 and decreased to 2.625% for fiscal year 2021.

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period (in millions):

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Beginning balance	\$ 863.5	\$ 628.6	\$ 234.9
Changes recognized for the measurement period:			
Service cost	17.0	-	17.0
Interest on total pension liability	61.6	-	61.6
Difference between expected and actual experience	10.7	-	10.7
Contributions - employer	-	29.8	(29.8)
Contributions - employees	-	7.6	(7.6)
Net investment income	-	31.6	(31.6)
Benefits payment, including refunds of employee contributions	(42.2)	(42.2)	-
Administrative expense	-	(1.0)	1.0
Net changes	47.1	25.8	21.3
Ending balance	\$ 910.6	\$ 654.4	\$ 256.2

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of Valley Water, calculated using the current discount rate, as well as what Valley Water's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate (in millions):

	Discount Rate		
	-1%	Current	+1%
Plan Net Pension Liability	\$ 374.5	\$ 256.2	\$ 157.8

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Pension Plan Fiduciary Net Position

Detailed information about Valley Water's pension plan fiduciary net position is available in separately issued CalPERS financial reports.

Pension Expenses and Deferred Outflow/Inflow of Resources

For the year ended June 30, 2021 (for measure period ended June 30, 2020), Valley Water recognized pension expense of \$10.7 million. As of June 30, 2021, Valley Water reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in millions):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflow of Resources</u>
Pension contribution subsequent to measurement date	\$ 31.6	\$ -
Changes in assumption	-	(2.3)
Differences between expected and actual experience	14.9	(0.3)
Net difference between projected and actual earnings on pension plan investments	5.0	
Total	<u><u>\$ 51.5</u></u>	<u><u>\$ (2.6)</u></u>

\$31.6 million is reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction from the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as shown in the succeeding table.

Measurement Periods	Deferred Outflows / (Inflows) of Resources
Ended June 30:	
2022	\$ 1.1
2023	7.3
2024	6.1
2025	2.8
2026	-
Thereafter	-
Total	<u><u>\$ 17.3</u></u>

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 11 - OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

Valley Water provides post-employment health care benefits, in accordance with negotiated memoranda of understanding with employee groups and adoption by the Board of Directors, for retired employees and/or their surviving spouses, and to certain employees who retire due to disability who meet the eligibility requirements and elect the option. Valley Water must be the employee's last CalPERS employer, and the retiree must be receiving a monthly CalPERS retirement pay.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Benefits Provided

	Hire/Retirement Date	Eligibility Rule (Years of Continuous Service)	District's Required Contribution
Classified Employee Association (AFSCME Local 101) – Engineers Society (IFPTE-Local 21) Professional Managers Association (IFPTE – Local 21)	Retired prior to July 1, 1988		Fixed amount of \$165 per month
	Retired from July 1, 1988 through June 30, 1990	10 years	100% medical premium for retiree
	Retired from July 1, 1990 or later and hired prior to December 31, 2006	10 years 15 years	100% medical premium for retiree 100% medical premium for retiree plus one eligible dependent
	Retired from July 1, 1990 or later and hired between December 31, 2006 and March 1, 2007	10 years 15 years	Retiree is covered for medical. Medical premium cost sharing is required with the same contribution percentage as active employees and based on medical premium applicable to active employees or retirees, whichever is less. Retiree plus one eligible dependent are covered for medical. Medical premium cost sharing is required with the same contribution percentage as active employees and based on medical premium applicable to active employees or retirees, whichever is less.
	Hired on or after March 1, 2007	15 years 20 years	Retiree is covered for medical. Medical premium cost sharing is required with the same contribution percentage as active employees and based on medical premium applicable to active employees or retirees, whichever is less. Retiree plus one eligible dependent are covered for medical. Medical premium cost sharing is required with the same contribution percentage as active employees and based on medical premium applicable to active employees or retirees, whichever is less.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

	Hire/Retirement Date	Eligibility Rule (Years of Continuous Service)	District's Required Contribution
<u>Unclassified</u> At Will	Hired on or after December 30, 2006 and prior to March 1, 2007	15 years (con't) 25 years	cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less. Medical, dental, and vision coverages are provided for retiree plus two or more eligible dependents. Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less.
	Hired on or after March 1, 2007	15 years 20 years	Retiree is covered for medical. Medical premium cost sharing is required with the same contribution percentage as active employees and based on medical premium applicable to active employees or retirees, whichever is less. Retiree plus one eligible dependent are covered for medical. Medical premium cost sharing is required with the same contribution percentage as active employees and based on medical premium applicable to active employees or retirees, whichever is less.

As of August 1, 2007, all current retirees not yet 65 years of age and Medicare eligible and all future retirees who are Medicare eligible must enroll themselves in Medicare when they reach the eligibility date for Medicare. Their Medicare eligible dependents who are enrolled in Valley Water's health plan must also enroll in Medicare upon their eligibility date. Valley Water reimburses the ongoing Medicare Part B cost incurred by the retiree and/or dependent payable quarterly.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

After an evaluation of the cost savings realized in implementing the Medicare enrollment plan since August 2007, Valley Water decided to expand the Medicare enrollment requirement to all retirees and their eligible dependents that are enrolled in Valley Water's medical plan. As of July 1, 2009, all Medicare eligible retirees and their eligible dependents were required to enroll in Medicare. Valley Water reimburses the Medicare Part B penalty charged by the Social Security Administration to the retirees/dependents due to late enrollment.

Valley Water provides the unclassified group of retirees \$50,000 life insurance upon retirement with a five-year phase out in declining increments of \$10,000 per year after retirement.

Employees Covered – As of the most recent OPEB annual valuation report, dated June 30, 2020, the following employees were covered by the benefit terms of the Plan:

Inactive employees or beneficiaries currently receiving	846
Active employees	752

Contributions

On June 24, 2008, Valley Water's Board of Directors adopted a resolution approving the agreement and election of Valley Water to prefund OPEB through CalPERS under its California Employer's Retiree Benefit Trust (CERBT) Program, an agent multiple-employer plan consisting of an aggregation of single-employer plans. On September 9, 2008, Valley Water joined CERBT. The Board of Directors approved the reallocation of \$17.7 million from its existing reserve for the initial prefunding of the unfunded liability for the first year of reporting. Subsequent years' funding, pursuant to the annual budget approved by the Board of Directors, was made at the beginning of each fiscal year through fiscal year 2017. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the California Employees' Retirement System, P. O. Box 942703, Sacramento, CA 94229-2703.

OPEB and its contribution requirements are established by memorandum of understanding with the applicable employee bargaining units and may be amended by agreements between Valley Water and the bargaining groups. For the fiscal year ended June 30, 2021, Valley Water's total contribution to the plan amounted to \$11.0 million. All funds with payroll charges contribute to the actuarially determined contribution.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Net OPEB Liability

Valley Water’s net OPEB liability was measured on June 30, 2020 for reporting date June 30, 2021. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019, based on the following actuarial methods and assumptions:

Discount Rate ⁽¹⁾	7.59%
Investment Rate of Return ⁽¹⁾	7.59%
Inflation	3.00%
Payroll Growth Rate	2.75%
Mortality Rate	Derived from the CalPERS study of Miscellaneous Public Agency experience
Pre-retirement Turnover ⁽²⁾	Derived from the CalPERS study of Miscellaneous Public Agency experience
Healthcare Trend Rate ⁽³⁾	Medical and Part B trend rate begin at 5.25% then taper to 4% by 2025/26; dental and vision are 3.0%

(1) The discount rate is the expected long-term rate of return on Valley Water assets using investment strategy #1 within the California Employers’ Retiree Benefit Trust.

(2) Net of OPEB plan investment expenses, including inflation.

(3) The mortality rate table was developed based on CalPERS’ nonindustrial miscellaneous public agency experience study for 14 years ending June 2011.

Discount Rate

The discount rate of 7.59% is the expected long-term rate of return on Valley Water assets using investment strategy #1 within the CERBT. The projected cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Changes in OPEB Liability

The following table shows the changes in net OPEB liability recognized over the measurement period (in millions):

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Beginning balance	\$ 172.7	\$ 114.0	\$ 58.7
Changes recognized for the measurement period:			
Service cost	2.5	-	2.5
Interest cost	12.8	-	12.8
Other liability experience loss/(gain)	0.2	-	0.2
Contributions	-	10.3	(10.3)
Benefits payment	(10.3)	(10.3)	-
Administrative expenses	-	(0.1)	0.1
Expected investment return	-	8.7	(8.7)
Investment experience (loss)/gain	-	(4.6)	4.6
Net changes	5.2	4.0	1.2
Ending balance	<u>\$ 177.9</u>	<u>\$ 118.0</u>	<u>\$ 59.9</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of Valley Water, calculated using the current discount rate, as well as what Valley Water's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate (in millions):

	Discount Rate		
	-1%	Current	+1%
Plan NetOPEB Liability	<u>\$ 80.3</u>	<u>\$ 59.9</u>	<u>\$ 42.7</u>

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of Valley Water, if it were calculated using health care cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current rate, for measurement period ended June 30, 2020 (in millions):

	Discount Rate		
	-1%	Current	+1%
Plan NetOPEB Liability	<u>\$ 41.3</u>	<u>\$ 59.9</u>	<u>\$ 82.0</u>

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

OPEB Plan Fiduciary Net Position

Detailed information about Valley Water’s OPEB plan fiduciary net position is available in separately issued CalPERS financial reports.

OPEB Expense and Deferred Outflow/Inflow of Resources

For the year ended June 30, 2021, Valley Water recognized OPEB credit expense of \$5.9 million. At fiscal year-end, Valley Water reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in millions):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contribution subsequent to measurement date	\$ 11.0	\$ -
Changes in assumption	-	(3.4)
Other liability experience loss / (gain)	0.1	(4.9)
Investment experience loss / (gain)	3.5	-
Total	<u><u>\$ 14.6</u></u>	<u><u>\$ (8.3)</u></u>

\$11.0 million is reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction from the net OPEB liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows (in millions):

	<u>Deferred Outflows / (Inflows) of Resources</u>
Year ending June 30:	
2022	\$ (2.1)
2023	(1.6)
2024	(1.4)
2025	0.4
2026	-
Thereafter	-
Total	<u><u>\$ (4.7)</u></u>

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

NOTE 12 - RISK MANAGEMENT

Valley Water is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Valley Water reports all of its risk management activities in its Risk Management Internal Service Fund.

Valley Water's self-insured retention (SIR) and deductibles and maximum coverage are as follows (in thousands):

<u>Coverage Descriptions</u>	Commercial Insurance <u>SIR</u>	<u>Coverage</u>
General liability	3,000	\$50,000
Workers' compensation	1,000	Statutory
Property damage (subject to policy sub-limits)	50	500,000
Fidelity (Crime) - Directors	5	1,000
Fidelity (Crime) – Non-Directors	10	2,000
Non-owned aircraft liability	-	5,000
Boiler and machinery	50	100,000
Cyber liability	50	10,000

Claims expenses and liabilities are reported for self-insured deductibles when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported, allocated and unallocated claims adjustment expenses and incremental claim expense. Claim liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. At June 30, 2021, the liability for self-insurance claims was \$6.6 million. This liability is Valley Water's best estimate based on available information. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

Changes in the reported liability since June 30, 2019 are as follows (in millions):

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

	General Liability	Workers Compensation	Total
Claims payable, June 2019	\$ 4.2	\$ 2.8	\$ 7.0
Current FY premiums incurred claims & changes in estimates	1.0	0.3	1.3
Claims payment (6721-6723)	(0.7)	(0.1)	(0.8)
Claims payable, June 2020	4.5	3.0	7.5
Current FY premiums incurred claims & changes in estimates	(0.4)	(0.3)	(0.7)
Claims payment (6721-6723)	-	(0.2)	(0.2)
Claims payable, June 2021	<u>\$ 4.1</u>	<u>\$ 2.5</u>	<u>\$ 6.6</u>
Current portion	<u>\$ 1.2</u>	<u>\$ 0.5</u>	<u>\$ 1.7</u>

NOTE 13 - TRANSFERS IN AND OUT BETWEEN VALLEY WATER

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) move debt proceeds held in the construction fund to the funds incurring the construction expense.

Transfers made during fiscal year 2021 are shown below (in millions):

<u>Fund Receiving Transfers</u>	<u>Fund Making Transfers</u>	<u>Amount</u>	<u>Description</u>
Water Enterprise Fund	COP Construction	67.6	Capital transfer
Water Enterprise Fund	Watershed and Stream Stewardship	0.3	Open space credit - 1% prop tx
Water Enterprise Fund	General Fund	0.3	Open space credit - 1% prop tx
Transfers in from District		<u>\$ 68.2</u>	
COP Construction	Water Enterprise Fund	(135.7)	Bond proceeds transfer
General Fund	Water Enterprise Fund	\$ (0.4)	SCW measure S election cost
General Fund	Water Enterprise Fund	(1.7)	COVID-19 reimbursement
Information Technology Fund	Water Enterprise Fund	(4.5)	IT capital projects
Transfers out to District		<u>\$ (142.3)</u>	

NOTE 14 - COMMITMENTS

(a) Contract and Purchase Commitments

As of June 30, 2021, the Funds have open purchase commitments of approximately \$131.9 million related to new or existing contracts and agreements. These encumbrances represent commitments of the Funds and do not represent actual expenses or liabilities.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

(b) San Felipe Project Water Deliveries

Valley Water has contracted with the United States of America through its Bureau of Reclamation for water deliveries from the Central Valley Project (CVP). The contract requires the District to operate and maintain Reach 1, Reach 2, and Reach 3 of the San Felipe Division facilities.

During fiscal year 2017, Valley Water began negotiating an amendment to this contract, which was subsequently executed on May 11, 2020. The amended contract provided for compliance with the Water Infrastructure Improvements for the Nation Act (WIIN Act) and converted it from a water service to a repayment contract. This conversion required that Valley Water repay by lump sum its remaining share of capital costs for the CVP except for those capital costs associated with the San Felipe Division facilities. Valley Water's share of capital costs for the San Felipe Divisions facilities are repaid through semi-annual payments according to an amortized schedule negotiated in a previous amendment to this contract, executed in 2007. The semi-annual payments are now approximately \$7.7 million. The conversion of Valley Water's contract, as well as the contracts for all CVP contractors that elected to convert their contract pursuant to the WIIN Act, is subject to legal challenge by several environmental groups, which allege violations of the National Environmental Policy Act and the federal Endangered Species Act.

The total commitment, including applicable interest, of the repayment contract was \$431.9 million. The remaining commitment as of June 30, 2021 was \$194.9 million.

(c) Participation Rights in Storage Facilities

In December 1995, Valley Water entered into a water banking and exchange program with Semitropic Water Storage District and its Improvement Districts that entitles Valley Water to storage, withdrawal, and exchange rights for Valley Water's State Water Project supplies. Valley Water's share of the total program capital costs is \$46.9 million based on a 35 percent participation level in the program. Valley Water pays the program capital costs when storing and recovering Tier 1 water. The agreement terminates in December 2035.

Upon withdrawal by Valley Water of all 135,965 acre-feet or remaining Tier 1 water stored, Valley Water would have paid its share of the total program costs. The 2021 rate to retrieve Tier 1 water is \$73.70 per acre-feet. During the first 10 years, Valley Water had a reservation to participate in 35% of the original Semitropic banking program. At the end of calendar year 2005, Valley Water made the necessary payments to secure the full 35% participation level in the program.

Valley Water currently has a storage allocation of 350,000 acre-feet. As of June 30, 2021, Valley Water has 321,974 acre-feet of water in storage. The participation rights are amortized using the straight-line method over the life of the agreement. Amortization of \$29.9 million has been recorded through fiscal year 2021.

Semitropic Water Storage District has reported elevated concentrations of 1, 2, 3 trichloro propane in some of its groundwater wells. There is currently insufficient information to conclude whether these detections could impact banking operations. Impacts could potentially

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

include higher pumping, recovery, and treatment costs and possibly impaired recovery of banked water supplies. Because the Semitropic water bank is located in Kern County, downstream of Valley Water, banked water must be returned by exchange with State Water Project water from the Delta. In critically dry years or in the event of a Delta disruption, there may be insufficient State Water Project supplies to facilitate withdrawal of supplies from the bank.

(d) Partnership Agreement Between Valley Water, the City of Palo Alto, and the City of Mountain View to Advance Resilient Water Reuse Programs in Santa Clara County

On December 10, 2019, the Board approved an agreement between Valley Water and its local partners, the City of Palo Alto and Mountain View, to further develop water supplies and infrastructure to meet the County's water supply needs. The three main parts of the agreement include: (1) funding a local salt removal facility, owned and operated by Palo Alto, to provide a higher quality of recycled water for irrigation and cooling towers, (2) an effluent transfer option to Valley Water for a regional purification facility (referred to as the "Regional Plant"), owned and operated by Valley Water, to provide advanced purified water for potable reuse, and (3) a water supply option for the cities of Palo Alto and Mountain View to request an additional supply if needed.

The financial impact to Valley Water includes funding the local salt removal facility in the amount of \$16.0 million, which may be sourced as a component of the Expedited Purified Water Program. Valley Water will also pay \$0.2 million per year, starting in year one to culminate in year thirteen, or at startup of the regional purification facility, whichever occurs first. Finally, Valley Water will pay \$1.0 million per year for the effluent once startup of the regional purification facility has been initiated. All three payments will escalate annually based on the factors outlined in the partnership agreement and would be paid for water charge related revenues. Timing of such payments is still to be determined.

NOTE 15 - CONTINGENCIES

(a) Litigation

It is normal for a public entity like Valley Water, with its size and activities, to be a defendant, co-defendant, or cross-defendant in court cases in which money damages are sought. Discussed below are all pending litigations that Valley Water is aware of which are significant and may have a potentially impact on the financial statements.

Great Oaks Water Company v. Santa Clara Valley Water District

In 2005, Great Oaks Water Company (hereinafter "Great Oaks") filed an administrative claim alleging that Valley Water's groundwater charges for 2005-06 violated the law and sought a partial refund. After its claim was deemed denied, Great Oaks filed a lawsuit alleging, among other things, that Valley Water's groundwater production charges violated Proposition 218 (which added Article XIID to the California Constitution), because proceeds are used to fund projects and services that benefit the general public, not just ratepayers (*Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court Case No. 2005-CV-053142; Cal. Court of Appeals Case Nos. HO35260 and HO35885; Cal. Supreme

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

Court No. S231846 (the "Great Oaks Case"). Great Oaks also alleged that the groundwater production charges violated the Law. Great Oaks demanded a partial refund as well as declaratory, injunctive and mandamus relief.

On February 3, 2010, the trial court issued a Judgment After Trial in the Great Oaks case, ruling that Valley Water owed Great Oaks a refund of groundwater charges of approximately \$4.6 million plus interest at 7% per annum. The award included pre-judgment interest of approximately \$1.3 million, and daily post-judgment interest as well. Valley Water appealed this decision to the California Court of Appeal for the Sixth Appellate District (the "Court of Appeal"). During the pendency of the appeal, in accordance with the requirements of GASB Statement No. 62, Valley Water recorded a liability in the amount of the judgment plus interest. After the favorable judgement by the Court of Appeal in 2015, discussed below, Valley Water reversed its prior total recorded liability in the aggregate amount of \$7.4 million in its audited financial statements for Fiscal Year 2017.

In 2015, the Court of Appeal reversed in full the judgment of the trial court. The Court of Appeal found that Valley Water's groundwater production charges did not violate Proposition 218 or the Law. Great Oaks petitioned the California Supreme Court to review the Court of Appeal's ruling, and the Supreme Court granted its petition. The case was placed on hold pending the California Supreme Court's decision in a similar case, *City of Buenaventura v. United Water Conservation District* ("UWCD"). In late 2017, the California Supreme Court issued its opinion in the UWCD case, finding that Proposition 218 does not apply to groundwater charges, but that Article XIII C of the California Constitution does apply. The Supreme Court vacated the Court of Appeal's decision and remanded the Great Oaks case for reconsideration in light of its UWCD opinion. On November 8, 2018, the Court of Appeal reaffirmed its 2015 decision. The Court of Appeal declined to consider Great Oaks' request to consider whether Valley Water's groundwater production charges violated Article XIII C of the California Constitution, as this cause of action had never been considered by the trial court. This case was remanded to the trial court for further proceedings in February 2019.

While the 2005 Great Oaks case was pending, Great Oaks filed additional annual claims and additional annual lawsuits challenging Valley Water's groundwater production charges for each year after 2005, continuing through the present. Great Oaks' subsequent, similar lawsuits were stayed pending resolution of its 2005 case. (Santa Clara Superior Court Case Nos. 2007-CV-087884; 2008-CV-119465; 2008-CV-123064; 2009-CV-146018; 2010-CV-178947; 2011-CV-205462; 2012- CV-228340; 2013-CV-249349; 2015-CV-281385; 2016-CV-292097; 2017-CV-308140; and 2018-CV-327641). In addition, in 2011 Shatto Corporation, Mike Rawitser Golf Shop, and Santa Teresa Golf Club filed a similar refund action, making similar claims (Santa Clara Superior Court Case No. 2011-CV-195879). Other water retailers including San Jose Water Company and the cities of Morgan Hill, Gilroy and Santa Clara, and the Los Altos Golf and Country Club and Stanford University, dispute Valley Water's groundwater charges and entered into tolling agreements with Valley Water pending the final decision in the Great Oaks Case. In 2019, Valley Water filed a collection action against Shatto Corporation for failure to pay groundwater charges from 2009 to 2014 and associated penalties and interest. Valley Water estimates that the amount due is approximately \$1.0 million. Shatto Corporation filed a cross-complaint, alleging that Valley Water's groundwater charges violate Article XIII C of the California Constitution (Santa Clara Superior Court Case No. 2019-CV-348413).

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Once the Great Oaks Case was remanded to the trial court in February 2019, the court lifted the stay over Great Oaks' subsequently filed cases, as well as the case brought by Shatto Corporation, and others. At the request of the trial court, in order to streamline resolution of the remaining issues this litigation and related litigation, the parties stipulated and agreed to the filing of a new, omnibus complaint. On June 12, 2020, the proposed omnibus "Master Complaint" of plaintiffs Great Oaks and Shatto Corporation was approved for filing and filed under Santa Clara Superior Court Case No. 2011-CV-205462. Great Oaks alleges that Valley Water's groundwater production charges violate Proposition 26, and that Valley Water does not levy or collect groundwater charges from agricultural pumpers but instead uses property taxes to pay these charges. On or about October 7, the District and Shatto Corporation entered into a settlement agreement by which both parties dismissed with prejudice all actions each had against the other. Shatto has paid Valley Water \$1.1 million.

The Great Oaks case will proceed to trial on written briefs in the Superior Court in and for Santa Clara County on June 13, 2022.

In the event that a court rules that Valley Water's groundwater production charges violate Proposition 26, such a ruling could materially impact Valley Water's rate revenue and finances.

Flooding in the City of San Jose

Following a series of storms, a flood event occurred on the Coyote Creek in San Jose, California on or about February 21, 2017. The Coyote Creek is approximately 42 miles long and is the longest creek in the County. In the southern portion of the County, Valley Water owns and maintains the Leroy Anderson Dam and Reservoir along the Coyote Creek near Morgan Hill, California. The Anderson Dam is upstream from the City of San Jose. After the reservoir reached capacity, water began going over the Anderson Dam spillway on February 18, 2017. The spillover volume peaked on the morning of February 21, 2017, increasing flows on Coyote Creek. Beginning on or about February 21, 2017, certain residential and non-residential areas of San Jose along Coyote Creek experienced flooding due to rising water levels in the creek. Thousands of residents were temporarily evacuated, and numerous properties experienced flood damage. Such flood water receded within a short period of time after February 21, 2017.

As of the date of this Official Statement, Valley Water has received 423 claims with respect to the flooding along Coyote Creek. Estimated damages are in excess of \$10.0 million; however, Valley Water cannot predict the final amount of any proven damages. Many of the claimants also sought recovery from the City of San Jose.

A number of claimants have filed lawsuits in Santa Clara County Superior Court against Valley Water and the City of San Jose alleging damage from the Coyote Creek flood event. (*White, et al. v. SCVWD, et al.* (lead case) Santa Clara Co. Superior Court, Case No. 18CV321600). Currently, 20 lawsuits have been filed and 19 are pending against Valley Water relating to the flood event (one case was dismissed). Valley Water is evaluating all of such claims and lawsuits and cannot predict the outcomes or financial impacts of these or any future claims and lawsuits with respect to the Coyote flood event. Valley Water intends to vigorously defend

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

any actions brought against it with respect to flood-related property damage caused by the flooding along Coyote Creek.

Of the 423 claims, 192 of the claimants have not filed an action in superior court. As to these 192 claims, Valley Water settled 162 of such claims in September 2019 at a total cost of approximately \$0.7 million.

The City of San Jose reached a settlement with the plaintiffs for \$750,000. On October 25, 2021, the court granted the City's application for a determination that the settlement was reached in good faith, effectively leaving Valley Water as the sole remaining defendant.

On October 27, 2021, Valley Water filed a motion for summary judgment as to the entire action, or in the alternative, summary adjudication as to each individual cause of action. This motion is scheduled to be heard on January 13, 2022. Trial on any remaining claims is scheduled for May 2, 2022.

On September 30, 2020, Pacific Gas & Electric Corporation filed a civil action against Valley Water claiming personal property damages as a result of flooding resulting from a series of storms occurring on or about February 21, 2017.

On or about June 14, 2018, San Jose Unified School District filed a civil action against Valley Water claiming property damages as a result of flooding resulting from a series of storms occurring on or about February 21, 2017 (*PG&E v. SCVWD*, Santa Clara Co. Superior Court, Case No. 20CV371349).

(b) Grants and Subventions

Valley Water has received federal and state grants for specific purposes that are subject to review and audit. Although such audits could result in expenditure disallowances under grant terms, any required reimbursements are not expected to be material.

(c) WIIN Act Central Valley Project Contract Conversions

On December 16, 2016, Congress enacted the Water Infrastructure Improvements for the Nation Act (WIIN Act). Under the WIIN Act, a Central Valley Project (CVP) contractor may request conversion of its multi-year term water service contract into a permanent repayment contract. In a water service contract, construction costs owed by the contractor are paid on a per acre-foot basis in proportion to its CVP water deliveries. However, in a repayment contract under the WIIN Act, construction costs are paid up front as a lump sum or three-year accelerated scheduled irrespective of water deliveries. By agreeing to prepay construction costs up front, the WIIN Act provides for a repayment contract that does not expire.

Under the terms of these contract conversions, the Bureau requires all contractors, including Valley Water, to file validation actions in Superior Court to establish conclusively that the new, converted contract is valid, and the contractor has the legal authority to enter into it.

Valley Water has converted two of its contracts with the Bureau of Reclamation (Valley Water's long-term CVP contract and its contract for water services assigned to it by Mercy

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Springs Water District). Valley Water filed validation actions as to both these contracts (actions confirming that Valley Water has the legal power and authority to enter into these contracts and has done so in accordance with applicable law), as required by the Bureau of Reclamation. Both validation actions have gone unchallenged. However, separately, the Centers for Biological Diversity and other plaintiffs have challenged the conversion of these contracts and contracts between the Bureau and other contractors. This action remains pending in the federal District Court for the Eastern District of California.

(d) California Drought

On May 10, 2021, the Governor of the State of California proclaimed a state of emergency due to severe drought conditions. To mitigate drought impacts to the Santa Clara County residents, Valley Water has spent resources mandating, and raising awareness of the need for, water use reductions, drought preparedness, increased resilience of our water supplies and systems, and ensuring that the potential impacts of drought on communities are anticipated and proactively addressed. Local water conservation will reduce Valley Water's water utility revenue.

(e) Rinconada Water Treatment Plant Reliability Improvement Project Contractor Claim

On March 10, 2020, contractor Balfour Beatty Infrastructure, Inc. (BBII) and the District entered into Amendment One to the construction contract. Pursuant to the Amendment, certain phases of the Project were removed from the Project scope and new completion dates and payment schedules were established for the remaining work.

BBII fully performed the Amendment One scope of work and Project acceptance by the Board was scheduled for November 10, 2020. At that time, the Board did not accept the work as complete and authorize recordation of the Notice of Completion. As a direct result of this inaction, on or about December 8, 2020, BBII filed a claim asserting the District had failed to make final payment of \$3 million upon Project completion (as required by the terms of Amendment One); failed to timely accept the Project as complete despite it being finished; and thereby delayed release of retention within 35 days of acceptance and recording Notice of Completion. BBII claims the District breached the contract and violated statutory requirements for timely retention release.

BBII alleges that the District's failure to accept the Project as complete and record a Notice of Completion resulted in BBII suffering damages and is due payment of the final Contract balance and retention, prompt payment penalties at two percent per month on the unpaid Contract balance, and damages arising from the District's failure to timely record a Notice of Completion after acceptance of the Project as required by law.

On January 12, 2021, the Board accepted the work as complete and directed the Clerk of the Board to submit the Notice of Completion for recording with the County of Santa Clara, Office of the Clerk/Recorder. Final payment and the contract retention sum were both remitted to BBII. The parties have had no discussions regarding resolving this Claim. The Board took no action on this Claim and no lawsuit has been filed.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

(f) Factors Affecting Water Supply

Litigation Affecting Water Imported through San Francisco-San Joaquin Bay-Delta

Valley Water's imported and local supplies are subject to regulatory restrictions pursuant to, among other laws, the federal Endangered Species Act ("ESA"), California Endangered Species Act ("CESA"), the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary Bay-Delta, and State Water Resources Control Board Decision D-1641. The listing of winter-run Chinook salmon in 1989 and delta smelt in 1993 resulted in pumping restrictions imposed on the State and federal water projects to protect these species. These pumping restrictions resulted in reduced deliveries from the SWP and CVP, compounding the shortages created by the on-going drought at the time. In 1993, the United States Environmental Protection Agency (the "EPA") also proposed to implement water quality standards for the Bay-Delta that would impose severe restrictions on the operation of the SWP and CVP. These circumstances led to the Bay-Delta Accord in 1994, in which the State and federal governments, along with urban, agricultural and environmental interests, agreed to an interim set of ESA protection measures coupled with water supply certainty. The Bay-Delta Accord laid the groundwork for the establishment of the CALFED Bay-Delta Program, which has been succeeded by a number of efforts, including the California Water Action Plan, the Delta Reform Act and Delta Plan, and the proposed Delta Conveyance Project to develop a long-term solution for conflicts in the Bay-Delta. However, there has been significant recent litigation concerning ESA and CESA issues and water moving through the Delta for export to contractors.

Various legal actions have been filed, and are anticipated to be filed, involving the conveyance of water through the Delta by DWR, via the SWP, and by USBR, via the CVP.

2019 Revised Federal Biological Opinions Litigation. In October 2019, the United States, acting through the National Marine Fisheries Service ("NMFS") and United States Fish and Wildlife Service ("FWS") issued revised Biological Opinions (BiOps) governing the joint operation of the CVP and SWP. The revised BiOps allow for the export of additional water south of the Delta during April and May in certain water years, as compared to the prior 2008-09 BiOps. The State of California and several environmental groups filed suit soon thereafter, alleging that this BiOp violated the ESA, Administrative Procedure Act ("APA"), and National Environmental Policy Act ("NEPA"). These cases have been consolidated in the United States District Court for the Eastern District of California.

Shortly after the Biden Administration took office, counsel for the United States requested to stay this litigation to allow the new administration to conduct a comprehensive review of joint project operations and ESA and other issues. On October 1, 2021, the United States formally re-initiated ESA consultations on joint project operations. The U.S. and California also recently filed a proposed "joint interim operations plan" for the CVP and SWP in water year 2022. In this plan, the U.S. would essentially operate the CVP in accordance with California's stricter Incidental Take Permit ("ITP") (issued in 2020 under the CESA, which contains Delta export restrictions not contained in the revised BiOps. The U.S. and California will likely seek a one year stay of this litigation while they try to work through ESA consultation and joint project operation issues.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

It is anticipated that the United States will, after ESA consultation and NEPA review (expected to last through late 2024) replace or further revise its 2019 BiOps, potentially with more export restrictions.

California Incidental Take Permit and SWP Long-Term Operations EIR Litigation. Prior to 2019, California operated the SWP under the CESA in accordance with the federal 2008-09 BiOps through the filing of a “consistency determination.” However, in 2018, California decided to conduct its own environmental review, and separate CESA review, of SWP operations. In November 2019, DWR issued its draft EIR for long-term operations of the SWP. The draft EIR found that the project would have no significant environmental impacts. However, the draft EIR also discussed several project alternatives, including “Alternative 2[b] - Proposed Project with Dedicated Water for Delta Outflow from SWP.” In December 2019, DWR applied to the California Department of Fish & Wildlife (“CDFW”) for an ITP under the CESA. Despite the draft EIR finding of no significant impact, in its ITP application, DWR described the project in terms closer to Alternative 2b than what it had originally proposed. On March 27, 2020, DWR certified its final EIR, which adopted “Refined Alternative 2b” as the approved project. On March 31, 2020, CDFW issued an ITP consistent with the final EIR. The ITP will limit exports in wetter years as compared to what is allowed under the 2019 revised BiOps, with potential reductions of up to 400,000 acre-feet in April and May. Although the ITP applies only to SWP operations, as noted above, it appears the U.S. may operate the CVP consistent with the ITP during its ESA reconsultation.

Several lawsuits were filed against the State challenging the EIR and ITP by State and federal water contractors and by environmental groups. Contractors allege that the State violated CEQA or CESA by: (a) changing the project description after the draft EIR and certifying new “Refined Alternative 2b” without adequate disclosure or public comment; and (b) failing to use the best available science and requiring unjustified fish avoidance and mitigation measures. Several SWP contractors also allege the State breached its SWP Water Supply Contract by limiting water exports without justification. Environmental groups allege that the ITP violates CEQA, CESA and/or the Delta Reform Act because it is not protective enough of threatened species. This litigation has been consolidated in Sacramento Superior Court, Case No. JCCP 5117 (CDWR Water Operations Cases), and the administrative record is still being finalized.

Bay-Delta Water Quality Control Plan Phase 1 Amendments Litigation. In late 2018, the SWRCB released its “Phase 1” amendments to the San Francisco Bay/Sacramento - San Joaquin Delta Estuary Bay-Delta Water Quality Control Plan (“Bay Delta WQCP”), which addressed water quality objectives on the Lower San Joaquin River, its tributaries, and the southern Delta. (Phase 2 amendments will focus on the Sacramento River, its tributaries and the northern and central Delta.) Among other things, the Phase I amendments require an adaptive 30% – 50% unimpaired flow requirement on all major tributaries to the San Joaquin River, including the Tuolumne River, from which the SFPUC Hetch-Hetchy system obtains its water supplies. The SWRCB announced that, in forthcoming Phase 2 amendments concerning the Sacramento River and the North and Central Delta, that it expects to impose a higher adaptive 45% – 65% unimpaired flow requirement. Approximately 24 entities filed suit against the SWRCB in 13 lawsuits concerning the Phase I Bay-Delta WQCP amendments. Such lawsuits have been consolidated in Sacramento Superior Court in Case No. JCCP 5013. Several water and irrigation districts, environmental groups, the cities of San Francisco and

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

Modesto, the United States, and one Indian tribe are plaintiffs/petitioners. Valley Water filed suit against the SWRCB but voluntarily dismissed its lawsuit on September 1, 2020.

Most public agency plaintiffs allege that the flow requirements are arbitrary and capricious, not based on the best available science, or are too restrictive of, or alter, water rights. Environmental groups allege they are not protective enough of threatened fish populations. The Phase 1 amendments could reduce water imported through Hetch Hetchy system into northern Santa Clara County, which could cause increased groundwater pumping. Also, anticipated Phase 2 amendments could cause a more direct reduction in Valley Water imported supplies. Valley Water and other contractors would prefer to use a comprehensive voluntary agreements (VAs) process applicable to all major Delta watershed water users, or water rights holders, to meet Delta outflow targets.

Delta Stewardship Council Delta Plan Litigation. The Delta Reform Act of 2009 (“DRA”) established co-equal goals of restoring the Bay-Delta ecosystem and increasing the reliability of Delta water supplies. The DRA also created the Delta Stewardship Council (“DSC”), which was charged with developing a plan that accomplishes these goals. In 2013, after the DSC released its Bay-Delta Plan, federal and state water contractors (including Valley Water), as well as several environmental groups, filed suit, alleging that the Plan violated the DRA because, among other things, its Regulation WR P1 provides that the DSC may reject any projects involving water moving through the Bay-Delta if local agencies do not demonstrate efforts to reduce local water demand, improve efficiency and/or increase local water supplies. Environmental groups alleged that the Plan violated the DRA because it did not set forth enforceable, quantified minimum water flows or other measurable objectives. The trial court rejected the contractors’ causes of action and agreed with the environmental groups, holding that the Plan violated the DRA because it did not set forth quantified water flow objectives or other measurable targets.

In 2020, the Court of Appeal issued an opinion rejecting the arguments of both contractors and environmental groups, holding that the Bay-Delta Plan does not violate the DRA. The Court of Appeal’s decision could impact contractors’ ability to participate in multi-year water transfers if a contractor is unable to demonstrate reduced reliance on imported Delta water to the satisfaction of the DSC – which may require even local retail water agencies to showing reduced reliance on imported water. However, the DRA exempts single-year water transfers.

Litigation Relating to Monterey Amendments to SWP Contract. In late 1994, SWP contractors and DWR entered into an agreement in Monterey to substantially amend the standard SWP contract. In 1995 the first of several CEQA lawsuits challenging the “Monterey Amendments” was filed after a SWP contractor prepared an EIR for these amendments. That case settled after DWR agreed to prepare a new EIR for the Monterey Amendments, which was named the “Monterey Plus” project. In 2010, DWR certified its final Monterey Plus EIR. Central Delta Water Agency and several NGOs filed suit against DWR thereafter (Sacr. Sup. Ct. Case No. 34-2010-80000561) (“*Central Delta I*”), alleging that the Monterey Plus EIR violated CEQA because it failed to provide an adequate description of the project and its impacts, failed to adequately analyze alternatives and mitigation measures, contained inadequate responses to public comments, and was not properly circulated. The plaintiffs also alleged that DWR’s CEQA findings were not supported by substantial evidence. A related lawsuit was filed, *Rosedale-Rio Bravo Water Storage District v. DWR* (Sacr. Sup. Ct.

WATER UTILITY ENTERPRISE FUNDS OF VALLEY WATER

Notes to Basic Financial Statements (Continued) For the Year Ended June 30, 2021

Case No. 34-2010-80000703), alleging only that the Monterey Plus EIR failed to adequately analyze the operations of the proposed Kern Water Bank). Finally, the Central Delta Water Agency filed a second, separate lawsuit challenging the validity of the transfer of the Kern Water Bank from the Kern County Water Agency to the Kern Water Bank Authority (Sac. Sup. Ct. Case No. 34-2010-80000719, "*Central Delta II*"). These three actions were ordered related and assigned to a Sacramento Superior Court judge. *Central Delta II* has been stayed pending resolution of *Central Delta I*.

In a decision in 2014 in *Central Delta I* and *Rosedale-Rio Bravo*, the court upheld the majority of the Monterey Plus EIR. However, the court found that the Monterey Plus EIR did not sufficiently analyze or address the operation of the Kern Water Bank and issued a writ for DWR to further analyze its operations and recertify the Monterey Plus EIR. The *Central Delta I* plaintiffs appealed the rejection the CEQA claims. The parties completed appellate court briefing in July of 2016. In 2021 the Court of Appeal upheld the trial court's decision and denied plaintiffs' request for rehearing. (Ct. of App. 3d. Dist. Case No. C078249). Plaintiffs may petition the Supreme Court to review this ruling.

As ordered by the trial court, DWR conducted further environmental review of the Kern Water Bank, and, in 2016, issued its revised EIR: "Monterey Plus — Kern Water Bank Development and Continued Use Operation." The Center for Food Safety and other NGOs (represented by *Central Delta I & II's* counsel) filed suit shortly thereafter, alleging various CEQA violations (*Center for Food Safety v. DWR*, Sac. Sup. Ct. Case No. Case No. 34-2016-800002469). The court denied all of plaintiffs' claims in an order and judgment in October 2017, and plaintiffs appealed. In 2021 the Court of Appeal upheld the trial court's decision in all respects and denied plaintiffs' request for rehearing (Ct. of App. 3d Dist. Case No. C086215). Plaintiffs may petition the Supreme Court to review this ruling.

DWR SWP Contract Long-Term Extension Validation Action & CEQA Actions. (Sac. Sup. Ct. Case No. 34-2018-00246183 and Nos. 34-2019-80003047 & 3053). DWR filed a validation action in Sacramento County Superior Court in 2018 to validate the legality of its approval of long-term extensions of all SWP water service contracts, including Valley Water's contract. A judgment in favor of DWR would provide that the matters contained therein are in conformity with applicable law and allow DWR to have the ability to issue and successfully market low-interest rate, long-term (30 year) SWP bonds.

In February 2019, Valley Water filed an answer supporting DWR's allegations, as did several other SWP contractors. However, several environmental groups and counties and districts filed answers or separate lawsuits opposing DWR's approval of the long-term extension, asserting that the approval violates CEQA, the Public Trust Doctrine or the DRA.

All cases were consolidated and assigned to Judge Culhane. The administrative record has been certified, and the parties have fully briefed and argued their positions. It is expected that the trial court will issue a ruling or rulings in these cases shortly.

Oroville Spillway Environmental Damage Cases. In response to record rainfall in early 2017, DWR's Oroville Dam filled and excess water ran down its spillway. A portion of the concrete spillway, however, broke apart, and sent water, concrete, and dirt and trees tumbling down into the Feather River. The District Attorney of Butte County (*People of State of CA v.*

**WATER UTILITY ENTERPRISE FUNDS OF
VALLEY WATER**

Notes to Basic Financial Statements (Continued)
For the Year Ended June 30, 2021

DWR) and other individuals and entities have filed suit for environmental damage or property damage resulting from the spillway failure. These cases have been consolidated in Sacramento Superior Court Case No. JCCP 4974. The Butte County District Attorney is seeking \$51 billion in damages (\$25k/day penalty + \$10/pound of spillway and materials discharged into river) under Cal. Fish & Game Code § 5650. Although Article 13(b) of the SWP contract provides that contractors are not liable for DWR's operation or maintenance of SWP structures or facilities before their turnouts, DWR maintains that ultimately, regardless of legal liability, all costs of the SWP system must be borne by SWP contractors rather than the general public, and thus DWR may bill contractors or raise SWP costs to recover expenditures related to this litigation (cost of litigation, settlements, damages awards/verdicts).

The trial court granted the State's motion for summary judgment on the D.A.'s section 5650 claim in the spring of 2021, finding that this statute does not authorize bringing a cause of action against the State. Plaintiffs have appealed this ruling to the Court of Appeal; appellate briefing has not yet started.

**Required
Supplementary
Information**

SANTA CLARA VALLEY WATER DISTRICT
Schedule of Changes In Net Pension Liability and Related Ratios
as of June 30, 2021
Last 10 Years*
(Dollars in Millions)

	2015	2016	2017	2018	2019	2020	2021
Total pension liability							
Service cost	\$ 14.3	\$ 13.7	\$ 13.8	\$ 15.7	\$ 16.0	\$ 16.5	\$ 17.0
Interest on total pension liability	46.3	48.8	51.1	53.1	54.9	58.4	61.6
Differences between expected and actual experience	-	(0.2)	(3.2)	(4.7)	(1.4)	13.3	10.7
Changes in assumptions	-	(12.0)	-	44.3	(8.1)	-	-
Benefit payments, including refunds of employee contributions	(25.0)	(27.8)	(30.4)	(32.5)	(35.3)	(38.4)	(42.2)
Net change in pension liability	35.6	22.5	31.3	75.9	26.1	49.8	47.1
Total pension liability, beginning	622.2	657.8	680.3	711.6	787.5	813.6	863.4
Total pension liability, ending (a)	<u>\$ 657.8</u>	<u>\$ 680.3</u>	<u>\$ 711.6</u>	<u>\$ 787.5</u>	<u>\$ 813.6</u>	<u>\$ 863.4</u>	<u>\$ 910.5</u>
Plan fiduciary net position							
Contributions - employer	\$ 13.8	\$ 15.2	\$ 17.0	\$ 19.0	\$ 20.1	\$ 26.6	\$ 29.8
Contributions - employee	9.0	6.2	6.6	6.6	7.0	7.6	7.6
Net investment income	75.7	11.5	2.8	56.5	47.2	39.3	31.6
Benefits payment	(25.0)	(27.8)	(30.4)	(32.5)	(35.3)	(38.4)	(42.2)
Administrative expenses	-	(0.6)	(0.3)	(0.7)	(0.9)	(0.4)	(1.0)
Other miscellaneous income/(expenses)	-	-	-	-	(1.6)	-	-
Net change in fiduciary net position	73.5	4.5	(4.3)	48.9	36.5	34.7	25.8
Plan fiduciary net position, beginning	434.7	508.2	512.7	508.4	557.3	593.8	628.5
Plan fiduciary net position, ending (b)	<u>\$ 508.2</u>	<u>\$ 512.7</u>	<u>\$ 508.4</u>	<u>\$ 557.3</u>	<u>\$ 593.8</u>	<u>\$ 628.5</u>	<u>\$ 654.3</u>
Net pension liability, ending (a - b)	<u>\$ 149.6</u>	<u>\$ 167.6</u>	<u>\$ 203.2</u>	<u>\$ 230.2</u>	<u>\$ 219.8</u>	<u>\$ 234.9</u>	<u>\$ 256.2</u>
Plan fiduciary net position as a percentage of total pension liability	77.26%	75.36%	71.44%	70.77%	72.98%	72.79%	71.86%
Covered payroll	\$ 77.9	\$ 78.0	\$ 79.6	\$ 84.1	\$ 88.5	\$ 92.1	\$ 97.3
Net pension liability as a percentage of covered payroll	192.04%	214.87%	255.28%	273.72%	248.36%	255.05%	263.31%
Discount rate	7.50%	7.65%	7.65%	7.15%	7.15%	7.15%	7.15%

* Fiscal year 2015 was the first year of GASB 68 implementation, therefore only 7 years are shown.

SANTA CLARA VALLEY WATER DISTRICT
Schedule of Employer Pension Contributions
June 30, 2021
Last 10 Years*
(Dollars in Millions)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially determined contribution	\$ 13.9	\$ 16.5	\$ 18.6	\$ 19.7	\$ 25.4	\$ 28.3	\$ 31.6
Contributions in relation to the actuarially determined contribution	(13.9)	(16.5)	(18.6)	(19.7)	(28.4)	(31.3)	(34.6)
Contribution Deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3.0)</u>	<u>\$ (3.0)</u>	<u>\$ (3.0)</u>
Covered payroll ⁽¹⁾	\$ 78.0	\$ 79.6	\$ 84.1	\$ 88.5	\$ 92.1	\$ 97.3	\$ 100.0
Contribution as a percentage of covered payroll	17.82%	20.73%	22.12%	22.26%	27.58%	29.09%	31.60%

⁽¹⁾ The covered payroll noted on this page is different from the covered payroll presented on the previous page as the previous page is payroll related to the net pension liability in the applicable measurement period.

The covered payroll for the current year is from the actuarial valuation study using a prior year measurement date, adjusted to the current year using a 2.75% increase.

* Fiscal year 2015 was the first year of GASB 68 implementation, therefore only 7 years are shown.

SANTA CLARA VALLEY WATER DISTRICT
Schedule of Changes In Net OPEB Liability and Related Ratios
as of June 30, 2021
Last 10 Years*
(Dollars in Millions)

	2018	2019	2020	2021
Total OPEB liability				
Service cost	\$ 2.9	\$ 2.9	\$ 2.6	\$ 2.5
Interest on total OPEB liability	12.0	12.5	12.9	12.8
Changes in assumptions	-	-	(5.5)	-
Benefit payments	(8.5)	(8.9)	(10.1)	(10.3)
Other liability experience loss / (gain)	-	-	(8.0)	0.2
Net change in OPEB liability	6.4	6.5	(8.1)	5.2
Total OPEB liability, beginning	167.8	174.3	180.8	172.7
Total OPEB liability, ending (a)	<u>\$ 174.2</u>	<u>\$ 180.8</u>	<u>\$ 172.7</u>	<u>\$ 177.9</u>
Plan fiduciary net position				
Contributions	\$ 11.5	\$ 11.9	\$ 10.1	\$ 10.3
Benefit payments	(8.5)	(8.9)	(10.1)	(10.3)
Expected investment income	6.2	7.1	7.7	8.7
Investment return - difference between expected and actual experience	2.9	0.8	(1.2)	(4.7)
Net change in fiduciary net position	12.1	10.9	6.5	4.0
Plan fiduciary net position, beginning	84.5	96.6	107.5	114.0
Plan fiduciary net position, ending (b)	<u>\$ 96.6</u>	<u>\$ 107.5</u>	<u>\$ 114.0</u>	<u>\$ 118.0</u>
Net OPEB liability, ending (a - b)	<u>\$ 77.6</u>	<u>\$ 73.3</u>	<u>\$ 58.7</u>	<u>\$ 59.9</u>
Plan fiduciary net position as a percentage of total OPEB liability	55.45%	59.46%	66.07%	66.33%
Covered payroll	\$ 84.1	\$ 88.5	\$ 92.1	\$ 97.3
Net OPEB liability as a percentage of covered payroll	92.27%	82.82%	63.74%	61.56%
Discount rate	7.28%	7.28%	7.28%	7.28%

* Fiscal year 2018 was the first year of GASB 75 implementation, therefore only 4 years are shown.

SANTA CLARA VALLEY WATER DISTRICT
Schedule of Employer Other Post Employment Benefit Contributions
June 30, 2021
Last 10 Years*
(Dollars in Millions)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially determined contribution	\$ 9.5	\$ 10.2	\$ 10.8	\$ 11.0
Contributions in relation to the actuarially determined contribution	<u>(12.5)</u>	<u>(10.2)</u>	<u>(10.8)</u>	<u>(11.0)</u>
Contribution Deficiency / (Excess)	<u>\$ (3.0)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll ⁽¹⁾	\$ 88.5	\$ 92.1	\$ 97.3	\$ 100.0
Contribution as a percentage of covered payroll	14.12%	11.07%	11.13%	11.00%

⁽¹⁾ The covered payroll noted on this page is different from the covered payroll presented on the previous page as the previous page is payroll related to the net OPEB liability in the applicable measurement period.

The covered payroll for the current year is from the actuarial valuation study using a prior year measurement date, adjusted to the current year using a 2.75% increase.

* Fiscal year 2018 was the first year of GASB 75 implementation, therefore only 4 years are shown.

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Other Information

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Valley Water District
San Jose, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Santa Clara Valley Water District (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated December 22, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of District’s internal control. Accordingly, we do not express an opinion on the effectiveness of District’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze + Associates

Pleasant Hill, California
July 8, 2022

**WATER UTILITY ENTERPRISE FUNDS
OF THE
SANTA CLARA VALLEY WATER DISTRICTS**

Schedule of Revenues and Expenses

(Budgetary Basis)

For the Year Ended June 30, 2021

(Dollars In millions)

	North County	South County	Total
Operating Revenues:			
Ground Water Charges	\$ 118.0	\$ 14.1	\$ 132.1
Treated Water Charges	154.9	-	154.9
Surface and recycled water charges	2.0	0.7	2.7
Operating Grants	4.0	-	4.0
Other	0.1	-	0.1
Total Operating revenues	279.0	14.8	293.8
Operating Expenses			
Sources of Supply	98.4	10.1	108.5
Water Treatment	43.6	0.5	44.1
Transmission and distribution:			
Raw Water	11.9	3.6	15.5
Treated Water	2.4	-	2.4
Administration and general	21.2	5.9	27.1
Capital Cost Recovery	(6.9)	6.9	-
Total Operating Expenses	170.6	27.0	197.6
Operating income (loss)	108.4	(12.2)	96.2
Nonoperating revenues (expenses):			
Property Taxes	27.5	2.7	30.2
Investment Income	1.6	-	1.6
Rental Income	0.1	-	0.1
Other	1.7	0.8	2.5
Interest and fiscal agent fees	(23.0)	-	(23.0)
Open Space Credit Transfer	(6.9)	6.9	-
Interest earned credit	(0.2)	0.2	-
Net Operating revenues	0.8	10.6	11.4
Change in Net Position	\$ 109.2	\$ (1.6)	\$ 107.6

Reconciliation to Statement of Revenues, Expenses and Changes in Net Position:

Income (Loss)	107.6
Depreciation and amortization expenses not budgeted	(32.3)
Capital contributions	6.4
Interfund transfers	(74.1)
Reconcile GAAP to budgetary basis for operating expenses	16.0
Change in net position per Statement of Revenues, Expenses, and Change in Net Position	23.6



Santa Clara Valley Water District

File No.: 22-1058

Agenda Date: 9/13/2022
Item No.: *4.2.

BOARD AGENDA MEMORANDUM

SUBJECT:

Board Committee Reports.

ATTACHMENTS:

- *Handout 4.2-A: 082222 EWRC Meeting Summary
- *Handout 4.2-B: 082422 Youth Commission Meeting Summary
- *Handout 4.3-C: 091422 D&I Meeting Agenda

File No.: 22-1058

Agenda Date: 9/13/2022
Item No.: *4.2.



MEMORANDUM
FC 14 (01-02-07)

TO: Board of Directors

FRO: Environmental and Water Resources Committee

SUBJECT: Environmental and Water Resources Committee Meeting Summary for August 22, 2022

DATE: September 13, 2022

This memorandum summarizes agenda items from the special meeting of the Environmental and Water Resources Committee held on August 22, 2022.

Attendees:

Committee members in attendance were: Loren Lewis (District 1), Charles Ice (District 2), Bob Levy (District 4), Mike Michitaka (District 5), Hon. Patrick S. Kwok and Jim Piazza (District 6), Tess Byler, Hon. Stephen A. Jordan, and Arthur M. Keller, Ph.D. (District 7).

Board members in attendance was: Director Linda J. LeZotte (Board Representative).

Staff members in attendance were: Lisa Bankosh, Rechelle Blank, John Bourgeois, Glenna Brambill, Justin Burks, Vincent Gin, Nick Mascarello, Brian Mendenhall, Metra Richert, Sunshine Ventura Julian, Jing Wu, Bhavani Yerrapotu, and Hannah Young.

Public in attendance were: Hon. Tara Martin-Milius, Director Richard P. Santos (Valley Water Board Member-District 3), and Charles Taylor.

AGENDA ITEM:

4.1 CLIMATE CHANGE ACTION PLAN – IMPLEMENTATION UPDATE AND ADAPTATION

Nick Mascarello reported on the following:

Summary from Meeting Agenda Memo:

The Climate Change Action Plan (CCAP), adopted by the Board of Directors in July 2021, guides Santa Clara Valley Water District's (Valley Water) response to climate change through the implementation of goals, strategies, and actions that address climate mitigation and adaptation. The Board also directed staff to develop a corresponding Implementation Program to provide specific direction to further reduce Valley Water's emissions, bolster climate resilience, and enhance emergency preparedness. Since adoption of the CCAP, staff has begun working on two key initiatives to enhance Valley Water's efforts to reduce its greenhouse gas emissions (GHGs) and track the implementation of adaptation-related CCAP actions.

Greenhouse Gas Reduction Plan

Climate change mitigation (emissions reduction) actions were prioritized in the CCAP using emissions savings, co-benefits, cost, and community feedback as criteria. Updating GHG accounting methodology and developing an agencywide GHG Reduction Plan were identified as high priorities for implementation. Staff have issued a task order under the Environmental Planning On-Call Services Contract to a team of environmental consultants to support these high priority tasks.

Our consultant partners will work with staff to expand Valley Water's emissions inventory to account for additional GHG sources, develop innovative measures to reduce GHG emissions, and ultimately provide a pathway to achieve net zero emissions in the GHG Reduction Plan. The GHG Reduction Plan will also include a review of GHG offset programs that Valley Water may utilize to offset emissions from large capital projects.

Prior to adoption, the GHG Reduction Plan will undergo environmental review pursuant to the requirements of the California Environmental Quality Act (CEQA). Adoption of a corresponding CEQA document will enable Valley

Water to streamline analysis of GHG emissions for future projects that demonstrate compliance with the GHG Reduction Plan.

Adaptation Action Tracking Metrics

CCAP's goals that relate to climate adaptation consist of Goal 4 (Water Supply Adaptation), Goal 5 (Flood Protection Adaptation), and Goal 6 (Ecosystem Adaptation). Each goal is associated with numerous strategies and actions established to work towards the corresponding goal. Staff followed a prioritization methodology that assessed actions based on costs, co-benefits, risk of impact, effectiveness, and stakeholder feedback. Actions were grouped into low, medium, and high priority groups based on the results of the prioritization.

Staff are now developing metrics and targets to track the implementation of high priority actions for Goals 4, 5, and 6. Actions have been grouped together into several types that correspond to the scope of the action (e.g., local supply, flood risk reduction, habitat connectivity).

Metrics and associated targets are being developed to align with each action type. Subject matter experts have been convened to provide input on appropriate metrics and targets that staff can use to assess the progress of CCAP implementation over time. Input will be requested from the Environmental and Water Resources Committee (EWRC) on selected metrics. Staff will present an overview of the actions, types, and draft metrics, followed by a roundtable discussion with committee members to provide feedback.

Next Steps

Staff will continue work on the GHG Reduction Plan and Adaptation Action Tracking Metrics by completing the following tasks:

- Complete GHG inventory, forecast and emission reduction target setting in collaboration with consultant
- Develop GHG reduction measures to achieve the emission reduction targets
- Prepare GHG Reduction Plan and CEQA document
- Incorporate EWRC feedback into adaptation action metrics and targets
- Finalize metrics and targets for Goals 4-6
- Develop metrics and targets for Goal 7 (Emergency Preparedness)

The Environmental and Water Resources Committee discussed the following: the service area, community input, goals to convert to electric, recognition to procurement emissions, inventory baseline, rolling plan, greenhouse gas goals, state level policy, tracking indirect gasses, purchasing water, costs, lead indicators, other action plans, collaboration with other agencies, key performance indicators (KPI's), metrics, acre-feet, creeks, number of parcels, zoning rules, policy changes, setbacks, codes, flooding, data collection, riparian corridors, and ecosystems.

Brian Mendenhall, John Bourgeois, and Lisa Bankosh were available to answer questions.

The Environmental and Water Resources Committee took no action.

4.2 SOUTH SAN FRANCISCO BAY SHORELINE PHASE II FEASIBILITY STUDY UPDATE

Sunshine Ventura Julian reported on the following:

Summary from Meeting Agenda Memo:

Staff plans to provide the Committee information about the Shoreline Phase II Feasibility Study (Study).

This Study is a partnership with the U.S. Army Corps of Engineers (USACE), California State Coastal Conservancy, and regional stakeholders to provide tidal flood protection, restore and enhance tidal marsh and related habitats, and provide recreational and public access opportunities.

The Study focuses on Economic Impact Areas 1-4, from San Francisquito Creek in Palo Alto to the Charleston Slough/Permanente Creek in Mountain View.

The Environmental and Water Resources Committee discussed the following: next study to be released, the project partners, drought, groundwater levels, and subsidence.

Bhavani Yerrapotu was available to answer questions.

The Environmental and Water Resources Committee took no action.

The next regularly scheduled meeting is Monday, October 17, 2022.

If you have any questions or concerns, you may contact me at, gbrambill@valleywater.org or 1.408.630.2408.

Thank you.

Glenna Brambill, Management Analyst II,
Board Committee Liaison
Office of the Clerk of the Board

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MEMORANDUM
FC 14 (01-02-07)

TO: Board of Directors
FRO: Santa Clara Valley Water District Youth Commission Meeting
SUBJECT: Santa Clara Valley Water District Youth Commission Meeting Summary for August 24, 2022
DATE: September 13, 2022

This memorandum summarizes agenda items from the regular meeting of the Santa Clara Valley Water District Youth Commission (Youth Commission) held on August 24, 2022.

Attendees:

Youth Commission Members in attendance were: Ana Torrico, Eileen Tran, and Joshua Wei (District 1), Emma Gao and Danica Kubota (District 2), Anika Kulkarni, Vaibhavi Kulkarni, and Ivan Zhang, (District 3), Agata Bak and Sairama Nisitha Kakulapati (District 4), Pramath Doddaballapur, Daniel Shih, and Daphne Zhu (District 5), Nilansh Dey Ghosh, Jonathan Lopez, and Nancy Malu Romero Ordoñez, (District 6), Maitreya Banerjee, Oded Bronicki, and Patrick Van Kerckhove (District 7).

Valley Water Staff in attendance were: Glenna Brambill, Andrew (Andy) Gschwind, Janet Hedley, Nick Ingram, Robert Marmito, Clarissa Sangalang, Sherilyn Tran, and Kristen Yasukawa.

3. WELCOME

Andrew (Andy) Gschwind welcomed the Youth Commissioners and some of the expectations for the upcoming meetings.

4. OATH OF OFFICE

Glenna Brambill administered the Oath of Office to 13 Youth Commissioners: Ana Torrico, Eileen Tran, and Joshua Wei (District 1), Emma Gao and Danica Kubota (District 2), Ivan Zhang, (District 3), Agata Bak and Sairama Nisitha Kakulapati (District 4), Daphne Zhu (District 5), Jonathan Lopez, and Nancy Malu Romero Ordoñez, (District 6), Maitreya Banerjee and Patrick Van Kerckhove (District 7).

5. INTRODUCTIONS

5A. VALLEY WATER STAFF introduced themselves with title and unit: Sherilyn Tran, Kirsten Yasukawa, Nick Ingram, Robert Marmito, Glenna Brambill, Clarissa Sangalang, Andy Gschwind.

5B. YOUTH COMMISSIONERS introduced themselves with name, district they represent and school they attend: Ana Torrico, Eileen Tran, and Joshua Wei (District 1), Emma Gao and Danica Kubota (District 2), Anika Kulkarni, Vaibhavi Kulkarni, and Ivan Zhang, (District 3), Agata Bak and Sairama Nisitha Kakulapati (District 4), Pramath Doddaballapur, Daniel Shih, and Daphne Zhu (District 5), Nilansh "Neil" Dey Ghosh, Jonathan Lopez, and Nancy Malu Romero Ordoñez (District 6), Maitreya Banerjee, Oded Bronicki, and Patrick Van Kerckhove (District 7).

5C. INTERACTIVE ACTIVITY: The Youth Commissioners took a group photo with the "Let's Say Yes To Saving Water", Banner.



6. MANAGER'S REPORT

Sherilyn Tran reported on the upcoming Youth Commission Retreat tentatively scheduled October 15th. It will be in-person from 9:00 a.m. to 3:00 p.m. with a day filled with hands on experience, at the Don Edwards San Francisco Bay National Wildlife Refuge Environmental Education Center, learning about the Working Groups' purpose, who the leaders are, also looking at the work plan, and taking a tour of the Silicon Valley Water Advanced Purification Center.

7. ELECTION OF CHAIR AND VICE CHAIR

The Youth Commission elected Anika Kulkarni as the 2022-2023 Chair and Vaibhavi Kulkarni as the 2022-2023 Vice Chair.

9. ACTION ITEMS

9.1 UPDATE FROM SANTA CLARA VALLEY WATER DISTRICT YOUTH COMMISSION'S WORKING GROUPS

Chair Anika Kulkarni and Sherilyn Tran reviewed the following, with reports from the below Youth Commissioners:

Summary from the Agenda Memo:

At the November 2018 meeting, the Santa Clara Valley Water District Youth Commission (Commission) approved three working groups to work on issues and policies that the Commission has on their work plan and calendar for this year.

This will be a standing agenda item.

BACKGROUND:

The District Act provides for the creation of advisory boards, committees, or commissions by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Board Committees, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Board Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Board's Committees may help the Board produce the link between the District and the public through information sharing to the communities they represent.

The Youth Commission reported on the following Working Groups' activities:

Youth Citizen Science Network Working Group (YCSNWG):

Vaibhavi Kulkarni reported the drought awareness campaign, saving water, youth toolkit, social media posts, phase 2 of the campaign, more information can be seen on the youth commission web page. There is still time to take pictures for the campaign.

Public Art Working Group (PAWG):

Oded Bronicki reported on the progress of the pilot mural project, on July 23rd was a fun paint day joined by 6 water ambassadors, directors, and members of the public. The artist Paul J. Gonzalez will be finishing the mural. Information can be seen on the youth commission web page.

Creek Stewardship Working Group (CSWG):

Nick Ingram thanked the youth commissioners that participated for the May 21, 2022, River Clean Up Day, Director Hsueh, Water Ambassadors, and members of the public that joined. September 17, 2022, Coastal Clean-up Day is coming up please help to spread the word!

Job Shadow/Mentoring Working Group (JSMWG):

Sherilyn Tran reported on February 2022's Job Shadow Day (JSD), and planning for the 2023 JSD will begin shortly after the Retreat. Proposed JSD is February 23, 2023.

The Santa Clara Valley Water District Youth Commission took no action.

The next scheduled meeting is scheduled for November 16, 2022.

If you have any questions or concerns, you may contact me at, gbrambill@valleywater.org or 1.408.630.2408.

Thank you.

Glenna Brambill, Management Analyst II,
Board Committee Liaison
Office of the Clerk of the Board

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Santa Clara Valley Water District Diversity & Inclusion Ad Hoc Committee Meeting

Join Zoom Meeting:
<https://valleywater.zoom.us/j/93111833352>

Headquarter Building Boardroom
5700 Almaden Expressway
San Jose, CA 95118

REGULAR MEETING AGENDA

Thursday, October 27, 2022
2:00 PM

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

BOARD COMMITTEE MEMBERS:

Committee Chair:
Director Tony Estremera, District 6

Committee Vice Chair:
Director Nai Hsueh, District 5

Director John L. Varela, District 1

During the COVID-19 restrictions, all public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available to the public through the legislative body agenda web page at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

COMMITTEE LIAISON:
Marta Lugo

COMMITTEE CLERK:
Eva Marie Sans
Assistant Deputy Clerk II
408-630-2306
esans@valleywater.org
www.valleywater.org

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Diversity & Inclusion Ad Hoc Committee**

**REGULAR MEETING
AGENDA**

Thursday, October 27, 2022

2:00 PM

Join Zoom Meeting:
<https://valleywater.zoom.us/j/93111833352>

HQ Boardroom
5700 Almaden Expressway
San Jose, CA 95138

*****IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS*****

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as a “hybrid” meetings, conducted in-person as well as by telecommunication, and is compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while still maintaining transparency and public access, members of the public have an option to participate by teleconference/video conference or attend in-person. To observe and participate in the meeting by teleconference/video conference, please see the meeting link located at the top of the agenda. If attending in-person, you are required to comply with Ordinance 22-03 - AN ORDINANCE OF THE SANTA CLARA VALLEY WATER DISTRICT SPECIFYING RULES OF DECORUM FOR PARTICIPATION IN BOARD AND COMMITTEE MEETINGS located at <https://s3.us-west-2.amazonaws.com/valleywater.org.if-us-west-2/f2-live/s3fs-public/Ord.pdf>

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the “Raise Hand” tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board’s office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water’s bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such

statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:

<https://valleywater.zoom.us/j/99518153521>

Meeting ID: 99518153521

Join by Phone:

1 (669) 900-9128, 99518153521#

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

Notice to the Public: Members of the public who wish to address the Committee on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.

3. TOUR ITINERARY AND MAP:

3.1. Confirmation of Tour Itinerary and Map.

[22-1017](#)

Attachments: [Attachment 1: Tour Itinerary and Map](#)

4. ADJOURN:

4.1. Adjourn to Tour and Regular Meeting at 12:00 p.m. on Wednesday, September 28, 2022.

5. **TOUR BEGINS: Note that the tour will not be accessible via Zoom.**



Santa Clara Valley Water District

File No.: 22-1078

Agenda Date: 9/14/2022
Item No.: *9.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

CEO and Chiefs' Report.

ATTACHMENTS:

*Handout 9.1-A: Communications Activities

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SUMMARY FOR AUGUST 2022

Office of Communications Activities



VALLEY WATER NIGHT



From left to right: Shilpa Jain, Belen Avalos, Kathy Nguyen, Rick Callender, Nadia Webster, and Fidel Gonzalez (H2Cool) at Valley Water Night.

On Aug. 19 Valley Water hosted its third Valley Water Night at the San Jose Giants ballpark. The event was held to thank Valley Water employees and volunteers for their dedication to the mission of Valley Water throughout the year. Valley Water's newly designed baseball hats were provided to Valley Water game attendees. Some 500 Valley Water employees and volunteers enjoyed the game which included a ceremonial first pitch by CEO Rick Callender. The night at the ballpark concluded with a spectacular fireworks show.

DROUGHT AND CONSERVATION OUTREACH



Updated image of the Say YES campaign group shot.

In August, an updated multilingual Say YES to Saving Water campaign started running on VTA buses, audio and video streaming platforms, and digital and social media. Installation of the Say YES to Saving Water banners at Valley Water campus and facilities throughout Santa Clara County also began. Valley Water's vehicle fleet now features water conservation signage. Say YES ads and news integrations have launched on New Tang Dynasty Television and a 30-second

Say YES to Saving Water video in Vietnamese was posted on social media.

An animation featuring H2Cool highlighting Valley Water's outdoor water survey was shared on social media.

SAY YES AND CII BAN RETAILER PARTNERSHIPS

Through partnerships with the cities of Palo Alto and Santa Clara, Say YES to Saving Water banners will be displayed on main thoroughfares and public buildings. Staff is also providing materials to inspectors with the cities of Sunnyvale and Mountain View to help spread water savings messages to restaurants and hotels.

TREE CARE DURING DROUGHT

A board column from Director Keegan on keeping trees healthy during a drought was placed on San Jose Inside and a video explaining the do's and don'ts of proper tree care amid drought conditions was shared on social media.

MEDIA, COMMUNICATIONS, AND SOCIAL MEDIA

Valley Water received 896 media mentions in August.

Staff responded to media inquiries on the following topics:

- Water Summit 2022
- Potential megaflooding due to climate change
- Reaction to Gov. Newsom's Water Supply Strategy announcement
- Landscape Rebate Program
- Homeowner negotiations as part of the Anderson Dam Seismic Retrofit Project
- Pacheco Reservoir Expansion Project

Staff published an updated Pacheco Reservoir Expansion Project video on Valley Water's YouTube channel and it was also shared during a presentation at the Water Summit 2022.

Staff wrote and posted four stories and board columns on valleywaternews.org on the following subjects:

- Santa Clara County inches closer to 15% water use reduction goal.
- Santa Clara County Medical Association endorses Valley Water's Purified Water Project.
- Valley Water hosts a paint day to kick off the Pilot Mural Art Project.
- Water-efficient construction play an important part in conservation.

continued on back →

On Valley Water social media platforms, staff shared a graphic showing Santa Clara County's water use throughout 2022 compared to 2019. The post encouraged residents to continue saving as we experience a positive trend in conservation. To promote our Landscape Rebate Program, a third video featuring a resident's success story was shared on Facebook and YouTube, along with positive local news articles featuring recipients of our rebate program to transform their yards.

Staff prepared Nextdoor messages for board members on the following topics:

- Temporary Westbound closure of W. Luchessa Ave. between Thomas Rd. and Cimino St.
- Input needed on the Upper Berryessa Creek Floodplain Management Plan.
- Valley Water to begin pipeline repairs in your neighborhood.
- Input needed on the Upper Berryessa Creek Floodplain Management Plan.
- Hale Creek Enhancement Project continues.
- Join us for Coastal Cleanup Day!
- Valley Water hosts a paint day to kick off the Pilot Mural Art Project.
- Save The Date: Join Valley Water and Silicon Valley, state and federal leaders at Water Summit 2022 on Aug. 26.
- Save the date: Aug. 6 for the Upper Guadalupe River Flood Protection Project meeting.

Statistics for Facebook, Twitter, valleywaternews.org blog, video, and eNews are below. Impressions are the number of times a post is displayed in a newsfeed, Twitter stream, etc. Engagement is the number of times a user interacts with a post, such as a retweet, click, and more.

<p>f</p> <p>4,442,731 impressions 42,355 engagements 7,182 message clicks</p>	<p>t</p> <p>10,999 impressions 472 engagements 67 link clicks</p>	<p>Valleywaternews Blog</p> <p>7,588 views 4,817 visitors</p>
<p>v</p> <p>499,922 video views 16 videos posted</p>	<p>i</p> <p>2,169,655 impressions 752 engagements</p>	<p>August e-Newsletter</p> <p>49% open rate 3% click through rate</p>

INTERNAL COMMUNICATIONS

In August, staff sent 17 All User emails, including CEO and COVID-19 response messages; posted 36 employee news items to the Aqua intranet; updated the Employee News monitors in the HQ and Admin cafeterias and Crest hallway; and created and sent the twice-weekly News You Can Use, each Tuesday and Thursday.

COMMUNITY OUTREACH

The Speakers Bureau Program held six presentations in August. Director LeZotte presented to the Campbell Chamber of Commerce on August 17. Director Kremen delivered a drought presentation to the Adobe Meadows

Neighborhood Association on August 28. Chair Pro Tem Varela rounded out the month's efforts with a presentation to the Rotary Club of Gilroy on August 30. Staff-led presentations were provided throughout the month to the Almaden Valley-Willow Glen Rotary Club on August 4, the Almaden Super Lions on August 10, and the Los Altos Garden Club on August 23.



Chair Pro Tem Varela presenting during an August Speakers Bureau event.

Valley Water hosted a hybrid public meeting on the Upper Guadalupe Flood Protection Project in collaboration with the U.S. Army Corps of Engineers on Saturday, August 6 at the Alma Community Center in San Jose. While live-streaming on Facebook, staff provided an in-person project status update, responded to participant questions and gathered community feedback.

GRAPHICS SERVICES

Staff completed a total of 100 graphic case requests.

	24 drought/water conservation materials		20 mailers, event and outreach materials
	12 publications		11 Water Summit materials
	10 digital graphics		9 internal materials
	6 PowerPoint presentations		5 Coastal Cleanup day materials
	2 public notice and newspaper advertisements		1 sign



2022 Water Summit slide deck templates.

UPCOMING EVENT

OCT
19

Coyote Creek Perc Dam Replacement Project public meeting

Southside Community Center
6:30-8:00 p.m.