

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

Chief Executive Officer Bulletin

Week of May 4 - 10, 2018

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.

Page	IN THIS ISSUE
1	District to Support Feasibility Evaluation of Pumped-Storage Hydroelectric System at Anderson and Coyote Reservoirs
2	Report of the Public-Private Partnership (P3) Proposed Shortlist (4-24-2018) for the Request for Qualifications (RFQ) on the P3 Purified Water Program

District to Support Feasibility Evaluation of Pumped-Storage Hydroelectric System at Anderson and Coyote Reservoirs

The District has been approached by Silicon Valley Clean Energy (SVCE), a local community choice aggregation agency, about exploring the feasibility of a pumped-storage system between Anderson and Coyote Reservoirs. SVCE will conduct a high-level 'fatal flaws' feasibility study through a qualified consultant to determine if a potential pumped hydro storage project of any size or configuration could be justified financially. The district will provide the data and site information that is necessary to support the study and receive a copy of the final report.

Pumped-storage systems require two (2) nearby water reservoirs at different elevations. During periods of high electrical demand (peak hours), the water stored at the higher elevation reservoir is released and fed through power-generating turbines to help supplement electric power from the natural gas resource, carbon free resource (large hydro), and renewable resources, (solar, wind, and small hydro). Water from the lower reservoirs is pumped back to the higher reservoir during low demand (off-peak hours). This process does not result in energy savings, but helps balance the electrical load and possibly produces revenue by generating and selling energy while electricity prices are highest.

For further information, please contact Kurt Arends at (408) 630-2284.

Report of the Public-Private Partnership (P3) Proposed Shortlist (4-24-2018) for the Request for Qualifications (RFQ) on the P3 Purified Water Program

The district received three (3) Statement of Qualifications (SOQ) from respondents for the Request for Qualifications (RFQ) on the P3 Purified Water Program, which the Review Board deemed highly qualified, and therefore, recommended the three (3) proceed to the Request for Proposal (RFP) phase. This brings the total proposed shortlist to five (5) eligible respondents, including the original two (2) respondents from the prior RFQ solicitation. The shortlist has been posted at the District's P3-Purified Water Program website (at the following link):

<https://www.valleywater.org/contractors/doing-businesses-with-the-district/p3-purified-water-program>

Retaining five (5) qualified respondents will increase market competition, and thereby, increases the likelihood of delivering a cost-effective Purified Water Program for the benefit of our ratepayers.

One (1) respondent appealed the proposed shortlist including all five (5) teams, and not three (3). Staff has evaluated the appeal and found it to be without merit and concluded that there are no grounds for further consideration of the appeal.

For further information, please contact Emmanuel Aryee at (408) 630-3074.
