

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

## Chief Executive Officer Bulletin Week of February 8 - 14, 2019

### Board Executive Limitation Policy EL-7:

*The Board Appointed Officers shall inform and support the Board in its work. Further, a BAO shall 1) inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established and 2) report in a timely manner an actual or anticipated noncompliance with any policy of the Board.*

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### Valley Water Identifies and Assists with Service Restoration from a CalWater Main Break

On January 29, 2019, at 10:15 PM Rinconada Water Treatment Plant noticed a sudden increase in flow and a pressure drop, suggesting a leak through the West Pipe Line by the Vallco/Santa Clara turnout location in the City of Cupertino. Valley Water staff were immediately dispatched to the site as well as notified potentially impacted retailers, CalWater and City of Santa Clara. Around 11:30 PM Valley Water was notified by CalWater staff that the leak was within their system and requested Valley Water shut-off the Vallco Turnout to isolate one of their distribution lines, as they did not have another isolation valve. CalWater continued to supply water to their customers from the two (2) other turnouts in the system. Over the next few days Valley Water assisted CalWater staff with the planning of logistics of the repair of the main break as well as accommodating any service requests related data and flows.

The main was repaired by end of day on February 1, 2019. However, CalWater staff has requested that the turnout remain closed for at least another week until the repairs have time to set. CalWater system is holding steady and there was no disruption to customers. We commend our staff on their quick action to stop the leak and informing the retailers, as well as supporting them in this major effort to restore the main.

For further information, please contact Bhavani Yerrapotu at (408) 630-2135.

**Delta Conveyance Design and Construction Authority Board of Directors Meeting held Thursday, January 31, 2019**

At the Delta Conveyance Design and Construction Authority (DCA) Board of Directors Meeting held Thursday, January 31, 2019, the DCA Board (Board) approved the discussion item below:

- The Board Approved Management Partners Professional Services for the Executive Director Position. Management Partners Services designated Catherin Mallon as the new Executive Director of the DCA.

**Staff Reports and Announcements (Information Only):**

- Ms. Stephanie Morris, the interim General Counsel, has resigned and the contract with Best Best & Kreiger has been amended so that the new interim General Counsel will be Joshua Nelson. Joshua Nelson will continue in that role until the Board decides whether to award him a long term General Counsel contract. It is anticipated the decision will be made within the next three (3) months.
- General Counsel continues to work with the Executive Director and staff on various issues and to monitor litigation and regulatory proceedings that may impact DCA goals and objectives.

The next meeting will be held on February 21, 2019, at 1:30 pm in the Sacramento Public Library, Tsakopoulos Library Galleria, 828 I Street, Sacramento.

For further information, please contact Nina Hawk at (408) 630-2736.

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**Water Utility Service Awards and All Hands Meeting**

The Water Utility Service Awards and All Hands Meeting was held at the Campbell Community Center, Orchard City Banquet Hall on Thursday, January 31, 2019. We recognized 37 employees for their dedicated service to Valley Water, 12 of those employees had 20+ years of service.

The second half of the program, we had an interactive All Hands Meeting. Beginning in November 2018, the Water Utility (WU) leadership team attended workshops to develop a WU survey. They wanted to solicit input from staff to finalize a new WU statement that aligns with Valley Water's existing mission and values and sets WU leadership up for success. The survey was a great vehicle to poll WU staff so they could contribute their ideas on creating a WU statement and their overall thoughts about management. The survey was two-fold. The first six (6) questions of the survey asked various questions that had a predefined drop-down menu. The second part was seven (7) questions asking for comments on various subjects. The take away from that was most employees liked what they do, liked the team they worked with, and felt what they do is important work that benefits the community. The WU leadership team learned what they are doing right and what they could improve on.

We had live polling for the top five (5) choices for our new WU statement and three (3) choices to name the statement. The voting overwhelmingly showed how passionate staff is towards safe, reliable water and the community. The new WU statement name and statement is:

Water Utility Purpose Statement: Providing safe, reliable water to Santa Clara County now and for future generations.

For further information, please contact Nina Hawk at (408) 630-2736.

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### **Purchasing and Consultant Contracts Unit launches new internal webpage**

As part of the General Services Mission of "Helping You Get the Job Done," along with the goal of "Fostering a culture of continuous improvement and remove obstacles for customers," the Purchasing and Consultant Contracts Unit has launched a new redesigned intranet webpage.

The former webpage contained outdated information and was less user friendly. The new site is intended to provide information in a manner that is easy to navigate and locate information. The site guides customers through the procurement process, provides templates, procurement guides, policies and procedures, Q&A and a number of resource documents. The site also provides procurement card, travel coordination and surplus services support.

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

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### **Governor Newsom Delivers First State of the State Address**

In keeping with tradition, on February 12, 2019, Governor Gavin Newsom delivered his State of the State Address before a joint session of the Legislature. Most notable for Valley Water were his statements regarding water conveyance through the Delta, appointments to the State Water Resources Control Board (State Water Board), a potential water tax to fund safe drinking water, homelessness, and housing.

On the WaterFix, Governor Newsom stated "I do not support the WaterFix as currently configured. Meaning, I do not support the twin tunnels. But we can build on the important work that's already been done. That's why I do support a single tunnel. The status quo is not an option."

Following those remarks, the State Water Contractors, Metropolitan Water District of Southern California, Kern County Water Agency, and Valley Water, all issued statements pledging to work with the Governor on a one-tunnel Delta conveyance solution. California WaterFix opponents generally applauded the Governor's statement while expressing reservations about even one tunnel.

Governor Newsom also announced that State Water Board member, Joaquin Esquivel, will be appointed Chair of the State Water Board. Later that day, Newsom's office also announced that Laurel Firestone, co-founder and co-director of the Community Water Center, will fill the State Water Board vacancy of Felicia Marcus, whose term ended on January 15, 2019. Both appointments require confirmation by the State Senate.

Without expressly mentioning the water tax proposed by Senator Monning in the last legislative session, the Governor said in his address that one million Californians without safe drinking water is a "moral disgrace and a medical emergency," and he underscored that "solving the crisis requires sustained funding." On February 1, 2019, his Administration proposed budget trailer bill language that would enact a tax on retail water customers to fund safe drinking water programs.

The Governor concluded his comments on water by calling for a portfolio approach to water supply to combat effects of climate change with recycled water, expansion of managed floodplains, and groundwater recharge.

On housing and homelessness, the Governor discussed numerous proposals, such as \$500 million for navigation centers and \$100 million for "whole person care." Newsom also noted several cities (none in Santa Clara County) who are not meeting affordable housing goals, and then mentioned that 47 other cities have not met requirements for a housing element in their General Plans as required by state law. Newsom said his Administration will sue cities for noncompliance and they have started by filing suit against Huntington Beach two weeks ago. He offered to sit down and talk with violating cities. Finally, he proposed expedited judicial review of California Environmental Quality Act court challenges for housing projects, similar to what has been done for professional sports.

Valley Water is currently working with Newsom Administration officials on water issues of importance to the agency, and will continue to assess potential impacts of these policy changes to our operations and our ratepayers.

For further information, please contact Rachael Gibson at (408) 630-2884.

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