

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

## Chief Executive Officer Bulletin Week of February 22-28, 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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### Dave's Creek Coastal Habitat Education and Environmental Restoration Update

Mr. Herman Garcia of Coastal Habitat Education and Environmental Restoration (CHEER) has approached Valley Water on several occasions to discuss a potential project to pipe water from the outlet of Uvas Reservoir approximately 800 feet up a small tributary below the dam called Solis Creek, also known as Dave's Creek. This small tributary has been known to provide spawning habitat for Central Coast Steelhead, but often dries up before the eggs can hatch and the fry are able to make it back to the main stem of Uvas Creek. In high rainfall years, successful spawning in Dave's Creek has been observed to contribute to steelhead reproduction in Uvas Creek.

On February 19, 2019, Valley Water met with Mr. Garcia along with staff from the National Marine Fisheries Service (NMFS), California Department of Fish and Wildlife (CDFW) and a consultant. It was a productive meeting allowing all parties to ask questions about the proposed project and express any concerns or support. NMFS supports the project and sees it as having a positive effect on the steelhead fishery, however, they would not be issuing any permits for the project and were involved solely to support the project. CDFW generally supported to concept but stated that they

need additional detail and an identification of impacts before they could comment on the permitting process.

Valley Water conveyed general support for helping the fishery and stewardship efforts, but similar to CDFW, needs additional detail about the project before any action could be taken. Some of the information still needed is a detailed plan for how the pipe is to be connected to Valley Water facilities and how much water is being requested. Several other concerns were raised regarding potential impacts to Valley Water reservoir operating permits with CDFW, long term operations and maintenance responsibilities and liability with the private land owners whose land the pipe would have to cross to construct the project. If these questions can be answered, a proposal may be brought to the Board for consideration.

Valley Water requested that CHEER, possibly in partnership with CDFW, submit concept-level engineering drawing showing the site layout, the proposed pipeline and connection, required flow and how this would impact existing reservoir operating permits (and associated environmental flow requirements), and an operations and maintenance plan, to allow Valley Water to determine next steps for moving the project forward.

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

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### **State Bill Will Update Valley Water Contracting**

On February 19, 2019, AB 707, Valley Water's sponsored state legislation, was introduced by Assembly Member Ash Kalra (D-San José). The bill will increase our agency's cost threshold for formal bidding on public works projects from \$25,000 to \$50,000, and will authorize the Valley Water Board to increase that amount by up to two (2) percent per year to keep up with inflation. These changes not only will enable Valley Water to more efficiently contract for small projects, but also will provide more opportunities for small businesses and for women and minority-owned businesses to compete for these minor public works.

Valley Water's formal bidding threshold was last updated by SB 1860 (Costa, 1998), more than 20 years ago. Since that time, inflation has eroded the purchasing power of the \$25,000 threshold to the extent that even simple projects such as erecting a fence or installing a warehouse garage door require a costly and time-consuming formal bidding process. With an updated threshold, these small projects would be subject to an informal process in which quotes are solicited from known responsible contractors and the project is awarded to the one best suited to do the work.

Many women and minority owned businesses are smaller companies that often don't have the staff resources to pursue small public works projects through the formal bidding process, requiring more time, money, and process expertise. Valley Water's informal bidding process for minor public works is simpler for small business and women and minority owned companies because they need only register with the state Department of Industrial Relations, comply with prevailing wage law, and submit an informal bid. By increasing the contacting threshold to \$50,000 we create more opportunities for these small business enterprises and we deliver the projects faster and at a lower cost.

We are pleased to have the co-authorship of Senators Hill and Wieckowski and Assembly Members Berman, Chu, Low, Robert Rivas, and Stone, all of whom are members of the Santa Clara County state legislative delegation. AB 707 will be eligible for hearing in the Assembly policy committee in late March 2019. Currently, Valley Water is recruiting support from advocacy

organizations, local governments, and business groups. If passed by the Legislature and signed by the Governor, the bill would take effect on January 1, 2020.

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

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### **Purified Water Social Media Campaign Featuring 15 Community Leader Testimonials is Scheduled to Launch in March 2019**

Staff developed a social media campaign to promote Valley Water's over-arching water reuse messages and taste tests of advanced purified water through testimonials from community leaders. The community leaders learned about the Silicon Valley Advanced Water Purification Center (SVAWPC) and tasted advanced purified water on camera. The leaders voluntarily participated in the campaign and communicated water reuse messages in their own words.

The 15 community leaders featured in the campaign represent a diverse group of leaders from various industries, including healthcare, environment, business and athletics.

The community leaders include:

- Carl Guardino, Silicon Valley Leadership Group
- Chris Wilder, Valley Medical Center Foundation
- David Lewis, Save The Bay
- Diane Fisher, Jewish Federation of Silicon Valley
- Dolores Alvarado, Community Health Partnership of Santa Clara and San Mateo counties (English and Spanish)
- Dr. Lizz Vilardo, Sutter Bay Area Medical Foundations
- Michael Chang, Asian Pacific American Leadership Institute (English and Chinese)
- Michele Lew, The Health Trust
- Reymundo Espinoza, Gardner Family Health Network
- Ronnie Lott, former pro-football player
- Suresh Raman, Save The Bay
- Suzanne St. John-Crane, American Leadership Forum
- Thao Dang, real estate broker (English and Vietnamese)
- Walter Moore, Peninsula Open Space Trust
- Zoe Lofgren, Congresswoman California District 19

The campaign includes digital advertisements and seven (7) testimonial videos: four (4) compilation videos in English and one (1) each in Spanish, Vietnamese and Chinese. The ads and videos will appear on websites and social media sites that target each audience group within Santa Clara County. The campaign is scheduled to start in March 2019, and will run for up to three (3) months.

Valley Water will track the campaign analytics and an evaluation will be conducted at the conclusion of the campaign to measure effectiveness and gauge whether there is an increase in tour registration and a favorable increase in public perception for potable reuse.

This social media campaign is one of the multitudes of public outreach and engagement strategies aimed at building community and stakeholder support for the recycled and purified water program by increasing the public's understanding of the benefits of highly recycled (purified) water, including its potential as a future drinking water source. The ongoing public engagement

strategies include public tours of the SVAWPC, social media, district blog posts, community events/open houses, stakeholder presentations and informational materials in multiple languages, as well as other new social marketing campaigns to be developed later this year.

For further information, please contact Rick Callender at (408) 630-2017.

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**Kremen**

**Our Level of Service objective for water supply is to survive the drought planning scenario (1987-92 followed by 1976-77) with no more than 20% rationing from a total system demand of 265 MGD...We need to plan for each year as if it is the beginning of our drought planning scenario.  
I-19-0001**

Valley Water's water supply planning model uses a 94-year hydrology (1922-2015), including several historic droughts of varying length and severity, such as the 1976-1977 drought and the 1987-1992 drought. In comparison, the San Francisco Public Utility Commission (SFPUC) plans their investment strategies to "survive the drought planning scenario (1987-1992 followed by 1976-1977) with no more than 20% rationing."

Per a request from Mr. Peter Drekmeier on January 15, 2019, Valley Water modeled water supply reliability using the SFPUC drought planning scenario for planning year 2040, with SFPUC water delivery reductions resulting from the State Water Quality Control Plan for the San Joaquin Basin (Basin Plan). The SFPUC drought planning scenario is more conservative than Valley Water's planning model hydrology. The SFPUC drought planning scenario, when applied to overall Santa Clara County water supply, results in approximately 10-12% more frequent water shortages in both cases -- with and without the Basin Plan. Valley Water will offer to meet with Mr. Drekmeier to review the modeling results in detail.

For further information, please contact Jerry De La Piedra at (408) 630-2257.

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