

CEO BULLETIN



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

Week of January 17 – January 23, 2020

Board Executive Limitation Policy EL-7:

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

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1. Almaden Valley and Cross Valley Pipeline Inspection and Repair Safety Support

Valley Water is working on the Almaden Valley Pipeline and Cross Valley Pipeline inspection and repair projects. Valley Water held training sessions in order to prepare for safe entry into the pipelines. These pipelines are identified as permit required confined spaces, which requires internal atmospheric testing and continuous monitoring, adequate communications, and stand-by rescue teams in the event of an emergency; additionally, the pipelines need to be effectively isolated, prior to entry, to ensure there is no incidental water flow into, and through, the pipelines while staff are inspecting and repairing the pipelines. Valley Water also provided adequate safety supplies and equipment for entry personnel, and participated in the site safety meetings to ensure regulatory and Valley Water safety policy compliance. All entries and work within the pipelines were executed without adverse incident.

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

2. Release of the Central Valley Project Final Cost Allocation Study

On January 14, 2020, the U.S. Bureau of Reclamation (Reclamation) issued a news release announcing the release of the Central Valley Project Final Cost Allocation Study (Study), which determines how to distribute capital construction costs of Central Valley Project (CVP) facilities to project beneficiaries. The CVP's current and interim cost allocation was completed in 1970, with a minor update in 1975. This final cost allocation study defines more clearly the financial obligation of CVP contractors, including Valley Water, as well as the financial obligation of power contractors.

The CVP creates benefits for water supply, flood control, navigation, power, fish and wildlife, recreation, and water quality needs. Costs for water supply and power benefits are reimbursable to

Reclamation and are recovered from CVP water and power contractors through annual rates.

Valley Water, as a CVP water service contractor, is responsible for a portion these costs, including construction costs for the San Felipe Division facilities and other CVP facilities. The Study does not change the amount or timing of Valley Water's payments for San Felipe costs, which will continue to be paid to Reclamation on an amortized repayment schedule through 2036. Valley Water's estimated share of other CVP costs as of 2020 is approximately \$50 million, of which \$44 million has already been repaid. This leaves a balance of about \$6 million to be repaid by 2030.

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

3. Preview of 2020 Community Events

Every January, the Office of Government Relations develops a list of community events and festivals for that year where they plan to host a Valley Water booth and/or the water truck. This community outreach provides a valuable forum for Valley Water to communicate with broad sectors of our diverse community on water-related issues, such as water conservation, water recycling and purification, winter preparedness, and Valley Water projects in specific communities, among many others. Many of the festivals included are events where we have hosted an informational booth in the past and have had a high level of visibility due to the size of the crowds. The addition of the water truck, will enable us to continue an even higher level of engagement with the public at these events.

Below are selected highlights of events in which Valley Water is planning to participate in 2020. The full proposed event list is included in this week's non-agenda packet. As always, the Board is encouraged to add additional events they become aware of.

2020 Community Events Highlights:

- March 29, Morgan Hill Wildflower Run
- April 11, Campbell Bunnies and Bonnets Parade
- April 25, City of Palo Alto Great Race for Saving Water and Earth Day
- May 2020, Campbell Chamber of Commerce Boogie on the Avenue
- June 2020, Sunnyvale Chamber of Commerce Art and Wine Festival
- July 4, July 4th Fun Festival at Almaden Lake Park
- July 4, 4th of July Rose, White, and Blue Parade
- July 24-26, Gilroy Garlic Festival
- August 2020, National Night Out
- September 2020, Mountain View Chamber of Commerce Art & Wine Festival
- September 2020, Morgan Hill Chamber of Commerce Taste of Morgan Hill
- October 2020, Day on the Bay Multicultural Festival
- October 2020, Prusch Farm Park Mountain Music Festival
- October 2020, Day in the Park hosted by the City of San Jose, District 8
- October 2020, Diwali Festival of Lights in Cupertino
- December 2020, Santa Visits Alviso

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

4. X-Band Radar Ribbon Cutting and Media Event

Valley Water joined local, regional, state, and federal agencies to unveil the first permanent X-Band radar in the San Francisco Bay Advanced Quantitative Precipitation Information (AQPI) System at a ribbon cutting and media event on January 15, 2020, at the Penitencia Water Treatment Plant in East San Jose. This event attracted several local news stations including channels 2 KTVU, 4 KRON, 5 KPIX, 11 NBC Bay Area along with KCBS radio, and was attended by more than two dozen regional leaders with a focus on this effort. This placement of X-Band radar is the cornerstone in a new network of high-resolution, low-elevation radars that will improve weather forecasting of atmospheric rivers and extreme weather events across the region.

The system will provide improved data for forecasting, which will assist water managers, reservoir operators, wastewater plant managers, flood, and emergency responders to make operational and safety decisions during extreme weather events. Valley Water CEO Norma Camacho emceed the event and Director Santos provided remarks, along with key speakers from partner agencies.

Two more X-Band radars are slated for installation during 2020 by the following agencies:

1. San Francisco Public Utilities Commission at Montara Mountain in San Mateo County, and
2. East Bay Agencies Partnership at Rocky Ridge near the Las Trampas Wilderness.

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

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