

CEO BULLETIN



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

Weeks of April 9 – April 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. Awarded U.S. Bureau of Reclamation WaterSMART Grant to Develop the Valley Water Drought Response Plan.

On February 25, 2020, the Valley Water Board of Directors (Board) authorized the Chief Executive Office to file a WaterSMART grant application with the United States Bureau of Reclamation (USBR) to develop the Valley Water Drought Response Plan. USBR notified staff on April 17, 2020, that the Valley Water Drought Response Plan (DRP) was selected for maximum allowable funding up to \$200,000.

The Valley Water DRP will evaluate new approaches for determining when to call for water shortage contingency plan actions, review the science related to early prediction of drought climate conditions which will enable more moderate actions to be taken earlier, and develop a response framework for the water utility to employ during the next drought. The response framework will be built using the lessons learned from Valley Water's and other water agencies' 2012-2016 drought response. The DRP developed through this grant program will involve a collaborative process with retailers,

agriculture, and other stakeholders to develop a proactive, holistic approach to drought response for the Water Utility Enterprise. The grant funding will support consultant services for developing the DRP. Valley Water will use in-kind contributions to match the grant funding in the form of Valley Water labor to oversee the DRP development. Next steps include finalizing the terms of the agreement, developing a work plan, and inviting the retailers to be part of the Technical Advisory Committee for developing the DRP.

For further information, please contact Garth Hall at 408-630-2750.

2. Information Technology Division Prepares Valley Water for Telework

In support of Valley Water's commitment to business continuity in these unprecedented times during the COVID-19 pandemic, a significant amount of work has been completed over the course of the last few weeks to support Valley Water's transition to teleworking including:

- Implementation of Zoom Meetings from an idea to a fully running enterprise system in less than 72 hours.
- Procurement and deployment of over 130 additional Smartphones, bringing our total supported phone count to 597.
- Imaging, Configuration and Distribution of over 300 additional Laptops and tablets, bringing our total supported mobile device count over 600.
- Procurement and installation of over 100 additional 2X/Parallels Licenses.
- Procurement of DocuSign for electronic signatures with external parties and proposal of a new digital signature policy.
- Distribution of additional equipment including monitors, keyboards, mice, web cameras and other accessories.
- The support of hundreds of IT Help Desk tickets for remote users on new technology.

For further information, please contact Mike Cook at (408) 630-2424.

3. Information Technology - Internet and VPN Upgrades

Valley Water's Information Technology Division has recently completed two projects to dramatically improve connectivity for both remote workers and employees who are in the office. Valley Water's primary internet circuit has recently undergone a significant upgrade. Valley Water staff can now take advantage of 4x faster speeds when connecting to any of our new Cloud Services or to any website whether they are working in the office or connected from home using VPN. In addition to these faster speeds, in response to increased demand for teleworking, the Information Technology Division has recently expanded our Virtual Private Network (VPN) capacity. With these upgrades in place, as many as 1,000 staff can utilize our VPN services at the same time.

For further information, please contact Mike Cook at (408) 630-2347.

4. Pajaro River Watershed Integrated Regional Water Management Adopts Stormwater Resources Plans

The State of California's Integrated Regional Water Management (IRWM) Program encourages local agencies to work collaboratively to manage water resources within defined IRWM regions. South Santa Clara County, including the Cities of Morgan Hill and Gilroy, San Benito County, and a portion of Santa Cruz and Monterey Counties are part of the Pajaro River Watershed IRWM region

(Pajaro Region). On March 23, 2020, the Pajaro Region held a stakeholder meeting via webcast to adopt two stormwater resources plans (SWRP) into the Pajaro IRWM Plan. The Proposition 1 - Stormwater Grant Program provides grant funding for projects within SWRPs that have been adopted into their respective IRWM regions. At the March 23, 2020 stakeholder meeting, the South Santa Clara County and Greater Monterey County SWRPs were presented to the Pajaro Region and were unanimously adopted into the Pajaro Region's IRWM Plan. The Pajaro Region adopted the Santa Cruz County SWRP in March 2017 and San Benito County has not yet developed a stormwater resources plan. The Pajaro Region's IRWM Plan is scheduled to be presented to the Valley Water Board of Directors for agency adoption on April 28, 2020.

For further information, please contact Garth Hall at 408-630-2750

5. Update on Valley Water-Sponsored Bill, AB 3005 (R. Rivas) Expedited Dam Safety for Silicon Valley Act

AB 3005 (Rivas), Valley Water's sponsored bill to expedite the Anderson Dam Seismic Retrofit Project (Anderson Project), is currently pending referral in the Assembly Rules Committee. Recent discussions with Rules Committee staff indicate AB 3005 will be referred to the Assembly Natural Resources Committee and the Assembly Water, Parks, and Wildlife Committee. Although there has not been an official referral, Valley Water has begun the work to prepare all relevant information for the committee in anticipation of a hearing in May 2020 or whenever the Legislature returns.

Preparation for committee hearings has become increasingly crucial to keep the momentum on AB 3005 moving forward. The COVID-19 Pandemic recess is expected to dramatically reduce the usual legislative process timelines and limit the number of bills allowed for each legislator. Legislative leaders in both houses have recently made calls for members to significantly reduce the number of bills they are carrying: The Senate has called for two bills per member, and the Assembly has requested a 75% reduction. At this time, Assembly Member Rivas has informed staff that AB 3005 will remain as one of his priority bills. As such, Valley Water continues to move forward in preparation for the legislature's return.

Valley Water's Office of Government Relations has recently secured support for the bill from the following organizations:

- Valley Water [SPONSOR]
- Bay Area Council
- California Municipal Utilities Association
- California Special Districts Association
- Campbell Chamber of Commerce
- Cities Association of Santa Clara County
- City of Gilroy
- City of Morgan Hill
- City of Mountain View
- City of Sunnyvale
- Cupertino Chamber of Commerce
- Engineers Society Chapter, International Federation of Professional and Technical Engineers, Local 21, AFL-CIO
- Gilroy Chamber of Commerce
- Midpeninsula Regional Open Space District
- Milpitas Chamber of Commerce

- Minority Business Consortium
- Morgan Hill Chamber of Commerce
- Professional Managers Association Chapter, International Federation of Professional and Technical Engineers, Local 21, AFL-CIO
- The Association of California Water Agencies
- San Jose/Silicon Valley Branch NAACP
- Silicon Valley Black Chamber of Commerce
- Silicon Valley Central Chamber of Commerce
- Silicon Valley MEPS (Mechanical, Electrical, Plumbing and Sprinkler Fitters)
- Sunnyvale Silicon Valley Chamber of Commerce

Valley Water continues to advocate for AB 3005 and generate support for the bill while the legislature is on recess and will keep the Valley Water Board informed as developments arise.

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

6. Valley Water Plans to Add Battery Energy Storage to Utility-Scale Solar Project in Kern County

On November 20, 2018, the Valley Water Board of Directors delegated to the Chief Executive Officer the authority to negotiate and execute a rate agreement with the Power and Water Resources Pooling Authority (PWRPA) to allow Valley Water to secure a 1.5 megawatt (MW) solar allocation from the Recurrent Energy Slate solar project (Project), a 330 MW utility-scale solar project in Kern County. Currently, Valley Water is working through PWRPA to add a 500-kilowatt battery energy storage system to supplement the solar allocation and further increase the benefits of the Project.

The addition of a battery energy storage system provides greater flexibility in managing the generated output of Valley Water's solar allocation to adapt to changing market and demand conditions. The battery energy storage system will also help increase the capacity of the overall project and provide a cost-effective option to meet resource adequacy regulations set in place by the California Public Utilities Commission to ensure safe and reliable operation of the utility power grid. In addition to using the generated renewable energy more effectively, all available cost-benefit analysis shows a positive value for the battery energy storage system.

Valley Water plans to bring the battery energy storage allocation to the Valley Water Board of Directors for delegation in early Summer 2020.

For further information, please contact Bhavani Yerrapotu at (408) 630-2897.

7. Valley Water Recognized with Talent Action Program Award

In February 2020, Valley Water's Office of Talent and Inclusion (OTI) was recognized by the California Chapter of the International City Managers Association (Cal-ICMA) Talent Action Program Award in the Overall Champion category. The award recognizes public agencies that have made significant strides in the areas of recruiting, retaining, developing, and retaining talent while also improving the workplace culture.

To be considered for this best in class award, Valley Water submitted an application showcasing programs, initiatives, and policies in 65 attributes of the award. Awards are granted based on the

accomplishments and are meant to be shared as best practices. By applying for the award, OTI agreed to have our programs included in the Talent Initiative Compendium.

For further information, please contact Anna Noriega at (408) 630-3089.

8. Kremen

Provide Director Kremen with copies of contracts with our fuel suppliers and chemical suppliers.

I-20-0006

Director Kremen's request for copies of current Fuel and Chemical contracts as outlined in IBMR# I-20-0006 was responded to via a direct email to the Director.

For further information, please contact Roslyn Fuller at (408) 630-2379.

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