

CEO BULLETIN



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

Weeks of April 24 – May 7, 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. 2016 Safe, Clean Water Program Project Completion and Closeout – Grassroots Ecology, Greening Urban Watersheds Project

In Fiscal Year 2016, Grassroots Ecology received a \$93,617 grant under the Safe, Clean Water and Natural Flood Protection, Program Priority B3: Pollution Prevention, to support their Greening Urban Watersheds Project. The grant funds enabled the Grassroots Ecology to capture and reuse rainwater from its rain barrel and cistern installations, reduce stormwater from entering creeks through rain gardens and removed thousands of pounds of trash through volunteer creek cleanups.

Key Outcomes:

- 12 detailed plans for 6 rain barrel installations, 2 cistern installations, and 4 bioretention/rain garden installations were created.
- 12 workshops were held where 165 participants learned about the benefits of capturing rainwater, potential rebates available and how to create and install rain barrels, cisterns and rain gardens at home.
- 6 rain barrel systems and 4 cisterns were installed at 6 sites in Palo Alto, allowing rainwater to be captured during storm events and used for irrigation.
- 4 rain gardens were installed, alleviating peak flow of local creeks, filtering nonpoint source pollution from stormwater and adding native plants to the landscape.
- 22 creek cleanups removing 23,770lbs of trash along 29 miles of creek corridor with the help of more than a thousand volunteers.
- 12 project-related articles published (1 local television news piece) and 12 signs installed.
- Worked with City of Palo Alto and other facility managers to ensure continued proper maintenance of installations.
- Total rain barrel/cistern capacity: 2,055 gallons
- Volunteer hours: 3,066
- Native plants installed: 508
- Native species planted: 36

The project started on July 1, 2016 and was completed on January 31, 2020.

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

2. 2020 International Partnering Institute Award for the San Francisquito Creek Flood Reduction, Ecosystem Restoration and Recreation Project, San Francisco Bay to Highway 101

The San Francisquito Creek Flood Reduction, Ecosystem Restoration and Recreation Project, San Francisco Bay to Highway 101 (Project) has won a 2020 International Partnering Institute (IPI) Partnered Project of the Year Award. The Project was a San Francisquito Creek Joint Powers Authority (SFCJPA) project and the construction was managed by Valley Water. The partners included most of the members of the SFCJPA (Valley Water, the Cities of East Palo Alto and Palo Alto, and the County of San Mateo), the project contractor, Teichert Construction, Valley Water's external construction management firm, Mott MacDonald, and the Project designer, HDR, Incorporated. During the various stages of construction, Caltrans, PG&E, and East Palo Alto Sanitary District were participants. The partnering effort was ably facilitated by Clare Singleton of OrgMetrics, LLC.

Partnering meetings were held to formalize individuals' communication paths and project responsibilities and to discuss and resolve concerns and problems in an open setting.

The level of the award will be revealed at the IPI Awards Ceremony to be held on Friday, August 14, 2020, from 2:00 pm – 4:00 pm PDT, as a virtual event.

The IPI consists of public and private sector owners, contractors, designers, construction management firms, facilitation firms, and academic institutions working to support collaborative construction by sharing best practices and lessons learned, and by developing tools.

For further information, please contact Ngoc Nguyen at (408) 630-2632.

3. Electronic and Digital Signatures at Valley Water

As part of Valley Water's commitment to streamline business processes and in support of Valley Water's efforts during the COVID-19 pandemic, the Information Technology Division and the General Services Unit have accelerated efforts to adopt electronic and digital signatures as part of every-day activities.

Valley Water e-Forms Portal

The Valley Water e-Forms Portal, powered by Seamless Gov, allows Valley Water to quickly access commonly used internal forms from Accounting, Business Support & Warehouse Services, Environmental Health and Safety, Environmental Planning, Facilities, Payroll, Records Management and Facilities. In a matter of moments these forms can be completed, signed and routed to the correct recipients, saving hours' worth of time while eliminating dozens of paper based processes. The General Services Unit is working to move all internal FC Forms to this new tool. The portal is already available through the internal employee intranet website Aqua.gov.

DocuSign Arrives at Valley Water

To support Valley Water's need to exchange official documents with external parties, DocuSign is now in use at Valley Water. This highly secure tool is the leader in legally defensible electronic signatures and is slated to be used by Contracts, Purchasing, Real Estate and other departments which interact with other external organizations. The Information Technology Division is currently holding trainings for over 100 staff on how to use the tool.

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

4. Families First Coronavirus Response Act (FFCRA) Implementation

The federal emergency legislation Families First Coronavirus Response Act (FFCRA) went into effect on April 1, 2020. This legislation expands the family and medical leave act (FMLA+) and provides emergency paid sick leave (EPSL) for specified reasons related to COVID-19 and will be in effect through December 31, 2020. These two types of leave will be provided in coordination with Valley Water's current COVID-19 Emergency Leave with Pay benefits.

Valley Water Human Resources (HR) has been working on the implementation of the FFCRA in relation to Valley Water's current policies and practices. An addendum to the FMLA Policy, forms, and helpful "job aides" have all been created to assist Valley Water employees and managers as they navigate through the requirements of these laws. HR has also distributed a poster that outlines an employee's eligibility and their rights under the FFCRA. In addition, two new timesheet reporting codes have been created and are to be used and applied retroactively starting April 1, 2020 to properly account for time taken under EPSL and FMLA+.

Valley Water is in compliance with all Department of Labor (DOL) requirements as they relate to the FFCRA.

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

5. Prop 1 Grant Awards and Upcoming Valley Water Board Item for BAIRWMP

The Proposition 1 Integrated Regional Water Management (IRWM) Grant Program, administered by the Department of Water Resources (DWR), provides funding for projects that help meet the long-term water needs of the state. On April 1, 2020, DWR announced Proposition 1 Implementation Round 1 recommending funding awards in the amount of \$22,750,000 for the San Francisco Bay Area, including three projects in Santa Clara County. Funds are slated to be awarded to two Valley Water partnership projects, as detailed below. To accept this funding, Valley Water must adopt the recently updated Bay Area Integrated Regional Water Management Plan (BAIRWMP). The BAIRWMP is anticipated to be brought to the Valley Water Board for consideration on June 9, 2020.

UPSTREAM SAN FRANCISCO CREEK FLOOD PROTECTION, ECOSYSTEM RESTORATION, AND RECREATION PROJECT (San Francisquito Creek Joint Powers Authority):

The San Francisquito Creek multi-benefit flood protection project will be awarded \$2,964,479 for Phase 2 construction, upstream of Hwy 101 from Euclid Avenue to Newell Road Bridge, within the cities of East Palo Alto and Palo Alto. The flood protection and restoration features funded include removal of a large in-channel concrete terrace and re-grading the creek bank for re-vegetation, and cutting back slopes retained by sacked concrete and replacing with retaining walls to remove constrictions and improve stream function.

REGIONAL WATER CONSERVATION PROJECT (EBMUD/Regional Project):

Valley Water will receive about \$709,300 as part of Regional Water Conservation Project, which will fund the Qualified Water Efficient Landscaper Trainings, Weather Based Irrigation Controllers, Water Efficient Landscape Rebates for turf conversions, and Home Water Use Reports.

For further information, please contact Lisa Bankosh at lbankosh@valleywater.org or Garth Hall at ghall@valleywater.org.

6. Rinconada Rehabilitation Project Pre-Start-Up Safety Review

The Rinconada Water Treatment Plant is currently in the middle of a multi-phase rehabilitation project. As part of this project, Valley Water conducted pre-start-up safety inspections of the completed work associated with phases I and II. One purpose of the inspections is to verify that the construction was built to the specified codes and to ensure it meets all contract requirements. Another purpose is to help prioritize which items are to be included in the next phase of the project, and which can be postponed to a future phase. The inspections included reviews of electrical installations, the water recovery basins, and the generator rooms. Testing of the recently completed phases, I and II, began in late April 2020 and the projected full start-up date for phases I and II is targeted for a few months after the testing is complete.

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

7. Santa Teresa Water Treatment Plant Fire System Pump Replacement Successfully Completed

During routine predictive maintenance efforts, the Santa Teresa Water Treatment Plant's fire system pump was flagged as having excessive vibration. After further inspection and comprehensive testing, it was determined that the pump was operating beyond its performance capabilities and the excessive vibration was a sign of premature failure. It was also determined that the pump would not meet the fire flow requirements should there be a fire event at the plant.

In a collaborative effort between Valley Water and the Fire Marshal, a temporary fire pump was installed and permitted to temporarily provide appropriate fire flows while the permanent fire system pump was replaced.

A new 125-horsepower permanent fire system pump has been installed and all associated system modifications have been completed and tested. On April 28, 2020, Valley Water received final approval from the Fire Marshal for the new permanent fire system pump. The new fire system pump is online and ready for service ensuring that needed fire flow is available during a fire event at the Santa Teresa Water Treatment Plant.

For any questions or further information, please contact Aaron Baker at (408) 630-2135.

8. Valley Water Receives Settlement Funds for Liquid Aluminum Sulfate Antitrust Litigation

In Summer 2019, Valley Water was informed that they may be eligible to receive funds from a liquid aluminum sulfate (alum) antitrust settlement. Consequently, Valley Water opted to pursue a claim to the settlement funds as the lawsuit named the organization's leading alum supplier. The antitrust litigation claims that leading manufacturers violated antitrust laws in its sale of alum through unlawful collusion and price fixing in the United States between January 1, 1997 and February 28, 2011. The lawsuit named the following manufacturers: Chemtrade Logistics Income Fund; General Chemical Corporation; General Chemical LLC; General Chemical Performance Products, LLC; Chemtrade Chemicals Corporation; Chemtrade Chemicals US LLC; Chemtrade Solutions, LLC.

Over a one-week period, Valley Water reviewed 6,631 invoices to determine the total dollar amount and quantity of alum purchased within the settlement period. Valley Water purchased 72,955 dry tons of alum, totaling \$13,711,343, from manufacturers named in the antitrust litigation. On June 13, 2019, Valley Water submitted a claim to the settlement funds based on the purchase history of the chemical.

Valley Water received a check from the settlement administrator dated March 20, 2020, in the amount of \$527,382.02. The check represented the initial settlement payment pursuant to the terms of the settlement case. The distribution of the settlement funds represented approximately 3.8 percent of the total amount that Valley Water paid for the purchase of alum during the settlement period. The distribution is a material return on the estimated overcharges in this case.

For further information, please contact Bhavani Yerrapotu at (408) 630-2735.

9. **Hsueh**

Create a Joint Resolution from the Valley Water Board, County of Santa Clara, City of Gilroy, and the SLDMWA in Recognition of Sig Sanchez 100 Year Birthday and Service to the County.

I-20-0008

Valley Water's Office of Government Relations is in communication with the San Luis Delta-Mendota Water Authority, the County of Santa Clara, and the City of Gilroy and is working jointly with all three organizations on a resolution recognizing Sig Sanchez's upcoming 100th birthday. The joint resolution would also recognize his contributions to the community over the span of his career in public service. Valley Water anticipates that each agency would adopt the joint resolution over the next two months, given agenda scheduling and timing.

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

10. **Kremen**

Provide the following information for the 4/28/2020 water rate hearing and budget discussion: Obtain from all retailers, the percent, dollar amounts, and late and non payments of water bill accounts affected under the current COVID-19 situation versus what is their standard non-payment numbers.

I-20-0009

On Thursday, April 23, 2020, Chief Financial Officer, Darin Taylor, requested by email from all major retailers information on delinquent accounts for purposes of assisting the Valley Water Board with their discussion on a potential loan program. As mentioned during the April 28, 2020 Valley Water Board meeting, two retailers responded to the request.

Great Oaks Water Company submitted that the delinquency percentage has increased from roughly 10% as of April 2019 to roughly 19% as of April 2020, which translates to an increase in delinquent billed revenue of roughly \$110,000.

The City of Mountain View also responded with an estimate that the delinquency percentage has roughly doubled versus pre-pandemic expectation, which translates to an increase in delinquent billed revenue of roughly \$600,000.

For further information, please contact Darin Taylor at (408) 630-3068.
