

CEO BULLETIN



To: Board of Directors
From: Rick L. Callender, CEO

Weeks of March 19 – April 8, 2021

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. Annual Report for Sustainable Groundwater Management Act Compliance

Per the Sustainable Groundwater Management Act (SGMA), all basins assigned as medium or high priority by the California Department of Water Resources (DWR) must comply with SGMA. In December 2016, Valley Water submitted the Board-adopted Groundwater Management Plan for the Santa Clara and Llagas Subbasins to DWR as a Groundwater Sustainability Plan (GSP) Alternative, as allowed by SGMA. On July 17, 2019, DWR approved Valley Water's GSP Alternative.

SGMA regulations require submittal of an annual report on groundwater conditions for the preceding water year (WY) by April 1. Valley Water has submitted the WY 2020 report for the Santa Clara and Llagas Subbasins, which covers the time period from October 1, 2019 to September 30, 2020. The report is publicly available at <https://sgma.water.ca.gov/portal/alternative/all>. Valley Water will also notify interested parties of the report availability.

The WY 2020 report documents continued sustainable groundwater conditions in the Santa Clara and Llagas Subbasins. Groundwater levels and storage remained in the normal range through WY 2020 despite dry conditions. Valley Water will continue to sustainably manage the Santa Clara and Llagas Subbasins as a central part of our mission to provide Silicon Valley safe, clean water for a healthy life, environment, and economy.

For further information, please contact Greg Williams at (408) 630-2867.

2. Central Contra Costa Sanitary District and Santa Clara Valley Water District Cost-Sharing Agreement to Evaluate Refinery Recycled Water Exchange Project Cost Allocation Scenarios

On April 30, 2018, Central San, Contra Costa Water District (CCWD) and Santa Clara Valley Water District (Valley Water) executed a three-way Memorandum of Understanding (MOU) to complete a preliminary feasibility evaluation of the Refinery Recycled Water Exchange Project (RRWE). The RRWE involves Central San producing and conveying 21,600 acre-feet per year (AFY) of recycled water to two petroleum refineries located in Martinez, California that currently receive Central Valley Project (CVP) supplies from CCWD. In exchange, CCWD would transfer the freed up CVP supply currently used by the refineries to Valley Water. Since Valley Water would receive a water supply benefit from the project, Valley Water would cost share for the facility improvements needed for Central San to develop the recycled water. The tasks in the MOU for the feasibility evaluation included:

1. Update costs Central San previously developed to provide recycled water for refinery use
2. Review refinery water quality requirements
3. Evaluate/estimate the project's yield
4. Develop updated cost estimates
5. Allocate costs, based on beneficiary pays
6. Final report

Tasks 1-4 are completed. To complete task 5, Central San and Valley Water have entered into a cost-share agreement to equally fund and jointly select and direct the work of a consultant to prepare cost allocation scenarios on the project. The goal for this joint effort is to ensure fairness and full transparency. The total cost for the cost-share agreement is \$35,000, which would mean a cost of \$17,500 to each agency.

Central San and Valley Water selected Raftletis to complete the cost allocation analysis. Valley Water and Central San had a kick-off meeting with Raftletis on March 24, 2021. This work is anticipated to be completed summer 2021. Results will be presented at the project's Board Liaison meetings that are attended by Board members and staff from Valley Water, Central San, and CCWD.

For more information, please contact Kirsten Struve at (408) 630-3138.

3. Delta Conveyance Community Benefits Program Workshops

The Department of Water Resources (DWR) recently announced that registration is open for the Delta Conveyance Project (DCP) Community Benefits Program Workshops. The DCP virtual workshops are open to the public and welcome those that live, work, or recreate in the Sacramento-San Joaquin Delta to give input on what objectives and projects within the DCP Community Benefits Program would be beneficial to the Delta community. The workshops will take place over three days this April and May 2021. See more details in DWR's flyer.

https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/Tribal-Engagement/DCP_CBP_Tribal_Flyer_Final_508.pdf.

If the DCP is approved, the Community Benefits Program will implement commitments to protecting and enhancing the cultural, recreational, natural resource and agricultural values of the Delta as part of the project. These workshops help to ensure these commitments are a collaborative process with the local community. They align with Valley Water's Principles for Participation in the Delta Conveyance Project adopted in September 2019, especially guiding principle 3, in which we advocate for an approach that addresses stakeholder and community input, and principle 8, in which the Board finds public engagement throughout the duration of the project planning, design, and construction to be "paramount for the success of the proposed project".

For further information, please contact Vincent Gin at (408) 630-2633.

4. Engineering Fall Protection Assessment and Improvement Project Update

Valley Water is continuing activities under the Engineering Fall Protection Assessment and Improvement Project. The improvements are imperative since injuries from falls from heights continue to be a leading cause of workplace injuries and fatalities in United States workplaces. The fall protection regulation is also one of the most frequently cited standards by California's Division of Occupational Safety and Health.

The Project focuses on assessing fall hazards at both Valley Water facilities and field locations. In March 2021, Valley Water assessed fall risks and planned access improvements to a rain-gage site located on Whitehurst Road in Gilroy. Planned improvements include installing guardrails, with a self-closing gate, at the rain-gage access point to prevent falls from a height of 10 feet. Additionally, a new ladder with the proper extension at the access point will be installed. The ladder will allow staff to properly grasp the ladder to safely get on and off the ladder. This aspect of the project is expected to be complete in April 2021.

Regarding facility safety, fall protection improvements were made to safely access the Santa Teresa Water Treatment Plant (STWTP) roof. During a recent internal inspection, Valley Water staff observed that four skylights were not guarded, and the roof hatch access ladder did not have the required three feet extension. During the first week of April 2021, the appropriate skylight guards and installed the appropriate ladder extension to the roof hatch were installed. Additional improvements being planned at STWTP include adding a permanent horizontal line fall protection system to the roof. This will always allow staff, that access the roof, to remain tied off. This type of system is composed of a cable, or rail, that is attached horizontally to two or more anchors. The user attaches to this system to safely travel along the roof-line. If a fall were to occur, the system restrains the person from falling off the roof.

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

5. Environmental Justice Presentation

On March 24, 2021, Valley Water presented to Our City Forest as part of their environmental justice speakers series. The presentation was titled “You Have Introduced an Environmental Justice Policy at Your Agency, Now What?” and focused on Valley Water’s recent efforts to holistically address environmental justice by updating governance policies, developing a new Racial Equity Diversity and Inclusion Unit, and building environmental justice considerations into long range planning and project planning. The planning aspect was the primary focus, including discussion of long-range planning through the Integrated Water Resources Master Plan (i.e. One Water Plan) and project planning through the Coyote Creek Flood Protection Project. Throughout the talk it was expressed that while Valley Water has always provided services to the entire community, underserved areas and disadvantaged communities may require additional support, and that aspect is now being built into our processes in the form of prioritization criteria, outreach, and stakeholder involvement; stretching from strategic planning to project planning, design and construction.

The virtual meeting was well attended with approximately 54 people (many of whom were students) and garnered between 15 and 20 questions from the group. Questions were wide ranging and included funding, flood preparedness, climate change impacts, federal, state and local policy, data gathering on demographics, income level, underserved communities and flood impacts, as well as questions on what it is like to work in the water industry.

For further information, please contact John Bourgeois at (408) 630-2990.

6. Implementation of the Water Management Amendment to the State Water Project Contract

On March 5, 2021, the Department of Water Resources issued Notice to State Water Project (SWP) Contractors No. 21-03 stating that a sufficient number of SWP contractors had executed the Water Management Amendment to the long-term Water Supply Contracts and it is effective as of February 28, 2021.

Valley Water’s Board of Directors approved the Amendment at the November 17, 2020 board meeting. The Amendment, commonly referred to as the Water Management Tools Amendment, will provide greater flexibility for transfers and exchanges among SWP contractors and will improve Valley Water access to supplemental dry year supplies. The main benefit of the Amendment is that it provides the ability to transfer SWP water among SWP contractors, which was not allowed under the previous SWP contract. It also provides for the transfer of SWP water carried over in San Luis Reservoir from prior years, which can protect against the risk of spill at the reservoir and provides for the direct transfer of any future SWP water stored in groundwater banks to other SWP contractors.

For further information, please contact Vincent Gin at (408) 630-2633.

7. Valley Water hosts Purified Water Project Virtual Public Scoping Meeting

On March 29, 2021, Valley Water hosted a virtual public scoping meeting on the Purified Water Project. During the meeting, Valley Water gave an overview of the project, the planning process, and how to provide feedback related to environmental impacts that will be analyzed as part of the environmental review process. Valley Water answered questions related to these topics and highlighted what to expect following the scoping meeting.

A total of 73 participants attended virtually via Zoom and Facebook Live. Santa Clara Council Members Karen Hardy and Kevin Park were also in attendance. Participants were encouraged to provide formal comments on the project's Notice of Preparation and to submit comments by 5 p.m. on April 27, 2021 for consideration in the environmental review process.

A recording of the March 29, 2021 virtual meeting and the presentation slides are available on the project website at <https://www.valleywater.org/PurifiedWaterProject/>.

For further information, please contact Rachael Gibson at (408) 781-4739.

8. Water Management Agreements Executed in March 2021

Pursuant to EL-5.1.6 and EL-5.3.3, the CEO is required to inform the Board on a timely basis when imported water management agreements are executed. The only Imported Water management agreement executed in March 2021 is listed below:

- March 8, 2021 -Water Transfer Agreement (#A4437W) between San Joaquin River Exchange Contractors Water Authority (Exchange Contractors) and Valley Water: Provides for the annual transfer of 5,000 acre-feet of Exchange Contractors supplies to Valley Water for storage through 2025, during non-Shasta Critical years. Provides variable options for Valley Water to purchase or return these water supplies each subsequent year through 2026.

For further information, please contact Vincent Gin at (408) 630-2633.

9. Youth Commission Completes Pilot Adopt-A-Bench Project

On March 18, 2021 the Santa Clara Valley Water District Youth Commission celebrated the culmination of their two-year long Pilot Adopt-A-Bench Art Project (Project) with a virtual ribbon cutting ceremony.

The Project, which began in 2019, revitalized seven existing creekside benches, one in each Valley Water Board district, with updated artwork. The Project was a collaboration between the Youth Commission and San José artist Paul J. Gonzalez, and is Valley Water's first public art project. The Youth Commission worked with Valley Water biologists and Mr. Gonzalez to develop the artwork, which features the local creek name, native animal and flora reflective of the natural environment surrounding each bench. Once the draft artwork was developed, the Youth Commission went to the Board of Directors for approval of the artwork. Once the Board approved the design, the Youth Commissioners presented the artwork to various city arts commissions for feedback and approval. The Youth Commission and Mr. Gonzalez painted the tiles, and the benches were powerwashed, repaired and repainted prior to installation of the artwork. The revitalized benches now include artwork that conveys Valley Water's stewardship messages and raises awareness of the nearby creeks.

The Project completion was publicized on social media via Facebook posts, Instagram posts and stories, project videos, Nextdoor posts, a blog post, and via a media advisory. The March 18, 2021 virtual ribbon cutting ceremony was livestreamed on Facebook and has reached 18,200+ people and received 7,500+ views as of April 7, 2021.

Valley Water will continue outreach efforts to highlight each bench and invite the community to visit the benches to learn more about our creeks. Valley Water is also currently developing a program plan for the Adopt-A-Bench Program, which will be funded under Priority F of the renewed Safe, Clean Water Program.

Pilot Bench Locations and Features:

- District 1 - located along Uvas Creek in Gilroy, CA within Christmas Hill Park at the adjacent end of the main parking lot along Miller Avenue. The artwork features the Western Burrowing Owl. Curated bench color: Mojave.
- District 2 - located along Saratoga Creek in Santa Clara, CA on Homestead Road between Woodhams Road and Pepper Tree Lane. The artwork features the Pallid Bat. Curated bench color: Light Gray
- District 3 - located along Berryessa Creek in Milpitas, CA within Hidden Lake Park off of N. Milpitas Blvd. The artwork features the Western Pond Turtle. Curated bench color: Sky Blue
- District 4 - located along Los Alamitos Creek in San Jose, CA within the Los Alamitos Creek Trail parking lot at Camden Avenue and Mt. Forest Drive. The artwork features the Central California Coast Steelhead. Curated bench color: Chamomile
- District 5 - located along Stevens Creek in Cupertino, CA adjacent to the McClellan Ranch parking lot off of McClellan Road. The artwork features the Ridgway's rail. Curated bench color: Sky Blue
- District 6 - located along Penitencia Creek in San Jose, CA adjacent to Penitencia Creek County Park near Mabury Road and Opie Court. The artwork features the California Tiger Salamander. Curated bench color: Habitat Green
- District 7 - located along Permanente Creek in Los Altos, CA within Heritage Oaks Park on Miramonte Avenue and Portland Avenue. The artwork features the California Red-Legged Frog. Curated bench color: Chamomile

For more information, visit the Adopt-A-Bench Website: <https://www.valleywater.org/Adopt-A-Bench>

For further information, please contact Marta Lugo at (408) 630-2237.

10. Kremen

**Provide Vice Chair Kremen with all communication sent to the City of San Jose regarding the District's Retailer Loan Program.
I-21-0003**

On March 22, 2021, Valley Water staff provided Director Kremen with the requested correspondence related to the Municipal Retailer Loan Outreach conducted in late 2020 and early 2021.

For further information, please contact Don Rocha at (408) 630-2338.
