

CEO BULLETIN



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

Weeks of June 18 – July 08, 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. Clean, Safe Creeks Grant Closeout: City of Gilroy's Ronan Channel Interim Trail Project — Phase I.

In FY 2013, Valley Water awarded the City of Gilroy a \$190,000 Clean, Safe Creeks and Natural Flood Protection Grant for the Ronan Channel Interim Trail Project – Phase I (Project). The City of Gilroy (City) completed the Project on September 14, 2020, and grantee staff submitted the final invoice items on April 21, 2021, to close out the Project. The Ronan Channel Interim Trail Project – Phase I was part of a larger project, the West Branch Llagas Creek Trail Project; therefore, the City could not invoice and close out the grant until the larger project was completed.

The grant funded a 12-foot-wide asphalt trail over the existing maintenance road from 6th Street to Leavesley Road, installing two park benches and a pedestrian bridge. The newly paved trail permits safe pedestrian and bicycle travel and connects an existing park, school, and a commercial district.

Key Outcomes:

- Paved a 12-foot-wide asphalt trail along the west bank of the Llagas Creek.
- Constructed a pedestrian bridge to allow pedestrian and bicycle travel across Llagas Creek.
- Reconstructed two pedestrian curb ramps.
- Replaced two 6-foot-tall chain-link fences
- Installed two benches, trash receptacles, and interpretive signage.

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

2. Department of Homeland Security Vulnerability Assessments at Valley Water.

On the week of June 21 to 25 2021, The Department of Homeland Security (DHS) conducted vulnerability assessments for the Vasona Pumping Plant, Leniham Dam & Lexington Reservoir, and the Headquarters Building. The vulnerability assessments are conducted because DHS identifies water conveyance as critical infrastructure. Valley Water's Security Office formed a working relationship with DHS that allows for information sharing, active shooter training, and past vulnerability assessments on six other critical assets. During this round of assessments, the three-person DHS team was assisted by members of Valley Water IT, SCADA Administrators, Raw Water Operations, Dam Safety Unit, and Facilities. The information gathered from interviews and site tours is processed into written vulnerability assessments highlighting security and business continuity strengths and weaknesses. The value of DHS vulnerability assessments is gaining situational awareness through uninterested third-party eyes. Valley Water is the customer, having unlimited access to the finished assessment, while the assessments and working papers are protected on the federal level as Protected Critical Infrastructure Information (PCII). The ongoing working relationship between Valley Water and DHS is a means to better protect workers, visitors, and assets as a best business practice.

For further information, please contact Alexander Gordon at (408) 630-2637.

3. FY21 Pollution Prevention Hotline Summary.

For numerous years Valley Water has maintained the Pollution Prevention Hotline as a means for people to report on spills and/or illegal dumping that has the potential to adversely impact waterways throughout the county. The Pollution Prevention Hotline is partially supported through Valley Water's Safe, Clean Water Program (Project B5).

A total of 110 calls were received to the Pollution Prevention Hotline in FY21 and a breakdown of the calls received to the Pollution Prevention Hotline are as follows:

60% of calls came from the public; 25% from Valley Water staff, and 15% from other local agencies.

70% of the calls received fell within Valley Water's jurisdiction (fee title or easement). For cases not within Valley Water's jurisdiction, the on-call responder forwarded the incident information to the appropriate local agency.

87% of the calls occurred within the San Francisco Bay Regional Water Quality Board boundary; 13% occurred within the Central Coast Regional Water Quality Board Boundary.

A breakdown of calls by watershed were as follows: Lower Peninsula-13%, West Valley-30%, Guadalupe-16%, Coyote-32%, and Uvas/Llags-10%.

Twenty-five calls received on the Pollution Prevention Hotline were related to encampment issues. In such cases, an Access Valley Water case was created to address the issue.

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

4. Regulatory Assessment of Water Quality Lab.

The Water Quality Lab was recently audited as a part of its accreditation requirements from the California Environmental Laboratory Accreditation Program (ELAP). Recently, ELAP made significant changes to laboratory requirements, which now consists of two parts: update of the CA Title 22 Regulations, which went into effect on January 1, 2021, and adoption of a rigorous quality management system established by National Environmental Laboratory Accreditation Conference (NELAC), The NELAC Institute (TNI) Standard, which goes into effect in 2024. Together these changes translate to much more rigorous book keeping and training requirements on laboratory operations.

This audit was based on the implementation of the first part of new regulations that went into effect January 1, 2021. Valley Water has been preparing to address these changes when the draft first became known in 2019. Allocation of an additional full time person in Fiscal Year 2020, helped the team get a head start for anticipated changes. Significant amount of work was required to update processes to new regulatory requirements for traceability, preparation of standard operating procedures in a specific format, document control, and recordkeeping.

During the audit, Valley Water demonstrated an excellent understanding of the regulations, and received recognition from the auditor for implementing a robust quality management system, maintaining over 350 controlled documents, a functional corrective action system, and management review process to optimize laboratory operations. Between detailed interviews with Valley Water, and out of hundreds of records reviewed over a three day period, the auditor noted nine minor findings that the Valley Water plans to correct by July 24, 2021.

Valley Water is continuing to evaluate resource needs to comply with all requirements of The TNI Standard by 2024. One such effort is the gap assessment planned in September 2021, to help identify areas that need to be updated, so that the lab can maintain its accreditation in good standing and continue to provide ongoing service to all Valley Water projects to ensure safe, clean water.

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

5. Safe, Clean Water Grant Closeout: Midpeninsula Regional Open Space District's Webb Creek Bridge Project

In FY 2018, Valley Water awarded Midpeninsula Regional Open Space District (Grantee) a \$149,500 Safe, Clean Water Program D3 Access to Trails and Open Space Grant for their Webb Creek Bridge Project (Project). The Grantee completed the Project on January 31, 2020, and submitted the final invoice items in August 2020 allowing for grant closeout.

The grant funded the environmentally safe removal and replacement of the existing Webb Creek Bridge, located in Bear Creek Redwoods Open Space Preserve. The newly constructed bridge permits safe public and emergency vehicular access over Webb Creek.

Key Outcomes:

- Constructed a new bridge over Webb Creek that allows public access to four miles of trails and ensures emergency service access throughout the preserve.
- Removed the bridge in one piece to ensure environmental safety.
- Installed custom redwood guardrails.
- Widened the road to match the width of the abutment wing walls.
- Graded and restored the site, which included planting redwood trees and placing redwood mulch around the construction site.

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

6. Safe, Clean Water Mini-Grant Closeout: Living Classroom's El Carmelo School Native Ecology Garden-Based Lessons project.

In FY 2018, Valley Water awarded Living Classroom a \$5,000 Safe, Clean Water Program D3 Mini-Grant for their El Carmelo School Native Ecology Garden-Based Lessons Project (Project). Living Classroom completed the Project in May 2019 and submitted the final invoice items on January 19, 2021 allowing for grant closeout.

Living Classroom provides garden-based education programs with an emphasis on native ecology lessons for TK to 5th grade students. Each school they serve has a native habitat garden, which they also maintain. Funds for this mini-grant allowed Living Classroom to provide 22 garden-based lessons for all TK through fifth grade students at El Carmelo Elementary School in Palo Alto, CA. The school garden was used to deliver a watershed stewardship curriculum to approximately 400 students, which included the following lesson plans: Garden of Senses, Animal Homes, What's my Habitat, Flower Power, Grade Habitat Perspectives, Ethnobotany, Leaf Adaptations, and Sustainable Soil and Water. The students learned about the plants and wildlife that are part of the local native ecosystems, and the importance of a healthy and functioning watershed. In addition, funds from this mini-grant went towards maintenance of the school garden.

Key Outcomes:

- Provided 22 native ecology garden-based lessons on habitats, ecology, pollution and California's biodiversity to approximately 400 TK through fifth grade students at El Carmelo Elementary School.
- Students met the lesson objectives with 89% accuracy as indicated by learning outcome questions. Sample questions included: *What can happen to the plants in an ecosystem if the climate changes? Which pollinators are found in this watershed? How do you know?*

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

7. San Francisco Bay Restoration Authority grants \$3.37M to the Calabazas/San Tomas Aquino Creek-Marsh Connection Project, as part of the Salt Ponds A5-11 Restoration (Project Number 20444001).

At their June 18th Board meeting, the San Francisco Bay Restoration Authority unanimously approved a disbursement of up to \$3.37M to Valley Water to conduct planning, perform data collection and analysis, develop design plans, and prepare California Environmental Quality Act and National Environmental Policy Act documentation for the Calabazas/San Tomas Aquino Creek-Marsh Connection Project near the community of Alviso. In addition, we were notified on June 16th that the project was also awarded an additional \$500,000 in planning funds from California Department of Fish and Wildlife's Proposition 1 grant program

The feasibility study for the Calabazas and San Tomas Aquino Creek Realignment Project identified a partnership opportunity to integrate the creek realignment with planned tidal marsh restoration of the A8 Ponds within the Don Edwards S.F. Bay National Wildlife Refuge. The integrated project, a partnership between Valley Water, the South Bay Salt Pond Restoration Project, and U.S. Fish and Wildlife Service, would realign the two creek channels into the A8 Ponds and breach the ponds to initiate marsh restoration while minimizing any adverse impacts due to implementing the realignment project ahead of the SBSRP A8 Ponds tidal restoration.

Valley Water has already completed the Feasibility Report for this project and is ready to proceed with further project planning. During this planning phase, we will further develop the problem definition, data collection, and stakeholder outreach, as well as an analysis of a range of project alternatives that accomplish the project's goals. The planning phase typically includes preparation of 30% design plans to support alternatives analysis and CEQA/NEPA document preparation. The project would provide a natural sediment source for the restoration while reducing channel maintenance dredging and aims to create more than 1,400 acres of natural, resilient shoreline habitat. The integrated project is estimated to cost up to \$25 million for planning, design, and construction.

For further information, please contact Judy Nam at (408) 728-0451.

8. Valley Water has completed the Draft Environmental Impact Report (EIR) for the Fish and Aquatic Habitat Collaborative Effort Program and the public draft is released for a 45-day public review from June 30, 2021 to August 16, 2021.

A virtual public meeting is scheduled at 4:30 pm on July 21, 2021.

Zoom meeting link: <https://valleywater.zoom.us/j/82676998470>

+1 669 900 9128 US (San Jose) - Meeting ID: 826 7699 8470

The proposed project implements a Fish Habitat Restoration Plan and includes restoration measures specified in a 2003 FAHCE Settlement Agreement intended to resolve a water rights complaint filed with the State Water Resources Control Board. It includes both flow measures (reservoir re-operations rule curves) and non-flow measures such as fish barrier remediation, and measures to increase spawning and rearing habitat in Guadalupe River and Stevens Creek Watersheds.

The objectives of the FAHCE program include:

1. Restore and maintain a healthy steelhead population in the Stevens Creek watershed through measures specified the Settlement Agreement.
2. Restore and maintain healthy steelhead and Chinook salmon populations in the Guadalupe River watershed through measures specified the Settlement Agreement.
3. Maintain flexible and reliable groundwater recharge to support current and future water supply and water deliveries for municipalities, industries, agriculture, and the environment in a practical, cost-effective, and environmentally sensitive manner so that sufficient water is available for any present or future beneficial use.

The Draft EIR identified significant environmental impacts related to terrestrial biological resources, cultural resources, tribal cultural resources, paleontological resources, and noise. Significant impacts of non-flow measures on special-status species, and on riparian and other sensitive natural communities, and paleontological resources would be reduced to less than significant levels with the implementation of mitigation measures. The proposed project non-flow measure impacts on cultural resources, tribal cultural resources, and noise would remain significant and unavoidable.

Written comments on the Draft EIR should be received by close of business day on August 16, 2021 and sent to: Ryan Heacock at fahce@valleywater.org. For additional information or a CD copy of the Draft EIR, please contact Mr. Heacock at (408) 265-2600.

Please visit <https://www.valleywater.org/project-updates/public-review-documents>

and click on Fish and Aquatic Habitat Collaborative Effort Program Environmental Impact Report for additional details.

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

9. Valley Water Hosts Virtual Public Meeting on the Start of Construction of the Lower Calera Creek Improvements Project

On June 15, 2021, Valley Water hosted a virtual public meeting to provide an update on the upcoming construction on Lower Calera Creek, which is part of the Lower Berryessa Creek Flood Protection Project Phase 2 work, scheduled to start on June 28, 2021.

Director Santos provided opening and closing remarks during the virtual presentation, which included eight participants joining via Zoom and eight participants through Facebook Live. During the Questions and Answers portion of the meeting, Valley Water staff responded to inquiries related to flood wall heights and locations, and answered questions about the project's benefits, schedule and timeline. Community members were encouraged to contact the project's neighborhood liaison with additional questions or concerns. As the project progresses, information on construction impacts will be continually shared with residents and businesses, and staff from the City of Milpitas.

A recording of the June 15, 2021, virtual meeting and presentation is now available on the project's webpage:

<https://www.valleywater.org/project-updates/lower-berryessa-creek-flood-protection-project>.

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

10. Valley Water Launches Innovative Leak Detection and Repair Certification Pilot Program

At the June 9, 2021 Board meeting, prioritizing leak repair assistance within the water conservation program was discussed. The Water Supply Master Plan had previously identified the need to add leak repair incentives to the water conservation program. While technologies such as Advanced Metering Infrastructure and home water use monitoring devices are helpful in identifying the presence of a leak, customers throughout the Bay Area have shared challenges in locating and repairing suspected leaks. Plumbers, landscape professionals and other tradespeople may not have the expertise to assist customers with leak detection and repair, resulting in customer frustration, unnecessary costs, delays in leak repair and ultimately water waste.

After conducting extensive research and engagement with external stakeholders including Sonoma Water, City of Sacramento, Regional Water Authority, and the California Water Efficiency Partnership (CalWEP), Valley Water and Bay Area Water Supply & Conservation Agency (BAWSCA) determined the need for a certification program for tradespeople to learn leak detection and repair. Addressing this need can provide two primary benefits:

- 1) it would expand a skilled workforce focused on improving water-use efficiency; and
- 2) it would yield an objective list of certified leak detection and repair professionals to help customers repair leaks that often go unmitigated, and which is outside the scope of water agency customer support.

Valley Water and BASWCA are collaborating with CalWEP to help conceptualize a pilot leak detection certification training--an innovative program idea that is unique to the Western United States. This includes development of a certification training framework detailing training scope, curriculum requirements, and preliminary program structure, and other key components of certification. As a first step, CalWEP will develop a better understanding and prioritize customer leak detection needs, research standard business practices and licensing restrictions and liability limitations of the target audience, as well as motivations for and additional barriers to undertaking leak detection certification trainings. Findings from this first research phase will inform the second phase to develop a framework for independent indoor and outdoor leak detection and repair certification trainings.

A purchase order was created for CalWEP on June 24th for Valley Water and BAWSCA to begin working with CalWEP on this new program. A formal memorandum of agreement among Valley Water, BAWSCA, and CalWEP is under development. The results of this pilot between Valley Water, BAWSCA, and CalWEP can be leveraged to develop additional leak repair incentive programs as resources allow. The Water Conservation and Demand Management Committee will receive regular updates as this pilot progresses.

For further information, please contact Kirsten Struve at (408) 630-4739.

11. Water Management Agreements Executed in June 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 Imported Water Management agreements executed in June 2021 are listed below.

- June 8, 2021 - Water Transfer Agreement (#A4470W) between Valley Water and Contra Costa Water District: Provides for transfer of 5,000 acre-feet (AF) of Contra Costa's Central Valley Project (CVP) supplies to Valley Water in 2021 and the potential return of 5,000 AF of Valley Water's CVP supplies to Contra Costa by 2023.
- June 8, 2021 - Purchase Agreement (#A4471W) for Water Transfer between Valley Water and Thermalito Water & Sewer District: Provides for the transfer of 3,500 AF of water from Thermalito to Valley Water in 2021 and provides for a right of first refusal to negotiate a separate agreement for a proposed water transfer in 2022. Final amount of transfer water is dependent upon the Department of Water Resources and the State Water Resources Control Board approval.
- June 10, 2021 - Purchase Agreement (#A4473W) for Water Transfer between Valley Water and South Feather Water & Power Agency: Provides for the transfer of up to 8,000 AF of water from South Feather to Valley Water in 2021 and provides the right of first refusal to negotiate a separate agreement for a proposed water transfer in 2022. The final amount of transfer water is dependent upon the Department of Water Resources and the State Water Resources Control Board approval.
- June 18, 2021 - Water Transfer Agreement (#A4481W) between Carmichael Water District, City of Sacramento and Valley Water: Provides for the purchase of emergency water supplies from Carmichael Water District and City of Sacramento to Valley Water in 2021. Valley Water anticipates delivery of 7,850 AF of water.

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