



SANTA CLARA VALLEY WATER DISTRICT

NON-AGENDA

July 2, 2020

Board Policy EL-7 Communication and Support to the Board
The BAOs shall inform and support the Board in its work.

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Board correspondence has been removed from the online posting of the Non-Agenda to protect personal contact information. Lengthy reports/attachments may also be removed due to file size limitations. Copies of board correspondence and/or reports/attachments are available by submitting a public records request to publicrecords@valleywater.org.

CEO BULLETIN

CEO BULLETIN



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

Weeks of June 19 – July 2, 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. Coyote Creek Flood Protection Project Virtual Public Meetings Update

On June 17, 2020, Valley Water held the last of three virtual public meetings on the Coyote Creek Flood Protection Project. The Zoom event focused on project details relevant to communities in District 2, represented by Valley Water Director Barbara Keegan, who provided opening and closing remarks. Valley Water Vice-Chair Tony Estremera and Director Linda LeZotte also joined as attendees.

There were approximately 76 community members participating in the live event that highlighted recommended Coyote Creek Flood Protection Project alternatives, along with other project details including information on Valley Water's proposed Federal Energy Regulatory Commission (FERC) Order Compliance Project (FOCP) for the Anderson Dam Seismic Retrofit Project. Some elements of the Coyote Creek Flood Protection project are part of the FOCP—namely measures needed to

protect properties against the larger flows that will be released from the dam's new outlet tunnel. Participants were also informed of the presentation on the Engineer's Report for the Anderson Dam FOCF that was provided during the Valley Water Board of Directors Meeting on June 23, 2020.

Like the previous two virtual public meetings held on June 10 and 11, 2020, Spanish and Vietnamese interpreters were available during the Zoom event, which was livestreamed via Facebook and included various Valley Water staff who answered questions on multiple topics ranging from creek maintenance to the drawdown of Anderson Reservoir.

All three public meeting recordings are now available on Valley Water's YouTube channel and Facebook. So far, the June 17, 2020 meeting has garnered 700 views while all the meeting views to date total approximately 7,000 views. The video links along with meeting materials are available on the project webpage. Valley Water will also be updating the frequently asked questions document with responses to all the questions posed during each of the three Zoom events.

Valley Water is planning another public meeting series later this year to update the community and gather their input on the design of the Coyote Creek Flood Protection Project.

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

2. Delta Conveyance Project Updates

All of the following updates relate to the proposed Delta Conveyance Project:

California Environmental Quality Act (CEQA)

The California Department of Water Resources (DWR) is reviewing more than 800 comments received during the public scoping period that concluded in April 2020 and is preparing a scoping report and Draft Environmental Impact Report (EIR). DWR expects to release the Draft EIR in 2021 and project alternatives sometime prior for public review and comment.

National Environmental Policy Act (NEPA)

On June 18, 2020, the California Department of Water Resources (DWR) submitted a permit application to the U.S. Army Corps of Engineers (USACE) pursuant to Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act for the proposed Delta Conveyance Project. A Section 404 permit is required prior to construction in navigable water/waters of the U.S.. DWR submitted the application now in order to engage USACE in environmental review under NEPA in coordination with DWR's preparation of an EIR under CEQA. USACE is now expected to issue a Notice of Intent to initiate preparation of an Environmental Impact Statement, providing another opportunity for public input into scoping of the project.

On May 22, 2020, DWR received a "Statement of No Objection" letter from the Central Valley Flood Protection Board enabling DWR to engage in early consultation with USACE and the Central Valley Flood Protection Board during development of the environmental documents.

AB52 Tribal Consultation

DWR sent project notification letters to 121 Tribes. To date, 12 have requested consultation.

Environmental Justice and Disadvantaged Communities

DWR will conduct surveys, interviews and small group briefings in the coming months to gather input on the usage and value of environmental resources in the Delta by disadvantaged communities. This information will be used to outline a draft scope of DWR's environmental justice objectives that will be available for public comment as an appendix to the Draft EIR.

Design and Engineering

The Delta Conveyance Design and Construction Authority (DCA) is continuing to develop engineering and design information to help inform the environmental review process. This information is being presented to the Stakeholder Engagement Committee (SEC) to generate input and ideas that help avoid or minimize potential local effects of the project. The DCA is also reaching out to other members of the Delta community and county health and safety service providers.

More information can be found at the following website: <https://water.ca.gov/deltaconveyance>.

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

3. Extending Memorandum of Understanding for the Recycled Refinery Water Exchange Project

Valley Water entered into a Memorandum of Understanding (MOU) with Central Contra Costa Sanitary District (Central San) and Contra Costa Water District (CCWD) in April 2018 to explore the possibility of the Refinery Recycled Water Exchange Project (RRWE). The RRWE is a regional potable reuse project that involves Central San providing recycled water to CCWD customers and then CCWD providing Valley Water the Central Valley Project (CVP) contract supply that would have gone to those CCWD customers.

The main tasks of the MOU are to estimate the potential yield and associated costs of the RRWE. The preliminary analysis indicates that the RRWE may provide Valley Water up to 11,000 acre-feet (AF) of water per year, on average. This additional supply could help Valley Water meet its level of service goals, especially during dry years. However, regulatory and operational uncertainties could impact the reliability of Valley Water receiving the project water.

The preliminary life-cycle costs for the exchange project are estimated to be \$2,300/AF to \$2,800/AF per year. Project costs would primarily be allocated among Central San and Valley Water. The allocation approach still needs to be negotiated under the guidance of Valley Water's Board of Directors. Since the MOU was set to expire on June 30, 2020, an amendment to the MOU was fully executed by Valley Water's CEO on June 22, 2020, to extend the MOU for one year. This extension allows the partners to complete the remaining tasks of negotiating the cost allocation and finishing the preliminary feasibility report.

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

4. Homeless Encampment Abatements

The Center for Disease Control issued guidance during the COVID-19 pandemic that homeless encampment abatements be paused, unless housing solutions are available, in an effort to reduce the spread of the virus. Valley Water conducts encampment abatements in partnership with local municipalities and largely with the City of San Jose (CSJ). The municipality is responsible for posting the sites for cleanup and for providing police and outreach services.

The City of San Jose has informed Valley Water that the CSJ Emergency Operations Center policy to suspend abatements remains in effect and is in alignment with public health guidance. Valley Homeless Healthcare and Public Health has begun COVID-19 testing at encampments of ten or more. Allowing people to remain in place is critical to contact tracing.

To address safety during the summer Stream Maintenance Program work season, Valley Water has asked for CSJ's assistance while working in areas occupied by homeless encampments. Areas of concern include Guadalupe River and Coyote Creek where popular locations are occupied by between 5-50 visible dwellings. CSJ's Housing Dept has agreed to send street outreach teams to work sites to notify people that work crews will be operating in the area and ask that they move. San Jose Police has agreed to assist with prework assessments as are Valley Water security and contract services. In the event a work area is deemed unsafe, the work activity will be postponed.

For further information, please contact Sue Tippetts at (408) 630-2253

5. Pacheco Reservoir Expansion Alternative of the San Luis Low Point Improvement Projects recommended to receive \$1.7 million for continued studies in FY 21 under the WIIN Act.

Valley Water has been working with the Bureau of Reclamation (Reclamation) since 2018 on the San Luis Low Point Improvement Project (SLLPIP) Federal Feasibility Report which identified the Pacheco Reservoir Expansion Alternative (Pacheco) as the preferred alternative. During the past two years, both Reclamation and Valley Water have been working hard to transition the SLLPIP from CalFed Bay-Delta Authorization Act, which has been the funding mechanism from the beginning of the Project, to Water Infrastructure Improvements for the Nation (WIIN) Act of 2016, as CalFed was expiring.

On June 22, 2020, Interior Assistant Secretary for Water and Science, Timothy Perry, sent a letter to the Congressional Subcommittee on Energy and Water Development requesting \$108.7 million in funding for surface water storage projects in California, Washington, and Idaho under the WIIN Act. Included in these ten projects is the SLLPIP, which was recommended to receive \$1.7 million for continued studies in FY21 for Pacheco.

This first step in funding keeps Reclamation engaged in the Pacheco Reservoir Expansion Alternative and places the Project in line for construction funds from WIIN, its extension, or replacement programs. The Project is now eligible to receive annual funds for continued studies related to design and permitting. Reclamation will proceed with expenditure of construction funding once the Project is found to be feasible, which Valley Water and Reclamation are hoping will happen at the end of 2020. SLLPIP is eligible to receive funding for up to 25 percent of its construction costs. Congress must include SLLPIP in the annual Energy and Water Development Appropriations Act to continue to fund the projects.

For further information, please contact Christopher Hakes at (408) 630-3796.

6. Palo Alto Flood Basin Tide Gate Structure Replacement Project - Virtual Public Meeting Update

On June 24, 2020, Valley Water hosted a virtual public meeting on the Palo Alto Flood Basin Tide Gate Structure Replacement Project with approximately 48 community members as part of the live audience. The event was emceed by Melanie Richardson, Valley Water Chief Operating Officer of Watersheds, and featured opening remarks by Valley Water Director Gary Kremen. Palo Alto Councilmember Alison Cormack was also present for the meeting.

Streaming via Zoom and Facebook Live, Valley Water provided background on the structure's history and previous attempts to repair and address the tide gate structure's aging condition. Valley Water presented on the urgency behind the project's construction, recommended project

alternatives and how various environmental and trail impacts will be addressed as part of the project's planning and construction. Valley Water also fielded questions from community members and will be producing a frequently asked questions document that will include responses to many of the questions posed during the meeting.

The virtual public meeting recording is now available on Valley Water's YouTube channel and Facebook. As of June 26, 2020, the meeting has received 293 views. The video links along with meeting materials are available on the project web page. Valley Water is currently working on the Draft California Environmental Quality Act (CEQA) Mitigated Negative Declaration document and plan to post for public comment in Summer 2020.

For further information, please contact Marta Lugo at (408) 646-7441.

7. Pilot A2 Water Conservation Mini-Grant Program Launches on June 29, 2020

On June 29, 2020, Valley Water will launch its Water Conservation Mini-Grant program and begin accepting online applications for mini-grant funding of up to \$5,000 for start-up projects that help save water. The program has a total of \$100,000 in water conservation mini-grant funding available on a rolling basis through December 31, 2020 or until all available funding is awarded.

The Valley Water Board of Directors approved this pilot A2 Water Conservation mini-grant program on February 11, 2020. This grant funding is part of the Safe, Clean Water and Natural Flood Protection Program, which was approved by voters in 2012, that allows Valley Water to reinvest into the community for meaningful projects.

Projects must meet one or more criteria of helping identify potential water reduction technologies and methods; researching new and innovative technologies; and/or conducting educational or outreach opportunities related to water conservation. Projects must demonstrate matching funds of at least 25% of the total project cost (monetary or in-kind) to be eligible and may be authorized for full or partial requested funding. Projects must be completed within two years.

Valley Water is conducting outreach for this grant opportunity, including hosting virtual information sessions on July 15, 2020 and July 28, 2020; e-blasts to stakeholder lists; social media posts; and countywide NextDoor posts. More information about the grant award process, eligibility criteria, minimum qualifications and how to apply can be found at valleywater.org/grants.

Valley Water will return to its Board at the end of the pilot with an evaluation regarding the effectiveness of the program and a recommendation on whether to continue the A2 mini-grant program in future years.

For further information, please contact Marta Lugo at (408) 646-7441.

8. Safe, Clean Water Grant Closeout: Bay Area Older Adults' FY19 D3 Watershed Appreciation Program

The Bay Area Older Adults (Grantee) Watershed Appreciation Program (Agreement No. A4260R) has been completed and closed out.

The Bay Area Older Adults received a \$5,000 Safe, Clean Water D3 Mini Grant for the Watershed Appreciation Program. The program agreement was executed on May 31, 2019 and was completed on November 14, 2019. Bay Area Older Adults provided outdoor educational programs for visually

impaired older adults to experience Santa Clara Valley Water District (Valley Water) watersheds firsthand. All four programs within the Watershed Education Project were completed with a total participation of 44 visually impaired older adults.

Key Outcomes

1. Program participants increased their knowledge of the four watersheds located at the following locations: Los Alamitos Creek, Guadalupe Slough, Stevens Creek and Penitencia Creek. Pre- and post-walk surveys indicated an increase in participant knowledge of the creeks from an average of 0-22% to 78-100%, respectively.
2. Educational materials, such as plans and guides, were created that incorporated the senses of touch, smell, hearing and taste.

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

9. Safe, Clean Water Grant Closeout: West Valley-Mission Community College District's FY16 D3 Wildcat Creek Native Vegetation Enhancement Program

As of June 30, 2019, the West Valley College Wildcat Creek Native Vegetation Enhancement Program grant has been closed out.

The West Valley-Mission Community College District received a \$165,000 Safe, Clean Water Program D3 grant for the West Valley College Wildcat Creek Native Vegetation Enhancement Program. The agreement was executed on June 17, 2016 and the project was completed on June 30, 2019. This project was located on the West Valley College campus in Saratoga, CA.

The project removed approximately two acres of invasive, non-native vegetation, within the West Valley College campus and revegetated the area with native species propagated from a collection of native vegetation planted on campus during past native re-vegetation efforts on campus.

Key Outcomes

1. 500 riparian plantings were installed in Fall 2017 and received supplemental irrigation, weeding, maintenance and monitoring through 2018. This included training personnel to perform invasive and native plant management and fieldwork in riparian woodland habitat.
2. Areas of 2017 invasive plant species removal were re-checked and re-treated as needed.
3. Created a "Stream Team" task force consisting of West Valley College administration and faculty to engage and integrate this project into their curriculum.
4. 72 polygon areas of invasive plants (approximately four acres) were checked in the Spring and Fall of 2018 for newly emerging/re-sprouting invasive plants.
5. Created a natural outdoor "classroom" and living laboratory in newly restored creek corridor that raises student and public awareness of environmental issues and restoration.
6. In the Spring of 2019, a walkthrough of the creek corridor was conducted to locate and map occurrences of invasive species to assist in future maintenance and monitoring.
7. Facilitated collaboration and received overwhelming support from City of Saratoga, neighborhood groups, local community group volunteers and West Valley College students.

For further information, please contact Marta Lugo at (408) 646-7441.

BOARD MEMBER REQUESTS and Informational Items

Report Name: Board Member Requests

Request	Request Date	Director	BAO/Chief	Staff	Description	20 Days Due Date	Expected Completion Date	Disposition
I-20-0012	06/12/20	Kremen	Callender	Gibson	Prepare a water rate letter similar to the one sent by Darin, to be sent to the Cities and Councils within his District.	07/02/20		



MEMORANDUM

FC 14 (02-08-19)

TO: Rick L. Callender, Chief of External Affairs **FROM:** Rachael Gibson, Deputy
Administrative Officer of
Government Relations

SUBJECT: Federal Economic Stimulus Advocacy **DATE:** 6/25/2020
Package for Congressional Delegation

Attached to this memorandum is a copy of a letter and supporting materials sent to U.S. Representative Zoe Lofgren in support of economic stimulus and water infrastructure funding that could benefit Valley Water projects and priorities. Identical copies were sent to the other members of our congressional delegation. The package contains a cover letter, requested legislative language changes, and a list of Valley Water's "shovel-ready" projects that could benefit from stimulus and/or infrastructure funding. Staff is using this package to advocate for this funding and legislative language changes with Members in the House and Senate, as well as key committee staff and agency representatives.

Please let me know if you have any questions.

A handwritten signature in black ink, appearing to read "Rachael Gibson", written over a horizontal line.

Rachael Gibson
Deputy Administrative Officer
Office of Government Relations

Attachment: Federal Economic Stimulus Advocacy Package

June 10, 2020

The Honorable Zoe Lofgren
U.S. House of Representatives
1401 Longworth House Office Building
Washington, D.C. 20515

Dear Congresswoman Lofgren:

Thank you for your early and continued support for critical COVID-19 relief measures. As you are well aware, Santa Clara County was one of the earliest and hardest-hit counties in the country, and the county is facing significant economic decline and soaring unemployment numbers. During this unprecedented pandemic, reliable access to clean water is more important than ever. As an essential service provider for this severely impacted community, the Santa Clara Valley Water District (Valley Water) is committed to doing our part to ensure the continuity of clean water supplies and reduced flood risks for the nearly two million people who call Silicon Valley home.

Like you, we are working to meet the challenges of the pandemic head on. For Valley Water this involves working on strategies to help our community recover and once again thrive. To this end, Valley Water has conducted an exhaustive assessment of our most pressing aging infrastructure needs and we estimate that, with federal assistance, Valley Water can help to create an estimated 50,000 new jobs for our region. As Congress works on the next COVID-19 relief bill, we ask that you include funding and program language specifically for water infrastructure that will help jumpstart our local economy by supporting the creation of thousands of new jobs.

Throughout this crisis, Valley Water has upheld our critical role in maintaining public health and safety. This includes continuous operation of our three water treatment plants to ensure that the drinking water is safe; clearing vegetation in our creeks that will keep floodwaters in the channels; and moving forward with the Anderson Dam Seismic Retrofit Project (Anderson Project) to protect public safety and comply with the Federal Energy Regulatory Commission order to drain the reservoir and enlarge the outlet tunnel. Your leadership in helping to move the Anderson Project forward over the past year has been invaluable, and we thank you for your continued efforts. Valley Water's more than 800 employees have stepped up during this emergency to operate our critical infrastructure around the clock, and we are all committed to maintaining a high level of service as our community responds to the pandemic.

As Congress considers the next relief package, Valley Water would like to provide you with an overview of our most pressing aging infrastructure needs. These "shovel-ready" projects, such as the Anderson Project, the Upper Llagas Creek Flood Protection Project, and the Rinconada Water Treatment Plant Reliability Improvement Project, could be immediately advanced through a combination of direct federal assistance and targeted policy modification. Supporting the programs that fund these projects would also help create jobs for small businesses in our region, which have been particularly hard hit during

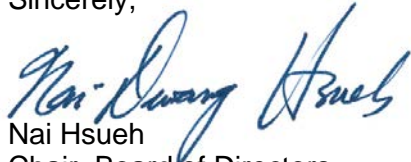
this pandemic. A full description and details of our projects are attached to this letter. We hope these materials can serve as evidence that Valley Water stands ready to assist in jump-starting the regional economy.

Thank you for your strong leadership throughout this crisis. We appreciate your support for Valley Water and all the essential services we provide, and we look forward to working with you to advance a water infrastructure package that benefits Santa Clara County and the nation.

We stand ready to assist you or your staff in any manner to advance this effort. Should you have any questions, please do not hesitate to contact Rachael Gibson, Director of Government Relations, at (408) 630-2884 or rgibson@valleywater.org.

I wish you and your family well during this challenging time.

Sincerely,

A handwritten signature in blue ink that reads "Nai Hsueh". The signature is fluid and cursive, with the first name "Nai" and last name "Hsueh" clearly distinguishable.

Nai Hsueh
Chair, Board of Directors

Attachments:

1. Valley Water Infrastructure Projects
2. Valley Water Infrastructure Projects – Funding and Language Requests

cc: District Office
Board of Directors (7)

kn:fd
0610b-l

1. Dam Rehabilitation and Repair

With nearly two-thirds of the nation's dams classified as "high hazard" by the U.S. Army Corps of Engineers,¹ the collective need for dam repairs and upgrades across the nation requires robust federal investment. Unfortunately, federal funding for addressing these critical infrastructure needs is woefully inadequate.

In Santa Clara County, repairing and maintaining Anderson Dam is critical for protecting public safety and meeting our county's future water supply needs. A catastrophic failure of the seismically unsound dam, built in 1950, would have a devastating impact on residents, businesses, and infrastructure far beyond the immediate dam vicinity. Fixing Anderson Dam is Valley Water's top priority.

Funding Request: There is very little federal funding available for non-federal dams, such as Anderson Dam, which make up the vast majority of dams in the United States. Furthermore, the lone source of funding for rehabilitating high-hazard dams, the Federal Emergency Management Agency's (FEMA) Rehabilitation of High Hazard Potential Dam Program expressly prohibits funding being used for dams with hydroelectric facilities on site. As such, Anderson Dam is currently ineligible for funding under the FEMA program.

Language Requests:

- **FEMA Program Language:** To address these challenges and help expedite construction of critical public safety projects like the Anderson Project, Valley Water proposes to **create a source of funding for dam safety upgrades, as well as to expand eligibility of the FEMA program to include dams with hydroelectric facilities.**
- **Permitting Reform:** Large, complex infrastructure projects typically require an array of federal permits prior to construction. While the permits themselves are important, the process can take years – sometimes many years – to complete, driving up project costs and delaying infrastructure improvements that have serious public safety implications. To address these delays, Valley Water proposes to **require the federal resource agencies (National Marine Fisheries Service and U.S. Fish and Wildlife Service) to adhere to the statutorily-mandated timelines for consultation** as set forth in the Endangered Species Act. Requiring the agencies to complete consultation within these timelines will give project proponents needed certainty and help keep project costs and delays to a minimum. In the case of the Anderson Project, for example, this could cut years off the project schedule and provide more certainty as to its progress.

2. Increased Water Storage

Surface water storage is an essential tool to ensuring water supply flexibility and resilience to drought. In the arid West, in particular, it is important that we have the ability to capture and store precipitation for later use. Increased surface water storage also allows for less reliance on groundwater, the pumping of which causes subsidence.

In Santa Clara County, expanding the Pacheco Reservoir is critical to providing increased water storage south of the Sacramento-San Joaquin Delta, which is an essential component

¹ "National Inventory of Dams." U.S. Army Corps of Engineers. (2018, Updated in March 2020.) Retrieved from <https://nid.sec.usace.army.mil/ords/f?p=105:113:15561792595974::NO::>

of long-term water reliability for our region. Expanding the reservoir from 5,500 acre-feet to 140,000 acre-feet would provide enough water to supply 1.4 million people during an emergency. The Pacheco Project would also allow for increased flows in Pacheco Creek, directly benefiting the environment by improving more than 10 miles of habitat for a federally threatened steelhead species. A more robust flow of water in Pacheco Creek will enable protection from drought events and help to ensure the species' survival. Finally, the Project will create incidental flood protection to nearby communities, which are largely rural and economically disadvantaged.

Funding Request: The Water Infrastructure Improvements for the Nation (WIIN) Act of 2016 created a new source of funding for water storage projects, including State-led storage projects like the Pacheco Project. As the WIIN Act is set to expire at the end of 2021, however, Congress should extend the water storage provisions or create a new source of funding for projects moving through the current WIIN Act process, such as the Pacheco Project, which will provide important water supply and environmental benefits to the West, as well as create thousands of new jobs.

Language Request: The CALFED Bay-Delta Authorization Act (P.L. 108-361) authorized important water storage projects, including the San Luis Low Point Improvement Project (SLLPIP). The SLLPIP is currently moving through the WIIN Act process with the Pacheco Project as the National Economic Development alternative. Unfortunately, there is outdated language in the original CALFED law that could pose a barrier to construction of this important storage project. Therefore, we propose the following: **Amend Title I(f)(1)(A) of Public Law 108-361 (118 Stat. 1694) by striking the language after “project,” and replacing “project,” with “project.”**

3. Recycled Water and Building Drought-Resilient Communities

Water recycling is an important tool in helping communities diversify their water supply portfolios and become more drought resilient. Many cities and counties in the West are beginning to build out the necessary infrastructure to support increased recycled water production and use. This infrastructure is capital intensive, however, and federal assistance currently limited. As more communities realize the benefits of recycled water, demand for this limited funding will only grow.

In Santa Clara County, the South Santa Clara County Recycled Water Project (South County Project) is part of Valley Water's strategy to develop a locally controlled, reliable, and drought resilient water supply for the communities in the southern part of our county. Development of this supply will help Valley Water respond to cyclical climate changes and drought conditions, as well as supplement up to 3,000 acre-feet per year of water supply from other existing sources, such as imported water and stored local water supplies. Part of the project has been completed, with planning underway for design and construction of non-potable water recycling facilities (pumps, storage) and conveyance infrastructure.

Funding Request: Federal funding for recycled water projects is limited and oversubscribed. In particular, demand for the Title XVI Water Reclamation and Reuse Program each year far exceeds supply. Congress could help jumpstart many recycled water projects in the West by increasing the funding for this successful program, creating thousands of new jobs.

As an example, the South County Project was authorized as a Title XVI Project (Public Law 110-229), as amended (43 U.S.C. 390h-39) to receive up to \$7 million in federal assistance. The project received a combined \$5.7 million in funding under Title XVI in 2016 and 2017, along with \$1.3 million from the American Recovery and Reinvestment Act of 2009. Without additional federal assistance, the future of the project remains uncertain. In order to better meet the demand of water agencies looking to diversify their supply portfolios in order to become more drought resilient, Valley Water requests increasing the funding authorization for the Title XVI Program to at least \$100 million per year and appropriating full funding. This could allow projects to move forward quickly that are ready for construction but have not been able to cover costs.

Language Request: The South County Project has exhausted its original authorization of \$7 million. As the project costs have increased over time, the project has been unable to move forward without additional funding. Valley Water requests **increasing the project authorization to \$18 million**, allowing the project to be eligible for seeking additional federal funding under a stimulus package or the Title XVI Program.

OTHER PROGRAMS TO FUND

1. Flood Protection

A. Agency: Natural Resources Conservation Service (USDA)

Program: *Watershed and Flood Prevention Operations*

Justification: This program funds flood protection and watershed improvement projects nationwide. These projects can be complex and costly, and local agencies often cannot bear the full cost.

Request: Increase the annual appropriation (\$150 million in recent years) to allow additional projects to move forward, creating new jobs.

B. Agency: U.S. Army Corps of Engineers

Program: *Construction*

Justification: Projects across the nation are experiencing cost overruns and schedule delays. Increased funding could help mitigate some of those delays due to increased costs.

Request: Increase the annual appropriation.

2. Water Supply Reliability and Diversification

A. Agency: U.S. Bureau of Reclamation

Program: *WaterSMART*

Title XVI

WIIN Act Sec. 4007

Justification: Funding for drought resiliency (WaterSMART), recycled water projects (Title XVI), and water storage is in high demand and limited supply, particularly in the arid West where it is important for communities to diversify their portfolios in order to become more drought resilient.

Request: Increase the Title XVI authorization to at least \$100 million per year and fully fund the program. Increase the annual appropriations for WaterSMART program. Extend Sec. 4007 of the WIIN Act and increase the authorization to \$670 million.

3. WIFIA and Conservation

A. Agency: Environmental Protection Agency

Program: *Water Infrastructure Finance and Innovation Act (WIFIA) Program*
WaterSense Program

Justification: Since it first began issuing loans in 2017, the WIFIA Program has been tremendously successful in generating funds for large water infrastructure projects. An increase in appropriations could help generate even greater funding for these important projects, at very minimal cost to the federal government. The WaterSense Program has also been very successful, helping consumers make responsible buying decisions on water-efficient appliances. Additional funding could help expand the program, ultimately resulting in less water usage in certain sectors.

Request: Increase the annual WIFIA and WaterSense appropriations.

The following is a list of Valley Water projects that can break ground anywhere from immediately to 18 months from now. Each project also includes an estimate of the external jobs that would be created. For most projects, this number is based on a rough estimate of 10-20 jobs created per \$1M project cost. An asterisk (*) indicates a project that is high priority and is expected to generate significant jobs, but which is outside the 18-month construction window.

Project Name	Description	Current Phase	Construction Cost Estimate	Expected Construction Advertise Date	Estimated Jobs Created	Appropriations Account and Program (If Known)	Language Requested
Anderson Dam Tunnel Project	Construct low-level outlet tunnel, which was originally part of the Anderson Dam Seismic Retrofit Project, in order to comply with Feb 20 FERC directive and help maintain a safe reservoir operating level for the downstream communities.	Design	\$200M	January 20, 2021	2,000-4,000	Homeland Security: FEMA, Rehabilitation of High Hazard Potential Dams	Allow eligibility for dams with hydroelectric facilities (at least those under 1.5MW)
FERC Order Compliance Project (Anderson Reservoir Dewatering)	Dewatering activities (sludge and biomass removal, landslide studies/monitoring) necessary to comply with FERC Feb 20 order to dewater Anderson Reservoir to deadpool beginning Oct 1, 2020	Design	\$5M	September 20, 2020	50-100	Homeland Security: FEMA, Rehabilitation of High Hazard Potential Dams	Allow eligibility for dams with hydroelectric facilities (at least those under 1.5MW)
Anderson Dam Seismic Retrofit Project*	Dam is biggest reservoir serving Silicon Valley, providing enough drinking water for one million people for one year. Hundreds of thousands of people live in the inundation zone. Retrofit is needed to protect public safety.	Planning	\$425M	Late 2023/ Early 2024	4,250-8,500	Pot of Dam Safety Funding (including for non-federal dams) or Augmentation of FEMA Dam Safety Program	Create pot of funding for dam rehabilitation/ repair; require adherence to statutory deadlines for ESA consultation
Pacheco Reservoir Expansion Project*	Expanding Pacheco Reservoir from 5,500 acre-feet to 140,000 acre-feet would provide enough water to supply 1.4 million people during an emergency. Project would also improve habitat for threatened species of steelhead.	Design/Pre-Construction	\$2.1B	August 2024	21,000-42,000	Energy and Water: Bureau of Reclamation, Water and Related Resources, WIIN Act Storage	Amend Title I(f)(1)(A) of P.L. 108-361 (118 Stat. 1694) that prohibits use of funds for Pacheco construction.

Project Name	Description	Current Phase	Construction Cost Estimate	Expected Construction Advertise Date	Estimated Jobs Created	Appropriations Account and Program (If Known)	Language Requested
Upper Llagas Flood Protection Project	Phase 2A - Portion of Reach 8 from Ciolino Avenue upstream to approximately 300 feet north of the existing West Main Avenue and Hale Avenue intersection	Design	\$50M	July 2020	500-1000	Agriculture: Natural Resources Conservation Service, Watershed and Flood Prevention Operations	
Upper Llagas Flood Protection Project	Phase 2B - Remaining portion of Reach 5, all of Reach 6, Reach 7B, remaining portion of Reach 8, and Reach 14	Design	\$70M	December 2020	800-1600	Agriculture: Natural Resources Conservation Service, Watershed and Flood Prevention Operations	
Sunnyvale East and West Channel Flood Protection Project	Improvements to Sunnyvale East (6.5 miles) and Sunnyvale West (3 miles) Channels to provide flood protection, create recreational opportunities, and improve the quality of the water that reaches the San Francisco Bay.	Design	\$50M	Late 2020	500-1000		
Rinconada Water Treatment Plant Reliability Improvement	Phase 2 Interim: Replacement or improvement of existing treatment processes and facilities including flocculation/sedimentation, washwater recovery, electrical control building, and chemical feed systems. Begins installation of new Ozone facilities.	Design/ Construction	\$10M	Fall/Late 2020	100-200		
Rinconada Water Treatment Plant Reliability Improvement	Phases 3-6: Completes installation of new ozone facilities as well as new filters and fluoride facility. Replacement of reservoir liner and demolition of the existing clarifiers and filters.	Design	\$100M	Fall/Late 2020	1,000-2,000		
10-Year Pipeline Rehabilitation	Central Pipeline Rehab & Parallel East Pipeline Rehab	Design	\$9M	July 2020	90-180		
Santa Teresa Water Treatment Plant Filter Media Replacement Project	Replace filter media at Santa Teresa Water Treatment Plant	Planning	\$7.65M	2022	75-150		

Project Name	Description	Current Phase	Construction Cost Estimate	Expected Construction Advertise Date	Estimated Jobs Created	Appropriations Account and Program (If Known)	Language Requested
Almaden Lake Improvements	Improve fishery access to spawning and rearing habitat and reduce methyl mercury concentration in water and fish within the Guadalupe Watershed by restoring and separating Alamos Creek from Almaden Lake in San Jose.	Design	\$25M	April 2021	250-500		
Bolsa Fish Passage Improvements	Restore fish passage along 1,700 feet of Uvas Creek extending from the Union Pacific Railroad (UPRR) crossing in the City of Gilroy to allow steelhead and other aquatic organisms to move freely between the lower and upper reaches of the creek.	Design	\$6M	February 2021	60-120		
Calabazas Creek Rehabilitation	Repair bank failure along 1,350 feet of Calabazas Creek in City of Cupertino from Miller Avenue to Bollinger Road.	Design	\$10M	April 2021	100-200		
Hale Creek Channel Enhancement	Restore approximately 650 feet of Hale Creek from Marilyn Drive and Sunshine Drive in the Cities of Los Altos and Mountain View. The project would entail the replacement of the existing concrete channel with a soft-bottom channel comprised of natural substrates and vegetation.	Design	\$9.5M	February 2021	95-190		
Lower Calera Creek Flood Protection Project	Provide 100-year flood protection for approximately 3,000 feet along Lower Calera Creek from upstream of its confluence with Lower Berryessa Creek to a drop structure near Milpitas High School in the City of Milpitas.	Design	\$19M	August 2020	190-380		
Lower Penitencia Creek Flood Protection	Provide 100-year flood protection for approximately 1 mile along Lower Penitencia Creek from upstream of its confluence with Coyote Creek to San Andreas Drive in the City of Milpitas.	Design	\$18M	July 2020	180-360		

Project Name	Description	Current Phase	Construction Cost Estimate	Expected Construction Advertise Date	Estimated Jobs Created	Appropriations Account and Program (If Known)	Language Requested
Palo Alto Flood Basin Tide Gate Replacement	Replace the tide gate structure that was constructed in 1957 in Palo Alto. The replacement tide gate structure will provide flood protection and protection from sea level rise for Adobe Creek, Matadero Creek and Basin Creek.	Design	\$32M	June 2021	320-640		
Piedmont Creek Wall Repair and Rehabilitation	Repair concrete wall along half a mile of Piedmont Creek in City of Milpitas from Roswell Drive to Dempsey Road.	Design	\$3M	April 2021	30-60		
Small Capital Improvements, San Felipe Reach 1	Pacheco Pumping Plant Priority 1 Fire Alarm and Suppression System Improvements, which includes installation of a chemical fire suppression system to work in conjunction with the existing water-based (sprinkler) system, to reduce risk of fire damage to the remote critical facility.	Design	\$1.34M	April 2020	13-26		
Small Capital Improvements, Water Treatment	Penitencia Water Treatment Plant Flocculation and Sedimentation Basins Rehabilitation. These are large concrete basins where chemicals are added and solids settle out of the water.	Design	\$1.34M	April 2020	13-26		
Small Capital Improvements, Water Treatment	Santa Teresa Water Treatment Plant replacement of aging filter system piping (airwash system piping) to improve reliability of the plant's filtration system.	Design	\$1.25M	August 2020	12-24		
Upper Guadalupe River Reach 6 Aquatic Habitat Improvement	Provide gravel augmentation along approximately 800 lineal feet of the Upper Guadalupe River in San Jose, from approximately the Union Pacific Railroad Bridge to West Virginia Street Bridge to improve aquatic habitat and channel stability.	Design	\$1M	March 2021	10-20	Energy and Water: U.S. Army Corps of Engineers, Construction	

Project Name	Description	Current Phase	Construction Cost Estimate	Expected Construction Advertise Date	Estimated Jobs Created	Appropriations Account and Program (If Known)	Language Requested
Purified and Recycled Water Program*	Design and construction of advanced water purification facilities, pumping and conveyance infrastructure	Planning	\$640M	July 2024	6,400-12,800	Energy and Water: WaterSMART, Title XVI	
Purified and Recycled Water Program	Design of advanced water purification facilities, pumping and conveyance infrastructure	Planning	Design \$64M	Begin Design January 2021	25-75	Energy and Water: WaterSMART, Title XVI	
South Santa Clara County Recycled Water Project (congressionally authorized Title XVI program)	Design and construction of non-potable water recycling facilities (pumps, storage) and conveyance infrastructure	Planning	\$12M	January 2022	120-240	Energy and Water: WaterSMART, Title XVI	Increase the project authorization to \$18 million
Silicon Valley Advance Water Purification Center Technical Innovation Center	Design and construction of dedicated area to facilitate technical studies and pilot demonstration projects (including mobile treatment trains/technologies for use at different locations such as Palo Alto) pertinent to potable reuse and RO concentrate management.	Planning	\$2.5M	July 2021	25-50	Energy and Water: WaterSMART, Title XVI	
IT Disaster Recovery	Modernization of disaster recovery infrastructure. Specification, procurement, installation, configuration, and commissioning of two separate backup environments for our business and SCADA environments.	Planning	\$2M	August 2020	3		
ERP System Implementation	Replacement of our Peoplesoft ERP system with Infor Cloudsuite. Replaces a total of 23 legacy IT systems, implements electronic workflows and approvals. Significant modernization of administrative processes.	Construction	\$17M	Contract Awarded, In Progress Through August 2021	9		
Enterprise Content Management	Implementation of an Enterprise Content Management platform to	Planning	\$831K	August 2020	3		

Project Name	Description	Current Phase	Construction Cost Estimate	Expected Construction Advertise Date	Estimated Jobs Created	Appropriations Account and Program (If Known)	Language Requested
	replace hundreds of paper-based storage and retrieval workflows						
Telephone System VOIP	Replacement of our 1986 system with a modern Voice Over IP Phone system. Replaces all phone handsets, communications lines, disaster recovery hardware, etc.	Planning	\$1.1M	June 2020 (Award)	5		
Access Valley Water Replacement	Replacement of our dated Customer Relationship Management system with Salesforce	Planning	\$1.9M	June 2020 (Award)	5		
Generator Replacement	Upgrade Headquarters generator, add generator to Crest and Blossom Hill Annex, and add electrical redundancy to the Administration building	Planning	\$2.5M	December 2020	30		
Roof Replacement	Roof replacement at Crest, Blossom Hill Annex, Maintenance Building, and Rinconada Water Treatment Plant	Design/Construction	\$1M	September 2020	10-50		
HVAC Upgrades	Replace the chiller at Headquarters; replace chiller and piping at the Water Quality Lab; and replace the Santa Teresa Water Treatment Plant built up system	Planning	\$2.5M	June 2021	250-500		
Asphalt Replacement	Replace/repair at Headquarters and the Santa Teresa Water Treatment Plant	Planning	\$1M	November 2020	10-20		
Fire Panel Replacement	Replace fire panels at Santa Teresa Water Treatment Plant and the Penitencia Water Treatment Plant	Planning	\$1.5M	January 2021	15-30		



MEMORANDUM

FC 14 (02-08-19)

TO: Rick L. Callender, Chief of External Affairs **FROM:** Rachael Gibson, Deputy
Administrative Officer of
Government Relations

SUBJECT: Letter to Cities Regarding Water Rates for
the Fiscal Year Starting July 1 **DATE:** 6/19/2020

Attached to this memorandum are copies of letters from the Directors to Mayors and City Councilmembers in Santa Clara County regarding the decision made by the Valley Water Board of Directors not to raise water rates.

Please let me know if you have any questions.

A handwritten signature in black ink, appearing to read "Rachael Gibson", written over a horizontal line.

Rachael Gibson
Deputy Administrative Officer
Office of Government Relations

Attachment: Letters from Valley Water Directors Regarding Water Rates

June 19, 2020

IDENTICAL LETTER SENT TO ATTACHED LIST OF ADDRESSES

Subject: Update on Water Rates for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in your City. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors voted unanimously on Tuesday, May 26, to not increase water rates. This means the rates we charge retailers and well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. We are unable to control what water retailers can charge; the message here is we are not increasing their costs.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting the safety of your drinking water supply, or our ability to supply water in Santa Clara County.

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Sincerely,

«Signature_1»

«Signature_2»

«Signature_3»

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616a-l

LIST OF ADDRESSES

The Honorable Susan M. Landry
Mayor of Campbell
70 North First Street
Campbell, CA 95008

The Honorable Liz Gibbons
Vice Mayor of Campbell
70 North First Street
Campbell, CA 95008

The Honorable Steven Scharf
Mayor of Cupertino
10300 Torre Avenue
Cupertino, CA 95014

The Honorable Darcy Paul
Vice Mayor of Cupertino
10300 Torre Avenue
Cupertino, CA 95014

The Honorable Roland Velasco
Mayor of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

The Honorable Marie Blankley
Mayor Pro Tempore of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

The Honorable Rich Tran
Mayor of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035

The Honorable Bob Nunez
Vice Mayor of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035

The Honorable Rich Constantine
Mayor of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

The Honorable Yvonne Martinez Beltran
Mayor Pro Tem of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

The Honorable Chappie Jones
Vice Mayor of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Lisa M. Gillmor
Mayor of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

The Honorable Patricia Mahan
Vice Mayor of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

The Honorable Howard Miller
Mayor of Saratoga
13777 Fruitvale Avenue
Saratoga, CA 95070

The Honorable Mary-Lynne Bernald
Vice Mayor of Saratoga
13777 Fruitvale Avenue
Saratoga, CA 95070

The Honorable Larry Klein
Mayor of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

The Honorable Nancy Smith
Vice Mayor of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

June 22, 2020

IDENTICAL LETTER SENT TO ATTACHED LIST OF ADDRESSES

Subject: Update on Water Rates for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in your City. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors voted unanimously on Tuesday, May 26, to not increase water rates. This means the rates we charge retailers and well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. We are unable to control what water retailers can charge; the message here is we are not increasing their costs.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting the safety of your drinking water supply, or our ability to supply water in Santa Clara County.

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Sincerely,

«Signature_1»

«Signature_2»

«Signature_3»

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616a-l

LIST OF ADDRESSES

The Honorable Rich Waterman
Councilmember of Campbell
70 North First Street
Campbell, CA 95008

The Honorable Paul Resnikoff
Councilmember of Campbell
70 North First Street
Campbell, CA 95008

The Honorable Anne Bybee
Councilmember of Campbell
70 North First Street
Campbell, CA 95008

The Honorable Liang-Fang "Liang" Chao
Councilmember of Cupertino
10300 Torre Avenue
Cupertino, CA 95014

The Honorable Rod G. Sinks
Councilmember of Cupertino
10300 Torre Avenue
Cupertino, CA 95014

The Honorable Jon Robert Willey
Councilmember of Cupertino
10300 Torre Avenue
Cupertino, CA 95014

The Honorable Dion Bracco
Councilmember of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

The Honorable Carol Marques
Councilmember of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

The Honorable Peter Leroe-Munoz
Councilmember of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

The Honorable Fred M. Tovar
Councilmember of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

The Honorable Cat Tucker
Councilmember of Gilroy
7351 Rosanna Street
Gilroy, CA 95020

The Honorable Karina R. Dominguez
Councilmember of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035

The Honorable Carmen Montano
Councilmember of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035

The Honorable Anthony Phan
Councilmember of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035

The Honorable Rene Spring
Councilmember of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

The Honorable Larry Carr
Councilmember of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

The Honorable John McKay
Councilmember of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

The Honorable Sergio Jimenez
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Raul Peralez
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Lan Diep
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Magdalena Carrasco
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Devora "Dev" Davis
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Maya Esparza
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Sylvia Arenas
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Pam Foley
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Johnny Khamis
Councilmember of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Kathy Watanabe
Councilmember Seat 1 of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

The Honorable Raj Chahal
Councilmember Seat 2 of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

The Honorable Karen Hardy
Councilmember Seat 3 of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

The Honorable Teresa O'Neill
Councilmember Seat 4 of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

The Honorable Debi Davis
Councilmember Seat 6 of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

The Honorable Yan Zaho
Councilmember of Saratoga
13777 Fruitvale Avenue
Saratoga, CA 95070

The Honorable Manny Capello
Councilmember of Saratoga
13777 Fruitvale Avenue
Saratoga, CA 95070

The Honorable Rishi Kumar
Councilmember of Saratoga
13777 Fruitvale Avenue
Saratoga, CA 95070

The Honorable Russ Melton
Councilmember Seat 5 of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

The Honorable Glenn Hendricks
Councilmember Seat 2 of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

The Honorable Gustav Larsson
Councilmember Seat 1 of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

The Honorable Mason Fong
Councilmember Seat 3 of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

The Honorable Michael Goldman
Councilmember Seat 7 of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

June 22, 2020

THE FOLLOWING LETTERS SENT TO ATTACHED LIST OF ADDRESSES

CITY OF LOS ALTOS:

Subject: Update on Water and Well Rates for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in the City. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase water rates.** This means the rates we charge retailers (the City of Los Altos gets its water from Cal Water) and well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. While we are unable to control what water retailers can charge you, the message here is that we are not increasing their costs.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting the safety of your drinking water supply, or our ability to supply water in Santa Clara County.

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Feel free to call me with questions. In fact, I would be honored to come in and address the council (less than 5 minutes) on what we are doing at Valley Water that benefits Los Altos such as water conservation opportunities or project updates.

Sincerely,

Gary Kremen
Director, District 7 (your representative and your neighbor)
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616b-l

June 22, 2020

TOWN OF LOS ALTOS HILLS:

Subject: Update on Water Rates and Well Charges for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in the Town. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase water rates.** This means the rates we charge retailers will remain the same. While we are unable to control what water retailers (such as Cal Water which serves parts of Los Altos Hills) can charge you; the message here is that we are not increasing their costs. The same is true for well owners – their rates will remain the same. In fact, as you might remember, almost all of Los Altos Hills is well owners and when the new fiscal year begins July 1, you will not be subject to any well taxes anymore.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

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For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Feel free to call me with questions. In fact, I would be honored to come in and address the council (less than 5 minutes) on what we are doing at Valley Water that benefits Los Altos Hills such as water conservation opportunities or project updates.

Sincerely,

Gary Kremen
Director, District 7 (your representative and your neighbor)
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616b-l

June 22, 2020

TOWN OF LOS GATOS:

Subject: Update on Water and Well Rates for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in the Town. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase water rates.** This means the rates we charge retailers (the Town of Los Gatos gets its water from San Jose Water Company) and well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. While we are unable to control what water retailers can charge you, the message here is that we are not increasing their costs.

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The Honorable Marcia Jensen
Page 2
June 22, 2020

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Feel free to call me with questions. In fact, I would be honored to come in and address the council (less than 5 minutes) on what we are doing at Valley Water that benefits Los Gatos such as water conservation opportunities or project updates in the Town.

Sincerely,

Gary Kremen
Director, District 7 (your representative)
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616b-l

June 22, 2020

CITY OF MONTE SERENO:

Subject: Update on Water and Well Rates for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in the City. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase water rates**. This means the rates we charge retailers (the City of Monte Sereno gets its water from San Jose Water Company) and well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. While we are unable to control what water retailers can charge you, the message here is that we are not increasing their costs.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting the safety of your drinking water supply, or our ability to supply water in Santa Clara County.

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Feel free to call me with questions. In fact, I would be honored to come in and address the council (less than 5 minutes) on what we are doing at Valley Water that benefits Monte Sereno such as water conservation opportunities.

Sincerely,

Gary Kremen
Director, District 7 (your representative and your neighbor)
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616b-l

June 22, 2020

CITY OF MOUNTAIN VIEW:

Subject: Update on Water and Well Rates for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in the City. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase water rates**. This means the rates we charge retailers (as you may know, Valley Water supplies around 10% of Mountain View's water through Cal Water) and well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. The message here is that we are not increasing costs to water retailers.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting the safety of your drinking water supply, or our ability to supply water in Santa Clara County.

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Feel free to call me with questions. In fact, I would be honored to come in and address the council (less than 5 minutes) on what we are doing at Valley Water that benefits Mountain View such as water conservation opportunities or project updates.

Sincerely,

Gary Kremen
Director, District 7 (your representative)
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616b-l

June 22, 2020

CITY OF PALO ALTO:

Subject: Update on Well Charges for the Fiscal Year Starting July 1

Dear _____:

I wanted to share positive news regarding Water Rates in the City. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase well rates.** As you know, Palo Alto does not get its water from Valley Water directly; however, we purchase water to recharge the groundwater basin to benefit Palo Alto's wells. This means the rates we charge well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting the safety of your drinking water supply, or our ability to supply water in Santa Clara County.

With respect to flood control, we are moving full speed ahead on San Francisquito Creek. Stay tuned.

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Feel free to call me with questions. In fact, I would be honored to come in and address the council (less than 5 minutes) on what we are doing at Valley Water that benefits Palo Alto such as water conservation opportunities or project updates.

Sincerely,

Gary Kremen
Director, District 7 (your representative)
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616b-l

LIST OF ADDRESSES

The Honorable Jan Pepper
Mayor of Los Altos
1 North San Antonio Road
Los Altos, CA 94022

The Honorable Neysa Fligor
Vice Mayor of Los Altos
1 North San Antonio Road
Los Altos, CA 94022

The Honorable Lynette Lee Eng
Councilmember of Los Altos
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The Honorable Anita Enander
Councilmember of Los Altos
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Los Altos, CA 94022

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The Honorable Roger Spreen
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The Honorable George K. Tyson
Councilmember of Los Altos Hills
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The Honorable Courtenay C. Corrigan
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The Honorable Barbara Spector
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Los Gatos, CA 95030

The Honorable Rob Rennie
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Los Gatos, CA 95030

The Honorable Marico Sayoc
Councilmember of Los Gatos
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Los Gatos, CA 95030

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The Honorable Shawn Leuthold
Mayor Pro Tempore of Monte Sereno
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The Honorable Daniel La Bouve
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The Honorable Rowena Turner
Councilmember of Monte Sereno
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Monte Sereno, CA 95030

The Honorable Javed I. Ellahie
Councilmember of Monte Sereno
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The Honorable Sam Liccardo
Mayor of San Jose
200 East Santa Clara Street, Wing 2
San Jose, CA 95113

The Honorable Lucas Ramirez
Councilmember of Mountain View
500 Castro Street
P.O. Box 7540
Mountain View, CA 94039

The Honorable Adrian Fine
Mayor of Palo Alto
250 Hamilton Avenue
Palo Alto, CA 94301

June 22, 2020

MAYOR OF SAN JOSE:

Subject: Update on Water and Well Rates for the Fiscal Year Starting July 1

Dear Mayor Liccardo:

I wanted to share positive news regarding Water Rates in San Jose. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase water rates**. This means the rates we charge retailers and well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. The message here is that we are not increasing costs to water retailers.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our water rates, we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting the safety of your drinking water supply, or our ability to supply water in Santa Clara County.

The Honorable Sam Liccardo
Page 2
June 22, 2020

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Feel free to call me with questions. In fact, I would be honored to come in and address the council (less than 5 minutes) on what we are doing at Valley Water that benefits the City of San Jose such as water conservation opportunities or critical flood protection project updates.

Sincerely,

Gary Kremen
Director, District 7
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616b-l

June 23, 2020

IDENTICAL LETTER SENT TO ATTACHED LIST OF ADDRESSES

Subject: Update on Well Rates for the Fiscal Year Starting July 1

Dear Board Member _____:

I wanted to share positive news regarding Water Rates that apply to Stanford University. As we continue to navigate these unprecedented times, the Santa Clara Valley Water District (Valley Water) Board of Directors believes wholeheartedly that our best way to get through this public health crisis and tragic civil unrest is by working together.

To that end, the Board of Directors **voted unanimously on Tuesday, May 26, to not increase well and water rates.** This means the rates we charge well owners for water will remain the same, or in some zones decrease, when the new fiscal year begins July 1. The message here is that we are not increasing costs to water retailers.

Many of our community members are experiencing uncertain times and financial hardships. Our Board believes it's important to take the lead and not add additional stress to our community by taking an action that would make the wholesale cost of water more expensive.

We did not make this decision lightly. By freezing our well (and water rates), we will delay the hiring of some positions within our agency; some maintenance projects and facilities upgrades will likely be delayed as well. But our organization is positioned to get through these tough times by stretching its resources while continuing to serve our community as a critical service provider and creating much-needed jobs for our local community.

And rest assured, this rate freeze action won't impact our short-term ability to serve our primary function of delivering safe, clean water to Santa Clara County while providing flood protection to residents and businesses throughout our community. I hope you and your loved ones are staying safe and healthy during this public health crisis. At Valley Water, we are making sure that the COVID-19 virus is not impacting our ability to supply water in Santa Clara County.

For the latest updates on Valley Water's response to the COVID-19 crisis, visit our webpage at <https://www.valleywater.org/node/926>.

Sincerely,

Gary Kremen
Director, District 7 (your representative and your neighbor)
Valley Water Board of Directors
Cell: (415) 305-3052

cc: Board of Directors (7), N. Camacho, R. Callender, D. Taylor
dc:fd
0616c-l

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Ms. Victoria B. Rogers
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Ms. Srinija Srinivasan
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Mr. Jeffrey S. Raikes
Office of the Board of Trustees
Littlefield Center
365 Lasuen Street
Stanford, CA 94305

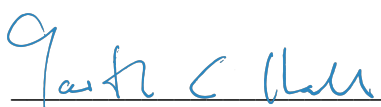
Mr. Charles D. Young
Office of the Board of Trustees
Littlefield Center
365 Lasuen Street
Stanford, CA 94305

TO: Board of Directors**FROM:** Garth Hall**SUBJECT:** Public Comment Period for the Second
Amendment to Valley Water's Central Valley
Project Contract**DATE:** June 30, 2020

On June 29, 2020 the U.S. Bureau of Reclamation (Reclamation) issued a news release (Attachment 1) announcing the 60-day public comment period for the Second Amendment to Contract Between the United States and Santa Clara Valley Water District (Valley Water) for Water Service and Operation and Maintenance of Certain Works of the San Felipe Division (Second Amendment). This milestone marks Reclamation's final step before it can move forward with execution of the Second Amendment, barring any significant comments.

The Second Amendment to Valley Water's Central Valley Project (CVP) water service contract provides for the addition of mutually agreeable alternative points of delivery for our CVP water, bringing the contract in line with other long-term CVP contracts. It will allow for the delivery of Valley Water's CVP water supplies through the State Water Project's (SWP) South Bay Aqueduct (SBA), facilitated by an exchange of water between the SWP and CVP. This will protect against water quality issues resulting from Low Point in San Luis Reservoir and will significantly improve the flexibility of Valley Water's imported water operations. It will protect against planned and unplanned outages, help to minimize spill risk in San Luis Reservoir, and improve Valley Water's ability to recover water banked in the Semitropic Water Storage Program.

The Second Amendment requires that Valley Water provide Reclamation with confirmation that Valley Water is a legally constituted entity and that the Second Amendment is lawful, valid, and binding. Valley Water anticipates requesting a resolution from the Board after conclusion of the 60-day review period to satisfy this requirement. The addition of the SBA as an alternative point of delivery will be accomplished through an administrative procedure shortly thereafter.



Garth Hall
Acting Chief Operating Officer
Water Utility Enterprise

Attachment 1: News Release



— BUREAU OF —
RECLAMATION

NEWS RELEASE

For Release: June 29, 2020

Contact: Mary Lee Knecht, 916-978-5100, mknecht@usbr.gov

Reclamation announces 60-day public comment period for Central Valley Project Santa Clara Valley Water District contract amendment

SACRAMENTO, Calif. – The Bureau of Reclamation proposes to execute a second amendment to Santa Clara Valley Water District’s Contract No. 7-07-20-W0023, dated June 7, 1977, to add contract language to include mutually agreed upon additional points of delivery.

This second contract amendment would allow Santa Clara Valley Water District additional flexibility in the delivery of their water supply during periods of operational necessity.

Written comments on the draft contract amendment must be received by close of business on August 28, 2020 and sent to Cathy James, Bureau of Reclamation 16650 Kelso Road, Byron, CA 94514-1909 or emailed to mjames@usbr.gov.

Visit <https://www.usbr.gov/mp/warren-act/> to view the draft contract amendment. Contact Cathy James at 209-836-6279 for more information.

###

Reclamation is the largest wholesale water supplier and the second largest producer of hydroelectric power in the United States, with operations and facilities in the 17 Western States. Its facilities also provide substantial flood control, recreation, and fish and wildlife benefits. Visit our website at <http://www.usbr.gov>. and follow us on Twitter [@USBR](https://twitter.com/USBR) and [@ReclamationCVP](https://twitter.com/ReclamationCVP).

If you would rather not receive future communications from Bureau of Reclamation, let us know by clicking [here](#).

Bureau of Reclamation, Denver Federal Center, Alameda & Kipling Street PO Box 25007, Denver, CO 80225 United States