

# Q4

## Quarterly Performance Report 4TH QUARTER OF FISCAL YEAR 2010-11

JULY 2010 - JUNE 2011



Calabazas Creek Flood Protection Project kicked off its second construction season this summer with the demolition and widening of the Union Pacific Railroad (UPRR) bridge. Crews removed the old bridge and replaced it with a wider culvert underneath the railroad bridge. Photo taken July 27, 2011.

### BY THE NUMBERS

**99,800 acre-feet**  
of groundwater was recharged.

**100 percent**  
of teachers recommend the Education Outreach program

**127,900 acre-feet**  
of water was imported.

**\$862,000**  
in revenue received through Prop. 84 grant

**16,454 rebated**  
on residential high-efficiency washers.

**132,638 lab tests**  
were performed by our water quality lab.

### Q4 REVENUE BY FUND

(\$ in millions)	YTD June 11	FY11 Adj Budget	RECDV	COMMENTS
General Fund	\$5.0	\$5.2	96%	Below budget
Service Funds	\$11.1	\$11.4	97%	On track
Benefit Assessment Funds	\$19.1	\$19.1	100%	On track
Stream Stewardship	\$66.4	\$67.0	99%	Below budget
Clean, Safe Creeks	\$40.2	\$41.0	98%	Below budget
Water Utility	\$160.3	\$169.5	95%	Short fall projected
<b>TOTAL</b>	<b>\$302.1</b>	<b>\$313.2</b>	<b>96%</b>	

### Q4 EXPENDITURES BY FUND

(\$ in millions)	YTD* Mar 11	FY11 Adj Budget	SPENT	COMMENTS
General Fund	\$43.8	\$45.0	97%	On track
Service Funds	\$7.6	\$9.4	81%	On track
Stream Stewardship	\$42.1	\$41.5	101%	Exceeding budget
Clean, Safe Creeks	\$6.7	\$8.3	81%	On track
Water Utility	\$120.6	\$127.5	95%	On track
<b>TOTAL</b>	<b>\$220.8</b>	<b>\$231.7</b>	<b>95%</b>	

\*Budget basis actuals (includes encumbrances)

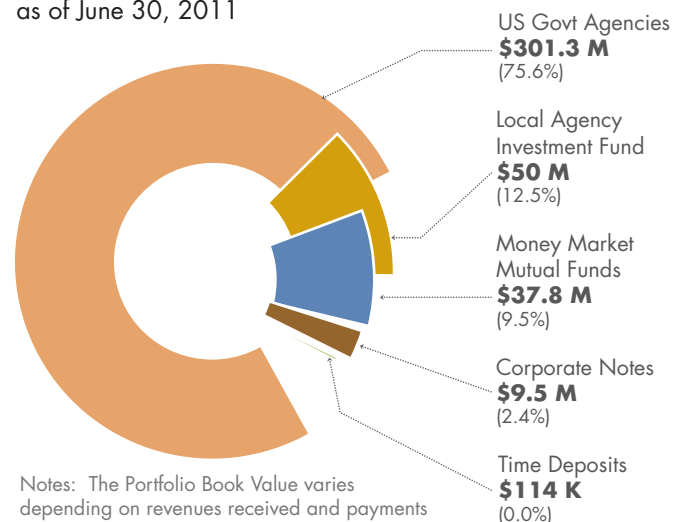
### CUSTOMER FEEDBACK

“ I just wanted to say thanks to the people who repaired the fences in our neighborhood near Snell and Santa Teresa along Canoas Creek (I believe it is called). The old fences were damaged and looking very trashy so the replacement work really cleaned up the area. All the neighbors I've talked to really appreciate it. ”

**Resident**  
San Jose, California

### TOTAL PORTFOLIO BOOK VALUE: \$398.8 M

Portfolio book value  
as of June 30, 2011

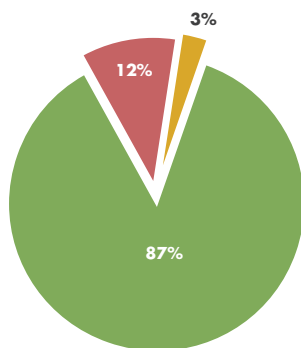


Notes: The Portfolio Book Value varies depending on revenues received and payments or investments made during the quarter. The Money Market Mutual Funds temporarily increased 33% from last quarter.

# Water Utility Enterprise Performance Report

## MILESTONES

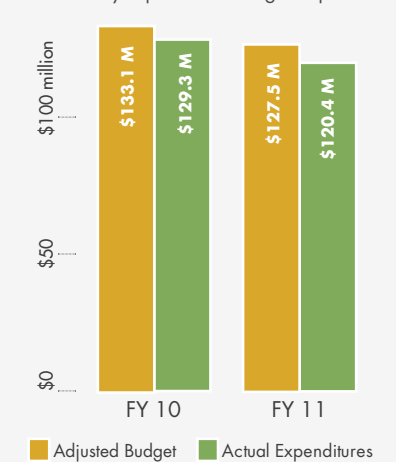
381 total milestones



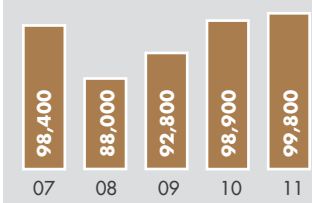
- % Completed on time (330)
- % Not complete and behind schedule (40)
- Needs adjustments (11)

## BUDGET

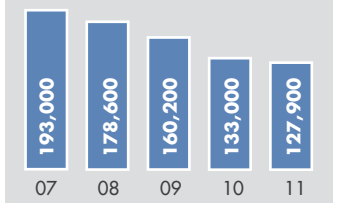
Water Utility Operations Budget Expended



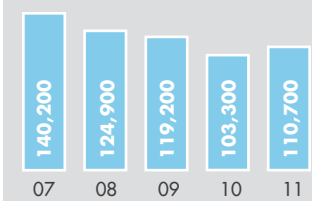
## GROUNDWATER RECHARGED



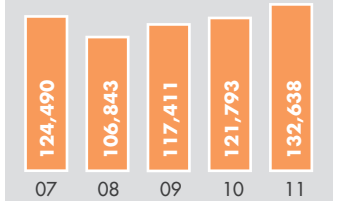
## WATER IMPORTED



## TREATED WATER DELIVERED



## LAB TESTS PERFORMED



FY11 Results compared to prior years.

## KEY PERFORMANCE INDICATORS

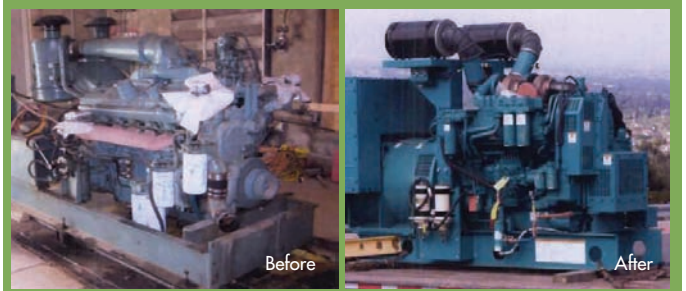
### 2.1 Current and future water supply for municipalities, industries, agriculture and the environment is reliable.

- ▶ Delivered 99,800 acre-feet to in-stream and off-stream groundwater recharge facilities.
- ▶ Completed 2010 Groundwater Quality Report, including summary mailer to all well-owners.
- ▶ Conducted 1,471 groundwater level readings at 207 wells.
- ▶ Processed and issued 1,699 well permits.
- ▶ Conducted 1,507 well standards compliance inspections.
- ▶ Tested 275 ground water meters and performed maintenance and overhauls on 620 treated, groundwater, and backflow meters.
- ▶ Held public meetings throughout the county regarding the draft Santa Clara Valley Habitat Plan and associated EIR/EIS.
- ▶ Revised project schedule and process for Three Creeks HCP.
- ▶ Replaced Hydrolab monitoring equipment to support Emergency Reservoir Operation Plan.
- ▶ Completed and submitted SWRCB Water Rights Report for 17 licenses and one permit.
- ▶ Obtained seven new lake and streambed alteration permits from the Dept. of Fish and Game for water supply diversions.
- ▶ Completed Anderson Dam Seismic Stability Evaluation.
- ▶ Completed annual surveillance reports on all district dams.
- ▶ Integrated new DSOD restrictions and conditions into operational plans.
- ▶ Resolved Calero Stables lease occupancy issues.
- ▶ Imported 127,900 AF imported water to the county and 64,623 AF to the Semitropic Bank.
- ▶ Issued 923 Landscape rebates.

### 2.2 Raw water transmission and distribution assets are managed to ensure efficiency and reliability.

- ▶ Transferred 2,560 acre-feet of water through Almaden-Calero Canal.
- ▶ Installed diversion dams in Los Gatos and Guadalupe creeks.
- ▶ Completed Almaden Valley Pipeline Repair construction.

## WUE Projects Completed in FY 11



- ▶ Penitencia WTP Backwash Pump Replacement
- ▶ Penitencia WTP Standby Power System Upgrade
- ▶ Almaden Valley Pipeline Repair
- ▶ East Pipeline Phase II Rehabilitation

### 2.3 Reliable high quality drinking water is delivered.

- ▶ Maintained California Environmental Laboratory Accreditation Program (ELAP) for all fields of testing.
- ▶ Addressed issues and public scrutiny related to the Environmental Working Group report on Chromium VI.
- ▶ Met treated water contracts through extended 55 day shutdown at Santa Teresa Water Treatment Plant.
- ▶ Completed 12 chemical tank inspections and cleanings at all plants.
- ▶ Performed 3 sludge pond clean-outs at Santa Teresa Plant.
- ▶ Completed East clearwell inspection at Rinconada WTP.
- ▶ Awarded construction contract for Rinconada WTP primary electrical system and standby power upgrades.
- ▶ Completed temporary repairs to get the STWTP back on-line.
- ▶ Completed Penitencia WTP backwash pump replacement project.
- ▶ Coordinated through several retailer subcommittees on water supply and water quality issues.
- ▶ Held a Fluoridation Workshop with the board.
- ▶ Established well owner survey and newsletter.

## GRANT PROGRAM UPDATE

Awarded \$3.5 million in grants



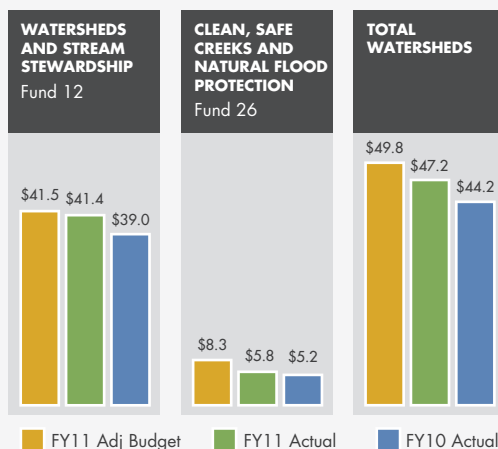
Trail and Open Space **\$1.2M**

Watershed Stewardship **\$0.5M**

Environmental Enhancement Implementation **\$1.8M**

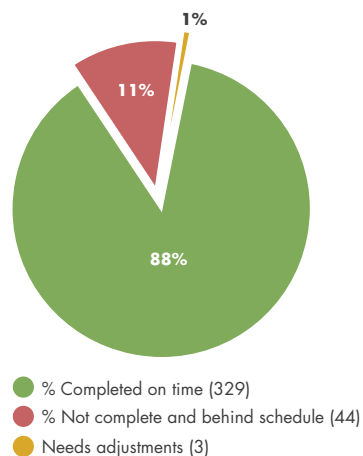
## BUDGET

Watersheds Funds Budget Expended



## MILESTONES

376 total milestones



## PROJECT HIGHLIGHTS

### Calabazas Creek Flood Protection Project (Miller To Wardell)

#### Substantially complete

- First Clean, Safe Creeks project to be completed.
- Will protect 2,483 parcels.
- Anticipated completion date September 2011.



### Lower Silver Creek Project Reaches 4-5B, I-680 to Story Road

#### On-going major construction Activities:

Installation of culvert at Capitol Expwy; replacement of culverts at Jackson Ave; installation of floodwalls; channel widening between I-680 and Jackson Ave, and relocation of two 30-in gas lines by PG&E. Project will be completed by December 2013.

#### Total construction contract cost, about \$30 M

ARRA fund will contribute \$20.2 M to the project; to-date, district has received about \$5M reimbursement from ARRA fund through NRCS.

#### Project will protect about 3,800 homes and businesses.

In addition to providing flood protection, the project will also provide enhanced habitat and vegetation along the creek, new recreation amenities for the neighborhood, including pedestrian bridges and opportunities for new trails.



### Pajaro Basin Freshwater Wetland

- Construction completed in April 2011.
- 4.7 acres for wetland mitigation of Stream Maintenance Program.
- 5.5 acres of habitat for future use.
- Recognized by the American Society of Civil Engineers as the 2009 Outstanding Environmental Project of the Year by both California Region and San Francisco Section.





## Administration

### INFORMATION MANAGEMENT DIVISION

- Implemented control of expenditures at project level in the PeopleSoft financial system.
- Achieved a 23% reduction of cellular devices through negotiation of a new cellular contract and reducing the number of cellular devices from 555 to 426.
- Implemented email and file archiving system to alleviate storage constraints for user emails and file backups and to enable unified email management and search capabilities.
- Implemented PeopleSoft eBenefits; an online employee self-services function
- Developed mobile mapping/GPS data collection and database solutions for Watershed asset management.

## Community Engagement

### EDUCATION OUTREACH PROGRAM



This year, the Education Outreach program ...

<b>REACHED</b>	<b>18,805</b> students	<b>818</b> teachers	<b>714</b> classes
<b>HAD</b>	<b>389</b> students in tours	<b>182</b> volunteer hours	
<b>HELD</b>	<b>6</b> teacher trainings	<b>18</b> tours	

### NEIGHBORHOOD RELATIONS



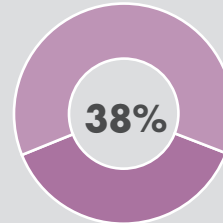
In March, 2011, the water district held a neighborhood meeting to address concerns associated with an aqueous ammonia leak at the Santa Teresa Water Treatment Plant. Residents spoke with Chief Executive Officer Beau Goldie, Directors Linda LeZotte and Brian Schmidt and Chief Operating Officer Jim Fielder about the water district's safety protocols and types of chemicals in place at the facility. Photo above shows first responders at the plant on the day of the incident.

### SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION

SBE participation target for all sourcing activities is 10%

#### CONSULTANT SERVICES

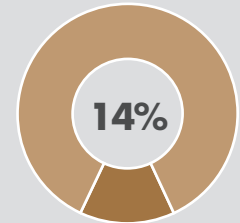
Total Spent  
**\$12.1 million**



Outsourced to SBE  
**\$4.6 million**

#### AMENDMENTS

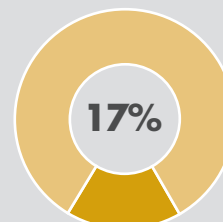
Total Spent  
**\$4.5 million**



Outsourced to SBE  
**\$0.63 million**

#### GOODS, SUPPLIES & OTHER SERVICES\*

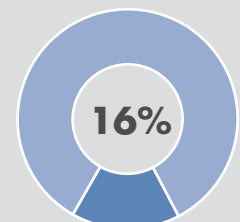
Total Spent  
**\$15.3 million**



Outsourced to SBE  
**\$2.5 million**

#### CONSTRUCTION

Total Spent  
**\$34.8 million**



Outsourced to SBE  
**\$5.5 million**

Note: South Bay Advanced Recycled Water Treatment Facility (\$42M) and South County Recycled Water Pipeline Short-Term Phase 1A (\$1.145M) is not represented as it was not bid under the District's SBE program.

**CONTACT US:** If you have questions or concerns about this report, please contact CEO Beau Goldie at **(408) 265-2600**