



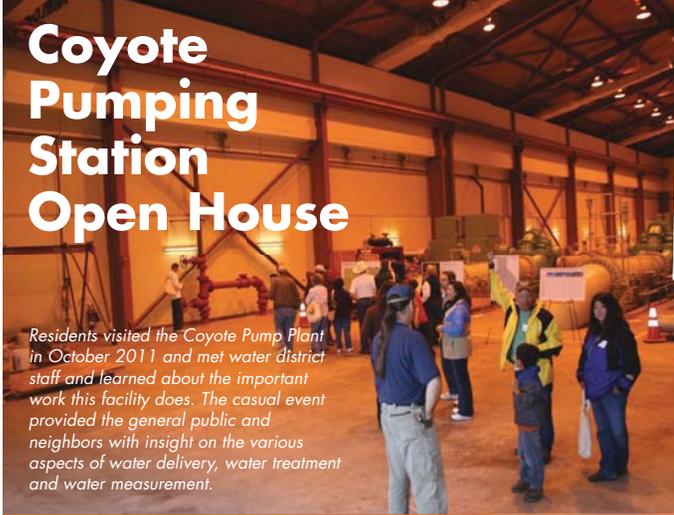
# Quarterly Performance Report

2ND QUARTER OF FISCAL YEAR 2011-12



OCTOBER - DECEMBER 2011

## Coyote Pumping Station Open House



Residents visited the Coyote Pump Plant in October 2011 and met water district staff and learned about the important work this facility does. The casual event provided the general public and neighbors with insight on the various aspects of water delivery, water treatment and water measurement.

Visitors viewed the large pumps housed in the pump building and other plant facilities. They also saw the large outdoor storage supply area used to store spare parts, pipes and surplus rock for creek bank restoration projects.

## BY THE NUMBERS

**8** District improves rating for FEMAS's National Flood Insurance CRS from Class 9 to Class 8.

**31** COMPLETED Stream Maintenance Projects.

**1,975** LINEAR FEET of bank or levee repaired.

**37,477** LAB TESTS performed.

**55,025** ACRE-FEET of groundwater recharged.

**\$64,223** REVENUE from sale of surplus vehicles and computer equipment.

**73,046** ACRE FEET of treated water delivered.

**\$80,000** COST-SAVINGS for implementing the new janitorial schedule of 3 day/week in FY12.

**95,400** ACRE-FEET of water imported.

**\$25,000,000** GRANT DWR awards \$25M Prop 1E for Lower Silver Flood Protection Project.

### CUSTOMER FEEDBACK

“ I'm just moving into the neighborhood and appreciate the work to improve flood protection. It sure looks nice. Anything to make the area look better is welcome! Thanks for all your hard work to keep us safe and make things look better. ”

**Jim & Lilly Rowland**, neighbors of Lower Penitencia Creek on bank repair project at Great Mall Parkway

## Community Engagements

### EDUCATION OUTREACH PROGRAM



The Water Wizard Show. 100 kids went home equipped with lots of important messages about conservation, pollution prevention, recycling and the district.

Between October to December 2011, the Education Outreach program...

REACHED	2,582 students	220 teachers	171 classes
HAD	121 students attend tours	9 volunteer hours	
HELD	2 teacher trainings	4 tours	

### WATER CONSERVATION CAMPAIGN

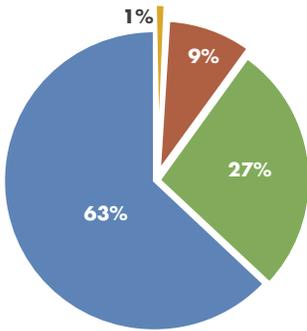
The district partnered with several water retailers to mail out more than 276,000 Fall Bill Inserts promoting various district programs including Water Wise House Calls.



# Water Utility Enterprise Performance Report

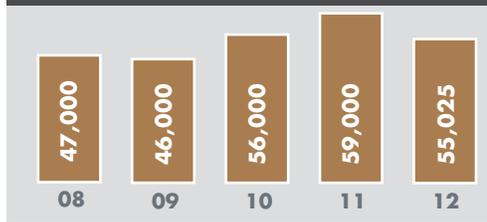
## MILESTONES

369 total milestones



- % completed on time (101)
- % not completed but on schedule (232)
- % not completed and behind schedule (31)
- needs adjustments (5)

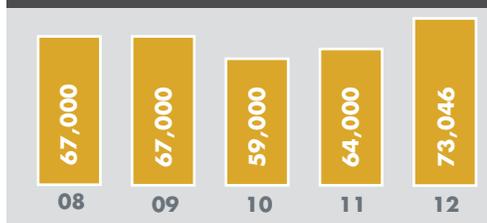
### GROUNDWATER RECHARGED\*



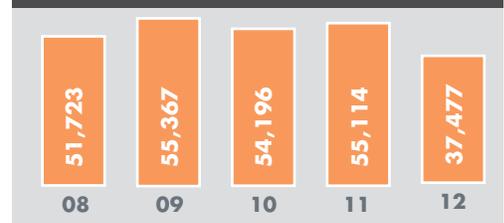
### WATER IMPORTED\*



### TREATED WATER DELIVERED\*



### LAB TESTS PERFORMED



(1) Note: FY12 Q2 compared to prior Q2 years.  
 (2) Note: \* in acre-feet (A/F)

## KEY PERFORMANCE INDICATORS

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

- ▶ Several milestones were completed towards implementing maintenance audit recommendations and the inventory system.
- ▶ A first ever open house for the public was held at the Coyote Pump Plant in October with a very positive response from the public.
- ▶ Executed seven water supply agreements related to delivery for banking of CVP water in Semitropic, property acquisition for future habitat project, Bay Delta, and other conveyance.
- ▶ Coordinated a Delta water walk tour in November.
- ▶ Water Conservation underwent a successful audit by the City of San Jose to review data from the 2010 cost sharing agreement.
- ▶ Sampled 211 private domestic wells in Q2 through the South County free water quality testing program. 96% of customer survey ratings indicate value of the program as excellent or good.
- ▶ Completed scheduled monitoring of 67 wells and 12 recharge facilities and measured water levels in 356 wells.
- ▶ Processed 401 well permits in Q2 and completed 1,381 groundwater meter reads and 434 treated water meter reads.

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

- ▶ The annual condition assessment of the ground water facilities was completed.
- ▶ The five-year update of the district's watershed Sanitary Survey of our drinking water reservoirs was completed in-house.
- ▶ The East Pipeline Rehabilitation project was completed.
- ▶ The Lexington upstream valve oil leak was repaired.
- ▶ Completed prioritized draft FY 13 Maintenance and Operations Work Plan for raw water and recharge facilities.

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

- ▶ The Board approved fluoridation policy in November 2011.
- ▶ Held annual meeting with the California Department of Public Health in Richmond.
- ▶ Submitted ELAP (Environmental Laboratory Accreditation Program) application for next accreditation period of 6/1/2012 to 5/31/2014.
- ▶ Water was delivered without interruption in spite of a plant shutdown in Penitencia WTP from October 24 to December 5 to complete cleaning and inspection work on the 3 million gallon clearwell.
- ▶ An additional plant shutdown at Rinconada WTP occurred, without incidence, from December 5th to December 10th for planned maintenance.
- ▶ Staff purchased and installed a new lab instrument called a LC/MS/MS which is a Liquid Chromatography System with dual Mass Spectrophotometer detectors. These will be used for the detection of disinfection by-product and emerging contaminants of concern, such as, pharmaceuticals and personal care products that may be found in our source or treated waters.

### WUE Capital Projects

- ▶ The Board awarded two construction contracts for Santa Teresa WTP Incompatible Materials Project for coating work, valves, and grading.
- ▶ The Board also awarded the construction contract for Penitencia WTP Maintenance Building.
- ▶ Staff completed validation reports for 24 projects in the Capital Improvement Plan.
- ▶ The Capital Program Services final audit recommendations were presented to the CEO and Chiefs.



**New Switchgear at RWTP:** This is new state-of-the-art 12.47kV switchgear with enhanced personnel safety features, operating capabilities, and capacity for future loads.



**New Switchgear at RWTP:** This is new state-of-the-art 480V switchgear with enhanced personnel safety features, operating capabilities, and capacity for future loads.



**New Transformers:** These two new transformers were installed during second shutdown and currently providing electrical power to RWTP, the second set of redundant transformers will be installed during third shutdown which is scheduled for March 12, 2012.

## STREAM MAINTENANCE PROGRAM (SMP) HIGHLIGHTS



**31**

Projects completed



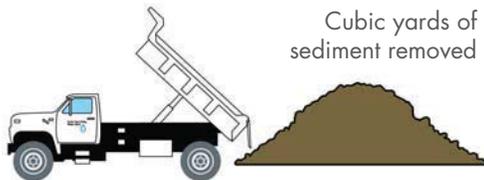
Bank repair on West Little Llagas Creek



Sediment removal on Permanente Diversion Channel

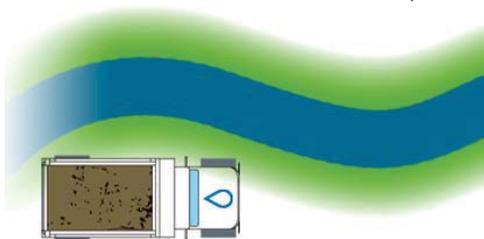
**39,218**

Cubic yards of sediment removed



**1,975**

Linear feet of bank or levee repaired



**10,937**

Residents and property owners notified of work activities

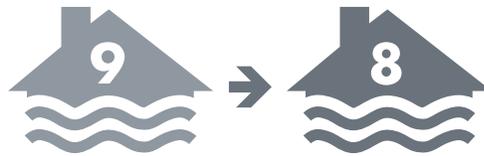


**20**

Post-project surveys mailed

## LEVEL-UP

District improves rating for FEMA's National Flood Insurance Community Rating System (CRS) from Class 9 to Class 8



- ▶ CRS provides incentives for communities to take actions that improve flood protection by offering discounts on flood insurance premiums.
- ▶ Communities earn points by meeting CRS requirements. Each CRS Class covers a 500-point span. Moving from one class to the next may result in an additional 5% discount on homeowners insurance premiums in flood zones.
- ▶ Since the district is not a land use agency, we participate as a "fictitious community" and our applicable points can be used by participating Santa Clara County cities as a foundation to build upon.
- ▶ Improving our Class rating to an 8 means the foundation of that district points improved from 5% to 10%.
- ▶ Each participating CRS community is re-certified annually to make sure that required activities are continuing. Every 5 years there is a formal audit. The improvement provided by the district's class change will be considered during each community's next re-certification.
- ▶ In Santa Clara County, there are over 17,000 insurance policy holders with total premiums costing almost \$18 million dollars every year. Premiums average about \$1,000 per year. The district's participation potentially can save about \$100 per policy holder. In Milpitas, which has the best CRS rating in the County at Class 6 with 20%, the savings are even better.

## GRANTS RECEIVED

### DWR Awards \$25M Prop 1E Grant for Lower Silver Flood Protection Project

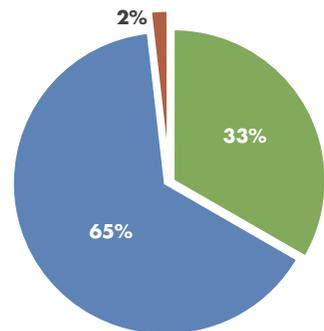
- ▶ 2006 completed work on lower Reaches 1-3.
- ▶ 2009 received \$20M in ARRA funds for Reaches 4-5B currently in construction.
- ▶ \$25M grant funding with \$10M from district will result in the construction of Reaches 5C to 6 as well as improvements at Lake Cunningham.
- ▶ Upon completion in 2016 should result in removal of approximately 3,800 parcels from FEMA flood maps.



Lower Silver Creek

## MILESTONES

276 total milestones



- % completed on time (92)
- % not complete but on schedule (179)
- % not complete and behind schedule (5)
- needs adjustments (0)

## CUSTOMER FEEDBACK



Thank you for this project. Also thank you to your employees for the project at Saratoga-Sunnyvale Rd and our parking lot at Jakes restaurant. They were very mindful of our customers during the project.

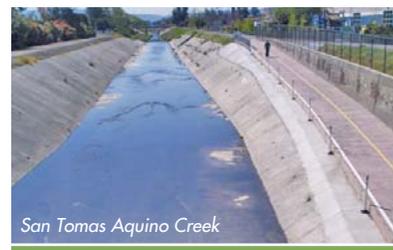


Saratoga resident

Adjacent to Calabazas Creek Flood Protection Project

## San Tomas Aquino Creek

- ▶ Approved cost share agreement with FEMA through FEMA's Cooperating Technical Partners Program.
  - \$200K of survey and creek hydraulics analyses work funded by FEMA.
  - \$279K for study of hydrology and flood mapping funded by the district.



San Tomas Aquino Creek

## EQUIPMENT MANAGEMENT UNIT

- In accordance with Cal EPA, diesel particulate filters were installed on four new district commercial crane and heavy haul trucks.
- The overall vehicle fleet size was reduced from 295 in June 2011 to 264, with five more reductions scheduled by the end of the fiscal year.
- Class III Fleet shop completed 227 work orders and 163 preventative maintenance inspections.
- Class IV Equipment shop completed 875 maintenance and equipment checkout transactions.
- Welding shop completed 31 welding and fabrication work orders.

## FACILITIES MANAGEMENT UNIT

- Completed 855 total Building Services work orders, including 259 Building Services Preventive Maintenance work orders.
- Completed 408 total HVAC work orders, including 298 HVAC Preventive Maintenance work orders.
- Implemented new janitorial schedule of 3 days/week with minimal impact to service quality and saving approximately \$80,000 in FY12.
- Completed re-painting of large solar array in the Almaden campus parking lot.

## INFORMATION TECHNOLOGY

A new IT Master Plan (Plan) for the district is currently under development. The Plan will layout a detailed roadmap with specific recommended goals, objectives, strategies, and projects for improving and extending the district's IT infrastructure and information management capabilities. The plan will also serve to reinforce and advance the Information Management Service Division's on-going efforts to align its services and IT assets with district operational and long-term strategic goals and business needs over the next ten years. The project is comprised of three phases:

- 1) Assessment;
- 2) Strategy development; and,
- 3) Implementation planning.

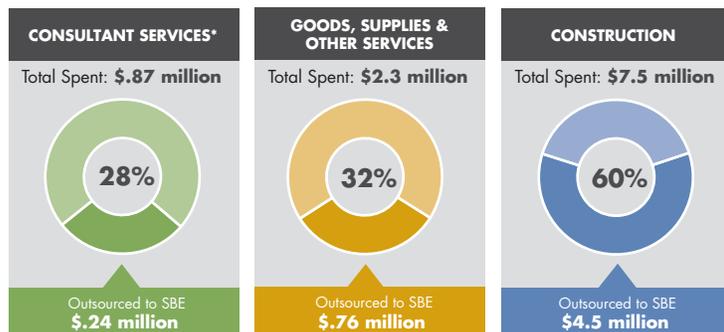
The first two phases have been completed, and work is currently underway on the implementation planning phase.

## PURCHASING, CONSULTANT CONTRACT, AND WAREHOUSE

- \$64,223.25 was realized as revenue from sale of surplus vehicles and computer equipment.
- Completed materials purchases for Critical Infrastructure East Pipeline Phase II Rehabilitation Project totaling \$450K.
- Completed materials purchases for Water Quality and Environmental Project, Stevens Creek Reservoir Mobile Oxygenation System totaling \$650K.
- Processed an average of 134 purchase requests and completed 86% on time.

## SMALL BUSINESS ENTERPRISE (SBE) PARTICIPATION

SBE participation target for all sourcing activities is 10%

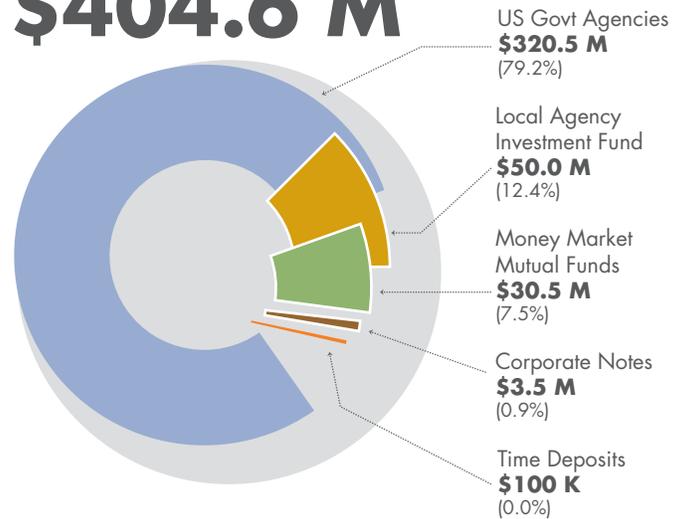


\*3 new consultant contracts were taken over by the District from Santa Clara County.

## Financial Information

### TOTAL PORTFOLIO BOOK VALUE

# \$404.6 M



### FY2011-2012 REVENUES

(\$ in millions)	FY12 Adopted	FY12 Adjusted	YTD Q2 12	RECVD
General Fund <sup>A</sup>	\$4.7	\$4.7	\$2.1	44.4%
Service Funds	\$0.3	\$0.3	\$0.2	57.4%
Benefit Assessment Funds <sup>A</sup>	\$19.1	\$19.1	\$0.0	0.0%
Stream Stewardship <sup>A</sup>	\$58.9	\$58.9	\$25.9	44.0%
Clean, Safe Creeks <sup>A</sup>	\$37.4	\$37.4	\$3.6	9.7%
Water Utility	\$176.4	\$176.4	\$86.2	48%
<b>Total</b>	<b>\$297.0</b>	<b>\$297.0</b>	<b>\$117.9</b>	<b>37%</b>

<sup>A</sup> Benefit Assessments and Special Parcel Tax revenues have yet to be received. The first significant receipts will come in January 2012.

### FY2011-2012 EXPENDITURES

(\$ in millions)	FY12 Adopted	FY12 Adjusted	YTD Q2 12	SPENT
General Fund <sup>B</sup>	\$44.7	\$47.7	\$20.6	43.2%
Service Funds <sup>B</sup>	\$8.5	\$8.5	\$4.8	56.5%
Benefit Assessment Funds	\$15.7	\$15.7	\$2.0	12.7%
Stream Stewardship	\$42.6	\$42.7	\$22.3	52.2%
Clean, Safe Creeks	\$11.5	\$11.5	\$3.5	30.4%
Water Utility	\$141.1	\$141.7	\$66.5	46.9%
<b>Subtotal Opertns.</b>	<b>\$264.1</b>	<b>\$267.8</b>	<b>\$119.7</b>	<b>44.7%</b>
<b>Capital (All Funds) <sup>C</sup></b>	<b>\$100.7</b>	<b>\$177.6</b>	<b>\$48.6</b>	<b>27.4%</b>

<sup>B</sup> GF \$41.2 M & Service Funds \$11.0M for a total of \$52.2M from Intra-district Reimbursemer

<sup>C</sup> Adjusted Capital Budget includes \$74.7M carry-forward budget

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