



SANTA CLARA VALLEY WATER DISTRICT

# NON-AGENDA

## July 7, 2023

**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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<b>11</b>		Memo from Marta Lugo, Deputy Administrative Officer, to Rachael Gibson, Chief of External Affairs, dated 6/28/23, providing congratulatory letters from Chair Varela to Lt. Col. Kevin Arnett, Outgoing Commander of the U.S. Army Corps of Engineers San Francisco District, and Lt. Col. Timothy Shebesta, Incoming Commander of the U.S. Army Corps of Engineers San Francisco District.
		<b><u>INCOMING BOARD CORRESPONDENCE</u></b>
<b>16</b>		<b>Board Correspondence Weekly Report: 07/07/23</b>
<b>18</b>		Email from Graham Bradner, Executive Director, DCA to the board, dated 6/30/23, providing a FY22-23 DCA recap. C-23-0165
<b>21</b>		Email from John Tang, VP of Regulatory Affairs & Customer Service, San Jose Water Company, to the board, dated 6/30/23, informing that Andy Gere's departure. C-23-0166
<b>22</b>		Email from Dr. Meg Durbin to Chair Varela, dated 7/3/23, thanking the Chair for hi response conveying Valley Water's use of fluoride. C-23-0167
<b>24</b>		Email from Sanchit Sharma to Chair Varela, dated 7/3/23, acknowledging Valley Water's prompt attention to report of potential unauthorized use of Naturally Occurring Management Database at Anderson Dam Seismic Retrofit Project. C-23-0168
<b>30</b>		Email from Chris Freimund, Director of Development, Watershed Progressive, to the board, dated 6/30/23, requesting sponsorship consideration for the state-wide conference, Localizing California Waters. C-23-0169
		<b><u>OUTGOING BOARD CORRESPONDENCE</u></b>
<b>48</b>		Email from Director Santos to Charles Julien, dated 7/3/23, regarding concerns about encampments along Sunnyvale East Channel adjacent to Maple Tree Inn.
<b>51</b>		Email from Chair Varela to Dr. Durbin, dated 7/3/23, responding to concerns about Director Eisenberg's stand on fluoridation.

<b>53</b>		Email form Chair Varela to Sanchit Sharma, dated 7/3/23, acknowledging report of potential to report of potential unauthorized use of Naturally Occurring Management Database at Anderson Dam Seismic Retrofit Project.
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# **CEO BULLETIN**

# CEO BULLETIN



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

**Weeks of June 23 – July 7, 2023**

**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.*

Item	IN THIS ISSUE
<u>1</u>	<b>Legislature Passes Revised Negotiated State Budget Bill</b>
<u>2</u>	<b>Recurring Report on Personnel Vacancies</b>
<u>3</u>	<b><u>Beall</u> Participate in a “lessons learned” discussion on providing housing options to the unhoused along creeks. R-23-0007</b>
<u>4</u>	<b><u>Beall</u> Valley Water Efforts to Promote Habitat for the Monarch Butterfly R-23-0008</b>

## **1. Legislature Passes Revised Negotiated State Budget Bill**

On June 27, 2023, the California State Legislature passed the negotiated Fiscal Year 2023-24 State Budget to address the disagreements between the Legislature and the Governor. The budget was approved on a party-line vote of 62-14 in the Assembly and 32-6 in the Senate, with the Republican members opposing the measure. The negotiated budget addresses a \$30 billion-plus deficit without using reserve funds. Several of Valley Water's budget priorities were impacted by the negotiated final budget as discussed below.

Valley Water has advocated to establish a new Dam Safety Local Assistance Program at the CA Department of Water Resources for the last three years. This year, the state budget includes \$100 million for a new program with statutory criteria that was crafted by Valley Water to ensure Anderson and other Valley Water dam safety projects are eligible to receive funding this year and in years ahead through a climate resilience bond now moving through the Legislature for the March or November statewide ballots in 2024. All dam safety funding will be awarded through competitive grants.

Regarding Valley Water's priority to obtain funding for sea level rise protection, the negotiated budget resulted in a hefty increase from \$250 million to \$548 million to the State Coastal Conservancy (SCC) to address sea level rise through natural solutions and “other measures.” Valley Water expects the inclusion of “other measures” may provide the SCC flexibility to fund not just wetlands, but levees and other infrastructure. The sea level rise funding will allow Valley Water to seek grants for projects such as the South San Francisco Bay Shoreline Project.

The budget also includes a \$75 million General Fund appropriation for the State Flood Control Subventions Program which may benefit both the Pajaro River levee improvements and the Shoreline Project. Unfortunately, the Governor reduced the recycled water funding, as he proposed in the May Revise, from \$310 million to \$32 million. While the reduction is disappointing, the Governor signaled a willingness to prioritize recycled water funding in the climate resilience bond for 2024. A key point of disagreement was the Infrastructure Streamlining Package proposed by the Governor which was resisted by the Legislature due to concerns with weakening environmental protections and the inclusion of the Delta Conveyance Project. After weeks of negotiation, the Legislature agreed to a package of bills, including SB 146, which authorizes design-build authority for the Department of Water Resources, and SB 149, which approves expedited judicial review for key "Infrastructure Projects," including recycled water projects, canal or other conveyance maintenance and repair projects, and Proposition 1 Water Storage Investment Program (WSIP) projects like Pacheco, Los Vaqueros, and Sites Reservoirs. However, the Proposition 1 WSIP provisions require intake or diversion of water only during surplus water years. That provision greatly erodes the utility of the expedited judicial review for WSIP projects, perhaps to the degree that is not usable. Valley Water will seek amendments in future legislation to address the issue.

While most of the budget bills have been passed, there will likely be additional changes through the end of the Legislative session on September 14, 2023. Valley Water's Office of Government Relations has been a leading advocate for dam safety, recycled water, sea level rise, flood subventions funding, and infrastructure streamlining, and will continue to push for state appropriations that benefit Valley Water projects and programs.

For further information, please contact Bart Broome at (408) 630-4508.

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## **2. Recurring Report on Personnel Vacancies**

Valley Water strives to attract, develop, and retain a talented and diverse workforce. Our employees come from diverse cultural and professional backgrounds. Valley Water promotes high performance, diversity, and equal employment opportunities. The following is information through June 30, 2023 Valley Water Staffing Levels:

- 909 - Total Positions
- 847 - Number of positions filled
- 62 - Total Vacant positions
- 7% - Vacancy Factor
- 7 – Separations in June 2023

For further information, please contact Patrice McElroy at (408) 630-3159.

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## **3. Beall**

**Participate in a "lessons learned" discussion on providing housing options to the unhoused along creeks.  
R-23-0007**

Through Board Member Request R-23-0007, Director Beall requested that Valley Water "Participate in a 'lessons learned' discussion on providing housing options to the unhoused along creeks." The response for R-23-0007 will be included in the June 30, 2023, Non-Agenda packet.

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

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4. **Beall**  
**Valley Water Efforts to Promote Habitat for the Monarch Butterfly**  
**R-23-0008**

Monarch Butterfly Background Information:

- The Monarch butterfly (*Danaus plexippus*) - both Eastern and Western species - is currently a Federal Candidate species and may soon become listed as a Federal Threatened or Endangered species. Only the Western Monarch occurs in Santa Clara County.
- Monarchs complete four successive generations each year, with each generation including the four stages of egg, larvae (caterpillar), the pupa (chrysalis), and adult butterfly. In spring and summer, the year's first, second, and third generations each successively develop to adulthood, forage for nectar, breed, and deposit eggs, all the while generally flying successively further northward. These are the generations that may occur in Santa Clara County (and elsewhere in the western United States and Mexico).
- Adult Monarchs feed on nectar of a wide variety of flowering plants. It is important that such plants be available throughout the Monarch range and for much of the year.
- Adult female Monarchs lay eggs onto native milkweed plants (*Asclepias* sp.). After hatching, Monarch larvae only feed on milkweed.
- The fourth generation of Monarch mature into adults in August, and fly southward, overwintering at specific locations in forested groves along the California coast, including Ardenwood Historic Farm and Coyote Hills Park in Alameda County, Natural Bridges State Beach in Santa Cruz County, Pacific Grove Monarch Sanctuary in Monterey County, and Pismo State Beach in San Luis Obispo County. There are no Monarch overwintering locations in Santa Clara County. This generation ultimately flies to breeding grounds, where in March and April those adults then deposit the eggs which are the first generation of Monarchs for that new year.
- Additional details of Monarch life history can be found at: Monarch Joint Venture website: <https://monarchjointventure.org/monarch-biology/life-cycle> and the Xerces Society website <https://xerces.org>.

The three foremost threats to the survival of the Monarch are:

- Loss of milkweed and suitable nectar sources due to development and landscaping, and loss of overwintering sites due to development/logging
- Use of herbicides that kill milkweed plants and neonicotinoid insecticides, which are absorbed by plants and become toxic to species that feed on them.
- Climate change related loss of habitat and temperature effects on Monarch life stages

What Valley Water Already Does to Benefit Monarch and Other Pollinators:

- Valley Water provides land stewardship that promotes protection and enhancement of native habitats and species, including pollinators and the plants they depend on.
- Valley Water incorporates guidance and requirements from the U.S. Fish and Wildlife Service to protect and enhance the habitat of Monarch into our project mitigation efforts.
- Valley Water is a co-permittee of the Santa Clara Valley Habitat Conservation Plan (VHP), which provides Federal and State take coverage for 18 species of wildlife and plants. A VHP Amendment is currently underway that will add Monarch as a VHP covered species. Fees paid by VHP co-permittees are used for purchase, restoration, and preservation of lands and aquatic resources for those VHP species. So far, over 10,500 acres in Santa Clara County have been purchased and managed, much of which provides suitable habitat for Monarch and other native pollinators.

- Valley Water's revegetation and mitigation projects use locally collected seed and grown nursery stock of diverse native perennial herbs like milkweed, goldenrod, aster, yarrow, buckwheats, and many more. Native species such as these provide the egg-laying and larval and adult food sources that Monarch and other pollinators depend on. The native plant nurseries that Valley Water typically procures seed and nursery plants from do not use neonicotinoid insecticides.
- Valley Water does not use neonicotinoid insecticides in its integrative pest management program.
- Valley Water's invasive plant management program helps to contain and control the spread of invasive species throughout the County, many of which can displace native plants and lead to habitat conversion less suitable to Monarch and other pollinators.
- Seasonal mowing to reduce dry grass and fuel loads helps to maintain open sunny areas, which are known to be extremely valuable for pollinators. Routine mowing helps to discourage the recruitment of shrubs and trees into grassland area in the absence of prescribed fire.
- When work objectives can still be met by leaving these beneficial plants undisturbed, native herbs like California poppies, lupine, and milkweed are intentionally avoided during mowing operations and herbicide application.
- The Anderson Dam Seismic Retrofit Project, Anderson FERC Ordered Compliance Project, and Pacheco Reservoir Expansion Project include mapping Monarch host plants and sharing the data with the public.
- Biologists in Valley Water's Environmental Mitigation and Monitoring Unit have collected native milkweed seed and banked it in Valley Water's long-term Seed Bank Project.
- Vegetation Field Operations Unit routinely holds internal training opportunities to identify local flora, including milkweed and to learn to avoid herbicide drift onto native pollinator plants.
- Valley Water's Safe Clean Water Priority D (Restore Wildlife Habitat and Provide Open Space) Project D2 (Revitalize Riparian, Upland and Wetland Habitat) allows Valley Water to revitalize habitat for rare, threatened or endangered species or vegetation types, and create a more contiguous corridor for wildlife, including pollinators. The D2 web site, Reports & Documents tab has a pollinator-specific plant palette for stakeholders and the public: [https://s3.us-west-1.amazonaws.com/valleywater.org.us-west-1/s3fs\\_public/D2\\_butterflies\\_bees\\_2023.pdf](https://s3.us-west-1.amazonaws.com/valleywater.org.us-west-1/s3fs_public/D2_butterflies_bees_2023.pdf)
- Project D2 funded the restoration of a section of the San José - Santa Clara Regional Wastewater Facility buffer lands in Alviso for pollinator and burrowing owl foraging habitat. Over 825 plants were installed in January and February 2022 in upland habitat islands and seasonal wetland test plots. In 2023, restoration expanded to include an additional 721 plants and invasive plant treatment in the areas surrounding the native plant installations.
- Through the Safe, Clean Water Grants & Partnerships Program, Valley Water has awarded multiple mini-grants for school gardens and other projects that install native plants. A specific pollinator grant project (FY23 Standard Grant, Grassroots Ecology, Pollinator Pathways Project) was awarded \$207,606.58 at the June 13, 2023, Board meeting; this project will create urban garden sites to promote pollinator hubs by removing invasive plants and installing locally native pollinator-friendly plants.
- Valley Water's landscape rebate program and public outreach for water conservation promote the use of California native plants by directing the public to South Bay Green Gardens Partnering with Insects (<https://www.southbaygreengardens.org/partnering-with-insects>) and Calscape garden planning resources (<https://bayarea.calscape.org/>).

#### Opportunities to Further Benefit Monarch and Other Pollinators:

- The Stream Maintenance Program has developed a conceptual plan for restoring the Los Capitancillos meadow to benefit native pollinators including Monarch. This plan could be implemented and used to inform additional future efforts to create native meadow habitats that support Monarch and other pollinators in ways that are compatible with Valley Water facilities.

- Developing community support for such efforts is important to their successful implementation.
- Continue to fund Valley Water's Safe Clean Water Priority D (Restore Wildlife Habitat and Provide Open Space) Project D2 (Revitalize Riparian, Upland and Wetland Habitat) so that additional revegetation and restoration efforts that benefit Monarch and other pollinators can be implemented.
  - Continue other Safe, Clean Water efforts that can benefit pollinators and their habitat.
  - Include appropriate native flowering plants in Valley Water's standard hydroseed and erosion control seed mixes.
  - The Water Conservation Unit can partner with the California Native Plant Society to offer native plant maintenance training and nursery outreach in our area.
  - Continue and expand existing efforts, such as data collection, milkweed seed banking, diverse native habitat expansion and enhancement, and involvement in and support of the VHP.

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

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# **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-23-0018	06/13/23	Eisenberg	Yoke	Mcelroy	Director Eisenberg requests the unfiltered, full comments from the 2023 Employee Survey.	07/03/23		
R-23-0007	06/13/23	Beall	Hakes	Codianne	Participate in a lessons learned discussion on providing housing options to the unhoused along creeks.	07/03/23		
R-23-0008	06/13/23	Beall	Hakes	Bourgeois	Staff to work with Director Beall on opportunities to promote habitat that will help the Monarch Butterfly survive.	07/03/23		

**TO:** Rachael Gibson, Chief of External Affairs**FROM:** Marta Lugo, Deputy  
Administrative Officer for  
Government Relations**SUBJECT:** Letters of Congratulations from Chair Varela  
to Lt. Col. Kevin Arnett, Outgoing  
Commander of the U.S. Army Corps of  
Engineers San Francisco District, and Lt. Col.  
Timothy Shebesta, Incoming Commander of  
the U.S. Army Corps of Engineers San  
Francisco District**DATE:** June 28, 2023

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Attached to this memorandum are letters of congratulations from Chair Varela to Lt. Col. Kevin Arnett, the outgoing commander of the U.S. Army Corps of Engineers San Francisco District, and to Lt. Col. Timothy Shebesta, the incoming commander of the district. The letter to Lt. Col. Arnett was sent on June 22, 2023, and the letter to Lt. Col. Shebesta was sent on June 28. Lt. Col. Arnett served as commander and district engineer since June 2021, and he transitioned to a new role in the South Pacific Division on June 23, 2023. Lt. Col. Shebesta has assumed command of the San Francisco District for the next two years.



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Marta Lugo  
Deputy Administrative Officer for Government Relations

**BOARD OF DIRECTORS**[John L. Varela](#) / Chair (District 1)[Barbara F. Keegan](#) / Vice Chair (District 2)[Richard P. Santos](#) (District 3)[Jim Beall](#) (District 4)[Nai Hsueh](#) (District 5)[Tony Estremera](#) (District 6)[Rebecca Eisenberg](#) (District 7)

June 22, 2023

Lieutenant Colonel Kevin Arnett  
Commander, San Francisco District  
U.S. Army Corps of Engineers  
450 Golden Gate Avenue, Fourth Floor  
San Francisco, CA 94102

**CHIEF EXECUTIVE OFFICER**[Rick L. Callender, Esq.](#)**CLERK OF THE BOARD**[Michele L. King, CMC](#)

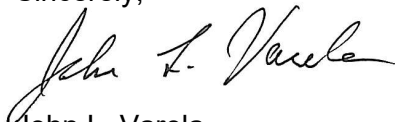
Dear Colonel Arnett:

On behalf of the Santa Clara Valley Water District (Valley Water), I want to express our sincere gratitude for your service and leadership of the San Francisco District of the U.S. Army Corps of Engineers (USACE) over the past two years, and I want to congratulate you on your new position with the South Pacific Division. Your partnership has been invaluable over these two years, and we are thrilled to know that you will not be going far.

Your partnership and support were critical for making significant progress on our USACE-partnered projects, particularly the South San Francisco Bay Shoreline Phase I Project (Shoreline Project) and the Upper Guadalupe River Project. For nearly two years we confronted significant challenges on the Shoreline Project, and we were gravely concerned that the project would not have a path forward. With your assistance and collaboration, we pursued several solutions with all levels of USACE leadership and Congressional offices that ultimately proved successful, and the first phase of the project is now on its way to completion. After years of being stalled with no clear path forward, USACE also is now concluding a General Reformulation Study for the Upper Guadalupe River Project with a new design that will produce even greater benefits to the community than the prior plan. We could not have achieved these positive results without your leadership and support.

Again, thank you for your service and congratulations on your new position. We look forward to continuing our productive relationship with USACE under the leadership of Lieutenant Colonel Shebesta, and we hope our paths will cross in the future.

Sincerely,



John L. Varela  
Chair, Board of Directors

cc: Board of Directors (7), R. Callender, M. Richardson, B. Yerrapotu, R. Gibson, C. Hakes  
bz:jh  
0620a-l

June 28, 2023

Lieutenant Colonel Timothy W. Shebesta  
Commander, San Francisco District  
U.S. Army Corps of Engineers  
450 Golden Gate Avenue, Fourth Floor  
San Francisco, CA 94102

Dear Colonel Shebesta:

On behalf of the Santa Clara Valley Water District (Valley Water), I would like to congratulate you on your new position as Commander of the San Francisco District for the U.S. Army Corps of Engineers (USACE). Your appointment to this position is well deserved. We look forward to working with you on issues of mutual interest to our agencies, including flood risk management projects, environmental restoration efforts, and other water-related issues in Santa Clara County.

As you may know, Valley Water manages an integrated water resources system that includes the supply of clean, safe water; flood protection; and stewardship of streams on behalf of Santa Clara County's nearly 2 million residents in the heart of Silicon Valley. Valley Water also manages 10 dams and surface water reservoirs, 3 water treatment plants, a world-class water purification plant, a state-of-the-art water quality laboratory, nearly 400 acres of groundwater recharge ponds, and more than 294 miles of streams. We provide wholesale water and groundwater management services to local municipalities and private water retailers who deliver drinking water directly to homes and businesses in Silicon Valley and beyond.

Valley Water is the local sponsor of several USACE-partnered flood risk management projects, most notably the South San Francisco Bay Shoreline Phase I Project (Shoreline Project) and the Upper Guadalupe River Project. These two projects have faced significant challenges over the years that threatened their progress. Through the close collaboration with USACE at all levels, those projects are moving forward toward completion. The Shoreline Project is currently under construction and USACE is nearing completion on the Upper Guadalupe Project's General Reformulation Study with a new design that will produce even greater benefits to the community than the prior plan. We could not have achieved these positive results without the support and close partnership with the San Francisco District.

**BOARD OF DIRECTORS**

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**CHIEF EXECUTIVE OFFICER**

[Rick L. Callender, Esq.](#)

**CLERK OF THE BOARD**

[Michele L. King, CMC](#)

Lieutenant Colonel Timothy W. Shebesta

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June 28, 2023

Again, congratulations on your new position and we look forward to working with you. Valley Water considers USACE a critical partner in vital flood risk management projects that protect human lives, property, and the environment. If you have any questions of us, or to arrange a tour, please do not hesitate to contact Marta Lugo, Deputy Administrative Officer for Government Relations, at (408) 630-2237, or via email at [mlugo@valleywater.org](mailto:mlugo@valleywater.org).

Sincerely,

A handwritten signature in black ink, appearing to read "John L. Varela". The signature is fluid and cursive, with the first name "John" being the most prominent.

John L. Varela

Chair, Board of Directors

cc: Board of Directors (7), R. Callender, M. Richardson, B. Yerrapotu, R. Gibson, C. Hakes

bz:jh

0628a-l

# **INCOMING BOARD CORRESPONDENCE**

Board Correspondence (open)

Correspond No	Rec'd By District	Rec'd By COB	Letter To	Letter From	Description	Disposition	BAO/ Chief	Staff	Draft Response Due Date	Draft Response Submitted	Writer Ack. Sent	Final Response Due Date
C-23-0030	01/18/23	01/18/23	All	STEPHEN QUAN	Email from Stephen Quan, to the Board of Directors, dated 01/18/23, regarding Dam Levels and the Drought.	Refer to Staff	Baker	Williams	01/26/23	01/31/23	n/a	02/01/23
C-23-0045	02/23/23	02/24/23	All	MELISSA MALLORY	EMail from Melissa Mallory regarding unhouse along Los Gatos Creek Trail.	Refer to Staff	Blank	Codianne Yerrapotu	03/04/23	03/03/23	n/a	03/10/23
C-23-0076	03/31/23	04/03/23	All	H.K. WILLARD	Email from H.K. Willard to the Board dated 3/31/23 regarding misleading information in March Water News.	Refer to Staff	Gibson	Rocha	04/11/23	04/07/23	n/a	04/17/23
C-23-0101	05/12/23	05/12/23	All	STEVE KELLY	Email from Steve Kelly, to the Board, dated 5/12/23, regarding concern for unhoused that may cause threat to residents living near the creeks in	Refer to Staff	Blank Yerrapotu	Codianne	05/20/23	05/22/23	n/a	05/26/23



Correspond No	Rec'd By District	Rec'd By COB	Letter To	Letter From	Description	Disposition	BAO/ Chief	Staff	Draft Response Due Date	Draft Response Submitted	Writer Ack. Sent	Final Response Due Date
C-23-0117	05/28/23	05/30/23	All	RAYMOND WHITE	Santa Clara. Email from Dr. Raymond White to the Board, dated 5/28/23, requesting flouride warning message.	Refer to Staff	Baker	Bogale	06/07/23	06/02/23	n/a	06/13/23
C-23-0169	07/03/23	07/03/23	All	CHRIS FREIMUND	Email from Chris Freimund, Director of Development , Watershed Progressive to the Board, dated 6/30/23, requesting sponsorship consideration for Localizing California Waters Conference.	Refer to Staff	Gibson	Lugo	07/11/23	-	n/a	07/17/23