# DIVISION SUMMARIES

# Division Summaries

# Division Summaries

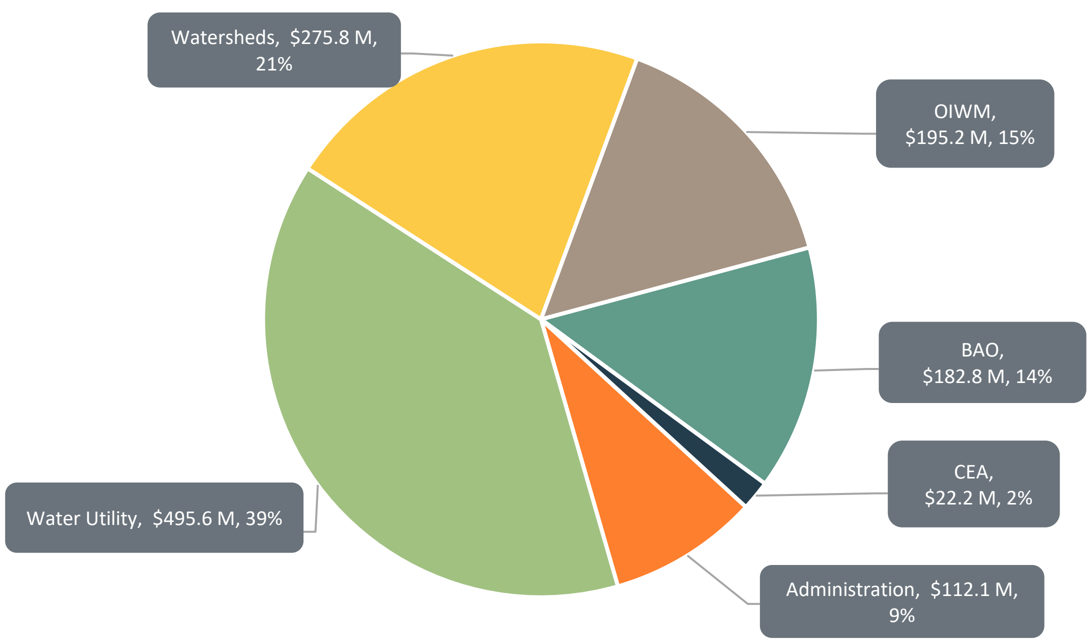
## Description

Valley Water utilizes a project-based budget to accurately appropriate budget to the various funds and assess precise water rates. The project-based budget is presented by ends outcomes and at the fund level in chapters 4 and 6.

The Division Summary chapter is another way of looking at Valley Water's budget. This chapter represents a functional view of Valley Water's budget displaying all expenses that are charged by the organization area, division, and department by project type and account category.

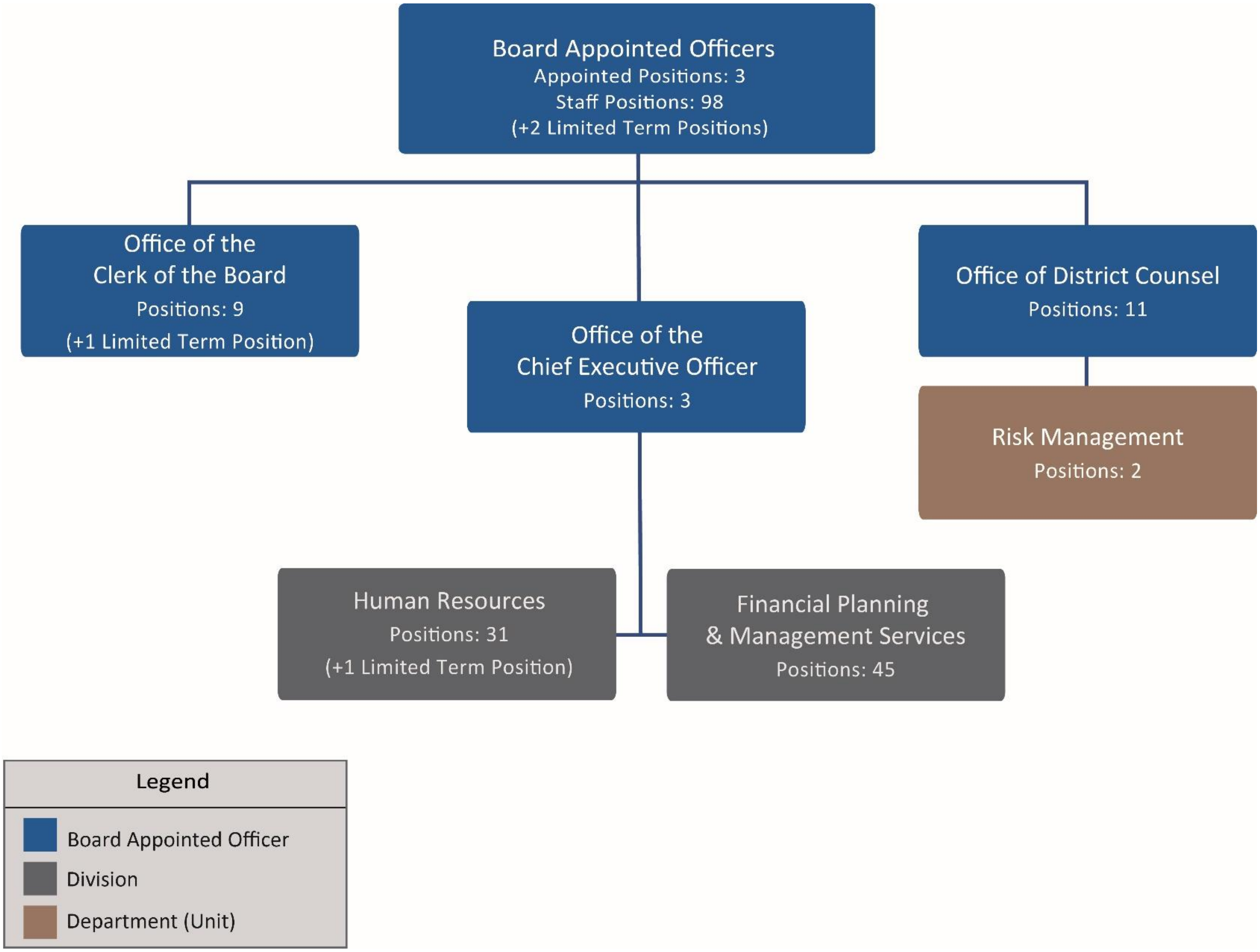
Organizational areas and their division sections begin with an organizational chart showing the FY 2026-27 budget and positions. Each area then includes an overview of the services they provide, their objectives, accomplishments, and milestones. This is followed by a series of financial tables which display the budget by project type, account category, department, and the authorized position counts for four fiscal years.

**FY 2026-27 Adopted Budget Summary by Org Area, $1,284 Million[1]**




[1]Totals omit intra-district expenses of $130.9 M

# Division Summaries

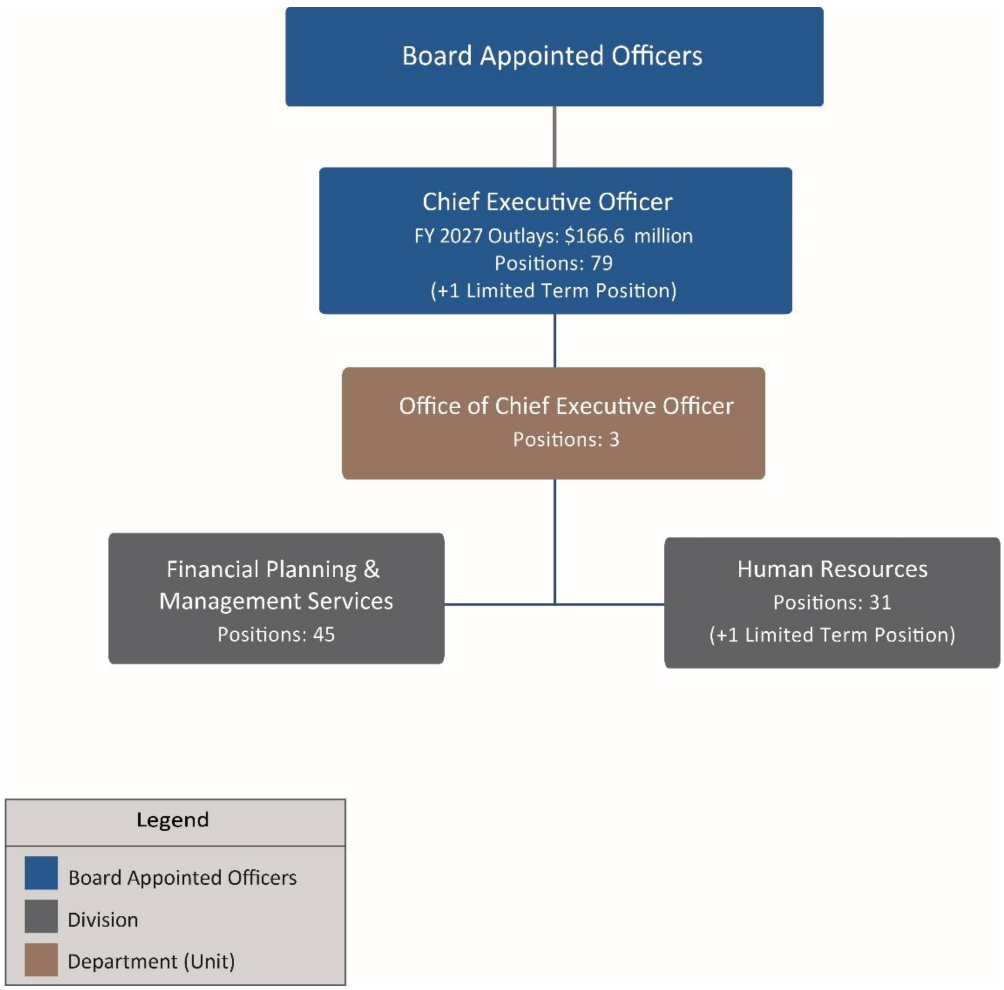


# Division Summaries

## Description

Board Appointed Officers support the mission of Valley Water, to provide Silicon Valley with safe, clean water for a healthy life, environment, and economy and include the Chief Executive Officer, District Counsel, and Clerk of the Board. Board Appointed Officers provide executive leadership of Valley Water; support to the Board of Directors ensuring that Valley Water efficiently implements the Board's Ends policies in conformance with Executive Limitations policies; deliver high quality, trustworthy, and responsive counsel to Valley Water in a manner that assists in accomplishing Valley Water's mission; and maximize public access to the citizens of Santa Clara County in accordance with the State of California Ralph M. Brown Act.

## Office of the CEO



# Division Summaries

## Division Description and Objectives

The Office of the Chief Executive Officer (CEO) provides strategic direction and oversight to lead Valley Water in implementing its mission and achieving its vision; fosters cooperative and collaborative working relationships with other government agencies, retailers, stakeholders, and the community; supports the Board of Directors to ensure that Valley Water meets the Board's Ends policies; and complies with the Board's Executive Limitations Policies in a transparent, cost-effective, and efficient manner. The Office of the CEO also oversees the Financial Planning and Management Services Division and Human Resources Division.

## FY 2026 Accomplishments

- Successfully held Management Leadership Team meetings for management team building and development and communication, discussion, and presentations of real-time issues affecting the agency.
- Regularly held Leadership Team meetings to engage in dialogue on processes, issues, and activities impacting Valley Water and to inform the Leadership Team of upcoming issues and challenges.
- Fostered cooperative and collaborative working relationships with other agencies.
- Regularly held all-employee Town Halls to share agency-wide updates and strategic direction, key Board decisions, and improve transparency and employee engagement.
- Ensured organizational fiscal accountability and transparency through an open and transparent budget process.

## FY 2027 Milestones

- Continue to provide leadership and organizational guidance, prioritizing investments in our critical infrastructure and the safety of Valley Water staff, while providing safe, clean, reliable water to Santa Clara County.
- Provide oversight of the organization's budget and ensure organizational fiscal accountability through an open and transparent budget development process.
- Continue to hold regular all-employee Town Hall meetings, Management Leadership Team meetings, and Executive Team meetings to foster open communication, transparency, and information sharing on key updates, projects, and policies pertinent to Valley Water employees.
- Maintain and ensure approved audit recommendations are fully implemented through the end of the fiscal year.
- Further develop and establish working relationships with partner agencies, retailers, stakeholders, and the community.
- Coordinate the annual Board Strategic Planning Retreat to support the development of the Board's Annual Work Plan.
- Advance workforce development and succession planning programs.
- Implement new technology tools that increase productivity and business efficiency.

## FY 2028 Milestones

- Continue to provide leadership and organizational guidance, prioritizing investments in our critical infrastructure and the safety of Valley Water staff, while providing safe, clean, reliable water to Santa Clara County.
- Provide oversight of the organization's budget and ensure organizational fiscal accountability through an open and transparent budget development process.
- Continue to hold regular all-employee Town Hall meetings, Management Leadership Team meetings, and Executive Team meetings to foster open communication, transparency, and information sharing on key updates, projects, and policies pertinent to Valley Water employees.
- Maintain and ensure approved audit recommendations are fully implemented through the end of the fiscal year.
- Further develop and establish working relationships with partner agencies, retailers, stakeholders, and the community.
- Coordinate the annual Board Strategic Planning Retreat to support the development of the Board's Annual Work Plan.
- Advance workforce development and succession planning programs.
- Implement new technology tools that increase productivity and business efficiency.

# Division Summaries

## Office of the CEO — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 2,250,869 | 1,884,281 | 1,953,939 | 2,062,711 |
| **Total (1)** | **2,250,869** | **1,884,281** | **1,953,939** | **2,062,711** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Office of the CEO | 2,250,869 | 1,884,281 | 1,953,939 | 2,062,711 |
| **Total (1)** | **2,250,869** | **1,884,281** | **1,953,939** | **2,062,711** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Office of the CEO - Position Summary

| | FY 2024-25 Adjusted Budget(2) | FY 2025-26 Adopted Budget(2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **3** | **3** | **3** | **3** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

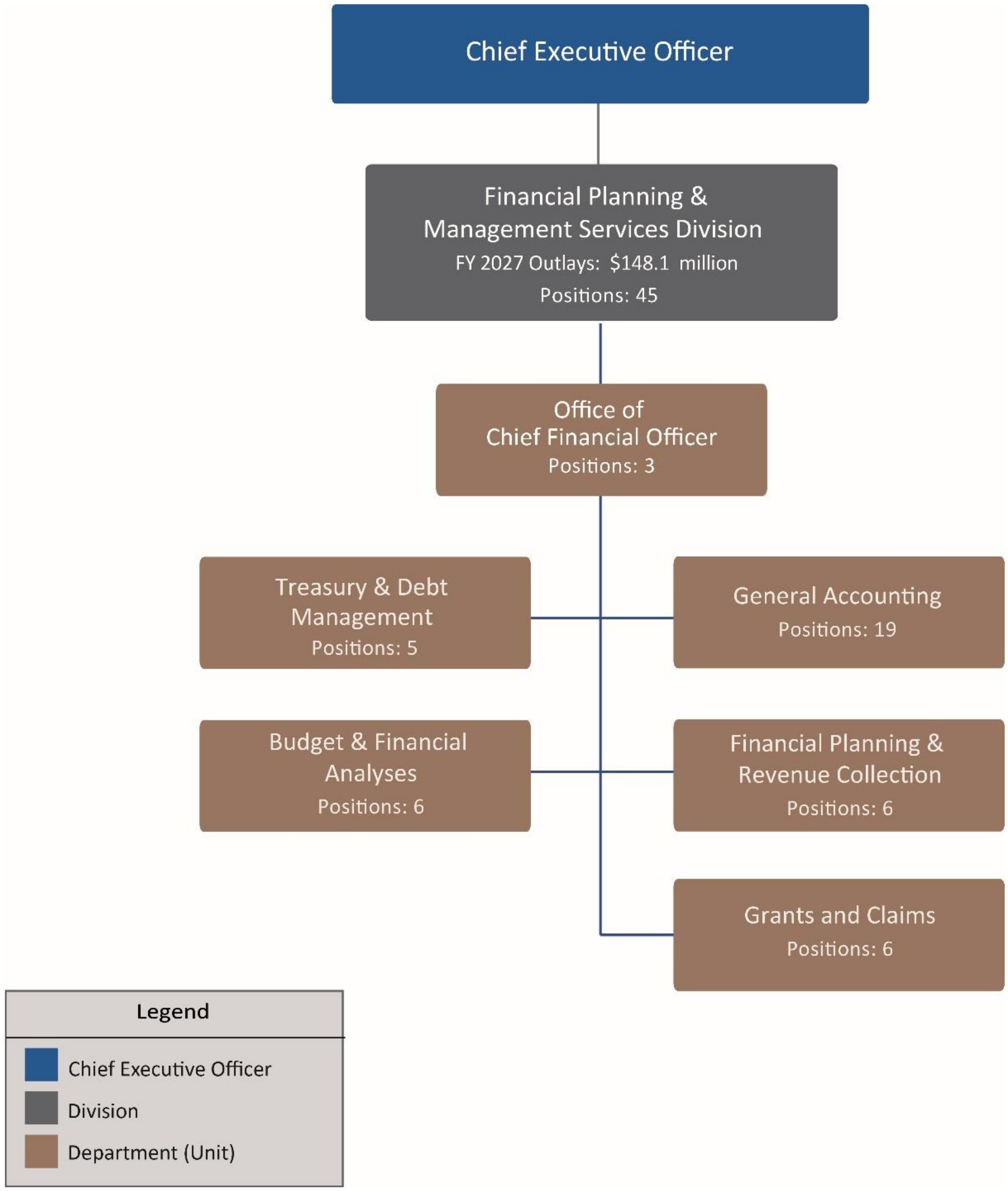
# Division Summaries

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of Chief Executive Officer** | | | | | |
| | **Salaries & Benefits** | 1,462,444 | 1,400,270 | 1,452,872 | 1,546,226 |
| | **Services & Supplies** | 544,032 | 211,920 | 211,920 | 215,278 |
| | **Intra District Charges** | 244,393 | 272,091 | 289,148 | 301,207 |
| **Office of Chief Executive Officer Total** | | 2,250,869 | 1,884,281 | 1,953,939 | 2,062,711 |
| **Operations Total (1)** | | **2,250,869** | **1,884,281** | **1,953,939** | **2,062,711** |
| **Division Total (1)** | | **2,250,869** | **1,884,281** | **1,953,939** | **2,062,711** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Financial Planning and Management Services Division



## Division Description and Objectives

Under the direction of the Chief Financial Officer, the Financial Planning and Management Services Division (FPMSD) serves as a partner to assist other units in achieving their objectives. The primary roles of FPMSD are to facilitate necessary financial transactions, provide analyses and recommendations on decisions brought forth by operations, establish controls that minimize financial risks, and drive change or improvements in business processes or practices in order to improve productivity. The division is organized functionally as summarized below.

### Continual Improvement

The Continual Improvement Unit supports the CEO's ability to lead the organization and ensure the Board is informed and supported in its work. The Continual Improvement team carries out this support through Valley Water's Quality and Environmental Management System, facilitating Board-commissioned, CEO-commissioned, and/or internal audits, and communicating monitoring data to the Board through Semi-Annual Performance Reports.

### Treasury and Debt Management

Treasury and Debt Management manages the District-wide treasury and debt management programs. The key roles performed by the unit include the following: (1) Ensure sufficient liquidity is maintained to meet all of Valley Water's financial obligations, as well as ensuring a reasonable portfolio yield is attained while maintaining the safety of the investment portfolio; (2) Manage the District-wide debt service budget, which includes principal and interest payments for the Watersheds, Water Utility, and Safe, Clean Water funds, as well as the related financial, legal, and banking services associated with the debt program; (3) Prepare all legally required reports to meet debt covenants as well as state and federal requirements to ensure compliance with securities laws; (4) Work with external municipal advisor and bond/disclosure counsel to lead debt issuance activities to provide the necessary funding to pay for capital projects; (5) Provide professional financial advisory to support the financing requirements for the Capital Improvement Program, including but not limited to, the Board's priorities for the Delta Conveyance, Anderson Dam, Sites Reservoir, Recycled and Purified Water, Sisk Dam Raise, among others; and (6) Manage the Water Infrastructure Finance and Innovation Act (WIFIA) Program for the Water Utility and Safe, Clean Water capital programs.

### Budget and Financial Analyses

Budget and Financial Analyses Unit provides timely and accurate financial information and analyses throughout the year. The unit oversees the cost of the resources needed for managing, planning and implementing District-wide processes that culminate with the production of the annual operating and capital budget document; provides District-wide financial analysis, high level monitoring of financial results, and ensures that financial information provided to Board, the public, and staff is accurate, reliable and in accordance with District policy.

### General Accounting

General Accounting unit includes the areas of General Ledger, Accounts Payable, Payroll, and Financial Systems. The General Ledger area focuses on accounting and financial reporting functions to provide relevant, accurate and timely financial reporting of Valley Water's financial condition in compliance with laws, regulations, Valley Water policies and professional standards. Accounts Payable is charged with processing payment disbursements to Valley Water's contractors, consultants, and vendors, administering petty cash, and maintaining payment documents, in compliance with Valley Water procedures. Payroll processes the bi-weekly payroll, employee benefits accounting, payroll tax withholdings and submission of Federal and State reporting requirements. Financial Systems provide for the maintenance and security of the payroll, benefits, human resources and financial systems, including the implementation of system upgrades, MOU changes, and salary and benefit changes.

# Division Summaries

### Financial Planning and Revenue Collection

Financial Planning prepares and manages long term financial plans and forecasts and drives the groundwater production charge setting process, which includes the preparation of the annual report on the Protection and Augmentation of Water Supplies (PAWS). Revenue Collection collects water revenue, property taxes and benefit assessments for Valley Water. Water revenue is comprised of charges for groundwater, treated, recycled, and surface water usage. Property taxes and benefit assessments collected are the voter-approved Safe, Clean Water Special Tax, Flood Control Benefit Assessment, State Water Project levy, and the allocated share of countywide 1% ad valorem property tax receipts.

### Grants, Compliance & Claims Management

The Grants, Claims and Compliance Unit (GCCM) at Valley Water is responsible for complete lifecycle support of external grant and donation funding. Projects are vetted by the internal Capital Improvement Plan/CIP process or brought to the GCCM Unit's attention by project managers from non-CIP projects. The GCCM Unit matches projects needing funding to appropriate funding sources, which might include Local, Regional, State, Federal, non-profit, foundation, or corporate sources. Projects must be advanced through an internal vetting and scoring process prior to grant application, to ensure that the resources to be expended in applying make sense for the District. The unit works with project teams to craft complete and compelling applications, coordinating with the Office of Government Relations to obtain appropriate support, and the Legal team to navigate any initial compliance or legal issues. Once award is made, the GCCM Unit works with Procurement, Legal and Project Teams to implement award terms and to establish a reporting system. Lastly, the GCCM Unit will manage drawdowns and reimbursements until grant closeout, helping to maintain the District's good financial standing and eligibility for future funding applications.

## FY 2026  Accomplishments

- Earned $23+ million in interest income from the investment portfolio.
- Managed the cash flow, which averages about $65 million a month.
- Managed the investment portfolio with a book value of over $700 million.
- Prepared timely reports on the investment portfolio as required by the investment policy, as well as the California Government Code.
- Managed banking relationships and account management: concentration account, money market savings account, non-interest bearing account, accounts payable checking and ACH accounts, payroll account, workers' compensation account, dependent care account, trust and custody account, and debt management related accounts.
- Managed the debt portfolio of over $1.5 billion in outstanding principal and debt service payments of over $100 million per fiscal year.
- Managed the $250 million Commercial Paper Program and $200 million Line of Credit.
- Developed and implemented short and long-term financing strategies, bond issuances, and refunding.
- Provided support to the annual budget and long-term forecast processes.
- Managed the WIFIA Program for the Water Utility and Safe, Clean Water capital programs.
- Updated and maintained Balancing Act online budget simulation to engage community.
- Implemented cloud-based Long Term Forecast data collection process for operating and capital projects.
- Produced FY 2026-27 Rolling Biennial Adopted Summary Document prior to June 30, 2026.
- Distributed FY 2026-27 Rolling Biennial Adopted Budget Summary prior to July 1, 2026.
- Finalized the FY 2025 Annual Comprehensive Financial Report in accordance with the Government Finance Officers Association standards for excellence by December 2025.
- Completed the submission of the FY 2025 State Controller's Report by January 2026.
- Completed the FY 2025 audits for Water Utility Funds and the Advanced Water Treatment Facility by June 2026.
- Processed the month-end close by the 10th of the following month.
- Prepared Board expense reimbursement reports on a quarterly basis.
- Printed weekly vendor checks by Thursday afternoon and sent them to mailroom by Friday morning.
- Met State and Federal tax reporting requirements for calendar year 2025 1099s by January 2026.
- Completed California, Employment Development Department Independent Contractor Report DE542 by the end of each month.
- Processed the bi-weekly payroll and generate payroll checks by Thursday of each pay week.
- Processed vacation leave pay-outs by October 2025.
- Processed sick leave pay-outs in March 2026.
- Carried over and issued absence leave balances by July 2025.
- Implemented new COLA changes by July 2025.
- Implemented and tested tax updates by December 2025.
- Completed calendar year 2025 W-2 Tax Reporting by January 31, 2026.
- Issued employee W-2’s for calendar year 2025 by January 31, 2026.
- Submitted compensation report for calendar year 2025 to the State Controller’s Office by April 2026.
- Filed PAWS report with Clerk of Board on time.
- Prepared annual groundwater production charge analysis, ensuring water charges were adopted for next fiscal year on time.
- Continued enhancements to Munibilling for groundwater, recycled water, and surface water accounts. Began implementation of replacement utility billing system.
- Effective execution of the Safe, Clean Water Senior Exemption Program. Nearly 560 new seniors enrolled while maintaining number of active seniors in the program (4,900).
- Claimed approximately $2.0 million in subvention claims.
- Drew down approximately $33.8 million in grant reimbursement funds.
- Worked with internal and external partners to navigate the changing Federal landscape, maintaining funds and good standing for the District.

- Began work on a Federal Procurement and Compliance Manual with the support of the Procurement and Legal teams.
- Implemented a new system for internally vetting and scoring prospective grant applications, as well as supporting materials to help Project Managers.
- Initiated the District's first grant applications to non-profit and foundation sources.
- Created workshops to train and collaborate with internal partners from multiple divisions on grants and external funding.
- Provided financial leadership to the organization during the year
- PERS/OPEB update delivered to Board in March 2026.

## FY 2027 Milestones

- Implement the WIFIA and CWIFP loan administration program for the Safe, Clean Water program, Anderson, and Dam Safety projects.
- Prudently invest District funds while maintaining safety, liquidity, and optimizing interest income.
- Manage the District's debt portfolio as well as implement financing strategies to fund the District's capital improvement plan.
- Produce a structurally balanced budget throughout the budget process and finalize the Adopted Biennial Budget Summary Book in time for Board Adoption on or before June 30 on an annual basis. Additionally, distribute the Adopted Budget Summary within one month after Board Adoption or before July 1.
- Address Budget requests during the fiscal year for projects, services, or staff requests that are unbudgeted as part of the Adopted Budget; identify spending offset or funding source at the time of the request and ensure that the request has a net-zero effect, a balanced transaction, on the budget.
- Ensure that all Valley Water Funds maintain adequate reserves per the District Reserve policy and prudent financial planning to ensure sufficient resources for current services and obligations and to prepare for future anticipated funding requirements and unforeseen events.
- In preparation for each budget pass, produce the position file, overhead, and benefit rates. After each budget pass, produce proforma reports, trend data information on selected items, fund target analysis results, and detailed budget files (reports are produced in March, April, and May).
- Produce and support the organization with detailed analysis and presentation materials for senior management and Board of Directors meetings and presentations.
- Produce a rolling biennial budget process to be updated annually, which is aligned with the guiding State, District Act and Valley Water Policies, and is conducive to long-term planning while remaining responsive to the dynamic and ever-changing needs of the organization.
- Load the Adopted Budget to Financial System by July 1 and publish it on Valley Water's website by June 30. Additionally, ensure Birst monthly financial reports are correct within one week of the accounting period closing, and finalize and post the Encumbrance and Capital Carry Forward budget.
- Review Board Agenda materials for accuracy and consistency with financial policy and practices.
- Finalize the FY 2026 Annual Comprehensive Financial Report in accordance with the Government Finance Officers Association standards for excellence by December 2026.
- Complete the submission of the FY 2027 State Controller's Report by January 2027.
- Complete the FY 2027 audits for Water Utility Funds and the Advanced Water Treatment Facility by June 2027.
- Process the month-end close by the 10th of the following month.
- Prepare Board expense reimbursement reports on a quarterly basis.
- Print weekly vendor checks by Thursday afternoon and send them to mailroom by Friday morning.
- Meet State and Federal tax reporting requirements for calendar year 2026 1099s by January 2027.
- Process the bi-weekly payroll and generate payroll checks by Thursday of each pay week.
- Process vacation leave pay-outs by October 2026.
- Process sick leave pay-outs in March 2027.
- Implement new COLA changes by July 2026.
- Complete calendar year 2026 W-2 Tax Reporting by January 31, 2027.

- Issue employee W-2's for calendar year 2026 by January 31, 2027.
- Submit compensation report for calendar year 2026 to the State Controller's Office by April 2027.
- File PAWS report with Clerk of Board on time.
- Prepare annual groundwater production charge analysis, ensuring water charges are adopted for next fiscal year on time.
- Complete the annual water utility audit by June 30th.
- Complete the water production audit for all water producing facilities located within District Charge Zones and ensure correct revenue is collected for all water produced.
- Stabilize recently implemented revenue collection software for all water related and non-water related customer accounts.
- Levy property taxes with County Assessor's Office, ensuring correct revenue is collected.
- Provide financial planning and analysis support to the District while continually updating and maintaining financial models.
- Provide excellent customer service to Valley Water customers, internally and externally.
- Launch Federal Procurement and Compliance Manual.
- Successfully advance or clear all pending grant applications.
- Provide timely and accurate reporting to funding partners for all existing grants.
- Provide the Semi-annual Performance Report to the Board in August and February.
- Provide ongoing maintenance and operational support for the QEMS Document Control database.

## FY 2028 Milestones

- Implement the WIFIA and CWIFP loan administration program for the Safe, Clean Water program, Anderson, Pacheco Reservoir Expansion projects.
- Prudently invest District funds while maintaining safety, liquidity and optimizing interest income.
- Manage the District's debt portfolio as well as implement financing strategies to fund the District's capital improvement plan.
- Produce a structurally balanced budget throughout the budget process and finalize the Adopted Biennial Budget Summary Book in time for Board Adoption on or before June 30 on an annual basis. Additionally, distribute the Adopted Budget Summary within one month after Board Adoption or before July 1.
- Address Budget requests during the fiscal year for projects, services, or staff requests that are unbudgeted as part of the Adopted Budget; identify spending offset or funding source at the time of the request and ensure that the request has a net-zero effect, a balanced transaction, on the budget.
- Ensure that all Valley Water Funds maintain adequate reserves per the District Reserve policy and prudent financial planning to ensure sufficient resources for current services and obligations and to prepare for future anticipated funding requirements and unforeseen events.
- In preparation for each budget pass, produce the position file, overhead, and benefit rates. After each budget pass, produce proforma reports, trend data information on selected items, fund target analysis results, and detailed budget files (reports are produced in March, April, and May).
- Produce and support the organization with detailed analysis and presentation materials for senior management and Board of Directors meetings and presentations.
- Produce a rolling biennial budget process to be updated annually, which is aligned with the guiding State, District Act and Valley Water Policies, and is conducive to long-term planning while remaining responsive to the dynamic and ever-changing needs of the organization.
- Load the Adopted Budget to Financial System by July 1 and publish it on Valley Water's website by June 30. Additionally, ensure Birst monthly financial reports are correct within one week of the accounting period closing, and finalize and post the Encumbrance and Capital Carry Forward budget.
- Review Board Agenda materials for accuracy and consistency with financial policy and practices.
- Finalize the FY 2027 Annual Comprehensive Financial Report in accordance with the Government Finance Officers Association standards for excellence by December 2027.
- Complete the submission of the FY 2027 State Controller's Report by January 2028.
- Complete the FY 2028 audits for Water Utility Funds and the Advanced Water Treatment Facility by June 2028.

- Process the month-end close by the 10th of the following month.
- Prepare Board expense reimbursement reports on a quarterly basis.
- Print weekly vendor checks by Thursday afternoon and send them to mailroom by Friday morning.
- Meet State and Federal tax reporting requirements for calendar year 2027 1099s by January 2028.
- Process the bi-weekly payroll and generate payroll checks by Thursday of each pay week.
- Process vacation leave pay-outs by October 2027.
- Process sick leave pay-outs in March 2028.
- Implement new COLA changes by July 2027.
- Implement and test tax updates by December 2027.
- Complete calendar year 2027 W-2 Tax Reporting by January 31, 2028.
- Issue employee W-2's for calendar year 2027 by January 31, 2028.
- Submit compensation report for calendar year 2027 to the State Controller's Office by April 2028.
- File PAWS report with Clerk of Board on time.
- Prepare annual groundwater production charge analysis, ensuring water charges are adopted for next fiscal year on time.
- Complete the annual water utility audit by June 30th.
- Complete the water production audit for all water producing facilities located within District Charge Zones and ensure correct revenue is collected for all water produced.
- Continue enhancements to revenue collection software for groundwater, recycled water, and surface water accounts.
- Levy property taxes with County Assessor's Office, ensuring correct revenue is collected.
- Provide financial planning and analysis support to the District while continually updating and maintaining financial models.
- Provide excellent customer service to Valley Water customers, internally and externally.
- Pursue appropriate grants and external funding for prioritized Valley Water projects.
- Maintain Federal Compliance Training for all Unit Staff.
- Complete all necessary pre-award and post-award work for Valley Water grants and related funding instruments.
- Provide internal training resources to educate project teams on grants and compliance.
- Facilitate audits identified in the Annual Audit Plan, requested by management, or dictated by Program requirements.
- Provide the Semi-annual Performance Report to the Board in August and February.
- Provide ongoing maintenance and operational support for the QEMS Document Control database.

## Financial Planning and Management Services Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 16,495,764 | 18,717,912 | 19,083,014 | 20,160,153 |
| Debt services | 85,959,723 | 116,941,621 | 128,801,854 | 161,169,798 |
| Capital | 96,010 | 239,083 | 182,629 | 145,513 |
| **Total (1)** | **102,551,497** | **135,898,617** | **148,067,497** | **181,475,464** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Budget & Financial Analyses | 2,244,095 | 2,416,924 | 2,533,937 | 2,620,680 |
| Financial Planning and Revenue Collection | 3,100,647 | 3,156,145 | 3,128,798 | 3,374,486 |
| General Accounting | 5,654,269 | 6,196,715 | 6,636,818 | 6,961,792 |
| Grants and Claims | 1,773,861 | 2,768,546 | 2,925,268 | 3,152,013 |
| Office of the CFO | 2,060,566 | 2,391,107 | 1,961,610 | 2,054,877 |
| Treasury and Debt Management | 87,718,059 | 118,969,180 | 130,881,066 | 163,311,616 |
| **Total (1)** | **102,551,497** | **135,898,617** | **148,067,497** | **181,475,464** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Financial Planning and Management Services Division - Position Summary

| | FY 2024-25 Adjusted Budget(2) | FY 2025-26 Adopted Budget(2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **47** | **46** | **45** | **45** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2028 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Budget & Financial Analyses** | | | | | |
| | **Salaries & Benefits** | 1,785,490 | 1,886,815 | 1,951,954 | 2,046,682 |
| | **Services & Supplies** | 85,166 | 193,000 | 213,000 | 198,790 |
| | **Intra District Charges** | 373,439 | 337,109 | 368,983 | 375,208 |
| **Budget & Financial Analyses Total** | | 2,244,095 | 2,416,924 | 2,533,937 | 2,620,680 |
| **Financial Planning and Revenue Collection** | | | | | |
| | **Salaries & Benefits** | 1,732,635 | 1,757,701 | 1,786,942 | 1,881,867 |
| | **Services & Supplies** | 319,978 | 361,300 | 351,300 | 375,064 |
| | **Intra District Charges** | 1,048,034 | 1,037,144 | 990,556 | 1,117,556 |
| **Financial Planning and Revenue Collection Total** | | 3,100,647 | 3,156,145 | 3,128,798 | 3,374,486 |
| **General Accounting** | | | | | |
| | **Salaries & Benefits** | 4,460,270 | 4,909,200 | 5,165,709 | 5,452,278 |
| | **Services & Supplies** | 457,804 | 445,858 | 542,252 | 558,519 |
| | **Intra District Charges** | 736,195 | 841,657 | 928,858 | 950,995 |
| **General Accounting Total** | | 5,654,269 | 6,196,715 | 6,636,818 | 6,961,792 |
| **Grants and Claims** | | | | | |
| | **Salaries & Benefits** | 966,977 | 1,623,758 | 1,768,910 | 1,862,824 |
| | **Services & Supplies** | 203,548 | 160,000 | 134,500 | 138,535 |
| | **Intra District Charges** | 603,337 | 984,788 | 1,021,858 | 1,150,654 |
| **Grants and Claims Total** | | 1,773,861 | 2,768,546 | 2,925,268 | 3,152,013 |
| **Office of the CFO** | | | | | |
| | **Salaries & Benefits** | 1,253,893 | 1,367,189 | 1,127,045 | 1,194,905 |
| | **Services & Supplies** | 577,925 | 771,340 | 609,340 | 627,620 |
| | **Intra District Charges** | 228,748 | 252,578 | 225,225 | 232,352 |
| **Office of the CFO Total** | | 2,060,566 | 2,391,107 | 1,961,610 | 2,054,877 |
| **Treasury and Debt Management** | | | | | |
| | **Salaries & Benefits** | 1,307,651 | 1,254,437 | 1,340,247 | 1,438,104 |
| | **Services & Supplies** | 119,559 | 283,241 | 281,000 | 287,930 |
| | **Intra District Charges** | 235,116 | 250,798 | 275,336 | 270,272 |
| **Treasury and Debt Management Total** | | 1,662,326 | 1,788,475 | 1,896,583 | 1,996,305 |
| **Operations Total [(1)]** | | **16,495,764** | **18,717,912** | **19,083,014** | **20,160,153** |

# Division Summaries

## Debt Service Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Treasury and Debt Management** | | | | | – |
| | **Services & Supplies** | 85,959,723 | 116,941,621 | 128,801,854 | 161,169,798 |
| **Treasury and Debt Management Total** | | 85,959,723 | 116,941,621 | 128,801,854 | 161,169,798 |
| **Debt Service Total (1)** | | **85,959,723** | **116,941,621** | **128,801,854** | **161,169,798** |

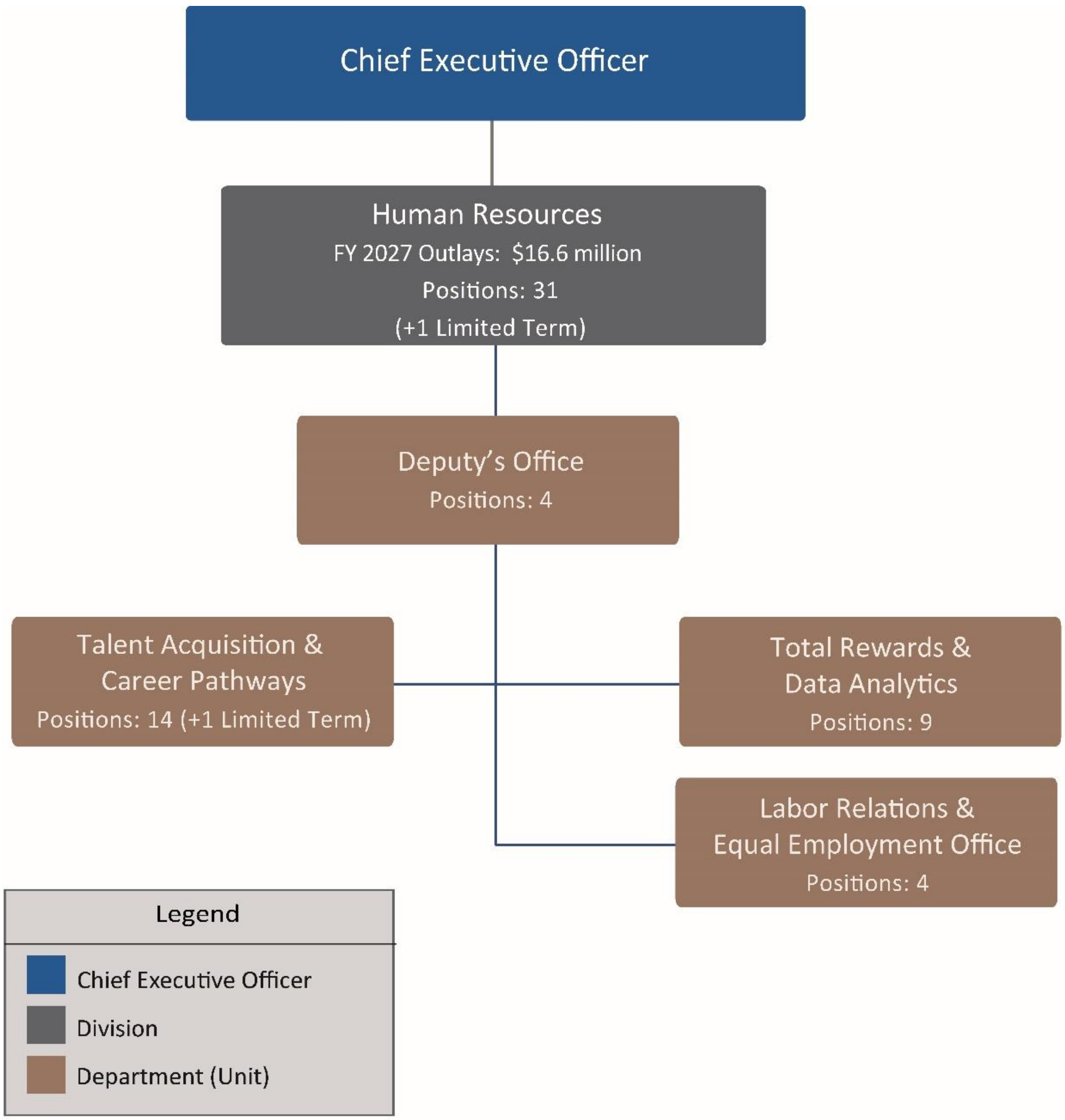
## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Treasury and Debt Management** | | | | | |
| | **Salaries & Benefits** | 32,956 | 151,201 | 118,533 | 92,271 |
| | **Services & Supplies** | 43,700 | – | – | – |
| | **Intra District Charges** | 19,354 | 87,883 | 64,096 | 53,242 |
| **Treasury and Debt Management Total** | | 96,010 | 239,083 | 182,629 | 145,513 |
| **Capital Total (1)** | | **96,010** | **239,083** | **182,629** | **145,513** |

| | | | | | |
|---|---|---|---|---|---|
| **Division Total (1)** | | **102,551,497** | **135,898,617** | **148,067,497** | **181,475,464** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Human Resources Division



# Division Summaries

## Division Description and Objectives

The Human Resources Division serves as the strategic architect of the organization's workforce. The division is responsible for planning, managing, directing, and coordinating programs and services to elevate Valley Water and its greatest asset, our employees. Led by the Human Resources Division in partnership with three (3) specialized functional units— Labor Relations/Ethics and Equal Opportunity, Talent Acquisition & Career Pathways, and Total Rewards & Data Analytics —the division provides comprehensive support in the areas of Labor Relations (LR), Ethics & Equal Opportunity (EEO), Recruitment and Selection, NextGen Career Pathways, Workforce Development, Technical Training, Benefits and Wellness, Classification Compensation, and Human Resource Information System (HRIS) management.

### Labor Relations & Ethics and Equal Opportunity Program (EEOP)

The LR and EEO teams partner to foster a fair, inclusive, and legally compliant workplace. LR manages union partnerships, contract negotiations, and the interpretation of MOUs, ensuring consistent and equitable management practices. EEOP focuses on advancing workplace respect by leading investigations into discrimination, harassment, and ethical concerns. Together, these teams provide expert guidance, conflict resolution, and proactive training to support a collaborative environment built on mutual respect and transparency.

### Talent Acquisition and Career Pathways

The Talent Acquisition and Career Pathways Unit leads the design, planning, and oversight of four mission-critical programs that include Recruitment and Selection, NextGen Career Pathways, Workforce Development & Technical Training, and Classification & Compensation. Through these integrated efforts, the unit supports management in attracting and hiring top talent, building and sustaining a diverse workforce pipeline, developing the workforce of the future, advancing succession planning, and ensuring employees possess the professional and technical skills needed to achieve Valley Water's mission.

### Total Rewards and Data Analytics

The Total Rewards Unit is charged with developing and implementing programs and services that contribute to employee satisfaction, retention, and attraction. The Total Rewards unit includes the areas of administrating Benefits and Wellness, maintaining and auditing HRIS and Data Analytics systems to ensure accuracy in reporting, payroll and regulatory compliance.

## FY 2026 Accomplishments

### Human Resources Program Administration

- **Strategic Recruitment**: Modernized selection processes and tools to attract a highly qualified and diverse workforce.
- **Labor & Policy Leadership**: Led comprehensive HR policy updates and fostered transparent labor relations to bridge communication gaps.
- **Engagement & Development**: Delivered core leadership programs (Supervisory, Leads Academy) and facilitated agency-wide employee recognition and wellness initiatives.

### Labor Relations & Ethics and Equal Opportunity Program (EEOP)

- **Structural Reorganization**: Separated LR and EEO into distinct units to ensure operational clarity and impartial conflict resolution.
- **Contract & Negotiation**: Successfully concluded MOU negotiations with all three bargaining groups and provided agency-wide support for reorganizations.
- **Compliance & Training**: Delivered harassment prevention and labor relations training for all staff, while managing EEO complaints promptly and equitably.
- **Conflict Resolution**: Launched mediation services and a new resource position to resolve workplace issues early and constructively.

### Talent Acquisition and Career Pathways

- **Employer Branding**: Enhanced sourcing tools to reach passive candidates and maintained a vacancy rate of 7% or lower.
- **Industry Partnerships**: Leveraged learning organization partnerships to expand knowledge of water industry careers and infrastructure.
- **Staff Skills & Growth**: Developed professional competency and leadership programs, including the implementation of Watershed Ed Season 3.

### Total Rewards and Data Analytics

- **Data-Driven Insights**: Launched workforce analytics via VEMO and piloted an AI chatbot to empower employee self-service and lighten the administrative load.
- **Benefits & Wellness**: Managed complex open enrollments for all employee and retiree groups while administering award-winning wellness programs.
- **Operational Excellence**: Optimized systems through HRIS upgrades, automated employment verifications, and increased auditing for quality assurance.
- **Compliance & Legislative Updates**: Ensured adherence to personnel file regulations and updated processes to comply with new legislation (SB294/SB513).

## FY 2027 Milestones

### Human Resources Program Administration

- **Strategic Talent & Workforce Development**: Lead the evolution of recruitment, selection, and upskilling strategies to reduce vacancy rates, enhance community representation, and establish clear career advancement pathways.
- **Operational Compliance & Governance**: Direct the systematic review and maintenance of HR policies and work instructions while providing expert guidance on LR and EEO to ensure a respectful, compliant workplace.
- **Organizational Culture & Performance**: Oversee the performance management framework and executive leadership programs to institutionalize a culture of continuous feedback, accountability, and employee engagement.
- **Benefits Administration**: Manage the end-to-end execution of annual health plan renewals and open enrollment cycles for all participant groups to ensure 100% completion by the April 1st deadline.

# Division Summaries

### Labor Relations & Ethics and Equal Opportunity Program (EEOP)

- **Labor Partnership & Contract Implementation**: Maintain critical partnerships with bargaining group leadership to successfully implement MOU changes and collaborate on agency-wide employee-employer relations.
- **Data-Driven Training & Coaching**: Deliver comprehensive LR and EEO training including Supervisor Core and Harassment Prevention while utilizing data-supported trends to provide targeted coaching and professional development.
- **Audit Readiness & Process Integrity**: Prepare for and successfully complete the Investigations Process Performance Audit to ensure the highest standards of transparency and procedural compliance.
- **Equitable Dispute Resolution**: Manage the prompt and equitable resolution of EEO complaints and conduct concerns through mediation, identifying systemic improvements to foster a respectful workplace.

### Talent Acquisition and Career Pathways

- **Strategic Recruitment & Outreach**: Advance mission-critical recruitment support for leadership teams by expanding applicant pools and marketing Valley Water as an employer of choice.
- **NextGen Pipeline Expansion**: Scale internship tracks for over 100 students annually across high school, college, and skilled trades through strategic partnerships with diverse educational institutions.
- **Workforce Readiness & Leadership**: Achieve a 90% completion rate for Supervisor Core Training while providing structured mentorship for apprentices and maintaining ATMS documentation to support talent retention.
- **Compensation Equity & Classification**: Conduct data-driven pay equity analyses and classification reviews to ensure transparent, competitive salary structures that reflect organizational needs and fair compensation.

### Total Rewards and Data Analytics

- **Digital Transformation & HRIS Integration**: Implement the new HCM / Bolt-On system and a self-service chatbot to resolve HRIS integration challenges and reduce administrative burden through automation.
- **Advanced Data Analytics**: Develop a robust reporting system that provides accurate HR data and analytics to drive high-quality, data-driven business decisions.
- **Benefits & Leave Optimization**: Streamline Reasonable Accommodation and leave processes through system automation, while ensuring a competitive benefit portfolio via regular market-based analyses.
- **Compliance & Governance**: Act as the strategic custodian of personnel records, ensuring 100% adherence to storage, retention, and confidentiality regulations, including all mandated retiree and employee benefit reporting.

## FY 2028  Milestones

### Human Resources Program Administration

- **Strategic Talent & Workforce Planning**: Lead the evolution of recruitment and selection strategies to reduce vacancy rates and expand regional access to water-sector careers through clear advancement pathways and upskilling.
- **Operational Compliance & Policy Governance**: Direct the systematic review of HR policies and work instructions while providing expert guidance on LR and EEO matters to ensure a respectful, compliant workplace.
- **Organizational Culture & Performance**: Oversee the performance management framework and executive leadership programs to institutionalize a culture of continuous feedback, accountability, and employee engagement.
- **Benefits Administration & Renewal**: Manage the end-to-end execution of annual health plan renewals and open enrollment cycles for all participant groups to ensure 100% completion by the April 1st deadline.

# Division Summaries

**Labor Relations & Ethics and Equal Opportunity Program (EEOP)**

- **Labor Strategy & Partnership**: Maintain critical partnerships with bargaining group leadership to collaborate on MOU agreements and initiate strategic preparations for the 2029 negotiation cycle.
- **Proactive Conflict Resolution**: Enhance workplace culture by identifying systemic issues for early intervention and providing prompt, equitable resolution of EEO complaints and conduct concerns.
- **Compliance & Technical Training**: Deliver essential EEO compliance, workforce, and technical training, including Supervisor Core programs and specialized mediation services.
- **Targeted Development & Support**: Utilize data-supported trends to identify specific training needs and provide external coaching resources to units where growth opportunities are identified.

**Talent Acquisition and Career Pathways**

- **Mission-Critical Recruitment & Sourcing**: Provide ongoing support to leadership to maintain low District-wide vacancy rates by enhancing strategic sourcing and expanding applicant pools to reflect the community.
- **NextGen Career Pathways & Partnerships**: Scale diverse internship tracks for 100+ students annually while deepening strategic collaborations with regional universities, community colleges, and industry organizations (CUWA, ACWA).
- **Leadership & Workforce Development**: Launch the next Emerging Leaders cohort and expand coaching programs, while achieving a 90% Supervisor Core completion rate and providing structured mentorship for apprentices.
- **Compensation & Training Effectiveness**: Conduct data-driven pay equity and classification reviews to ensure competitive compensation, while utilizing LinkedIn Learning and ATMS metrics to measure training impact and knowledge transfer.

**Total Rewards and Data Analytics**

- **Comprehensive Benefits & Wellness Management**: Administer and maintain a robust Benefits and Wellness program including health, retirement, leaves, and reasonable accommodations to drive employee retention and support.
- **HR Technology & Self-Service Optimization**: Oversee HR technology and ongoing HRIS enhancements to ensure employees and managers can efficiently access, navigate, and complete HR-related processes.
- **Data Integrity & Quality Assurance**: Maintain and audit employee data to ensure 100% quality assurance in personnel transactions, regulatory compliance, and the safeguarding of confidential records.
- **Advanced Workforce Analytics:** Expand reporting capabilities and workforce analytics to track key performance indicators, providing leadership with the data-driven insights necessary to meet organizational objectives.

# Division Summaries

## Human Resources Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 11,946,134 | 16,379,744 | 16,552,220 | 17,404,962 |
| Capital | 65 | – | – | – |
| **Total [1]** | **11,946,199** | **16,379,744** | **16,552,220** | **17,404,962** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Talent Acquisition & Career Pathways | 6,397,014 | 9,288,503 | 9,265,394 | 9,749,283 |
| Labor Relations & Equal Employment Office | 1,231,173 | 1,938,324 | 1,997,579 | 2,081,500 |
| Labor Relations & Total Rewards | 167,831 | – | – | – |
| Human Resources Division Deputy's Office | 1,691,841 | 2,042,956 | 2,040,246 | 2,156,793 |
| Total Rewards & Data Analytics | 2,422,677 | 3,109,961 | 3,249,001 | 3,417,385 |
| Workforce Development Unit | 35,664 | – | – | – |
| **Total [1]** | **11,946,199** | **16,379,744** | **16,552,220** | **17,404,962** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Human Resources Division - Position Summary

| | FY 2024-25 Adjusted Budget [2] | FY 2025-26 Adopted Budget [2] | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions [1]** | **31** | **31** | **31** | **31** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2026 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Total Rewards and Data Analytics** | | | | | |
| | **Salaries & Benefits** | 1,876,550 | 2,374,999 | 2,463,316 | 2,609,717 |
| | **Services & Supplies** | 178,396 | 297,000 | 297,000 | 305,910 |
| | **Intra District Charges** | 367,731 | 437,962 | 488,685 | 501,759 |
| **Total Rewards and Data Analytics Total** | | 2,422,677 | 3,109,961 | 3,249,001 | 3,417,385 |
| **Labor Relations & Equal Employment Office** | | | | | |
| | **Salaries & Benefits** | 779,246 | 1,299,251 | 1,316,630 | 1,381,105 |
| | **Services & Supplies** | 255,709 | 412,500 | 432,400 | 445,372 |
| | **Intra District Charges** | 196,219 | 226,574 | 248,550 | 255,023 |
| **Labor Relations & Equal Employment Office Total** | | 1,231,173 | 1,938,324 | 1,997,579 | 2,081,500 |
| **Human Resources Division Deputy's Office** | | | | | |
| | **Salaries & Benefits** | 1,025,433 | 1,586,357 | 1,510,710 | 1,609,555 |
| | **Services & Supplies** | 492,294 | 175,000 | 245,000 | 252,350 |
| | **Intra District Charges** | 174,049 | 281,599 | 284,537 | 294,888 |
| **Human Resources Division Deputy's Office Total** | | 1,691,776 | 2,042,956 | 2,040,246 | 2,156,793 |
| **Talent Acquisition and Career Pathways** | | | | | |
| | **Salaries & Benefits** | 3,844,623 | 4,116,881 | 4,068,627 | 4,299,091 |
| | **Services & Supplies** | 1,583,767 | 4,399,513 | 4,401,513 | 4,633,469 |
| | **Intra District Charges** | 968,623 | 772,109 | 795,254 | 816,723 |
| **Talent Acquisition and Career Pathways Total** | | 6,397,014 | 9,288,503 | 9,265,394 | 9,749,283 |
| **Labor Relations & Total Rewards** | | | | | |
| | **Salaries & Benefits** | 157,691 | – | – | – |
| | **Services & Supplies** | 347 | – | – | – |
| | **Intra District Charges** | 9,793 | – | – | – |
| **Labor Relations & Total Rewards Total** | | 167,831 | – | – | – |
| **Workforce Development Unit** | | | | | |
| | **Services & Supplies** | 35,664 | – | – | – |
| **Workforce Development Unit Total** | | 35,664 | – | – | – |
| **Operations Total (1)** | | **11,946,134** | **16,379,744** | **16,552,220** | **17,404,962** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

# Division Summaries

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of Human Resources Division** | | | | | |
| | **Services & Supplies** | 65 | – | – | – |
| **Office of Human Resources Division Total** | | 65 | – | – | – |
| **Capital Total (1)** | | **65** | **–** | **–** | **–** |
| **Division Total (1)** | | **11,946,199** | **16,379,744** | **16,552,220** | **17,404,962** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Office of Clerk of the Board

# Division Summaries

## Division Description and Objectives

The Office of the Clerk of the Board (COB) directly supports the work of the Valley Water Board of Directors, including Board Governance Policy management, Board performance monitoring, lobbyist reporting, and tracking, elections, regulatory, administrative, and liaison support services to the Board, its Advisory, Ad Hoc and Joint Committees with other public agencies, the Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee, Board Appointed Officers, and Valley Water staff.

The Office of the Clerk of the Board facilitates the public's access to Board information, including Board and committee meetings in accordance with the California Ralph M. Brown Act. Additionally, the COB monitors the Board budget and Board members' expenses in accordance with District Ordinance 02-01, Resolution 11-73, Board Governance Policy GP - 10, and maintains the integrity of the Board's legislative records, processes, and actions.

## FY 2026  Accomplishments

- Successfully managed over 30 Regular and Special Board Meetings in accordance with the District Act, Board Policies, and the Ralph M. Brown Act.
- Successfully managed nearly 100 Board Committee and Board Advisory Meetings in accordance with Board Policies and the Ralph M. Brown Act.
- Successfully scheduled over 1,000 meetings for individual Directors.
- Tracked, monitored, and reported on the registration of external lobbyists in accordance with Ordinance 10-01.
- Assigned, tracked, and monitored over 200 Board Correspondences.
- Assigned and tracked approximately 10 Board Member Requests and 26 Individual Board Member Requests in accordance with Board Governance Policy EL-2.6.
- Successfully scheduled presentation of Board Committee Accomplishment reports in the third quarter of fiscal year.
- Successfully managed review revisions to the Board Governance Policies.

## FY 2027 Milestones

- Successfully manage Regular and Special Board meetings in accordance with the District Act, Board Policies, and the Ralph M. Brown Act.
- Successfully manage Board Committee Meetings in accordance with Board Policies and the Ralph M. Brown Act.
- Successfully manage meetings for individual Directors.
- Track, monitor, and report the registration of external lobbyists in accordance with Ordinance 10-01.
- Assign, track, and monitor Board Correspondences.
- Assign and track Board Member Requests and Individual Board Member requests in accordance with Board Governance Policy EL-2.6.
- Successfully schedule presentation of Board Advisory Committee Accomplishment reports in the third quarter of fiscal year.
- Successfully track and present Board-approved Board Performance Management process.
- Manage review and revisions of the Board Governance Policies as necessary.
- Manage November 2026 District Elections.

## FY 2028 Milestones

- Successfully manage Regular and Special Board meetings in accordance with the District Act, Board Policies, and the Ralph M. Brown Act.
- Successfully manage Board Committee Meetings in accordance with Board Policies and the Ralph M. Brown Act.
- Successfully manage meetings for individual Directors.
- Track, monitor, and report the registration of external lobbyists in accordance with Ordinance 10-01.
- Assign, track, and monitor Board Correspondences.
- Assign and track Board Member Requests and Individual Board Member Requests in accordance with Board Governance Policy EL-2.6.
- Successfully schedule presentation of Board Advisory Committee Accomplishment reports in the third quarter of fiscal year.
- Successfully track and present Board-approved Board Performance Management process.
- Manage review and revisions of the Board Governance Policies as necessary.

# Division Summaries

## Office of Clerk of the Board — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 3,976,457 | 3,564,246 | 7,280,936 | 3,923,630 |
| **Total (1)** | **3,976,457** | **3,564,246** | **7,280,936** | **3,923,630** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Office of Clerk of the Board | 3,976,457 | 3,564,246 | 7,280,936 | 3,923,630 |
| **Total (1)** | **3,976,457** | **3,564,246** | **7,280,936** | **3,923,630** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Office of Clerk of the Board - Position Summary

| | FY 2024-25 Adjusted Budget(2) | FY 2025-26 Adopted Budget(2) | FY 2026-27 Adopted Budget(3) | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **15** | **9** | **9** | **9** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

(3) 5 positions from Records & Library Services Unit were moved from Clerk of the Board to IT division during FY 2025.

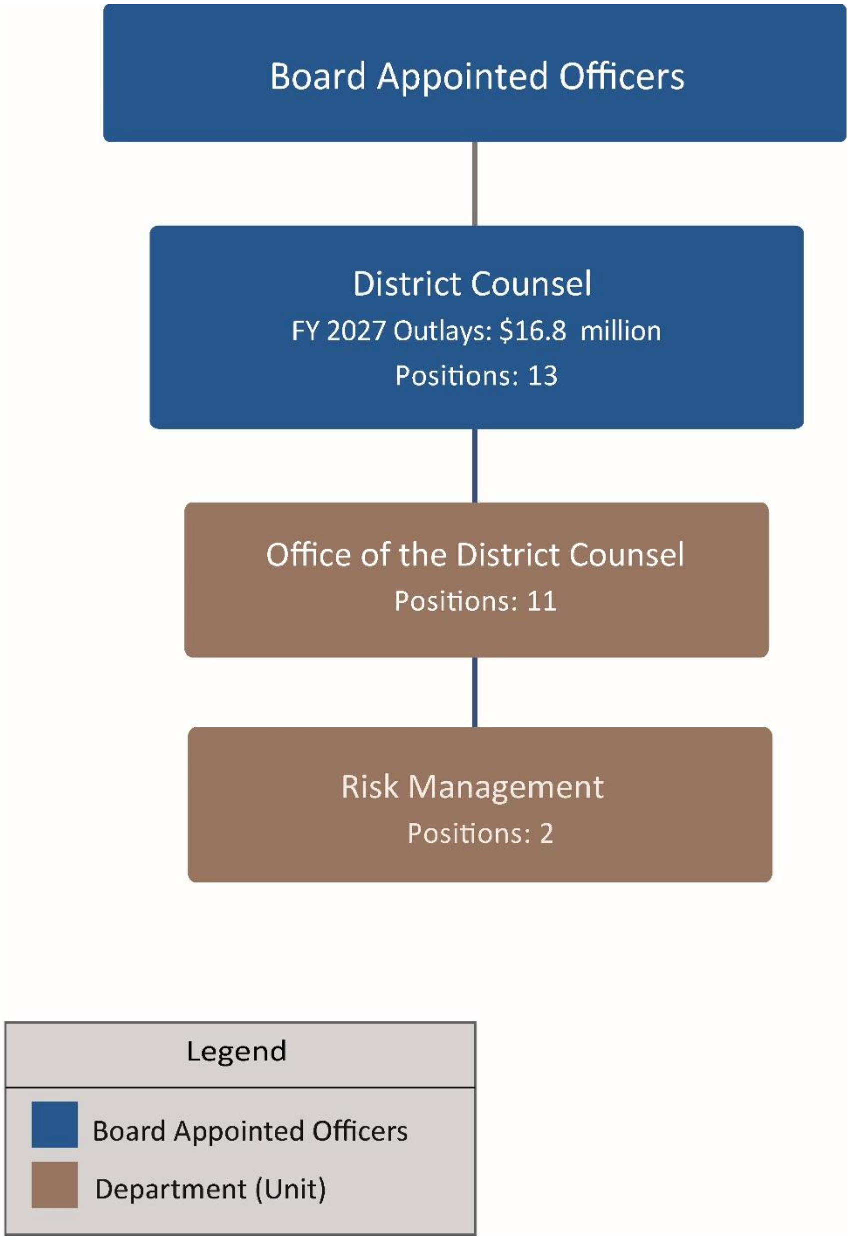
# Division Summaries

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of the Clerk of the Board** | | | | | |
| | **Salaries & Benefits** | 2,542,428 | 2,363,204 | 3,014,086 | 2,623,010 |
| | **Services & Supplies** | 1,021,909 | 766,155 | 3,675,240 | 805,364 |
| | **Intra District Charges** | 412,119 | 434,887 | 591,610 | 495,256 |
| **Office of the Clerk of the Board Total** | | 3,976,457 | 3,564,246 | 7,280,936 | 3,923,630 |
| **Operations Total (1)** | | **3,976,457** | **3,564,246** | **7,280,936** | **3,923,630** |
| **Division Total (1)** | | **3,976,457** | **3,564,246** | **7,280,936** | **3,923,630** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

**District Counsel**



# Division Summaries

## Division Description and Objectives

The Office of District Counsel provides professional, timely, and strategic legal advice, representation of Valley Water and its officers and employees, and the management of the legal services and the related risk management functions. It includes both internal legal services and management of the external legal services provided to Valley Water. The Office of District Counsel also oversees the Risk Management program.

### Risk Management

The mission of the Risk Management Department is to protect assets by identifying and evaluating loss exposures and applying effective risk management techniques to reduce or eliminate risk. Specifically, the department is tasked with management of the District's risk retention (self-insurance) and risk transfer (insurance) programs to cost-effectively maximize coverage and to comply with Board Governance policies.

## FY 2026 Accomplishments

- Provided timely legal advice to the District, the District Board, officers, and employees.
- Provided representation to the District relating to annual groundwater production charges.
- Provided environmental legal advice and representation as to the settlement of the FAHCE water rights change petitions and related litigation.
- Provided legal advice regarding imported water matters including water transfer agreements and litigation.
- Provided legal advice to the District regarding ongoing capital projects.
- Provided legal advice to the Human Resources Division regarding ongoing personnel and labor relations matters.
- Successfully negotiated and secured Valley Water's various insurance policies.
- Conducted monthly Open Liability Claims Review.
- Interfaced with Third-Party Administrator (TPA) and state government entities to ensure District compliance with new medical set-aside regulations on a regular basis.
- Secured final judgment in Valley Water's favor in 20-plus-year groundwater charge litigation following two sets of appeals.
- Secured victories in the Superior Court, Court of Appeal, and California Supreme Court requiring the return of confidential materials taken without authorization from Valley Water.
- Advised on Valley Water's first-ever "best value" contract solicitation for the Anderson Dam Seismic Retrofit Program.
- Successful transition to new vendor providing the collection and verification of certificates of insurance.
- Biennial actuarial studies completed for the Liability and Workers Compensation programs.
- RFP for Insurance Broker services completed.
- Administered the Liability and Property programs in a manner that provided prompt and fair adjustment of claims and losses.
- Main Point of Contact related for claim activity; conducted other claim and cost research as necessary.
- Successfully negotiated and secured Valley Water's various insurance policies.
- Assisted staff with the RFP for Valley Water's first Owner Controlled Insurance Program (OCIP).

## FY 2027 Milestones

- Provide timely legal advice to the District, the District Board, officers, and employees.
- Provide representation to the District relating to annual groundwater production charges.
- Provide environmental legal advice and representation as to the settlement of the FAHCE water rights change petitions and related litigation.
- Provide legal advice regarding imported water matters including water transfer agreements and litigation.
- Provide legal advice to the District regarding ongoing capital projects.
- Provide legal advice to the Human Resources Division regarding ongoing personnel and labor relations matters.
- Successfully negotiate and secure Valley Water's various insurance policies.
- Advise on Valley Water's first-ever "best value" contract selection for the Anderson Dam Seismic Retrofit Program.

- Implement litigation calendaring system allowing for in-house handling of additional litigation matters.
- Conduct monthly Open Liability Claims Review.
- Secure Non-Owned Aircraft Policy by February 1, 2027.
- Secure Excess Liability Policies by May 1, 2027.
- Secure Drone Policy by May 22, 2027.
- Secure Cyber Liability Policy by June 1, 2027.
- Secure Property Insurance Policy by July 1, 2026.
- Review all policies for coverage and accuracy by June 30, 2027.
- Main Point of Contact between Valley Water and vendors related to claim activity

## FY 2028 Milestones

- Provide timely legal advice to the District, the District Board, officers, and employees.
- Provide representation to the District relating to annual groundwater production charges.
- Provide legal advice regarding imported water matters including water transfer agreements and litigation.
- Provide legal advice to the District regarding ongoing capital projects.
- Provide legal advice to the Human Resources Division regarding ongoing personnel and labor relations matters.
- Successfully negotiate and secure Valley Water’s various insurance policies.

## District Counsel — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 12,116,996 | 15,154,670 | 15,682,470 | 16,056,742 |
| Capital | 1,312,864 | 2,712,000 | 1,085,000 | 380,000 |
| **Total (1)** | **13,429,860** | **17,866,670** | **16,767,470** | **16,436,742** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Office of District Counsel | 8,389,271 | 10,892,953 | 9,324,035 | 8,538,379 |
| Risk Management Program | 5,040,589 | 6,973,716 | 7,443,435 | 7,898,363 |
| **Total (1)** | **13,429,860** | **17,866,670** | **16,767,470** | **16,436,742** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### District Counsel - Position Summary

| | FY 2024-25 Adjusted Budget(2) | FY 2025-26 Adopted Budget(2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **13** | **13** | **13** | **13** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

# Division Summaries

## Operations Budget by Department and Account Category

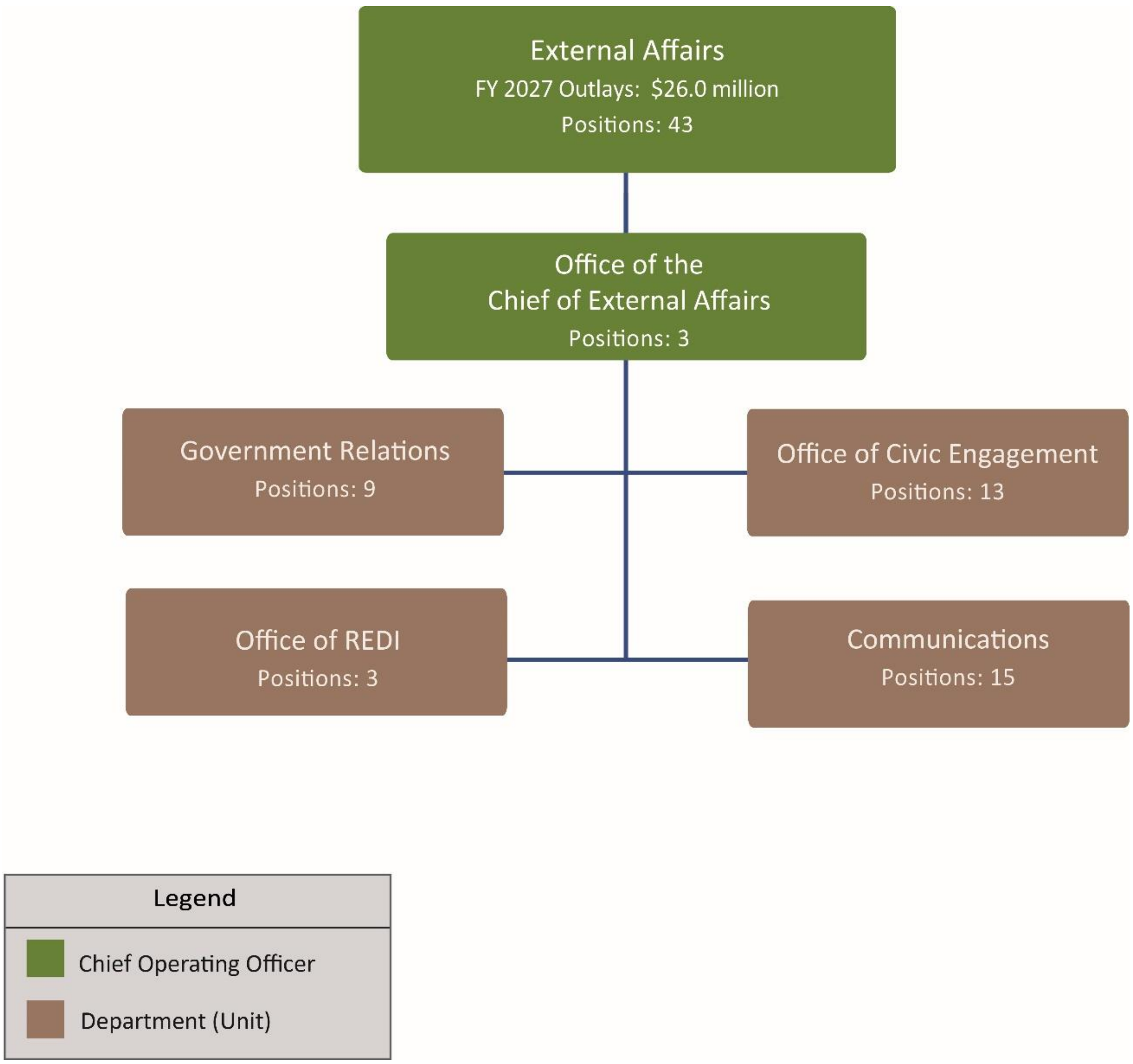
| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of the District Counsel** | | | | | |
| | **Salaries & Benefits** | 4,238,871 | 4,399,730 | 4,479,893 | 4,776,218 |
| | **Services & Supplies** | 2,028,763 | 2,914,270 | 2,835,520 | 2,419,386 |
| | **Intra District Charges** | 808,774 | 866,953 | 923,622 | 962,775 |
| **Office of the District Counsel Total** | | 7,076,407 | 8,180,953 | 8,239,035 | 8,158,379 |
| **Risk Management Program** | | | | | |
| | **Salaries & Benefits** | 536,639 | 606,199 | 638,112 | 667,045 |
| | **Services & Supplies** | 4,190,026 | 6,034,577 | 6,474,997 | 6,859,953 |
| | **Intra District Charges** | 313,923 | 332,941 | 330,326 | 371,365 |
| **Risk Management Program Total** | | 5,040,589 | 6,973,716 | 7,443,435 | 7,898,363 |
| **Operations Total [1]** | | **12,116,996** | **15,154,670** | **15,682,470** | **16,056,742** |

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of the District Counsel** | | | | | |
| | **Services & Supplies** | 1,312,864 | 2,712,000 | 1,085,000 | 380,000 |
| **Office of the District Counsel Total** | | 1,312,864 | 2,712,000 | 1,085,000 | 380,000 |
| **Capital Total [1]** | | **1,312,864** | **2,712,000** | **1,085,000** | **380,000** |
| **Division Total [1]** | | **13,429,860** | **17,866,670** | **16,767,470** | **16,436,742** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Office of the Chief of External Affairs




External Affairs is responsible for programs that boost employee and community awareness about Valley Water's initiatives, projects, and challenges. It handles strategic planning and aligns external policies and legislation with Valley Water's business goals. The department manages relationships with the community, government officials, media, and other key stakeholders. Additionally, External Affairs oversees Office of Resiliency, Engagement, and Development Initiatives (REDI) that promote anti-discrimination laws, workplace fairness, social responsibility, and community involvement.

# Division Summaries

## Division Description and Objectives

The Office of External Affairs provides leadership and management of planning, integration, and execution of strategic external affairs efforts through the Office of Civic Engagement, Communications, Government Relations, and Office of Resiliency, Engagement, and Development Initiatives (REDI).

### Government Relations

Government Relations advocates at the local, regional, state, and federal levels to promote and advance the water supply, flood protection, revenue enhancement, and environmental stewardship interests of Valley Water and the residents of Santa Clara County, in alignment with the Board's legislative priorities. Major activities include robust advocacy with elected and appointed officials and key advocacy stakeholders, execution of strategic partnerships, and community engagement through events and sponsorships. Government Relations serves as the internal and external connection for legislation, development of strategic support and opposition, and supplemental funding opportunities for Valley Water.

### Office of Civic Engagement

The Office of Civic Engagement (OCE) connects with the community via partnerships, grants, educational activities, and community service projects to foster understanding, trust, and support for Valley Water's mission and goals. It manages programs such as the Safe, Clean Water Grants & Partnerships, Public Art, Education Outreach, Water 101 Academy/Ambassadors, Creek Stewardship, and Water Supply Outreach under the 2021 Multi-Jurisdictional Program for Public Information. OCE also provides programmatic oversight and coordination for the Board Advisory Youth Commission and the Residential Water Rate Assistance Program.

### Office of Resiliency, Engagement, and Development Initiatives (REDI)

REDI serves as a centralized hub for risk management, compliance, and the implementation of Board priorities related to equity. It safeguards the agency's eligibility for state and federal funding, ensures compliance with evolving REDI standards, promotes Board-approved priorities, and supports project delivery by minimizing legal, regulatory, reputational, and community risks that could delay or disrupt capital and operational investments. By aligning policies, providing implementation guidance, tracking performance, and reporting to executives, the Office of REDI facilitates the integration of Board-approved REDI priorities across different divisions.

### Communications

Communications educates, engages, and informs the community, including Valley Water employees, about water conservation, supply, quality, flood protection, and environmental stream stewardship. It responds to community inquiries about Valley Water projects and programs and provides timely media responses on topics like extreme weather, future water security, climate change, and public emergencies. Using social media, marketing campaigns, and public relations, Communications promotes Valley Water's efforts and the work of its Board of Directors.

## FY 2026 Accomplishments

- Secured $1.1M Community Project Funding (CPF) Award for Pure Water Silicon Valley in the FY26 Interior and Environment Appropriations bill.
- Secured support from Rep. Ro Khanna (CA-17) for $10.0M in CPF funding for Pure Water Silicon Valley construction in FY27 appropriations.
- Coordinated a successful fall advocacy trip to Washington, D.C., facilitating more than 20 meetings with Members of Congress, congressional staff, and federal agency officials to advance Valley Water priorities.
- Advanced provisions in the 2026 Water Resources Development Act to expand eligibility under the WIFIA and Corps Water Infrastructure Financing Programs to include congressionally authorized water resources projects, securing support from the City of San Jose, San Luis & Delta-Mendota Water Authority (SLDMWA), Association of California Water Agencies (ACWA), American Water Works Association (AWWA), and other partners.
- Supported timely approval of Valley Water's pending WIFIA loans for Safe, Clean Water projects and the Anderson Dam Seismic Retrofit Project through coordinated advocacy with regional and national coalitions, including ACWA, AWWA, SLDMWA, and the Association of Metropolitan Water Agencies.
- Worked in coalition with ACWA, the Bay Area Council, and the Proposition 4 Coalition to advance timely appropriation of Proposition 4 funding, supporting investments in dam safety, water recycling, flood control, and coastal resilience, with implementation now underway.
- Supported enactment of SB 31 (McNerney), expanding allowable recycled water applications.
- Supported enactment of SB 695 (Cortese), advancing statewide climate resilience planning, and successfully negotiated provisions allowing the B.F. Sisk Dam Project to qualify for inclusion in the state's prioritized infrastructure list.
- Strengthened Valley Water and Board visibility across Santa Clara County by sponsoring 68 community events aligned with the district's mission and priorities.
- Engaged communities across Santa Clara County through 23 outreach events, promoting Valley Water priorities including flood preparedness, water conservation, purified recycled water, and major projects such as Anderson Dam, Upper Llagas Creek, and Shoreline.
- Received multiple industry awards and recognitions for public outreach and media campaigns, including PR Daily, the California Association of Public Information Officials (CAPIO), and the National Association of Flood & Stormwater Management Agencies.
- Supported Directors at forums, symposia, legislative summits, and community meetings by preparing presentations and remarks.
- Advanced Valley Water projects and priorities with elected officials, regulatory agencies, and key partners through ongoing strategic tours of water supply, flood protection, and environmental restoration projects.
- Strengthened relationships with local media to support coverage of Valley Water initiatives and events.
- Launched a redesigned Valley Water website in March 2026, the first full-scale update since 2017, improving functionality, navigation, and user experience through a multi-year coordination effort with IT and business units.
- Safe, Clean Water Grants & Partnerships Program – Redesigned and launched grant programs, awarding $85,000 for 17 refill station projects and $150,000 for 15 mini-grants, and initiating the FY26 standard grant cycle with $1.9M in available funding.
- Public Art Program - Finalized development of the Public Art Strategic Plan.
- Community Rating System (CRS) Program – Advanced implementation of Program for Public Information (PPI) activities and transitioned to a partnership model with participating Santa Clara County communities.
- Youth Commission - Administered the Youth Commission and the Board-approved work plan, which included the Creekside Community Care Project, Education Project, and Water Quality and Creek Stewardship Project.
- Water Supply Outreach Program - Expanded purified water outreach through increased community engagement, securing state approval for outreach materials under new Direct Potable Reuse (DPR) regulations, and earning a WateReuse Award for Excellence in Outreach and Education.
- Education Outreach Program - Engaged with 7,974 students and youth in Santa Clara County through 205 classroom lessons, 14 assemblies, and 12 field trips (as of March 2026).

- Creek Stewardship Program - Hosted Coastal Cleanup Day and continued the Adopt-A-Creek Program, engaging 2,589 volunteers to remove over 38,000 pounds of trash from 118 miles of creeks and waterways.
- Water Ambassadors / Water 101 Academy - Launched the 7th cohort of the Water 101 Academy in April 2026.
- Residential Water Rate Assistance Program (WRAP) - Administered community relief funding in partnership with a community-based organization, supporting over 950 low-income households with water bill assistance in Santa Clara County.
- Launched implementation of an agency-wide REDI strategy by partnering with business units to develop action plans that strengthen employee experience and equitable community outcomes.
- Completed an agency-wide assessment of Environmental Justice integration within the Board Agenda Memo process to improve compliance, consistency, and transparency in decision-making.

## FY 2027 Milestones

- Annually convene a policy and legislative development meeting; establish priorities; bring guiding principles and legislative proposals to the Board for review and adoption by November on an as needed/directed basis.
- Work with local municipalities to adopt favorable water conservation measures with possible enforcement to help achieve the Board's goals for water use reduction.
- Coordinate Washington D.C. advocacy trips with our federal officials and a Sacramento advocacy trip with our state officials to advocate for Valley Water's funding and legislative priorities.
- Safe, Clean Water Grants & Partnerships Program - Continue administering the redesigned program and make $1.8 million in funding available to the public for community-led projects each year. In FY 2026-27, a total of $2.1 million is available.
- CRS Program – Continue partnership with Santa Clara County communities to support Community Rating System participation and reduce National Flood Insurance Program premiums through the Multi-Jurisdictional Program for Public Information.
- Youth Commission – Foster greater involvement of youth in local government through this youth-led advisory group to the Board of Directors, which includes completing an annual work plan by the end of the fiscal year.
- Creek Stewardship - Support volunteer cleanup activities, such as National River Cleanup Day (NRCD), California Coastal Cleanup Day (CCCD), the Great American Litter Pick Up, Adopt-A-Creek and the Creek Connections Action Group; along with creekwise education and regional coordination efforts.
- Education Outreach - Educate and engage at least 8,000 youth and 300 educators in Santa Clara County. This project is a comprehensive education outreach program for early childhood, elementary, middle and high school students.
- Water Supply Outreach - Educate and inform the public about recycled and purified water as one of several water supply strategies is key to its expansion in the future, particularly for the potential use of highly purified recycled water to expand drinking water supplies.
- Water Ambassadors / Water 101 Academy – Strengthen engagement protocols for Water Ambassadors across all cohorts to streamline communication, amplify educational programming, and deepen community-led mission-critical advocacy work.
- Residential Water Rate Assistance Program (WRAP) – Expand water bill assistance for low-income households in Santa Clara County through a $250,000 increase in community relief funding, administered in partnership with a community-based organization.
- Continue agency-wide initiative implementation by assisting in developing division/unit-specific action plans to enhance employee and fair community outcomes by June 30, 2027.
- Host a series of learning and capacity-building opportunities, including but not limited to panels, lunch and learns, and training, by June 30, 2027.
- Conduct ongoing outreach to local Tribal groups and support agency compliance with relevant laws by June 30, 2027.
- Continue to manage effective Potable Reuse (PR) campaigns and media outreach to communicate Valley Water projects, programs, and responses.
- Continue community outreach through public meetings and other forums to inform the public and stakeholders about projects impacting their communities.

- Conclude the publishing, printing and uploading of the agency's History Book, second edition, which covers Valley Water's extensive work and efforts, from 2005 to 2025.

## FY 2028 Milestones

- Annually convene a policy and legislative development meeting; establish priorities; bring guiding principles and legislative proposals to the Board for review and adoption by November on an as needed/directed basis.
- Work with local municipalities to adopt favorable water conservation measures with possible enforcement to help achieve the Board's goals for water use reduction.
- Coordinate Washington D.C. advocacy trips with our federal officials and a Sacramento advocacy trip with our state officials to advocate for Valley Water's funding and legislative priorities.
- Safe, Clean Water Grants & Partnerships Program - Continue administering the redesigned Safe, Clean Water Grants & Partnerships Program and make $1.8 million in funding available to the public for community-led projects each year.
- CRS Program – Continue partnership with Santa Clara County communities to support Community Rating System participation and reduce National Flood Insurance Program premiums through the Multi-Jurisdictional Program for Public Information.
- Youth Commission – Foster greater involvement of youth in local government through this youth-led advisory group to the Board of Directors, which includes completing an annual work plan by the end of the fiscal year.
- Creek Stewardship - Support volunteer cleanup activities, such as National River Cleanup Day (NRCD), California Coastal Cleanup Day (CCCD), the Great American Litter Pick Up, Adopt-A-Creek and the Creek Connections Action Group; along with creekwise education and regional coordination efforts.
- Education Outreach - Educate and engage at least 8,000 youth and 300 educators in Santa Clara County. This project is a comprehensive education outreach program for early childhood, elementary, middle and high school students.
- Water Supply Outreach - Educate and inform the public about recycled and purified water as one of several water supply strategies is key to its expansion in the future, particularly for the potential use of highly purified recycled water to expand drinking water supplies.
- Water Ambassadors / Water 101 Academy – Educate and empower a new cohort of 21 County residents through the 8th Water 101 Academy leadership program, deepening their knowledge and understanding to foster community-led initiatives that advance Valley Water's mission to provide safe, clean water, natural flood protection, and environmental stewardship.
- Residential Water Rate Assistance Program (WRAP) – Administer community relief funding with a community-based organization for water bills for residents in Santa Clara County.
- Continue agency-wide implementation by assisting in developing division/unit-specific action plans to enhance employee and fair community outcomes by June 30, 2028.
- Host a series of learning and capacity-building opportunities, including but not limited to panels, lunch and learns, and training, by June 30, 2028.
- Conduct ongoing outreach to local Tribal groups and support agency compliance with relevant laws by June 30, 2028.
- Continue to manage effective PR campaigns and media outreach to communicate Valley Water projects, programs, and responses.
- Continue community outreach through public meetings and other forums to inform the public and stakeholders about projects impacting their communities.
- Plan Valley Water's centennial anniversary recognition, which includes a History Book supplemental edition that would cover the work of the agency from 2026 to 2029 in addition to other acknowledgment efforts.

## Office of the Chief of External Affairs — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 19,657,393 | 22,795,444 | 24,142,944 | 24,689,713 |
| Operating Project | 656 | 1,333,333 | 1,583,333 | 1,583,333 |
| Capital | 232,697 | 281,793 | 233,554 | 239,800 |
| **Total (1)** | **19,890,746** | **24,410,571** | **25,959,831** | **26,512,845** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Communications | 6,970,009 | 7,253,914 | 7,427,360 | 7,795,416 |
| Government Relations | 4,709,075 | 4,990,448 | 5,319,672 | 5,559,074 |
| Office of Chief of External Affairs | 1,382,421 | 1,482,892 | 1,486,424 | 1,559,329 |
| Office of Civic Engagement | 5,656,171 | 9,399,720 | 10,430,091 | 10,250,775 |
| Office of REDI | 1,173,071 | 1,283,596 | 1,296,283 | 1,348,251 |
| **Total (1)** | **19,890,746** | **24,410,571** | **25,959,831** | **26,512,845** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Office of the Chief of External Affairs - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **46** | **43** | **43** | **43** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

# Division Summaries

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Communications** | | | | | |
| | **Salaries & Benefits** | 3,638,277 | 4,002,890 | 4,173,285 | 4,405,439 |
| | **Services & Supplies** | 2,012,254 | 1,770,980 | 1,770,230 | 1,801,932 |
| | **Intra District Charges** | 1,086,780 | 1,246,003 | 1,250,291 | 1,348,246 |
| **Communications Total** | | 6,737,312 | 7,019,873 | 7,193,806 | 7,555,616 |
| **Government Relations** | | | | | |
| | **Salaries & Benefits** | 2,706,639 | 2,890,435 | 2,981,773 | 3,152,272 |
| | **Services & Supplies** | 1,499,522 | 1,588,504 | 1,781,624 | 1,833,556 |
| | **Intra District Charges** | 502,914 | 511,509 | 556,276 | 573,246 |
| **Government Relations Total** | | 4,709,075 | 4,990,448 | 5,319,672 | 5,559,074 |
| **Office of the Chief of External Affairs** | | | | | |
| | **Salaries & Benefits** | 1,133,201 | 1,100,764 | 1,086,127 | 1,149,768 |
| | **Services & Supplies** | 35,645 | 170,280 | 172,780 | 174,963 |
| | **Intra District Charges** | 213,575 | 211,849 | 227,518 | 234,598 |
| **Office of the Chief of External Affairs Total** | | 1,382,421 | 1,482,892 | 1,486,424 | 1,559,329 |
| **Office of Civic Engagement** | | | | | |
| | **Salaries & Benefits** | 2,896,371 | 3,390,362 | 3,722,341 | 3,928,204 |
| | **Services & Supplies** | 1,674,172 | 4,651,675 | 5,272,388 | 4,784,568 |
| | **Intra District Charges** | 1,085,628 | 1,309,932 | 1,435,362 | 1,538,003 |
| **Office of Civic Engagement Total** | | 5,656,171 | 9,351,968 | 10,430,091 | 10,250,775 |
| **Office of REDI** | | | | | |
| | **Salaries & Benefits** | 866,865 | 900,502 | 945,795 | 989,763 |
| | **Services & Supplies** | 116,146 | 209,150 | 159,150 | 163,925 |
| | **Intra District Charges** | 190,060 | 173,944 | 191,338 | 194,563 |
| **Office of REDI Total** | | 1,173,071 | 1,283,596 | 1,296,283 | 1,348,251 |
| **Operations Total (1)** | | **19,658,049** | **24,128,777** | **25,726,277** | **26,273,046** |

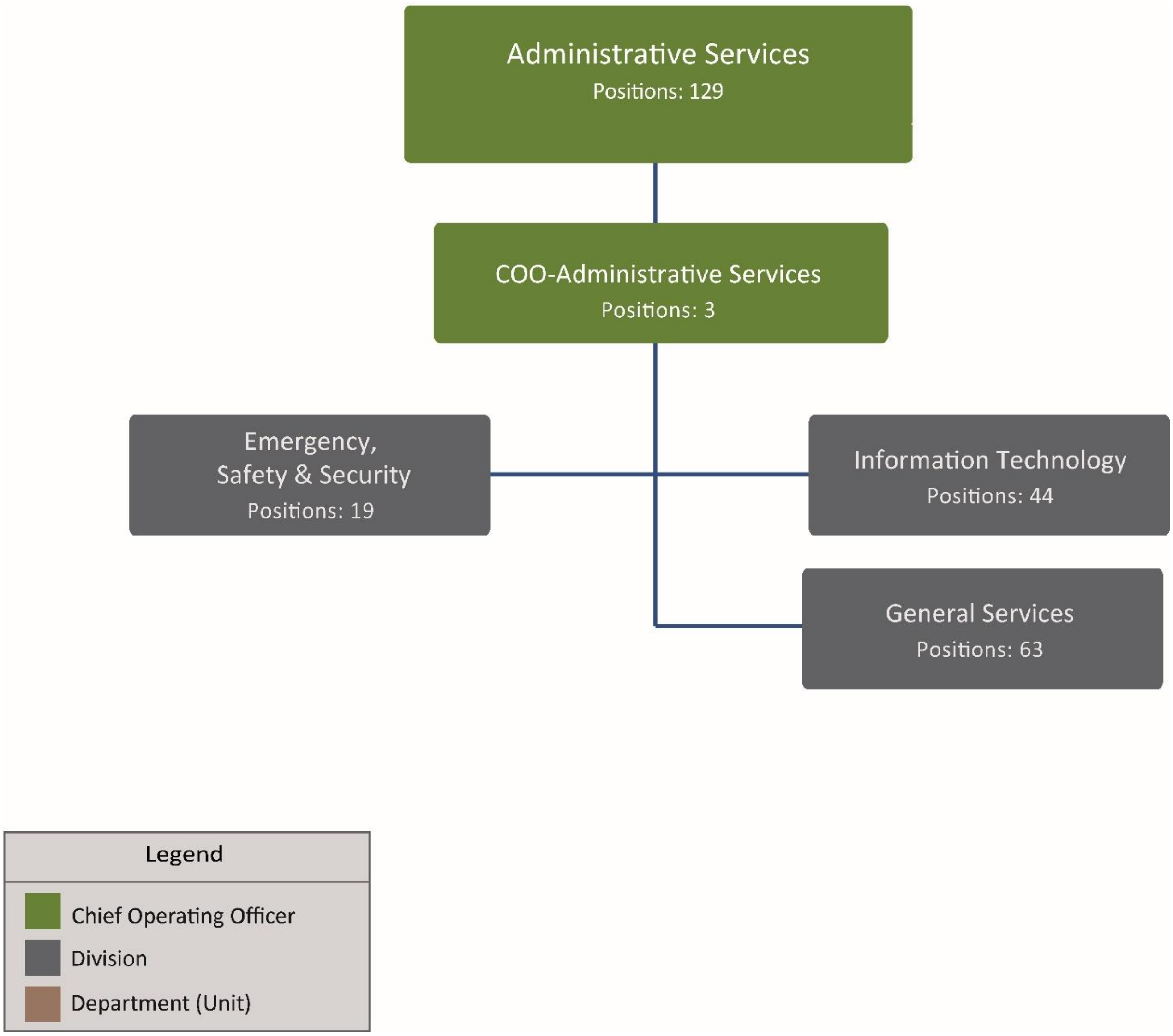
(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Communications** | | | | | |
| | **Salaries & Benefits** | 131,264 | 135,465 | 142,510 | 149,312 |
| | **Services & Supplies** | 23,316 | 16,800 | 12,000 | 2,000 |
| | **Intra District Charges** | 78,117 | 81,776 | 79,044 | 88,487 |
| **Communications Total** | | 232,697 | 234,041 | 233,554 | 239,800 |
| **Office of Civic Engagement** | | | | | |
| | **Salaries & Benefits** | – | 29,250 | – | – |
| | **Intra District Charges** | – | 18,502 | – | – |
| **Office of Civic Engagement Total** | | – | 47,752 | – | – |
| **Capital Total (1)** | | **232,697** | **281,793** | **233,554** | **239,800** |
| **Division Total (1)** | | **19,890,746** | **24,410,571** | **25,959,831** | **26,512,845** |

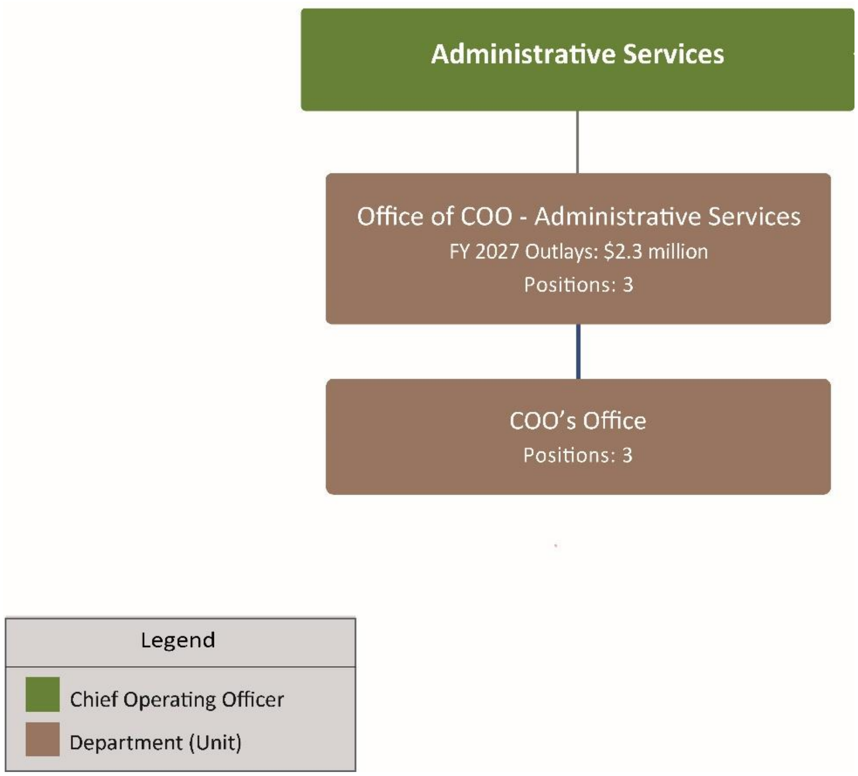
(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Administrative Services




The Administrative Services (AS) business area supports the mission of Valley Water—to provide Silicon Valley with safe, clean water for a healthy life, environment, and economy—by providing essential business services for Valley Water. Administrative services are vital to Valley Water operations and capital programs. Directed by the Chief Operating Officer, Administrative Services comprises four management divisions, each including functional units that carry out the division's work.

## Office of COO Administrative Services



# Division Summaries

## Division Description and Objectives

Administrative Services support the mission of Valley Water - to provide Silicon Valley with safe, clean water for a healthy life, environment, and economy. Administrative Services are vital to Valley Water's operations and capital programs.

The Office of the Chief Operating Officer (COO) of Administrative Services (AS) provides executive leadership and direct oversight to Valley Water administrative business areas, including Information Technology, General Services, Emergency, Environmental Health and Safety, and Security Services. The Office of the COO-AS is responsible for ensuring that administrative functions are operated efficiently and effectively, in line with the goals and policies established by the Board of Directors and the Chief Executive Officer.

## FY 2026 Accomplishments

- Provided leadership and support for all the administrative needs of Valley Water, including oversight over Information Technology, General Services, Emergency, Environmental Health & Safety, Security Services, Human Resources and Labor Relations.
- Aligned Administrative Services with Board goals by providing executive leadership to realign departmental objectives with the Board Work Plan, enhancing coordination across IT, HR, General Services, Labor Relations, and Security.
- Improved operational efficiency and service delivery by leading initiatives to enhance internal operations and customer service, resulting in greater responsiveness, reliability, and stakeholder satisfaction.
- Launched the Innovation Unit under IT to lead Valley Water into a new era of innovation by implementing multiple AI tools to assist and guide staff. AI tools have saved staff five or more hours per week with efficiencies from transitioning from repetitive tasks to enable staff to focus on more complex aspects of managing their respective projects and programs.
- Enhanced management effectiveness by implementing training programs to improve communication, project execution, and continuous improvement, fostering a more engaged and agile workforce.
- Conducted Emergency Action Plan (EAP) training and exercises with the Multi-Agency Coordination group.
- Leveraged partnerships with learning organizations to expand Valley Water programs and increase knowledge of infrastructure and careers in the water industry.
- Launched advanced workforce analytics initiatives using VEMO, a tool that provides workforce analytics and supports data-driven business decisions.
- Provided Labor Relations (LR), Ethics, and Equal Opportunity (EEO) training to supervisors and managers as part of the Supervisor Core Training Program.
- Security Management rolled out new agency-wide security training to enhance workplace safety.
- Phase 1 of the Security and Facilities CIP project was completed, increasing worksite safety at numerous Valley Water locations.
- Information Technology developed technological solutions to enhance the records management process, increasing efficiencies and transparency. The Work was completed in-house, avoiding approximately $700,000 in projected external consultants costs.
- Successfully collaborated with bargaining groups to negotiate new MOUs.

## FY 2027 Milestones

- Provide executive leadership and direct oversight to the Administrative Services business area.
- Review, approve, and present the status of Administrative Services' quarterly performance.
- Review and revise the Chief Operating Officer of AS's work plan, ensuring alignment with the Deputies' work plans.
- Increase operational and customer service levels.
- Provide management training activities that promote communication, improve project efficiency, and enhance process improvement.

- Provide special team-building events and efforts for the Administrative Services business area.

### FY 2028 Milestones

- Provide executive leadership and direct oversight to the Administrative Services business area.
- Review, approve, and present the status of Administrative Services' quarterly performance.
- Review and revise the Chief Operating Officer of AS's work plan and ensure alignment with the Deputies' work plans.
- Increase operational and customer service levels.
- Provide management training activities that promote communication, project efficiencies, and process improvement.
- Provide special team-building events and efforts for the Administrative Services business area.

# Division Summaries

## Office of COO Administrative Services — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 1,244,304 | 2,253,338 | 2,295,844 | 2,389,914 |
| **Total (1)** | **1,244,304** | **2,253,338** | **2,295,844** | **2,389,914** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Office of COO Administrative Services | 1,244,304 | 2,253,338 | 2,295,844 | 2,389,914 |
| **Total (1)** | **1,244,304** | **2,253,338** | **2,295,844** | **2,389,914** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Office of COO Administrative Services - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | 3 | 3 | 3 | 3 |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2026 Organizational Chart.

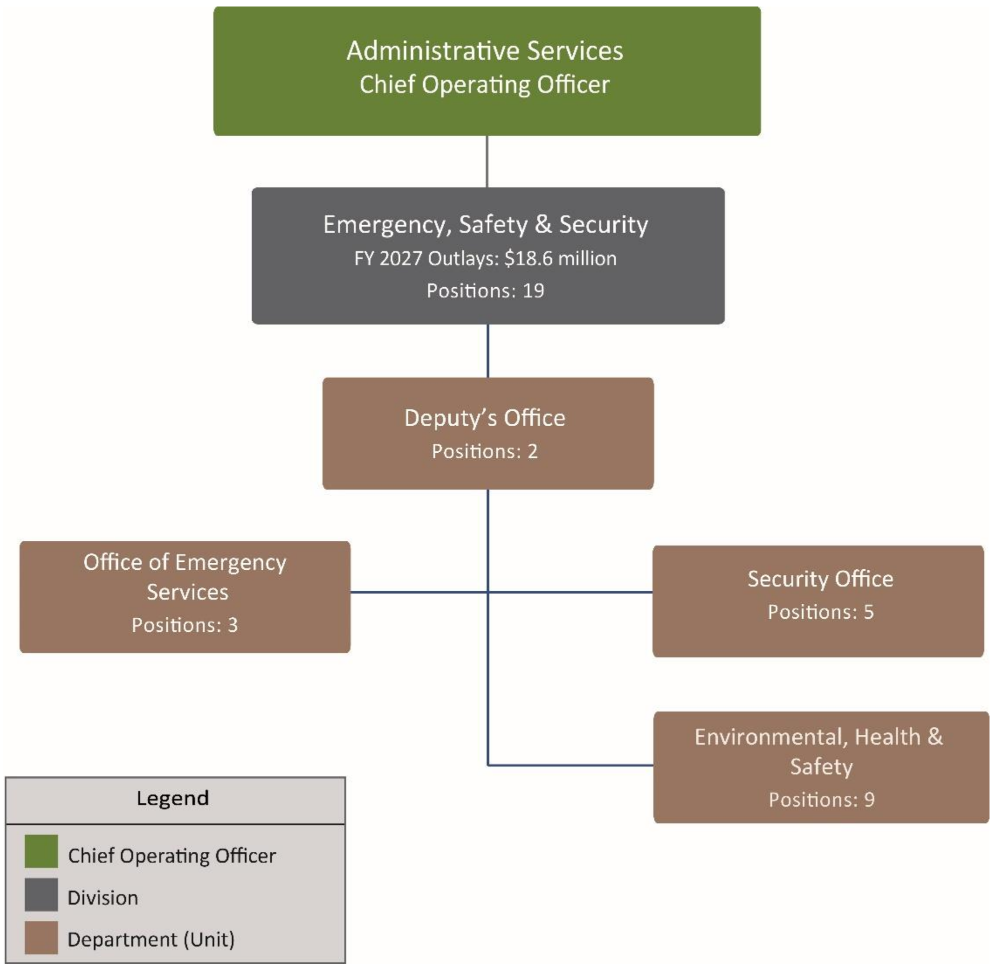
# Division Summaries

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of COO Administrative Services** | | | | | |
| | **Salaries & Benefits** | 1,009,218 | 1,134,615 | 1,161,245 | 1,230,704 |
| | **Services & Supplies** | 36,049 | 904,120 | 904,120 | 921,694 |
| | **Intra District Charges** | 199,037 | 214,603 | 230,479 | 237,516 |
| **Office of COO Administrative Services Total** | | 1,244,304 | 2,253,338 | 2,295,844 | 2,389,914 |
| **Operations Total (1)** | | **1,244,304** | **2,253,338** | **2,295,844** | **2,389,914** |
| **Division Total (1)** | | **1,244,304** | **2,253,338** | **2,295,844** | **2,389,914** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Emergency, Safety and Security Division



# Division Summaries

## Division Description and Objectives

The Emergency, Safety and Security Division includes the Office of Emergency Services (OES), Environmental Health and Safety Unit (EH&S), and the Security Office (SO). The Division provides a safe and secure environment for Valley Water infrastructure and staff, while maintaining a level of preparedness to respond to unplanned incidents and events to maintain business continuity for the agency.

### Office of Emergency Services

The Office of Emergency Services is responsible for ensuring comprehensive, integrated, risk-based, emergency management for Valley Water staff and the critical infrastructure. OES also leads the agency-wide development of applicable preparedness capabilities across prevention, preparedness, hazard mitigation, business continuity, response, and recovery.

### Environmental, Health & Safety Services

As part of Valley Water's Administration function, the Environmental, Health & Safety Unit provides services for all of Valley Water. These services cover a wide range of activities including environmental, health and safety written program development and maintenance, incident safety investigation services, inspection and audit services and support, hazard analysis and risk prevention services, alcohol and drug abuse reasonable suspicion and testing services, contractor safety program evaluation, hazardous materials and hazardous waste management, regulatory permit compliance management, 24/7 hazardous materials pollution prevention response capabilities, ergonomic evaluations and workspace modifications, liaison with regulatory agencies when required, and administration of Valley Water's Workers' Compensation Program. The EH&S Unit works with Water Utility Enterprise during winter maintenance activities to ensure hazardous materials storage tanks are emptied, cleaned, and integrity tested per the required maintenance schedule. Additionally, the EH&S Unit responds to requests from customers for EH&S services or program assistance to ensure that Valley Water's EH&S programs are functional and sustainable.

### Security Office

The Security Office delivers risk-based security capabilities through a continuous cycle of analysis, development, planning, and verification. These capabilities leverage a combination of guard forces, patrols, remote monitoring technologies, and a centralized Security Operations Center to safeguard Valley Water's personnel and critical infrastructure against threats such as terrorism, sabotage, vandalism, theft, violence, and other malicious acts. Additionally, the SO serves as Valley Water's liaison to local, regional, state, and federal law enforcement and intelligence agencies, ensuring seamless coordination and information sharing.

## FY 2026 Accomplishments

### Office of Emergency Services

- Conducted Annual Winter Preparedness Workshop with external partners.
- Provided "Do 1 Thing" monthly preparedness communications in NYCU for Valley Water staff.
- Developed Valley Water wide business continuity strategy.
- Conducted Emergency Action Plan (EAP) Training and Exercise events; San Francisquito Multi Agency Coordination group, annual City of San Jose JEAP update, West Valley EAP Exercise - City of Sunnyvale, All Dam EAP Call-Down Drill, Satellite Phone Drill.
- Completed a new Flood EAP for Sunnyvale East and West Channels (West Valley Watershed), a JEAP flood response procedure appendix for Berryessa Creek, and an update to the Lower Penitencia Watershed EAP.
- Continued to manage and facilitate meetings for the Valley Water Emergency Steering Committee.
- Coordinated EOC Activations as required and requested by Crisis Management Team(s).

# Division Summaries

**Environmental, Health & Safety Services**

- Tier I Facility Safety Inspections 100% Complete.
- Tier II Facility Safety Audits 100% Complete.
- Continued COVID-19 workplace compliance.
- Participated in the EOC activation response to the drought emergency as EOC Safety Officer.
- Continued EH&S support of CIPs.
- Completion of Cal/ARP requirements, including compliance audit, PHAs, and RMPs.
- Completion of required evacuation drills.

**Security Office**

- Partnered with General Services to complete phase 1 of Security CIP project replacing fencing at numerous locations.
- Conducted agency-wide Security training in compliance with state requirements.
- Managed the Key Control management system.
- Completed annual review and update to the Leroy-Anderson dam FERC security compliance inspection.
- Maintained Valley Water's security systems.
- Attended local and regional threat working groups.
- Provided Workplace Violence Prevention Plan Training.
- Completed Annual District Threat Assessment Update.

## FY 2027 Milestones

**Office of Emergency Services**

- Conduct Annual Winter Preparedness Workshop with external partners.
- Conduct review of Emergency Operations Plan and annexes.
- Produce Hazard Mitigation Plan status report according to cadence directed by the County (MJHMP).
- Continue "Do 1 Thing" monthly preparedness communications in NYCU for Valley Water staff.
- Maintain EOC Facilities and Systems.
- Continuing development of Flood EAPs.
- Conduct EOC and Emergency Action Plan (EAP) Training and Exercise events.
- Manage Emergency Steering Committee for Valley Water.
- Manage OES On Call program.

**Environmental, Health & Safety Services**

- Conduct a Tier II safety inspection for all manned District facilities by June 30, 2027.
- Complete annual fire evacuation drills for all manned District facilities by June 30, 2027.
- Coordinate, schedule, and complete all required safety-related training by June 30, 2027.
- Each EH&S Specialist is to conduct a minimum of 6 Jobsite Inspections, bi-monthly, by June 30, 2027.
- Complete the required Facility Hazardous Material Compliance tasks by June 30, 2027.
- Develop and implement district-wide Integrated Pest Management Program.
- Develop Supervisor Manager EH&S Training Program.
- Implement updated EH&S Training Program in Learning Management System.
- Support and host monthly Employee Safety Committee Meetings.

**Security Office**

- Support Phase 2 of the Security Upgrades and Enhancements Project CIP.
- Continue to offer security safety training to staff.

- Provide annual Workplace Violence Prevention Plan training to all Valley Water employees.
- Generate the security component for FERC compliance of Anderson Dam.
- Complete FY27 Valley Water-Wide Threat Assessment.
- Coordinate security safety training to board members and agency staff.

## FY 2028 Milestones

### Office of Emergency Services

- Conduct Annual Winter Preparedness Workshop with external partners.
- Conduct review of Emergency Operations Plan and annexes.
- Produce Hazard Mitigation Plan status report according to cadence directed by the County (MJHMP).
- Continue “Do 1 Thing” monthly preparedness communications in NYCU for Valley Water staff.
- Maintain EOC Facilities and Systems.
- Continuing development of Flood Emergency Action Plan (EAP).
- Conduct EOC and EAP Training and Exercise events.
- Manage Emergency Steering Committee for Valley Water.
- Manage OES On Call program.

### Environmental, Health & Safety Services

- Conduct a Tier II safety inspection for all manned District facilities by June 30, 2028.
- Complete annual fire evacuation drills for all manned District facilities by June 30, 2028.
- Coordinate, schedule, and complete all required safety-related training by June 30, 2028.
- Support business units hosting monthly Local Safety Committee meetings by June 30, 2028.
- Each EH&S Specialist is to conduct a minimum of 6 Jobsite Inspections, bi-monthly, by June 30, 2028.
- Complete the required Facility Hazardous Material Compliance tasks by June 30, 2028.
- Support and host monthly Employee Safety Committee Meetings.

### Security Office

- Support the Security Upgrades and Enhancements Project.
- Continue to offer security training to staff.
- Provide annual Workplace Violence Prevention Plan training to all Valley Water employees.
- Generate the security component for FERC compliance of Anderson Dam.
- Complete FY28 Valley Water-Wide Threat Assessment.

## Budget Issues and Constraints

Constraints of Emergency, Safety and Security Division include the Enhanced Safety and Security measures that are required to support staff safety in response to increased number of incidents and threats to staff. Staff and contracted security services costs have increased as a result.

## Emergency, Safety and Security Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 14,125,566 | 17,542,256 | 18,300,979 | 19,146,694 |
| Capital | 219,063 | 250,461 | 255,741 | 253,679 |
| **Total (1)** | **14,344,629** | **17,792,717** | **18,556,720** | **19,400,373** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Emergency Safety & Security Division Deputy's Office | 856,641 | 994,512 | 991,737 | 1,081,271 |
| Environmental, Health & Safety | 5,429,132 | 6,544,566 | 6,863,326 | 7,221,670 |
| Office of Emergency Services | 1,877,812 | 2,248,110 | 2,275,906 | 2,405,758 |
| Security Office | 6,181,043 | 8,005,530 | 8,425,751 | 8,691,673 |
| **Total (1)** | **14,344,629** | **17,792,717** | **18,556,720** | **19,400,373** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Emergency, Safety and Security Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **19** | **19** | **19** | **19** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2026 Organizational Chart.

## Operations Budget by Department and Account Category

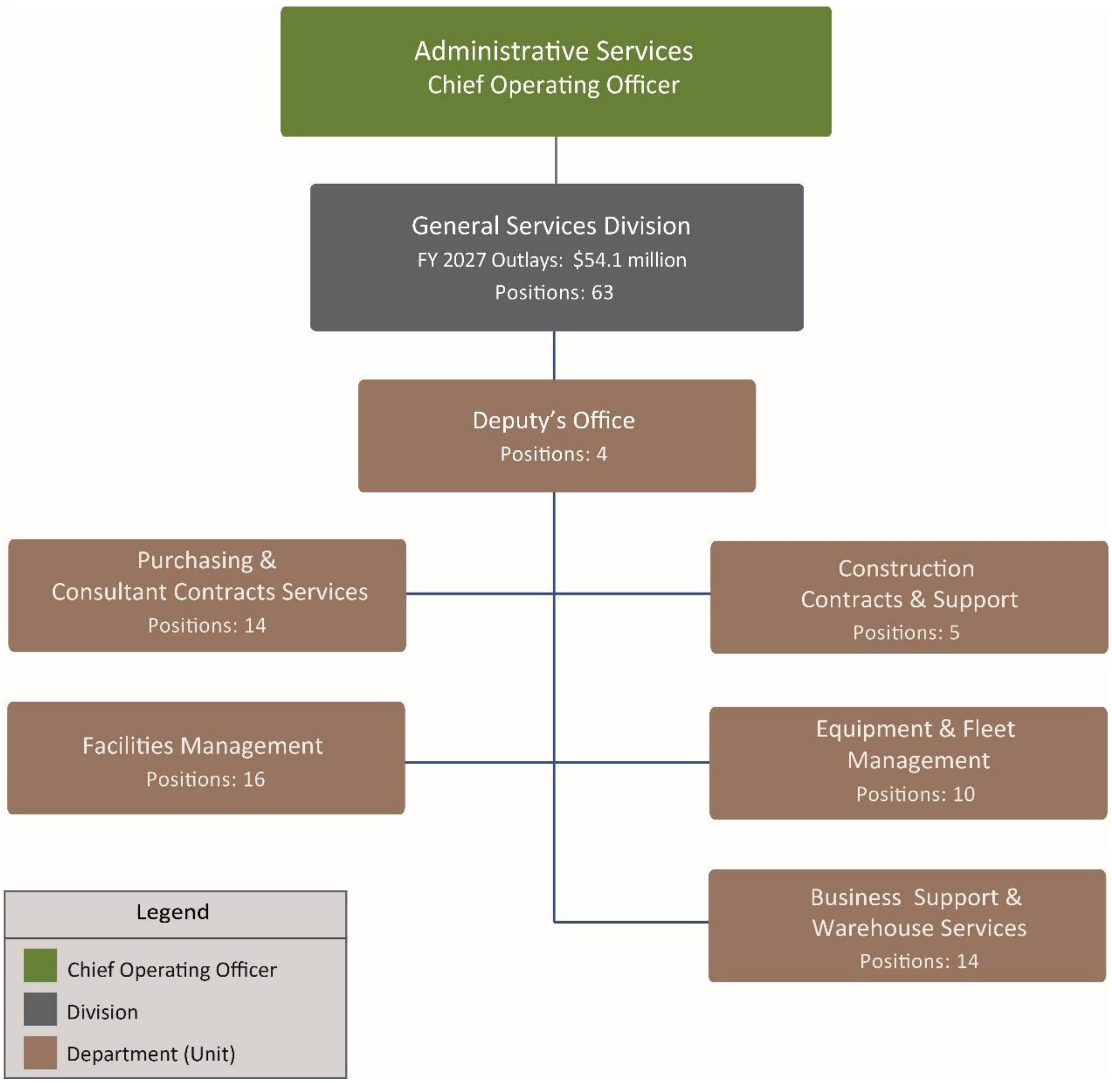
| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Emergency, Safety & Security Division Deputy's Office** | | | | | |
| | **Salaries & Benefits** | 542,339 | 611,302 | 627,965 | 667,052 |
| | **Services & Supplies** | 1,279 | 7,500 | 7,500 | 7,725 |
| | **Intra District Charges** | 313,023 | 375,710 | 356,273 | 406,494 |
| **Emergency, Safety & Security Division Deputy's Office Total** | | 856,641 | 994,512 | 991,737 | 1,081,271 |
| **Environmental, Health & Safety** | | | | | |
| | **Salaries & Benefits** | 2,472,465 | 2,593,611 | 2,712,648 | 2,859,421 |
| | **Services & Supplies** | 1,535,210 | 2,466,629 | 2,672,649 | 2,709,097 |
| | **Intra District Charges** | 1,416,283 | 1,458,584 | 1,447,008 | 1,624,193 |
| **Environmental, Health & Safety Total** | | 5,423,958 | 6,518,824 | 6,832,305 | 7,192,711 |
| **Office of Emergency Services** | | | | | |
| | **Salaries & Benefits** | 925,859 | 961,636 | 1,002,000 | 1,049,997 |
| | **Services & Supplies** | 482,683 | 768,500 | 769,000 | 792,070 |
| | **Intra District Charges** | 469,270 | 517,973 | 504,906 | 563,691 |
| **Office of Emergency Services Total** | | 1,877,812 | 2,248,110 | 2,275,906 | 2,405,758 |
| **Security Office** | | | | | |
| | **Salaries & Benefits** | 1,145,230 | 1,530,325 | 1,588,791 | 1,659,519 |
| | **Services & Supplies** | 4,573,738 | 5,972,080 | 6,300,167 | 6,488,863 |
| | **Intra District Charges** | 248,188 | 278,405 | 312,073 | 318,571 |
| **Security Office Total** | | 5,967,155 | 7,780,810 | 8,201,031 | 8,466,953 |
| **Operations Total (1)** | | **14,125,566** | **17,542,256** | **18,300,979** | **19,146,694** |

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Security Office** | | | | | |
| | **Salaries & Benefits** | 10,212 | – | – | – |
| | **Services & Supplies** | 201,226 | 224,720 | 224,720 | 224,720 |
| | **Intra District Charges** | 2,450 | – | – | – |
| **Security Office Total** | | 213,889 | 224,720 | 224,720 | 224,720 |
| **Environmental, Health & Safety** | | | | | |
| | **Salaries & Benefits** | 3,319 | 15,881 | 19,625 | 17,932 |
| | **Intra District Charges** | 1,855 | 9,860 | 11,395 | 11,027 |
| **Environmental, Health & Safety Total** | | 5,174 | 25,741 | 31,021 | 28,959 |
| **Capital Total (1)** | | **219,063** | **250,461** | **255,741** | **253,679** |
| **Division Total (1)** | | **14,344,629** | **17,792,717** | **18,556,720** | **19,400,373** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## General Services Division



# Division Summaries

## Division Description and Objectives

The General Services Division provides management, leadership, and administrative oversight for several departments, including Construction Contracts Support, which manages the advertisement and award of construction contracts for capital projects; Purchasing and Consultant Contracts Services, which oversees the procurement of goods, services, and consultant contracts; Equipment Management, which manages fleet and welding services; Facilities Management, which maintains, renews, and upgrades District buildings and grounds; and Business, Customer Support Services, and Warehouse, which provides business services such as receptionist and switchboard operations, mail services, reprographics, word processing, forms management, and warehouse operations.

### Construction Contracts and Support

The Construction Contracts and Support Unit provides support to Valley Water staff and facilitates the advertisement, bid and award process for all capital construction projects over $50,000. This Unit also monitors capital construction contracts for post award compliance with pertinent laws, codes and regulations, and provides ongoing support through project close-out.

### Business Support, and Warehouse Services

The Business Customer Support and Warehouse Services Unit provides critical services that support Valley Water operations. This unit covers the following business areas:

Business Customer Support Services include a centralized cashiering location and phone payment system; switchboard operations, incoming/outgoing mail processing; reprographics services for Valley Water publications and other documents; and word processing and forms management services.

Warehouse Services serves as the central receiving, stock inventory management, and distribution point for Valley Water. Warehouse Services provides additional shipping services, delivery of goods, storage services, mail courier services, management of Valley Water's Uniform Program, internal use only Drip Store, and oversees the recycling program for waste tires.

### Purchasing and Consultant Contracts Services

The Purchasing and Consultant Contracts Unit provides strategic and technical sourcing for the purchase and acquisition of all goods, general services, and professional consulting services. The Unit also manages non-competitive solicitations and competitive solicitations for all goods, services, and services contracts exceeding $50,000. The Unit also provides guidance and support for post-award contract administration.

### Equipment and Fleet Management

Equipment and Fleet Management Unit provides overall planning, management, administrative oversight, maintenance, and repairs for District equipment and fleet, which includes 335 sedans, SUVs, light, medium, heavy trucks, construction equipment and forklifts, and 596 pieces of equipment including tools, generators, boats, trailers, etc.

### Facilities Management

Facilities Management Unit provides maintenance and repair services for approximately 24 Valley Water facilities, including the renewal and upgrades to buildings and grounds. Staff also provide welding services to support operations for Valley Water.

## FY 2026 Accomplishments

### Construction Contracts and Support

- Advertise, Bid, Award for approximately 11 Capital Projects and monitor Compliance for 26 Capital Projects.
- Implement the Small Business Enterprise Outreach Program for CIP construction projects.
- Conducted Business Open House to engage business community in participation in Valley Water's procurement opportunities.

# Division Summaries

**Business Support, and Warehouse Services**

- Successfully completed multi-function device bid for implementation in FY 27.
- Completed Warehouse clean-up for more efficient performance.
- Established Valley Water's Self-Managed Inventory process.

**Purchasing and Consultant Contracts Services**

- Improved contract processes to respond efficiently and effectively to District consultant contract needs.
- Identified process improvements to align with industry best practices.
- Developed a Vendor Performance Evaluation program for the evaluation of vendors providing services to Valley Water.
- Purchasing generated 39 under $50k agreements and contracts for FY26
- Consultant Contracts completed 109 formal solicitations for FY26.

**Equipment and Fleet Management**

- Replaced 11 vehicles and 2 pieces of construction equipment in accordance with the 12-year or 125,000-mile replacement criteria.
- Achieved 97.9% preventive maintenance compliance on light duty vehicles.
- Provided Fleet Management oversight effectively meeting District needs using industry best practices.
- Met CARB diesel emission replacement requirements ahead of mandate.

**Facilities Management**

- Completed Asphalt Maintenance Projects at Almaden Campus (BHA, HQ back parking lot and fleet motor pool).
- Completed office renovations at various locations.

## FY 2027 Milestones

**Construction Contracts and Support**

- Advertise, Bid, Award for approximately 12 Capital Projects and monitor Compliance for 32 Capital Projects.
- Incorporate Small Business Enterprise Outreach Program recommendations.

**Business Support, and Warehouse Services**

- Implement RingCentral AI Receptionist, improving connectivity and communication efficiency between the public and Valley Water.
- Maintain consistent communication with Clerk of the Board, CEO, Communications, Graphics, Government Relations, Water Conservation, Watersheds, Capital, and Water Utility regarding upcoming projects.
- Complete general job requests within 5 business days and large or complex jobs/reports within 2 weeks.
- Produce high-quality deliverables within customer deadlines.
- Perform an annual physical inventory and complete associated reports.

**Purchasing and Consultant Contracts Services**

- Update the Aqua page with robust customer working guides and tools, including the scope development guide, requisition creation guide, and others.
- Roll out unit-wide workload and staff assignment projection to improve communication of timelines to customers.
- Institute standard processes to improve cost analysis during contract negotiations.

**Equipment and Fleet Management**

- Replace vehicles in accordance with the 12-year or 125,000-mile replacement criteria.
- Replace Class IV equipment in accordance with Valley Water replacement criteria.
- Acquire new vehicles approved in the budget to meet operational needs.
- Achieve 90% or higher on preventive maintenance work orders on vehicles.

- Provide Fleet Management oversight effectively meeting Valley Water needs using industry best practices.
- Meet CARB diesel emission replacement requirements to meet mandate.

**Facilities Management**

- Complete office renovations at various locations.
- Repair and maintain HVAC systems in accordance with industry standards.
- Respond to repair, maintenance, and event support requests within 5 business days 90% of the time.
- Provide welding services to meet Valley Water operations.
- Facilitate space planning, move, and setups to meet Valley Water operational needs.

## FY 2028 Milestones

**Construction Contracts and Support**

- Advertise, Bid, Award for approximately 12 Capital Projects and monitor Compliance for 30 Capital Projects.
- Increase Small Business participation in Valley Water procurement opportunities.

**Business Support, and Warehouse Services**

- Maintain consistent communication with Clerk of the Board, CEO, Communications, Graphics, Government Relations, Water Conservation, Watersheds, Capital, and Water Utility regarding upcoming projects.
- Complete general job requests within 5 business days and large or complex jobs/reports within 2 weeks.
- Produce high-quality deliverables within customer deadlines.
- Perform an annual physical inventory and complete associated reports.

**Purchasing and Consultant Contracts Services**

- Update the Aqua page with robust customer working guides and tools, including the scope development guide, requisition creation guide, and others.
- Roll out unit-wide workload and staff assignment projection to improve communication of timelines to customers.
- Institute standard processes to improve cost analysis during contract negotiations.

**Equipment and Fleet Management**

- Replace vehicles in accordance with the 12-year or 125,000-mile replacement criteria.
- Replace Class IV equipment in accordance with Valley Water replacement criteria.
- Acquire new vehicles approved in the budget to meet operational needs.
- Achieve 90% or higher on preventive maintenance work orders on vehicles.
- Provide Fleet Management oversight effectively meeting Valley Water needs using industry best practices.
- Meet CARB diesel emission replacement requirements to meet mandate.

**Facilities Management**

- Complete office renovations at various locations
- Repair and maintain HVAC systems in accordance with industry standards.
- Respond to repair, maintenance, and event support requests within 5 business days 90% of the time.
- Provide welding services to meet Valley Water operations.
- Facilitate space planning, move, and setups to meet Valley Water operational needs.
- Expand EV chargers to Valley Water locations.

## Budget Issues and Constraints

Unknown and unplanned customer requests may require deviation from planned activities.

## General Services Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 27,592,344 | 32,383,292 | 34,553,213 | 36,387,505 |
| Capital | 15,045,645 | 17,893,738 | 19,513,198 | 12,112,856 |
| **Total [(1)]** | **42,637,989** | **50,277,031** | **54,066,411** | **48,500,361** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Business Support & Warehouse | 4,932,594 | 5,943,766 | 6,202,252 | 6,662,948 |
| Construction Contracts and Support | 2,715,495 | 2,916,645 | 3,009,948 | 3,224,798 |
| Equipment Management | 9,220,244 | 9,201,861 | 10,558,043 | 12,361,612 |
| Facilities Management | 20,083,177 | 25,136,273 | 26,782,239 | 18,388,116 |
| General Services Division Deputy's Office | 1,427,642 | 1,810,299 | 1,876,330 | 1,970,430 |
| Purchasing & Consultant Contracts Services | 4,258,836 | 5,268,187 | 5,637,600 | 5,892,458 |
| **Total [(1)]** | **42,637,989** | **50,277,031** | **54,066,411** | **48,500,361** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### General Services Division - Position Summary

| | FY 2024-25 Adjusted Budget [(2)] | FY 2025-26 Adopted Budget [(2)] | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions [(1)]** | **63** | **63** | **63** | **63** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2026 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Business Support & Warehouse** | | | | | |
| | **Salaries & Benefits** | 3,077,517 | 3,187,637 | 3,347,087 | 3,512,811 |
| | **Services & Supplies** | 766,898 | 1,448,401 | 1,476,908 | 1,641,548 |
| | **Intra District Charges** | 1,085,216 | 1,307,728 | 1,378,257 | 1,508,589 |
| **Business Support & Warehouse Total** | | 4,929,631 | 5,943,766 | 6,202,252 | 6,662,948 |
| **Construction Contracts and Support** | | | | | |
| | **Salaries & Benefits** | 196,360 | 9,143 | 10,142 | 10,624 |
| | **Services & Supplies** | 3,662 | 7,500 | 7,500 | 7,725 |
| | **Intra District Charges** | 52,121 | 1,695 | 1,952 | 1,985 |
| **Construction Contracts and Support Total** | | 252,144 | 18,338 | 19,593 | 20,334 |
| **Equipment Management** | | | | | |
| | **Salaries & Benefits** | 2,403,199 | 2,632,065 | 2,603,736 | 2,734,509 |
| | **Services & Supplies** | 2,439,324 | 3,061,710 | 3,238,140 | 3,449,783 |
| | **Intra District Charges** | 1,225,435 | 1,428,087 | 1,278,167 | 1,431,319 |
| **Equipment Management Total** | | 6,067,958 | 7,121,861 | 7,120,043 | 7,615,612 |
| **Facilities Management** | | | | | |
| | **Salaries & Benefits** | 3,292,894 | 3,865,245 | 4,457,513 | 4,692,338 |
| | **Services & Supplies** | 6,458,955 | 7,435,793 | 8,176,706 | 8,416,289 |
| | **Intra District Charges** | 916,592 | 919,804 | 1,086,717 | 1,142,337 |
| **Facilities Management Total** | | 10,668,440 | 12,220,842 | 13,720,937 | 14,250,964 |
| **General Services Division Deputy's Office** | | | | | |
| | **Salaries & Benefits** | 1,073,074 | 1,284,425 | 1,330,700 | 1,408,702 |
| | **Services & Supplies** | 173,157 | 285,500 | 285,500 | 294,065 |
| | **Intra District Charges** | 169,115 | 240,373 | 260,130 | 267,663 |
| **General Services Division Deputy's Office Total** | | 1,415,347 | 1,810,299 | 1,876,330 | 1,970,430 |
| **Purchasing & Consultant Contracts Services** | | | | | |
| | **Salaries & Benefits** | 3,383,889 | 3,839,142 | 4,083,601 | 4,295,608 |
| | **Services & Supplies** | 219,672 | 734,715 | 763,951 | 786,870 |
| | **Intra District Charges** | 655,263 | 694,330 | 766,506 | 784,740 |
| **Purchasing & Consultant Contracts Services Total** | | 4,258,824 | 5,268,187 | 5,614,059 | 5,867,218 |
| **Operations Total (1)** | | **27,592,344** | **32,383,292** | **34,553,213** | **36,387,505** |

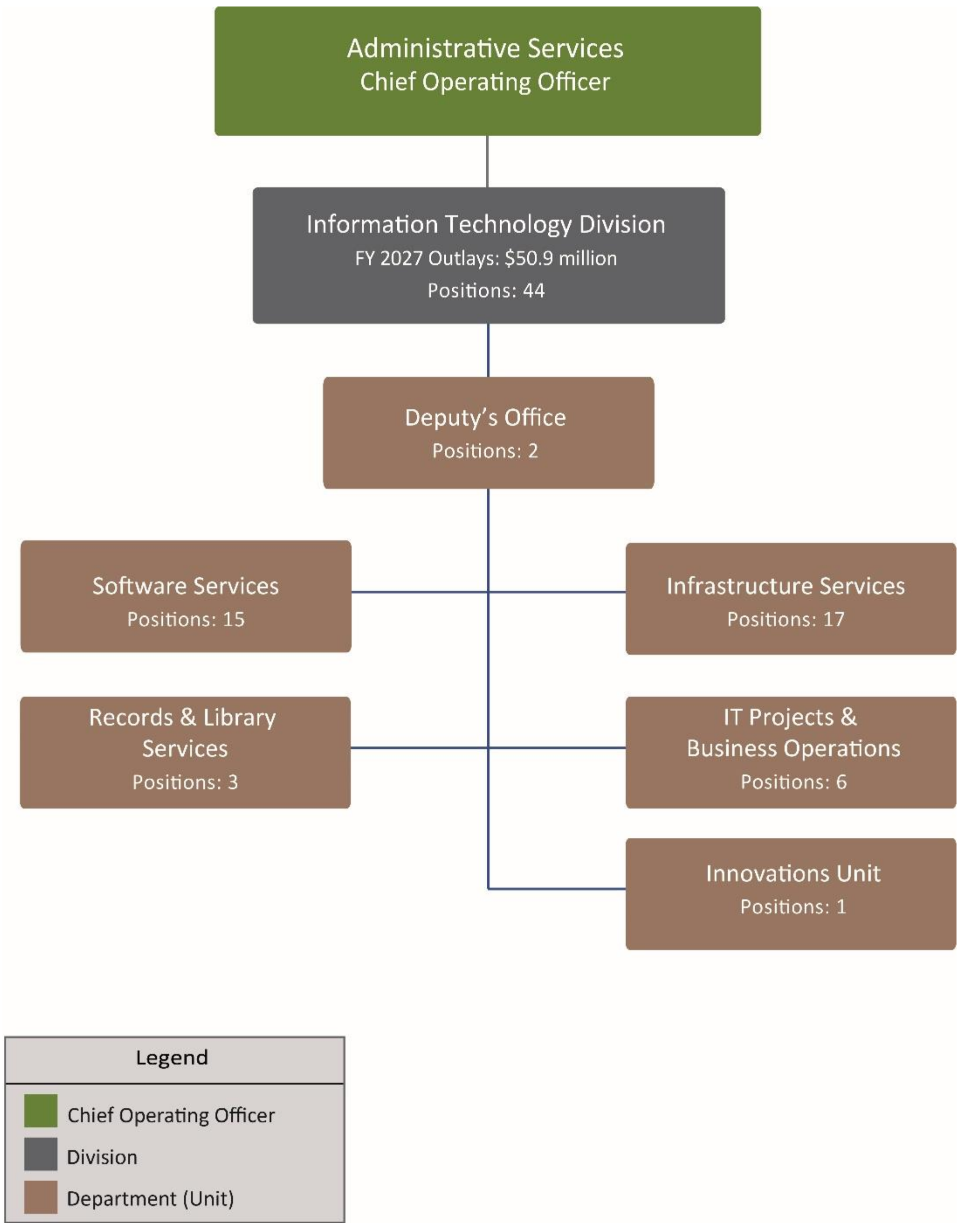
# Division Summaries

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Business Support & Warehouse** | | | | | |
| | **Services & Supplies** | 2,964 | – | – | – |
| **Business Support & Warehouse Total** | | 2,964 | – | – | – |
| **Construction Contracts and Support** | | | | | |
| | **Salaries & Benefits** | 1,444,348 | 1,573,741 | 1,680,418 | 1,780,933 |
| | **Services & Supplies** | 93,888 | 427,000 | 426,000 | 426,000 |
| | **Intra District Charges** | 925,115 | 897,566 | 883,937 | 997,532 |
| **Construction Contracts and Support Total** | | 2,463,351 | 2,898,307 | 2,990,354 | 3,204,464 |
| **Equipment Management** | | | | | |
| | **Salaries & Benefits** | 16,870 | – | – | – |
| | **Services & Supplies** | 3,126,244 | 2,080,000 | 3,438,000 | 4,746,000 |
| | **Intra District Charges** | 9,172 | – | – | – |
| **Equipment Management Total** | | 3,152,286 | 2,080,000 | 3,438,000 | 4,746,000 |
| **Facilities Management** | | | | | |
| | **Salaries & Benefits** | 809 | 89,204 | 3,264 | 3,604 |
| | **Services & Supplies** | 9,413,928 | 12,803,871 | 13,056,110 | 4,131,292 |
| | **Intra District Charges** | – | 22,356 | 1,929 | 2,255 |
| **Facilities Management Total** | | 9,414,737 | 12,915,431 | 13,061,302 | 4,137,152 |
| **General Services Division Deputy's Office** | | | | | |
| | **Salaries & Benefits** | 7,746 | – | – | – |
| | **Intra District Charges** | 4,549 | – | – | – |
| **General Services Division Deputy's Office Total** | | 12,296 | – | – | – |
| **Purchasing & Consultant Contracts Services** | | | | | |
| | **Salaries & Benefits** | – | – | 15,060 | 15,745 |
| | **Services & Supplies** | 12 | – | – | – |
| | **Intra District Charges** | – | – | 8,481 | 9,495 |
| **Purchasing & Consultant Contracts Services Total** | | 12 | – | 23,541 | 25,240 |
| **Capital Total (1)** | | **15,045,645** | **17,893,738** | **19,513,198** | **12,112,856** |
| **Division Total (1)** | | **42,637,989** | **50,277,031** | **54,066,411** | **48,500,361** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Information Technology Division



# Division Summaries

## Division Description and Objectives

The Information Technology Division Administration provides management oversight, leadership and strategic support for Information Technology Infrastructure, Information Security Services, and Software Services, to ensure operational effectiveness and fiscal accountability. The Information Technology Division serves the technology needs of Valley Water. The division delivers and maintains effective IT services that meet current and future needs of Valley Water. The division also provides oversight of effective, efficient, and implementation of major Information Technology initiatives.

### Administration

The Information Technology Division Administration provides management oversight, leadership and strategic support for Information Technology Infrastructure, Information Security Services, and Software Services, to ensure operational effectiveness and fiscal accountability.

### Infrastructure Services

Infrastructure Services is responsible for implementing and maintaining the organization’s network and data center infrastructure, cybersecurity posture, telephone systems, radios, cellular devices, tablets, computers, laptops, system software, and connectivity services, including servers, networks, and Wi-Fi. The unit serves as the first point of contact for staff seeking technical assistance with personal computers, network access, email, productivity tools, and business applications, providing problem triage, resolution, and escalation support. The team also supports enterprise-wide audio/visual needs, including Board Room technology services.

### Software Services

Software Services develops (where appropriate), supports, and maintains Valley Water’s business applications. These include Enterprise Resource Planning (ERP) system, work and asset management system (Maximo), geographic information system (GIS), in-house applications, and Valley Water's internet and intranet.

### IT Projects and Business Operations

The Information Technology Project and Business Operations Unit manages IT project management, strategic planning and alignment, complex analysis, program development, compliance, policy development, budget, reporting, and financial planning. The unit works to ensure innovative technologies are effectively implemented across the organization, while prioritizing and sequencing technology projects to align with organizational needs. It also leads, plans, oversees, and participates in complex and high-level work related to administrative, human resources, financial, and compliance support functions for the Information Technology division.

### Records and Library Services

Records & Library Services Unit provides: the administration of the Records Management Center and the District Library (including secure storage, retrieval, and proper disposition of District's records and reference materials), and the provision of District’s responses to legal demands for records. The Records Management Center holds records dating from the late 1800s to the present, in a wide variety of fixed media. Collections include engineering drawings, project files, accounting records, construction photographs, maps, and other records. The District Library is responsible for providing access to District generated information assets as well as providing access to externally created information sources. This Unit provides reference, research, and current news awareness services, as well as prompt and legally compliant responses to public requests for access to or copies of District records in accordance with the California Public Records Act. The Unit supports operational transparency and ensures public access to information assets. In addition, it may respond to subpoenas, grand jury requests, and other legal demands for documents from external customers, as needed.

### Innovation Unit

The Innovation Unit drives technological innovation to support sustainable water management, improve back-office operations, and foster a culture of collaboration and continuous improvement within Valley Water.

## FY 2026 Accomplishments

### Infrastructure Services

- Refreshed 25% of District's desktop and laptop computers.
- Responded to 90% of monthly IT service desk requests within 24 hours.
- Achieved a monthly customer satisfaction rating of 90% or higher.
- Achieved a monthly IT service desk closure rate of 90% or higher.
- Achieved maintenance and operations monthly performance target rate of 99% availability for: (1) Voice mail and phone system; (2) Internet service; (3) Computer network; (4) Electronic Mail; and (5) Production storage system.
- Completed SCADA technical infrastructure buildout.
- Completed Disaster Recovery Phase I buildout.
- Completed Internet capacity upgrade.
- Completed Internet HA upgrade.
- Upgraded VPN.
- Upgraded remote site servers & storage.
- Deployed multiple AI solutions to provide tools for staff to increase efficiency achieved from transitioning from repetitive lower-level tasks to increase time and efforts on higher level tasks for project management and programs.

### Software Services

- Evaluated desktop and web application needs and provided solutions (Ongoing).
- Supported help desk tickets as well as hotline calls and emails (Ongoing).
- Supported COLA increase.
- Supported Infor year-end processes.
- Performed annual fiscal year updates in Maximo (Labor Rate, GL Account).
- Migrated Internal ColdFusion applications (developed by SSU) to APEX or Drupal Web Forms.
- Implemented interactive and self-service features on the external website.
- Reviewed existing spatial data and updated as necessary.
- Provided at least two sessions of district staff classroom GIS training classes.
- Provided technical support for Infor CloudSuite.
- Supported Infor monthly cumulative updates.

### IT Projects and Business Operations

- Supported Infor ERP Project.
- Formalized IT Project Management Office (PMO).
- Supported over 50+ concurrent Information Technology Projects as necessary.
- Managed and rolled out Innovation Unit project related to AI.

### Records and Library Services

- Provided secure storage, retrieval, and proper disposition of District's records and reference materials as required.

- Processed approximately 300 requests for records services from District staff.
- Responded to approximately 400 requests for access to or copies of District records from members of the public.
- Processed approximately 3,000 Engineering drawings and 500-600 boxes of records.
- Migrated legacy databases to cloud-based systems.
- Relocated hardcopy library collections.

### Innovation Unit

- Rolled out multiple AI solutions to the workforce including:
  - ChatGPT
  - Grammarly
  - Reservoir
  - Leena AI
- Initiated agreement with K-water for a digital twin solution.
- Collaborated with other public agencies on use cases and opportunities for using advanced technology.
- Kicked off a District-wide data lake project to consolidate data across multiple units.

## FY 2027 Milestones

### Infrastructure Services

- Refresh 25% of District's desktop and laptop computers.
- Respond to 90% of monthly IT service desk requests within 24 hours.
- Achieve a monthly customer satisfaction rating of 90% or higher.
- Achieve a monthly IT service desk closure rate of 90% or higher.
- Achieve maintenance and operations monthly performance target rate of 99% availability for: (1) Voice mail and phone system; (2) Internet service; (3) Computer network; (4) Electronic Mail; and (5) Production storage system.
- Migrate VDI.
- Complete planning phase of Microwave upgrade.
- Complete SIEM implementation.
- Prioritize agency infrastructure security to mitigate against network intrusion attacks.

### Software Services

- Complete Payroll Bolt-on.
- Complete Maximo upgrade.
- Move GIS to cloud.
- Complete Aqua upgrade.
- Complete Infor consolidated web apps.

### IT Projects and Business Operations

- Continue support of IT Projects and Operations, including budget and procurement management.
- Manage and coordinate projects related to the IT Strategic Plan.
- Manage Valley Water's Payroll implementation project.
- Manage and support Digital Twin initiative.

### Records and Library Services

- Provide high quality research, library and records management customer services.
- Manage collections effectively and efficiently.

- Respond to all legal demands for documents within statutory requirements.

### Innovation Unit

- Continue K-water Digital Twin project.
- Continue adding datasets and using cases to the data lake.
- Operationalize pilot projects.
- Initiate new pilot projects as technology advances.

## FY 2028 Milestones

### Infrastructure Services

- Refresh 25% of District's desktop and laptop computers.
- Respond to 90% of monthly IT service desk requests within 24 hours.
- Achieve a monthly customer satisfaction rating of 90% or higher.
- Achieve a monthly IT service desk closure rate of 90% or higher.
- Achieve maintenance and operations monthly performance target rate of 99% availability for: (1) Voice mail and phone system; (2) Internet service; (3) Computer network; (4) Electronic Mail; and (5) Production storage system.
- Migrate VDI.
- Complete implementation phase of Microwave upgrade.

### Software Services

- Complete upgrades of various applications, implement new tools, retire legacy applications, etc., in alignment with the IT Strategic Plan.

### IT Projects and Business Operations

- Continue support of IT Projects and Operations, including budget and procurement management.
- Manage and coordinate projects related to the IT Strategic Plan.
- Roll out phase one of the Digital Twin initiative and kick off phase two.
- Upgrade high use conference rooms to provide enhanced technology and AV support.

### Records and Library Services

- Provide high quality research, library and records management customer services.
- Manage collections effectively and efficiently.
- Respond to all legal demands for documents within statutory requirements.

### Innovation Unit

- Continue to implement pilot and full-scale advanced technology projects.
- Increase the use of business intelligence through AI.
- Continue to add datasets and use cases to the data lake.

## Budget Issues and Constraints

There are staffing challenges for modernization projects. Many projects overlap with each other, centralized IT governance of IT Service Catalog (to be accomplished during Master Planning process) and approval of projects is needed.

# Division Summaries

## Information Technology Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 32,695,333 | 35,117,202 | 37,553,591 | 40,454,825 |
| Capital | 7,100,690 | 5,926,129 | 13,344,954 | 15,711,294 |
| **Total (1)** | **39,796,024** | **41,043,331** | **50,898,545** | **56,166,119** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Information Technology Division Deputy's Office | 1,509,080 | 1,969,172 | 1,387,585 | 1,491,693 |
| Infrastructure Services | 21,759,843 | 21,855,757 | 22,493,724 | 23,252,496 |
| IT Project & Business Ops | 1,569,433 | 2,104,798 | 2,451,627 | 2,655,555 |
| Records and Library Services | 1,336,246 | 1,247,231 | 886,120 | 920,294 |
| Software Services | 12,988,664 | 13,221,638 | 23,058,668 | 27,158,319 |
| Innovations Unit | 632,757 | 644,734 | 620,820 | 687,761 |
| **Total (1)** | **39,796,024** | **41,043,331** | **50,898,545** | **56,166,119** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Information Technology Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **44** | **44** | **44** | **44** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2026 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Information Technology Division Deputy's Office** | | | | | |
| | **Salaries & Benefits** | 647,555 | 664,754 | 674,810 | 718,601 |
| | **Services & Supplies** | 528,794 | 383,000 | 436,750 | 445,990 |
| | **Intra District Charges** | 332,732 | 312,872 | 276,071 | 327,562 |
| **Information Technology Division Deputy's Office Total** | | 1,509,080 | 1,360,626 | 1,387,631 | 1,492,153 |
| **Infrastructure Services** | | | | | |
| | **Salaries & Benefits** | 4,136,081 | 4,416,654 | 4,987,736 | 5,237,353 |
| | **Services & Supplies** | 9,570,874 | 10,092,160 | 11,131,975 | 12,288,714 |
| | **Intra District Charges** | 1,899,678 | 2,029,360 | 1,994,014 | 2,311,675 |
| **Infrastructure Services Total** | | 15,606,633 | 16,538,174 | 18,113,724 | 19,837,742 |
| **IT Project & Business Ops** | | | | | |
| | **Salaries & Benefits** | 861,331 | 1,265,680 | 1,569,224 | 1,659,809 |
| | **Services & Supplies** | 293,571 | 235,500 | 242,340 | 242,565 |
| | **Intra District Charges** | 414,532 | 603,618 | 640,063 | 753,181 |
| **IT Project & Business Ops Total** | | 1,569,433 | 2,104,798 | 2,451,627 | 2,655,555 |
| **Innovation Unit** | | | | | |
| | **Salaries & Benefits** | 398,452 | 437,075 | 439,306 | 470,489 |
| | **Services & Supplies** | 60,465 | – | – | – |
| | **Intra District Charges** | 173,840 | 207,659 | 181,514 | 217,272 |
| **Innovation Unit Total** | | 632,757 | 644,734 | 620,820 | 687,761 |
| **Records and Library Services** | | | | | |
| | **Salaries & Benefits** | 974,703 | 950,566 | 641,304 | 669,835 |
| | **Services & Supplies** | 141,386 | 113,400 | 113,400 | 116,802 |
| | **Intra District Charges** | 220,158 | 183,265 | 131,416 | 133,657 |
| **Records and Library Services Total** | | 1,336,246 | 1,247,231 | 886,120 | 920,294 |
| **Software Services** | | | | | |
| | **Salaries & Benefits** | 4,299,469 | 4,868,605 | 4,787,168 | 5,013,665 |
| | **Services & Supplies** | 5,668,654 | 6,047,500 | 7,318,083 | 7,536,945 |
| | **Intra District Charges** | 2,073,060 | 2,305,533 | 1,988,416 | 2,310,710 |
| **Software Services Total** | | 12,041,183 | 13,221,638 | 14,093,668 | 14,861,319 |
| **Operations Total (1)** | | **32,695,333** | **35,117,202** | **37,553,591** | **40,454,825** |

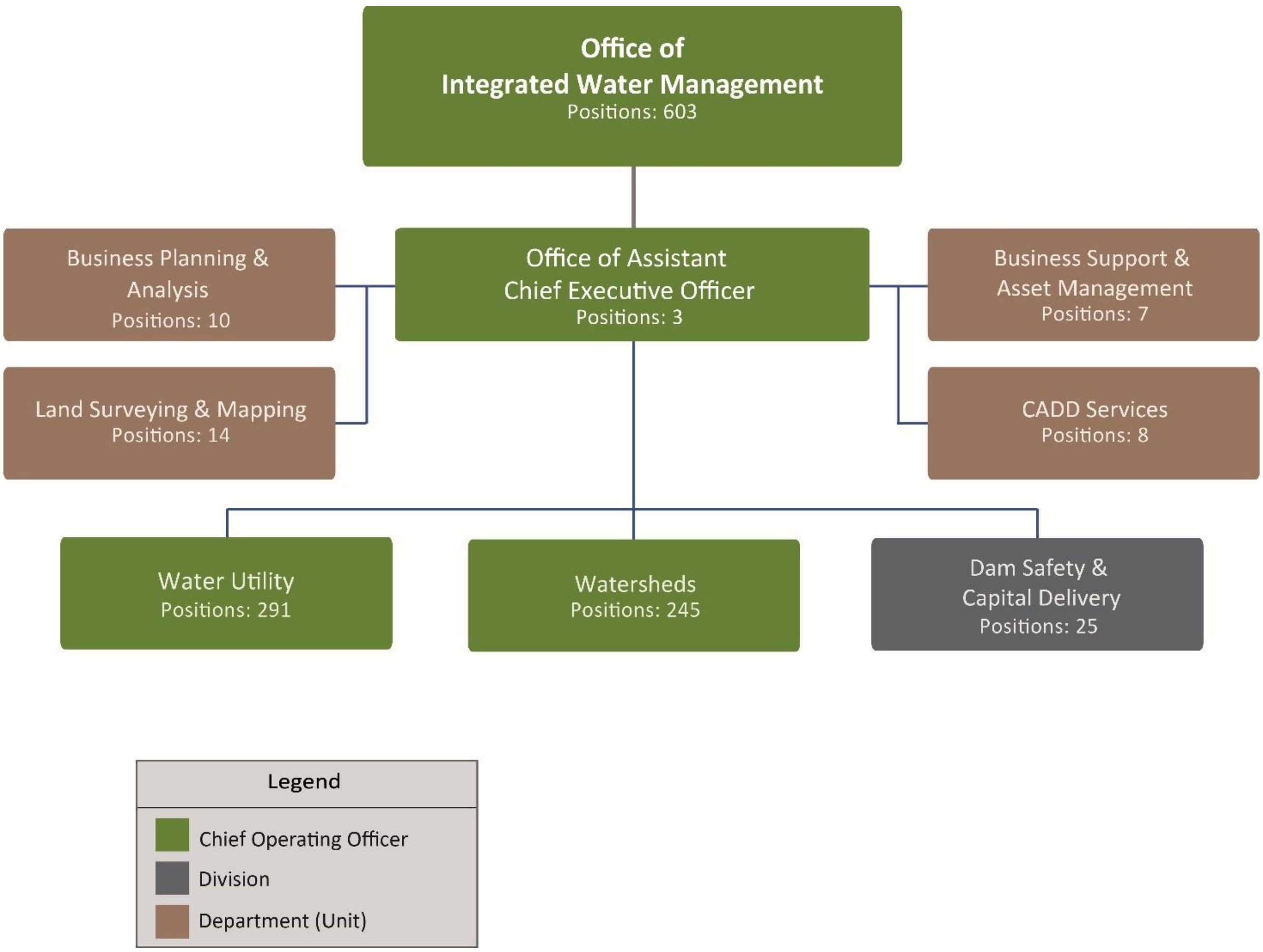
## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Information Technology Division Deputy's Office** | | | | | |
| | **Services & Supplies** | – | 608,546 | (46) | (460) |
| **Information Technology Division Deputy's Office Total** | | – | 608,546 | (46) | (460) |
| **Infrastructure Services** | | | | | |
| | **Salaries & Benefits** | 15,779 | – | – | – |
| | **Services & Supplies** | 6,129,564 | 5,317,583 | 4,380,000 | 3,414,754 |
| | **Intra District Charges** | 7,866 | – | – | – |
| **Infrastructure Services Total** | | 6,153,209 | 5,317,583 | 4,380,000 | 3,414,754 |
| **Software Services** | | | | | |
| | **Services & Supplies** | 947,481 | – | 8,965,000 | 12,297,000 |
| **Software Services Total** | | 947,481 | – | 8,965,000 | 12,297,000 |
| **Capital Total (1),(2)** | | **7,100,690** | **5,926,129** | **13,344,954** | **15,711,294** |
| **Division Total (1),(2)** | | **39,796,024** | **41,043,331** | **50,898,545** | **56,166,119** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

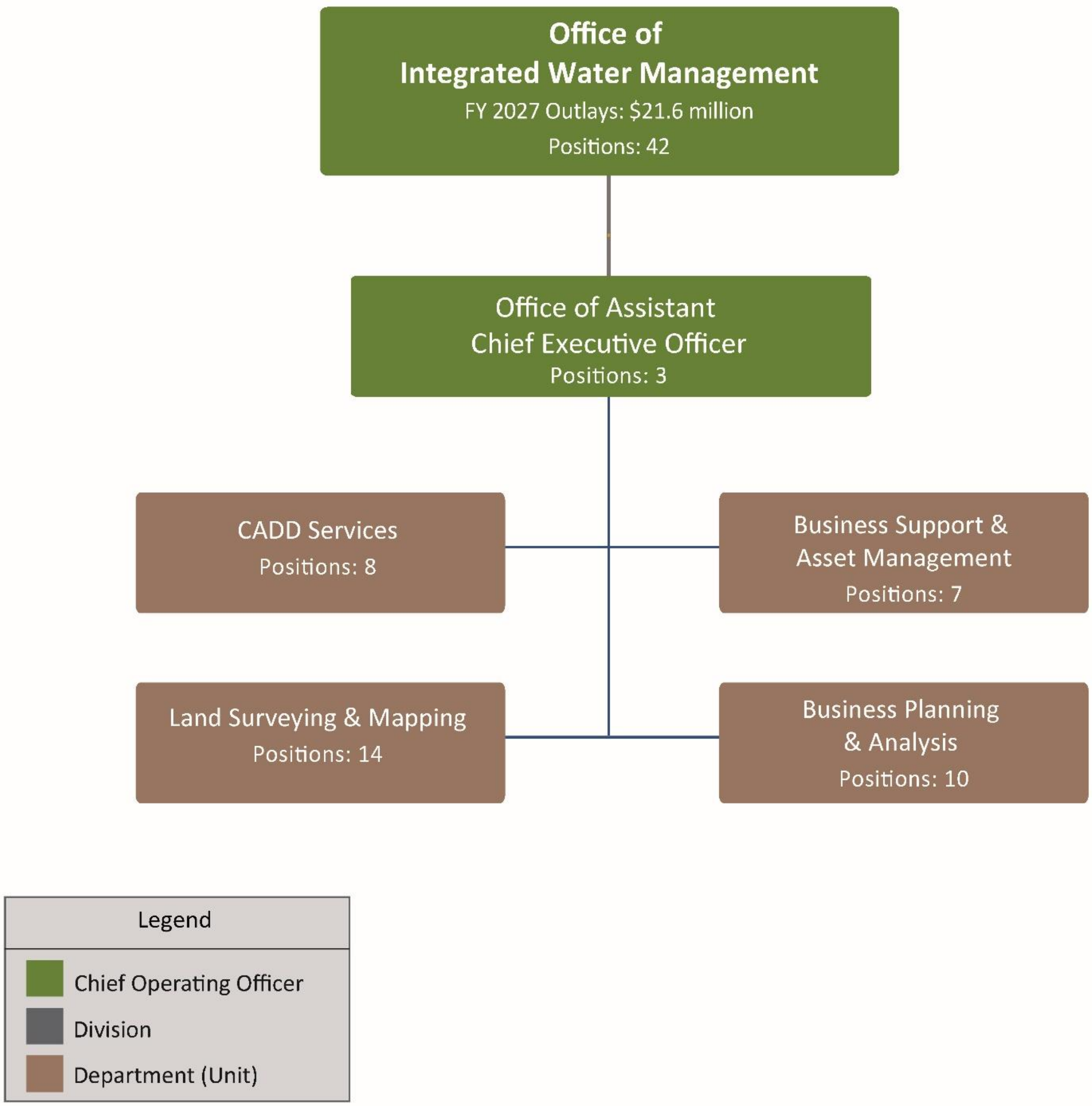
(2) Negative Services & Supplies (S&S) balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

## Office of Integrated Water Management




The Office of Integrated Water Management (OIWM) provides strategic leadership and coordination across Valley Water's Watersheds and Water Utility business areas. It includes the Office of the Assistant Chief Executive Officer, which encompasses four district-wide capital and operations support units, as well as the Dam Safety and Capital Delivery Division. OIWM's role is to ensure strong alignment and effective collaboration between the two major business areas.

## Office of Assistant Chief Executive Officer



# Division Summaries

## Division Description and Objectives

The Office of the Assistant Chief Executive Officer leads and oversees Valley Water's Office of Integrated Water Management, fostering coordination between the Watersheds and Water Utility business areas to advance the Board's Ends, Goals, and Objectives. The office provides strategic leadership and managerial and administrative support to ensure the efficient and effective delivery of Valley Water's projects and programs.

### Business Planning and Analysis

The Business Planning and Analysis Unit leads and oversees three major, district-wide programs at Valley Water. It manages the implementation of the Five-Year planning process for the Capital Improvement Program (CIP), which includes an annual development cycle, project validation and evaluation, and change management. The CIP Five-Year Plan is a rolling financial plan that guides funding for Valley Water's capital projects. The unit also administers the Capital Project Management and Project Controls (CPMPC) Program, which supports the CIP Committee, manages the Capital Quality and Environmental Management System (QEMS) document control and training, and oversees Projectmates, a project management information system (PMIS) designed to improve oversight and delivery of capital projects. Additionally, the unit is responsible for implementing the Safe, Clean Water and Natural Flood Protection Program. This includes developing five-year implementation plans and annual reports, managing the Change Control Process, supporting the Independent Monitoring Committee, and tracking project progress toward meeting Key Performance Indicators (KPIs).

### Business Support and Asset Management

The Business Support and Asset Management Unit plays a key role in maintaining and improving Valley Water's infrastructure. The unit leads the development and continuous refinement of asset management programs and information systems, ensuring alignment with industry best practices. It oversees asset management efforts for Valley Water's Water Utility operations and provides support for users of the Computerized Maintenance Management System (CMMS), Maximo, including for facilities and fleet. The unit also manages three major infrastructure master planning efforts: the Water Treatment Plant, Distribution System, and SCADA System Master Plan Implementation Projects. These projects help shape the Water Utility capital improvement program to ensure the continued reliability of Valley Water's systems and the delivery of safe, clean drinking water.

### CADD Services

The CADD (Computer-Aided Design and Drafting) Services Unit is responsible for producing engineering drafting and design work across Valley Water, maintaining plan production standards, and managing CADD software. Its work supports a wide range of Valley Water infrastructure, including water resources facilities, flood protection systems, pipeline infrastructure, and watershed management facilities. The unit participates in quality control reviews at key milestones in capital projects, ensuring compliance with Valley Water's CADD standards and industry best practices. Additionally, it manages digital design files and drawing archives in coordination with Records Management.

### Land Surveying & Mapping

The Land Surveying and Mapping Unit provides professional surveying and mapping services to support the planning, design, construction, and maintenance of Valley Water facilities. Its work includes accurately locating existing and proposed infrastructure, producing detailed graphical representations of land features, boundaries, and fixed works, and ensuring compliance with all relevant state and local laws and regulations.

## FY 2026 Accomplishments

### Business Planning and Analysis

Capital Improvement Program (CIP):
- Developed the CIP FY 2027–31 Five-Year Plan through the annual CIP development cycle.
- Engaged in outreach with local cities and the county to support CIP development and coordination.

Capital Project Management and Project Controls Program (CPMPC):
- Managed and provided training for Projectmates, Valley Water's capital project management information system.
- Reviewed and updated the Capital Quality and Environmental Management System (QEMS) documentation.
- Continued development and implementation of the program's project controls framework to enhance oversight and delivery of capital projects.
- Hired and trained a new staff member to expand team support for business analytics reporting using Power BI for capital projects.
- Coordinated with the Technical Review Committee to schedule lessons learned and cost estimating trainings for staff.
- Assisted auditors with requested capital program information for the Capital Delivery Process Audit.

Safe, Clean Water Program:
- Delivered the FY 2024–25 Annual Report for the renewed Safe, Clean Water Program.
- Onboarded new Independent Monitoring Committee (IMC) members.
- Supported the IMC review of the Annual Report, including coordinating subcommittee meetings, preparing meeting notes, and creating the IMC annual report.
- Organized an IMC tour of Safe, Clean Water project sites.
- Developed management response to FY 2024–25 IMC recommendations and began implementation of Board-approved IMC recommendations, aligned with the updated Change Control Process.
- Developed the Five-Year Implementation Plan for FY 2027–31; presented it to the IMC for review and to the Board for consideration and approval.
- Initiated the FY 2025–26 Safe, Clean Water Program review cycle.
- Executed program changes in accordance with the Board-approved Change Control Process.
- Maintained and regularly updated the Safe, Clean Water Program and project webpages.
- Coordinated and provided information for the independent professional audit of the renewed Safe, Clean Water Program conducted by PMA Consultants; developed a management response to the audit; and initiated implementation of Board-approved audit recommendations.

### Business Support and Asset Management

District-Wide Asset Management and Business Support:
- Provided scope development and vendor selection support for the upcoming condition assessment of facilities.

Water Utility Asset Management Program:
- Completed the FY 2026–30 Water Utility Asset Renewal Plan.
- Led scope, resource, and budget planning for FY 2026–27 Water Utility Small Capital Improvement Projects.
- Developed new business analytics Power BI-based tools for enhanced system administration of CMMS and asset renewal planning databases.

Water Utility Infrastructure Master Plan Implementation Projects:

Water Treatment Plants (WTPMPIP)
- Completed the Planning Study Report.

Distribution System (DSMPIP)

- Completed pipelines and pump stations asset condition assessments.

Supervisory Control and Data Acquisition/SCADA (SMPIP)

- Completed Early Implementation Projects planning for use in the SMPIP Upgrades – Phase 1 project.

**CADD Services**

- Maintained a monthly CADD service request completion rate of over 90% compared to incoming submittals.
- Maintained the CADD Standards Training Program, including updates to the website, training videos, and user guidelines.
- Successfully completed more than 200 CADD service requests.
- Continued district-wide upgrade of Civil 3D software from Version 2021 to Version 2024.
- Provided Autodesk software support, including installation, troubleshooting, and license management, to over 150 users of Civil 3D, Revit, and AutoCAD Electrical across the district.

**Land Surveying & Mapping**

- Conducted deformation monitoring at multiple critical sites, including Rinconada and Penitencia Water Treatment Plants, Coyote and Anderson Dams and Tunnels, and Vasona, Chesbro, Uvas, Stevens Creek, Almaden, and Guadalupe Dams, as well as the Santa Clara Conduit Fault Crossing.
- Performed a Cross Valley Level Circuit Subsidence Survey, covering over 100 miles of high-precision leveling.
- Provided right-of-way support for future District projects at Sunnyvale East and West, Almaden-Calero Canal and Calero Dam Seismic Retrofit.
- Established post-construction models for monitoring Reaches 4, 5, 6, 7A & 14 on the Upper Llagas Floodplain Protection Project, covering approximately 11 miles of creek.
- Provided surveying support for the Anderson Dam Seismic Retrofit Project (ADSRP) using Unmanned Aerial Vehicles (UAVs), Interferometric Synthetic Aperture Radar (InSAR), and terrestrial survey methods.

## FY 2027 Milestones

**Business Planning and Analysis**

- Capital Improvement Program:
  - Develop the CIP FY 2028–32 Five-Year Plan through the annual cycle.
  - Implement the final recommendations from the 2026 CIP Benchmarking Study conducted by PMA Consultants.
  - Develop, test, pilot, and implement a CIP Long-Term Forecast (LTF) Template for long-term financial forecasting and resource allocation.
  - Provide updates and annual training on CIP development workflows and Capital QEMS policies and document control.
- Capital Project Management and Project Controls Program:
  - Continue support and training for Projectmates, the project management information system, and continue development and implementation of the project controls component of the program, including an audit-as-you-go approach.
  - Coordinate/prepare biennial QEMS staff trainings.
  - Review auditor findings from the Capital Delivery Process Audit and assist with management responses and implementation suggestions; continue developing and improving dashboard reports.
- Safe, Clean Water Program:
  - Develop the FY 2025–26 annual report.
  - Organize the IMC's tour of Safe, Clean Water Program's project sites.
  - Coordinate the IMC's review of the FY 2025–26 Annual Report.
  - Implement IMC recommendations as approved by the Board and in accordance with the program Change Control

Process.
  - Implement the final recommendations of the independent professional audit of the Safe, Clean Water Program conducted by PMA Consultants.

**Business Support and Asset Management**

- Develop FY 2027–31 Water Utility Asset Renewal Plan.
- Develop FY 2027–28 Water Utility Small Capital Improvement Project plans.
- Use business analytics Power BI-based dashboard reports for improved water utility maintenance planning.
- Complete the WTPMPIP Implementation Plan and initiate CIP program management activities.
- Complete the DSMPIP Problem Definition Report and Planning Study Report.
- Complete the SMPIP platform selection and Design and Implementation Standards.

**CADD Services**

- Maintain the CADD Standards Training Program (website updates, training videos, guidelines, etc.)
- Update the CADD Standards Manual for Contractors and Consultants.
- Improve and/or maintain the CADD Request on-time completion rating at 85% or higher.
- Develop the Standard Details Manual.
- Create the Operations & Maintenance Project CADD Manual and templates.

**Land Surveying & Mapping**

- Perform the Cross Valley Level Circuit and deliver data.
- Conduct deformation monitoring at multiple critical sites, including Rinconada and Penitencia Water Treatment Plants, Coyote and Anderson Dams and Tunnels, and Vasona, Chesbro, Uvas, Stevens Creek, Almaden, and Guadalupe Dams, as well as the Santa Clara Conduit Fault Crossing.
- Complete 100% of all Survey Requests received in a timely and efficient manner.

## FY 2028 Milestones

### Business Planning and Analysis

- Capital Improvement Program:
  - Develop the CIP FY 2029–33 Five-Year Plan through the annual planning cycle.
  - Continue the implementation of the final recommendations from the 2026 CIP Benchmarking Study conducted by PMA Consultants.
  - Continue the implementation of the CIP LTF Template for long-term financial forecasting and resource allocation.
  - Provide regular updates and conduct annual training on CIP development workflows, as well as Capital QEMS policies and document control procedures.
- Capital Project Management and Project Controls Program:
  - Continue support and training for, and expanded implementation of, Projectmates, Valley Water’s project management information system, and advance the development and rollout of the program’s project controls framework, including an audit-as-you-go approach
  - Continue to provide support for implementation of audit recommendations; and continue developing and improving dashboard reports.
- Safe, Clean Water Program:
  - Develop the FY 2026–27 Safe, Clean Water annual report.
  - Organize the IMC’s tour of Safe, Clean Water Program’s project sites.
  - Coordinate the IMC’s review of the FY 2026–27 Annual Report.

- Implement IMC recommendations as approved by the Board and in accordance with the program Change Control Process.

**Business Support and Asset Management**

- Develop FY 2028–32 Water Utility Asset Renewal Plan.
- Develop FY 2028–29 Water Utility Small Capital Improvement Project plans.
- Use business analytics Power BI and AVEVA PI integration for enhanced water utility maintenance planning.
- Lead WTPMPIP CIP program management activities.
- Complete the DSMPIP Implementation Plan.
- Complete the SMPIP Planning Study Report and Implementation Plan.

**CADD Services**

- Maintain the CADD Standards Training Program, including website updates, training videos, and user guidelines.
- Update the CADD Standards Manual for Contractors and Consultants to reflect current best practices.
- Improve or maintain an on-time completion rate of 85% or higher for CADD service requests.

**Land Surveying & Mapping**

- Perform the Cross Valley Level Circuit.
- Conduct ongoing deformation monitoring at key facilities and infrastructure, including Rinconada and Penitencia Water Treatment Plants; Coyote Dam and Tunnel; Vasona, Chesbro, Anderson, Uvas, Stevens Creek, Almaden, and Guadalupe Dams; and Santa Clara Conduit Fault Crossing.
- Complete photogrammetric and volumetric surveys of two Valley Water reservoirs.
- Perform a Cross Valley Level Circuit Subsidence Survey, covering over 100 miles of high-precision leveling.
- Conduct right-of-way surveys and develop digital terrain models for Coyote Creek.
- Provide construction monitoring and support for the Upper Llagas Floodplain Protection Project, covering approximately 11 miles of creek.
- Support ADSRP surveying using UAVs, InSAR, and terrestrial methods.

## Budget Issues and Constraints

- Balancing the budgetary requirements of Valley Water's core missions—water supply, environmental stewardship, and flood protection.
- Addressing funding gaps by seeking supplemental sources such as grants, partnerships, and federal contributions.
- Managing over 20,000 assets, which necessitates prioritizing and analyzing subsets of assets each year rather than evaluating all assets annually.
- Relying on collaboration and support from operations, maintenance, and engineering staff across all Valley Water business areas.

## Office of Assistant Chief Executive Officer — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 11,405,560 | 14,362,693 | 10,856,970 | 12,100,777 |
| Operating Project | 145,739 | 23,502 | 77,023 | 55,871 |
| Capital | 9,280,044 | 9,087,713 | 10,681,259 | 11,891,907 |
| **Total (1)** | **20,831,344** | **23,473,907** | **21,615,252** | **24,048,555** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Business Planning and Analysis Unit | 4,337,493 | 4,892,375 | 5,062,905 | 5,334,387 |
| Business Support & Asset Management | 5,780,465 | 6,398,974 | 4,462,102 | 5,784,136 |
| CADD Services | 2,623,529 | 2,975,870 | 3,070,563 | 3,307,207 |
| Land Surveying & Mapping | 5,689,932 | 6,041,182 | 6,215,558 | 6,634,904 |
| Office of Integrated Water Management | 2,399,926 | 3,165,506 | 2,804,125 | 2,987,921 |
| **Total (1)** | **20,831,344** | **23,473,907** | **21,615,252** | **24,048,555** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Office of Assistant Chief Executive Officer - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **47** | **47** | **42** | **42** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Business Planning and Analysis** | | | | | |
| | **Salaries & Benefits** | 1,101,744 | 1,204,388 | 981,051 | 1,025,645 |
| | **Services & Supplies** | 25,879 | 43,440 | 38,440 | 37,997 |
| | **Intra District Charges** | 648,088 | 730,432 | 557,026 | 625,920 |
| **Business Planning and Analysis Total** | | 1,775,711 | 1,978,260 | 1,576,516 | 1,689,562 |
| **Business Support & Asset Management** | | | | | |
| | **Salaries & Benefits** | 2,401,277 | 2,791,987 | 1,640,310 | 2,069,375 |
| | **Services & Supplies** | 415,319 | 920,000 | 784,500 | 807,675 |
| | **Intra District Charges** | 1,457,169 | 1,723,746 | 922,282 | 1,244,064 |
| **Business Support & Asset Management Total** | | 4,273,765 | 5,435,733 | 3,347,092 | 4,121,115 |
| **CADD Services** | | | | | |
| | **Salaries & Benefits** | 194,212 | 232,169 | 238,794 | 254,076 |
| | **Services & Supplies** | 7,438 | 12,000 | 12,000 | 12,000 |
| | **Intra District Charges** | 113,144 | 137,688 | 129,291 | 146,946 |
| **CADD Services Total** | | 314,794 | 381,856 | 380,085 | 413,022 |
| **Land Surveying & Mapping** | | | | | |
| | **Salaries & Benefits** | 1,657,394 | 1,980,664 | 1,627,479 | 1,659,783 |
| | **Services & Supplies** | 139,010 | 231,900 | 239,000 | 240,000 |
| | **Intra District Charges** | 990,700 | 1,232,312 | 959,697 | 1,045,246 |
| **Land Surveying & Mapping Total** | | 2,787,104 | 3,444,876 | 2,826,176 | 2,945,028 |
| **Office of Integrated Water Management** | | | | | |
| | **Salaries & Benefits** | 1,425,888 | 1,587,534 | 1,396,877 | 1,485,902 |
| | **Services & Supplies** | 105,383 | 560,300 | 592,050 | 570,050 |
| | **Intra District Charges** | 868,655 | 997,635 | 815,198 | 931,969 |
| **Office of Integrated Water Management Total** | | 2,399,926 | 3,145,469 | 2,804,125 | 2,987,921 |
| **Operations Total [1]** | | **11,551,299** | **14,386,195** | **10,933,993** | **12,156,648** |

# Division Summaries

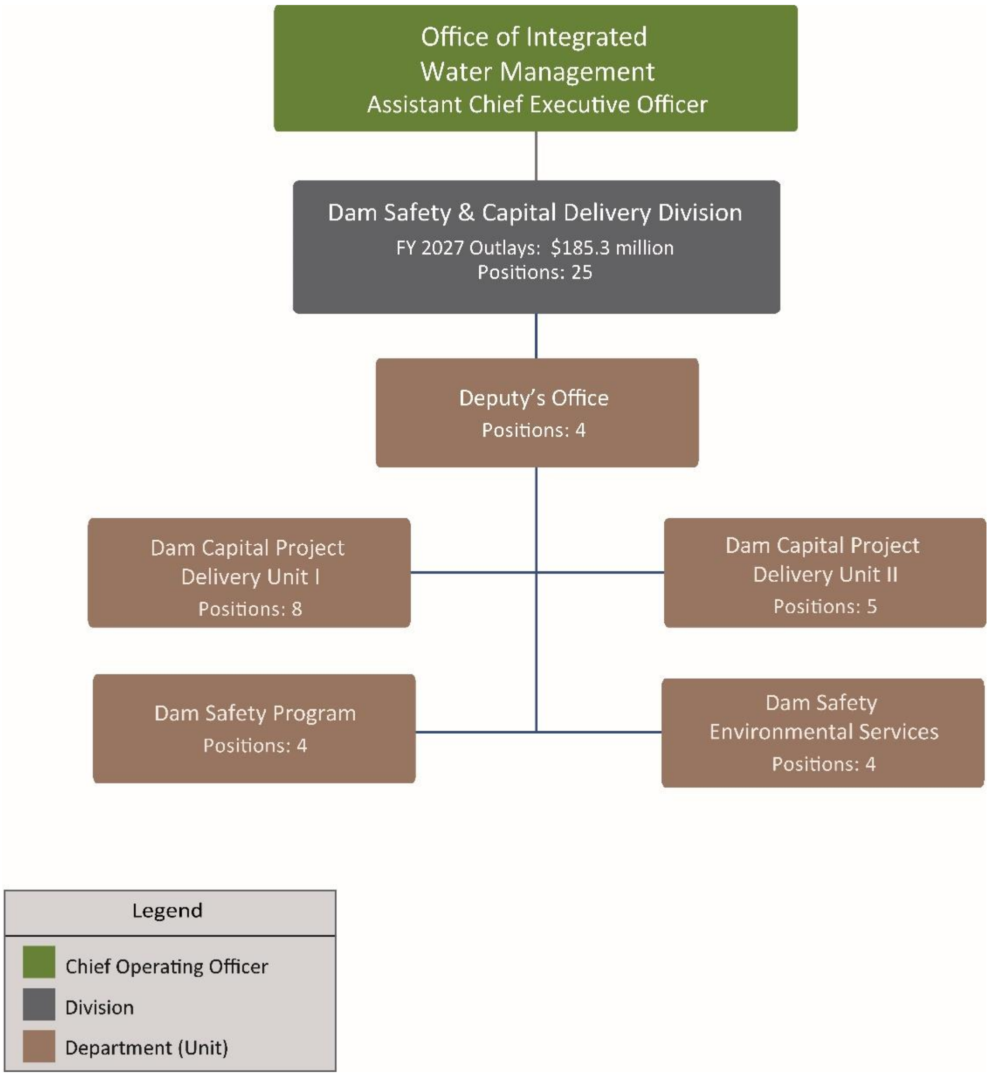
## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Business Planning and Analysis** | | | | | |
| | **Salaries & Benefits** | 1,575,180 | 1,619,716 | 2,021,631 | 2,038,130 |
| | **Services & Supplies** | 52,723 | 335,910 | 341,100 | 341,100 |
| | **Intra District Charges** | 933,879 | 958,489 | 1,123,658 | 1,265,595 |
| **Business Planning and Analysis Total** | | 2,561,782 | 2,914,115 | 3,486,389 | 3,644,825 |
| **Business Support & Asset Management** | | | | | |
| | **Salaries & Benefits** | 931,943 | 693,742 | 628,427 | 320,506 |
| | **Services & Supplies** (2) | 8,025 | (159,217) | 133,111 | 1,149,649 |
| | **Intra District Charges** | 566,732 | 428,716 | 353,471 | 192,866 |
| **Business Support & Asset Management Total** | | 1,506,700 | 963,241 | 1,115,010 | 1,663,021 |
| **CADD Services** | | | | | |
| | **Salaries & Benefits** | 1,459,339 | 1,605,991 | 1,722,074 | 1,810,360 |
| | **Services & Supplies** | 10,004 | 36,640 | 36,280 | 37,000 |
| | **Intra District Charges** | 839,393 | 951,383 | 932,124 | 1,046,825 |
| **CADD Services Total** | | 2,308,735 | 2,594,013 | 2,690,478 | 2,894,185 |
| **Land Surveying & Mapping** | | | | | |
| | **Salaries & Benefits** | 1,635,210 | 1,390,941 | 1,914,688 | 2,048,810 |
| | **Services & Supplies** | 295,119 | 314,850 | 314,850 | 315,350 |
| | **Intra District Charges** | 972,497 | 890,515 | 1,159,844 | 1,325,715 |
| **Land Surveying & Mapping Total** | | 2,902,827 | 2,596,306 | 3,389,382 | 3,689,876 |
| **Office of Integrated Water Management** | | | | | |
| | **Salaries & Benefits** | – | 12,295 | – | – |
| | **Intra District Charges** | – | 7,742 | – | – |
| **Office of Integrated Water Management Total** | | – | 20,037 | – | – |
| **Capital Total** (1),(2) | | **9,280,044** | **9,087,713** | **10,681,259** | **11,891,907** |
| **Division Total** (1),(2) | | **20,831,344** | **23,473,907** | **21,615,252** | **24,048,555** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

(2) Negative Services & Supplies (S&S) balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

## Dam Safety and Capital Delivery Division



# Division Summaries

## Division Description and Objectives

The Dam Safety and Capital Delivery Division is responsible for planning, design, construction, and ongoing maintenance of the dam facilities, as well as delivery of capital projects included in Valley Water's five-year Capital Improvement Program (CIP). The objective of the Dam Safety and Capital Delivery Division is to ensure the dam facilities remain safe, compliant with regulatory requirements, and in good condition while advancing critical capital improvements.

In FY 2026, the Division underwent a reorganization to enhance operational efficiency, optimize resource utilization, and better align staff and functions with current project delivery priorities, including the suspension of the Pacheco Reservoir Expansion Project. As part of this effort, roles and responsibilities were clarified to distinguish between planning, design, and construction responsibilities. The Division now consists of four units: the Dam Safety Program Unit, the Dam Capital Project Delivery Unit I, the Dam Capital Project Delivery Unit II, and the Dam Safety Environmental Services Unit.

### Dam Safety Program

The Dam Safety Program Unit, previously known as the Dam Safety Program and Project Delivery Unit, manages maintenance, inspections, regulatory compliance, and safety of the twelve Valley Water dams. Dam safety and dam maintenance activities are carried out through two department programs: the Dam Safety Program, and the Dams and Reservoirs Maintenance Program. Capital projects currently being managed by the department include the Almaden Dam Improvements Project and the Dam Safety Evaluation - Phase 1 Project.

### Dam Capital Project Delivery Unit I

The Dam Capital Project Delivery Unit I was established in FY 2026 to oversee construction phase activities for major dam capital projects. This includes responsibility for construction oversight, quality control, schedule and budget management, contract administration, and project closeout. The unit currently oversees construction of the Anderson Dam Tunnel Project (ADTP), the Anderson Dam Seismic Retrofit Project (ADSRP), and coordinates with other projects related to Anderson Dam.

### Dam Capital Project Delivery Unit II

The Dam Capital Project Delivery Unit II, which replaced the Pacheco Reservoir Expansion Project Delivery unit in FY 2026, is responsible for the planning, design, and delivery of dam capital projects other than Anderson Dam. Capital projects currently managed by the unit include the Calero Dam Seismic Retrofit Project (CDSRP), the Coyote Dam Seismic Stability Project (CDSSP), and the Guadalupe Dam Seismic Retrofit Project (GDSRP).

### Dam Safety Environmental Services Unit

The Dam Safety Environmental Services Unit was formed in FY 2024 to address growing critical environmental compliance needs in the Dam Safety and Capital Delivery Division. The unit provides environmental and regulatory compliance across all dam safety initiatives and capital projects. The unit plays a critical role in supporting both planning/design and construction activities, including major projects such as the Anderson Dam Seismic Retrofit Project, Calero Dam Seismic Retrofit Project, and the Guadalupe Dam Seismic Retrofit Project, as well as broader Division-wide environmental requirements.

## FY 2026 Accomplishments

### Anderson Dam Seismic Retrofit Project:

- Submitted 100% Design Plans and Specifications to the California Division of Safety of Dams (DSOD) and the Federal Energy Regulatory Commission (FERC)
- Obtained authorization to advertise the construction contract
- Secured major regulatory approvals, including biological opinions from the U.S. Fish and Wildlife Service (USFWS) and the National Marine Fisheries Service (NMFS), 401 certification from the State Water Resources Control Board (SWRCB), Consistency Certification from the Bay Conservation and Development Commission (BCDC), and Lake and Streambed Alteration Agreement from the California Department of Fish and Wildlife (CDFW)
- Coordinated the release of the Final Environmental Impact Statement by FERC on February 6, 2026.

### Other Dam Safety and Capital Projects:

- Completed DSOD/FERC annual inspections for all dams and addressed identified maintenance items
- Completed annual surveillance/monitoring reports for all dams
- Completed seismic stability evaluations for Coyote and Uvas Dams
- Advanced the design and development of environmental documents for the Calero Dam Seismic Retrofit Project and Guadalupe Dam Seismic Retrofit Project.
- Completed substantial construction of the Anderson Dam Tunnel Project.

## FY 2027 Milestones

### Anderson Dam Seismic Retrofit Project:

- Obtain authorization to award the construction contract.
- Complete all pre-construction permit requirements.
- Issue administrative Notice to Proceed (NTP) 1 for initial submittals and NTP 2 for construction mobilization.
- Commence construction groundbreaking.

### Other Dam Safety Program Projects:

- Complete 100% design of the dam embankment, spillway, and breaching of Fellows Dike (Package A) for the Calero Dam Seismic Retrofit Project
- Release the Final EIR and obtain permits for Package A of the Calero Dam Seismic Retrofit Project
- Obtain CEQA compliance and permits to begin construction of the Intake Riser Repair Project for Guadalupe Dam Seismic Retrofit Project
- Complete 90% design of the dam embankment and spillway (Package A) for the Guadalupe Dam Seismic Retrofit Project
- Produce annual FERC/DSOD reports summarizing dam surveillance/monitoring results
- Participate in FERC/DSOD annual inspections and address maintenance issues identified during these inspections
- Begin construction of the Coyote Percolation Dam Phase 2 Project
- Complete construction of the Anderson Dam Tunnel Project.
- Select design and environmental consultant team for Coyote Dam Seismic Stability Project.

## FY 2028 Milestones

**Anderson Dam Seismic Retrofit Project:**

- Complete Year 1 construction activities.
- Complete environmental compliance reporting and surveys for Year 1.

**Other Dam Safety Program Projects:**

- Obtain authorization to advertise and award Package A for the Calero Dam Seismic Retrofit Project.
- Complete 100% design of the dam embankment and spillway (Package A) for the Guadalupe Dam Seismic Retrofit Project
- Release the Draft EIR and submit permit applications for Package A of the Guadalupe Dam Seismic Retrofit Project
- Produce annual FERC/DSOD reports summarizing dam surveillance/monitoring results; participate in FERC/DSOD annual inspections and address maintenance issues identified during these inspections
- Complete construction of the Coyote Percolation Dam Phase 2 Project.

## Budget Issues and Constraints

Progress on all projects can be greatly affected by external forces such as coordination with external agencies and regulatory bodies, securing permits, and negotiating of various agreements between Valley Water and other agencies or regulators. Projects are faced with compressed timelines. Staffing challenges, both within the Division and support from other Valley Water Departments, may present obstacles to the achievement of Division objectives.

## Dam Safety and Capital Delivery Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 2,814,212 | 3,994,595 | 3,199,241 | 3,451,252 |
| Capital | 77,322,040 | 76,624,178 | 182,127,642 | 192,276,100 |
| **Total (1)** | **80,136,252** | **80,618,773** | **185,326,884** | **195,727,352** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Dam Safety Program | 65,524,793 | 105,501,963 | 3,778,772 | 4,087,489 |
| Dam Safety Environmental Services | 4,378,220 | 1,255,411 | 4,634,544 | 5,256,460 |
| Office of Dam Safety and Capital Delivery Division (2) | 1,862,100 | (30,056,005) | (4,537,398) | 2,304,704 |
| Dam Capital Project Delivery Unit I (2) | – | – | 170,767,972 | 163,894,069 |
| Dam Capital Project Delivery Unit II (2) | 8,371,138 | 3,917,404 | 10,682,994 | 20,184,630 |
| **Total (1)(2)** | **80,136,252** | **80,618,773** | **185,326,884** | **195,727,352** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

(2) Negative balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

### Dam Safety and Capital Delivery Division - Position Summary

| | FY 2024-25 Adjusted Budget(2) | FY 2025-26 Adopted Budget(2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **23** | **23** | **25** | **25** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Dam Safety Program** | | | | | |
| | **Salaries & Benefits** | 968,322 | 989,033 | 930,894 | 986,424 |
| | **Services & Supplies** | 1,171,839 | 2,381,200 | 1,635,300 | 1,632,859 |
| | **Intra District Charges** | 621,264 | 624,362 | 545,692 | 618,306 |
| **Dam Safety Program Total** | | 2,761,425 | 3,994,595 | 3,111,885 | 3,237,589 |
| **Dam Safety Environmental Services** | | | | | |
| | **Salaries & Benefits** | 25,623 | – | 55,539 | 132,538 |
| | **Services & Supplies** | 900 | – | – | – |
| | **Intra District Charges** | 14,358 | – | 31,817 | 81,125 |
| **Dam Safety Environmental Services Total** | | 40,881 | – | 87,356 | 213,662 |
| **Office of Dam Safety and Capital Delivery Division** | | | | | |
| | **Services & Supplies** | 1,862 | – | – | – |
| **Office of Dam Safety and Capital Delivery Division Total** | | 1,862 | – | – | – |
| **Dam Capital Project Delivery Unit II** | | | | | |
| | **Salaries & Benefits** | 3,747 | – | – | – |
| | **Services & Supplies** | 5,400 | – | – | – |
| | **Intra District Charges** | 897 | – | – | – |
| **Dam Capital Project Delivery Unit II Total** | | 10,044 | – | – | – |
| **Operations Total (1)** | | **2,814,212** | **3,994,595** | **3,199,241** | **3,451,252** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

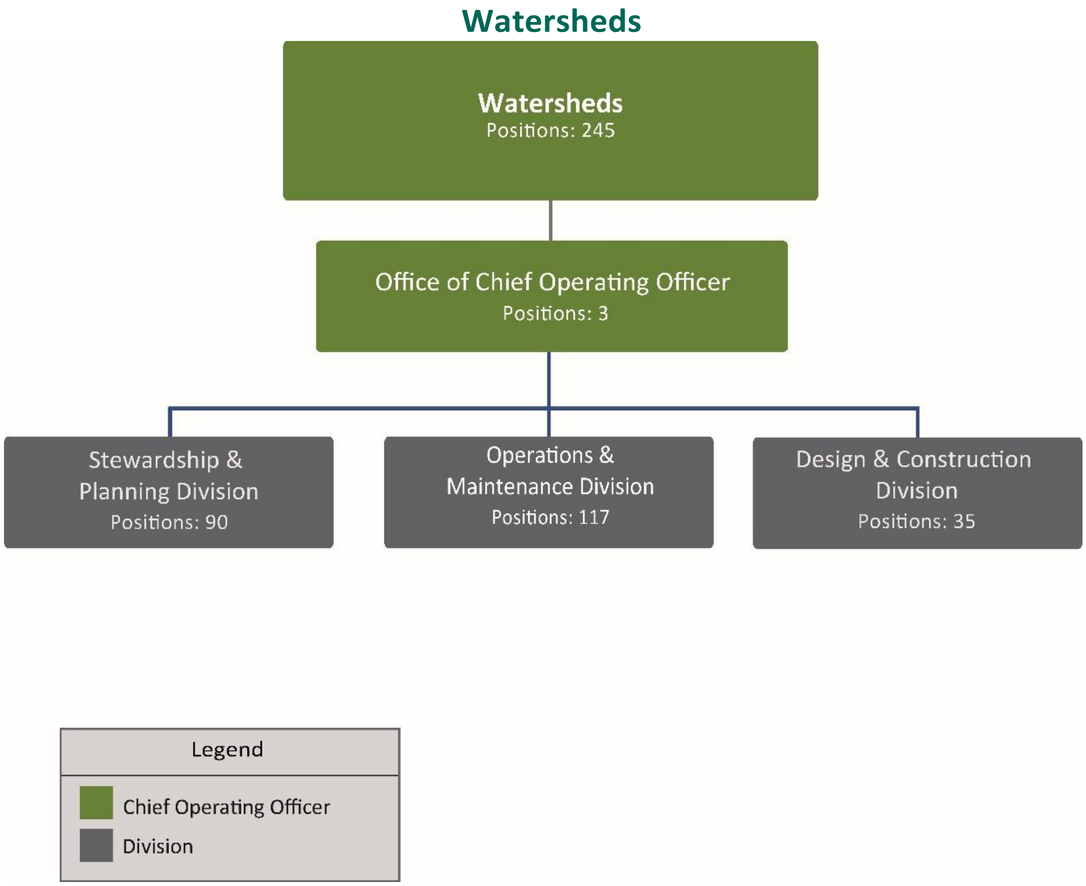
## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Dam Safety Program** | | | | | |
| | **Salaries & Benefits** | 1,374,790 | 1,515,063 | 405,296 | 463,437 |
| | **Services & Supplies** | 60,501,503 | 99,031,491 | 23,849 | 127,961 |
| | **Intra District Charges** | 887,075 | 960,814 | 237,741 | 258,502 |
| **Dam Safety Program Total** | | 62,763,368 | 101,507,369 | 666,887 | 849,900 |
| **Dam Safety Environmental Services** | | | | | |
| | **Salaries & Benefits** | 1,168,649 | 1,502,753 | 1,263,054 | 1,248,979 |
| | **Services & Supplies** | 2,457,223 | (1,184,664) | 2,560,452 | 3,029,150 |
| | **Intra District Charges** | 711,467 | 937,321 | 723,682 | 764,668 |
| **Dam Safety Environmental Services Total** | | 4,337,339 | 1,255,411 | 4,547,188 | 5,042,798 |
| **Office of Dam Safety and Capital Delivery Division** | | | | | |
| | **Salaries & Benefits** | 1,135,388 | 1,188,214 | 1,448,803 | 1,588,927 |
| | **Services & Supplies** | 6,257 | (31,983,925) | (6,809,790) | (230,221) |
| | **Intra District Charges** | 718,593 | 739,705 | 823,589 | 945,998 |
| **Office of Dam Safety and Capital Delivery Division Total** | | 1,860,238 | (30,056,005) | (4,537,398) | 2,304,704 |
| **Dam Capital Project Delivery Unit I** | | | | | |
| | **Salaries & Benefits** | – | – | 2,488,639 | 2,621,435 |
| | **Services & Supplies** | – | – | 166,838,000 | 159,647,000 |
| | **Intra District Charges** | – | – | 1,441,333 | 1,625,634 |
| **Dam Capital Project Delivery Unit I Total** | | – | – | 170,767,972 | 163,894,069 |
| **Dam Capital Project Delivery Unit II** | | | | | |
| | **Salaries & Benefits** | 2,093,003 | 2,221,380 | 1,782,994 | 1,941,512 |
| | **Services & Supplies** | 5,055,176 | 371,868 | 7,913,566 | 17,141,134 |
| | **Intra District Charges** | 1,212,916 | 1,324,157 | 986,434 | 1,101,985 |
| **Dam Capital Project Delivery Unit II Total** | | 8,361,095 | 3,917,404 | 10,682,994 | 20,184,630 |
| **Capital Total (1),(2)** | | **77,322,040** | **76,624,178** | **182,127,642** | **192,276,100** |
| **Division Total (1),(2)** | | **80,136,252** | **80,618,773** | **185,326,884** | **195,727,352** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

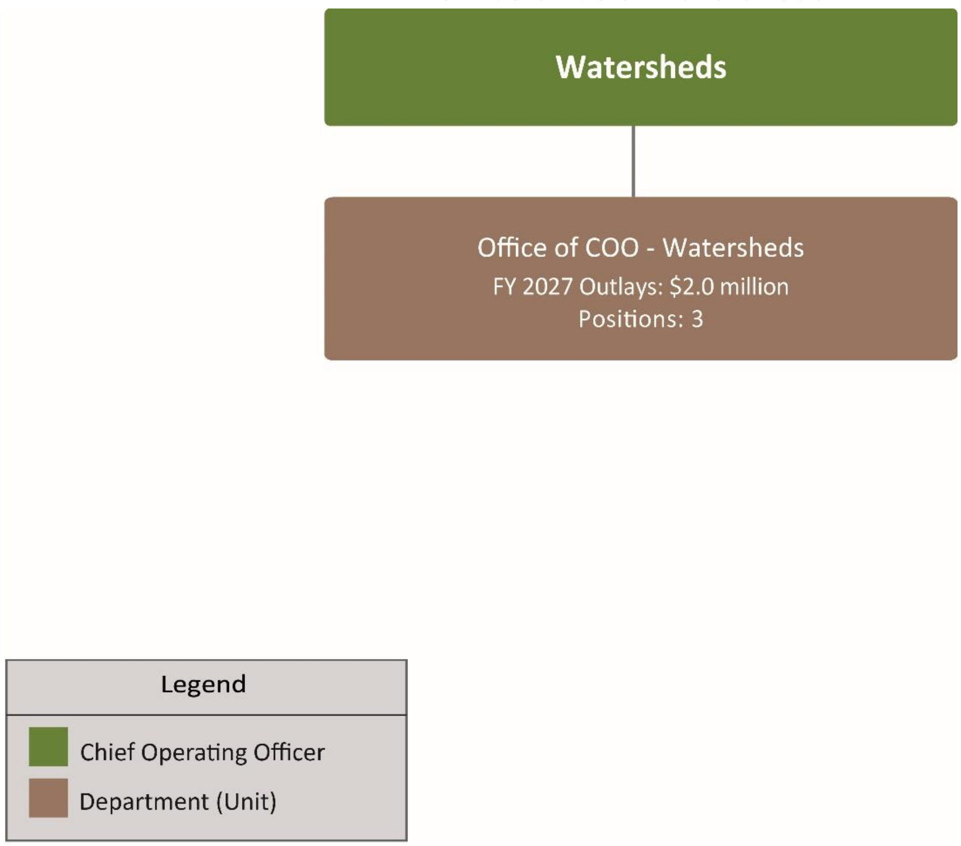
(2) Negative Services & Supplies (S&S) balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

# Division Summaries




Watersheds oversees five distinct watershed areas in Santa Clara County and is responsible for overall stewardship of these geographic areas, providing flood protection and field operations and mitigating environmental impacts, while enhancing positive environmental aspects.

## Office of COO Watersheds




The Office of the Chief Operating Officer leads and manages Watersheds to achieve the Board's Ends, Goals, and Objectives. This includes providing Watersheds the leadership, staff, and funding to conduct the administrative aspects of Watersheds functions. In general, this provides for management activities that promote communication, human resources development, budgeting, project efficiencies and process improvement, mentoring and recruitment, and supporting Valley Water-wide special events/efforts that benefit the whole organization.

# Division Summaries

## Office of COO Watersheds — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 1,862,677 | 1,957,421 | 1,967,385 | 2,100,369 |
| **Total (1)** | **1,862,677** | **1,957,421** | **1,967,385** | **2,100,369** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Office of the COO | 1,862,677 | 1,957,421 | 1,967,385 | 2,100,369 |
| **Total (1)** | **1,862,677** | **1,957,421** | **1,967,385** | **2,100,369** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Office of the COO Watersheds - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | 3 | 3 | 3 | 3 |

(1) Authorized positions exclude limited term positions.

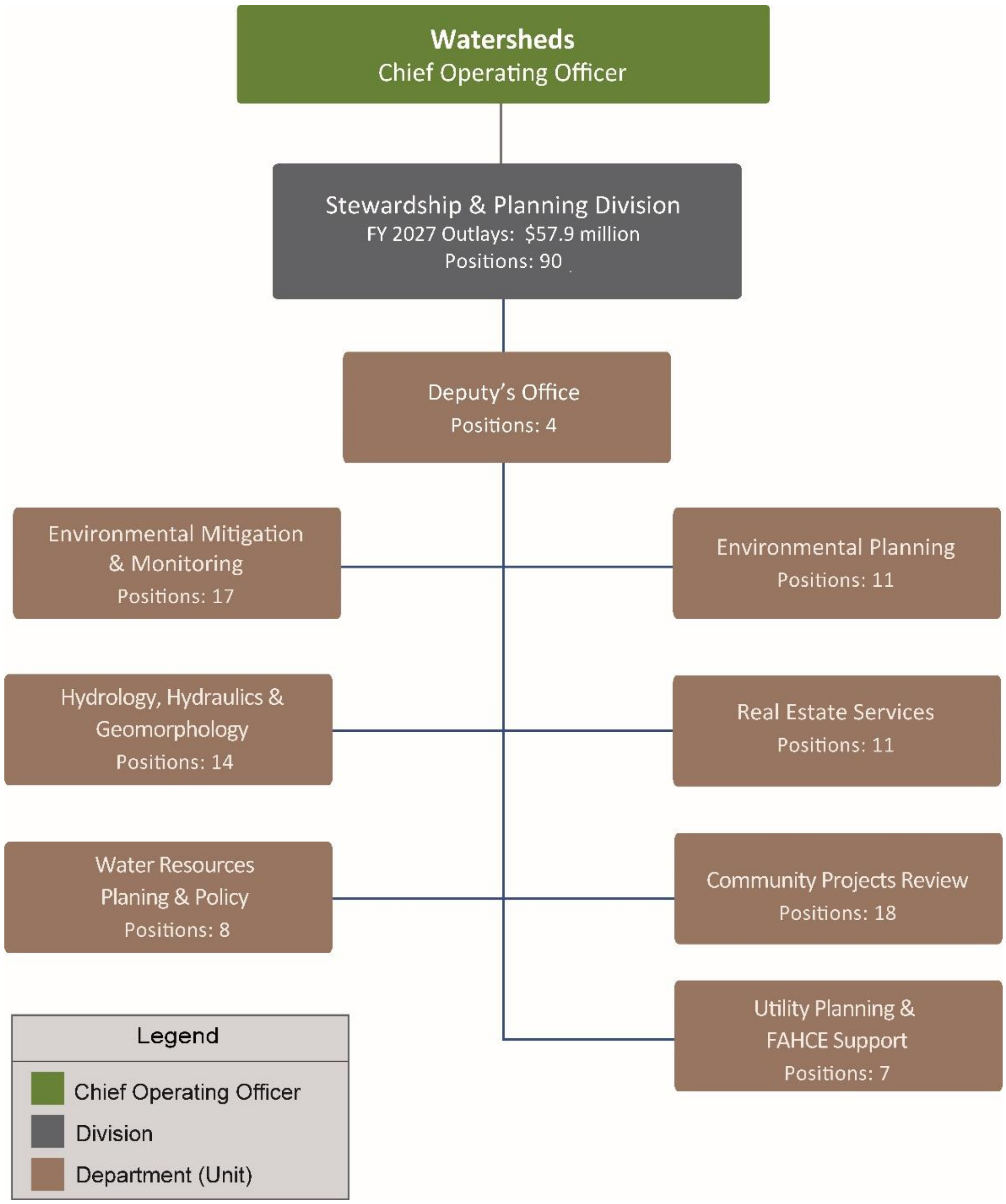
(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

# Division Summaries

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of the COO** | | | | | |
| | **Salaries & Benefits** | 1,144,765 | 1,105,390 | 1,141,819 | 1,202,378 |
| | **Services & Supplies** | 63,497 | 185,115 | 185,115 | 169,826 |
| | **Intra District Charges** | 654,415 | 666,915 | 640,452 | 728,165 |
| **Office of the COO Total** | | 1,862,677 | 1,957,421 | 1,967,385 | 2,100,369 |
| **Operations Total [1]** | | **1,862,677** | **1,957,421** | **1,967,385** | **2,100,369** |

## Watershed Stewardship & Planning Division



# Division Summaries

## Division Description and Objectives

The Watershed Stewardship and Planning Division is composed of seven units and provides project planning for environmental stewardship projects; long-range planning for integrated watershed management; implementation of Valley Water's Climate Change Action Plan; the integration of biological, hydrological, water quality, and geomorphological data into the planning, design, and construction of capital projects and operational programs; oversight of real estate services including acquisition, disposition, and management of property; environmental planning, permitting, and monitoring services; and ensuring Valley Water's compliance with the regional stormwater quality permit. In addition, the Division co-leads the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) and ensures timely completion of Key Performance Indicators for the Safe, Clean Water and Natural Flood Protection Program's surface water quality, environmental monitoring, and habitat enhancement and restoration priorities.

### Community Projects Review

The Community Projects Review Unit provides for protection of Valley Water's Watershed, Water Utility assets, and interests from external activities and violations as defined by the Water Resources Protection Ordinance through the review of approximately 1,640 projects and issuance of approximately 146 encroachment permits for activities on Valley Water right of way and ordinance enforcement for activities undertaken without appropriate permits. Projects include implementation of the Underground Service Alert program that entails reviewing approximately 2,842 tickets per year. The unit also reviews proposed developments within the planning stages as they interface with Valley Water and interests. The unit includes specialized maintenance and development of approximately 12,000 map pages, and the GIS layers showing Valley Water land rights and joint use agreements, as well as providing FEMA, flooding, and water resource information to the public and responding to Public Records Act requests. The unit provides technical support and assists in the negotiation of real estate transactions, including joint use agreements, licenses, and right of way transactions resulting from land use development permit requests, and negotiates or provides support for other types of agreements related to land development, public agency projects, or other construction on Valley Water property. The unit administers the Safe Clean Water Project F9.4 Creekside Neighbor Rebate Program to provide rebates for agencies, organizations, and individuals for watershed activities that provide a public benefit, including bank repair, sediment removal, outfall repair, and downed tree management.

### Environmental Planning

The Environmental Planning Unit provides project planning, environmental document preparation, California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) compliance, and natural resource agency permitting services for water utility and watershed capital projects. Additionally, the unit supports CEQA lead and responsible agency actions for Valley Water permit and grant programs. Finally, the unit manages Safe, Clean Water Projects B1 Impaired Water Bodies Improvement and B2 Inter-agency Urban Runoff Program and provides surface water quality regulatory expertise.

### Environmental Mitigation & Monitoring

The Environmental Mitigation and Monitoring Unit is responsible for: managing long-term mitigation monitoring programs for Valley Water; three ecology-oriented stewardship Safe, Clean Water Programs (D2, D5, and D7); administering two on-call biological services consultant agreements; land management and easement monitoring for mitigation lands; oversight of the plant pathogen program; providing biological subject matter expertise to support over 30 capital projects and long-range planning programs; managing the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE); and mitigation monitoring commitments for the Anderson Dam Seismic Retrofit project. The unit also provides ecological and biological expertise supporting Valley Water activities, projects, and programs to effectively manage natural resources, stewardship, and comply with environmental laws and regulations. The unit specializes in special-status species, jurisdictional habitats, impact and habitat function assessments, avoidance and minimization measures, mitigation design and monitoring, environmental permitting, and stewardship.

### Hydrology, Hydraulics & Geomorphology

The Hydrology, Hydraulics and Geomorphology Unit builds the foundation of Valley Water's flood protection work and provides the essential data for groundwater recharge and reservoir release analysis for environmental purposes. The unit begins with the measurement of rainfall, reservoir, and stream flow gauge data, the analysis of which provides the flood flow frequency that determines the flood-control projects' design basis, routing the flood flow through the creeks, and then determines the creek size and height of levees and floodwalls. The unit manages a flood forecast and flood warning system to send flood warning messages to the community for potential flood risks and develops the geomorphologic analysis that provides the basis for channel modification to minimize maintenance needs and sustain long-term stability.

### Real Estate Services

The Real Estate Services Unit provides real estate services which include buying and selling property, database maintenance and reporting, non-residential and residential leasing and licensing program, negotiation, appraisal, title and relocation services. The unit also covers administrative support of Real Estate services which include database input, maintenance and reporting.

### Water Resources Planning & Policy

The Water Resources Planning and Policy Unit conducts long-range watershed planning and watershed stewardship project planning, develops and seeks funding for stewardship projects, manages and reports on Valley Water's response to climate change, and collaborates with regional partners to promote a coordinated approach to water resources stewardship. The unit is responsible for implementation of Safe, Clean Water Priority D-4 Fish Passage and Habitat Enhancement, including directly overseeing project planning and studies to achieve all five KPIs. Notable projects the unit leads development for include the Calabazas/San Tomas Aquino Creek - Marsh Connection (a partnership with the South Bay Salt Ponds Restoration Project), Pond A4 Resilient Habitat Restoration, the Ogier Ponds Separation from Coyote Creek, Live Oak Reach Restoration Project, the Coyote 10B Freshwater Wetlands, and the Stevens Creek Fish Passage Improvement FAHCE projects, such as Moffett Fish Ladder. Long-range planning efforts include the Climate Change Action Plan, Greenhouse Gas Reduction Plan, the Watershed Master Plans, and the fish passage barrier prioritization studies. The unit is also developing a carbon sequestration program for Valley Water to support its net-zero emissions goal. The unit participates in county-wide and regional planning efforts, such as the Santa Clara County Climate Collaborative, OSA Coyote Valley Coordination meetings, Pajaro River Watershed Resilience Planning Advisory Group, and the Pajaro Compass.

### Utility Planning & FAHCE Support

The Utility Planning & FAHCE Support Unit provides environmental services for water utility projects, operations & maintenance, and the FAHCE program. The unit is responsible for leading CEQA compliance, obtaining natural resource permits, maintaining Valley Habitat Plan compliance for Water Utility Enterprise, as well as leading the implementation of the FAHCE Program.

## FY 2026 Accomplishments

- Managed and implemented the FAHCE program, including finalized mediation on water rights change petitions.
- Contributed SCW D7 funds to the acquisition of Sargent Ranch, resulting in the early completion of SCW D7 for the current 15-year SCW cycle.
- Provided environmental and biological support for numerous capital, flood protection and water utility projects.
- Completed natural resource agency permitting of Coyote Creek Flood Protection, Pond A4 Resilient Habitat Restoration, and Sunnyvale East-West Channels Flood Protection projects.
- Developed comprehensive historical and archaeological resource records research tool for Valley Water fee title and easement properties.
- Completed the Planning Study Report for the Calabazas/San Tomas Aquino Creek-Marsh Connection Project.
- Completed the Planning Study Report and developed conceptual designs and cost estimates for the staff recommended alternative for Ogier Ponds.
- Completed 100% designs and began building the Live Oak Reach Restoration Project.
- Completed the 100% designs and contractor agreement for Pond A4 construction.
- Published the Canal Maintenance Program Draft Environmental Impact Report (EIR) and the Water Treatment Plant Master Plan Draft Program Environmental Impact Report (PEIR).
- Obtained Board approval of a new licensing option process as a part of the Encroachment Remediation Program and completed 70 encroachment remediations.
- Created and rolled out new Creekside Neighbor Rebate program to the public.
- Completed Coyote Creek hydrology and hydraulics update for Guadalupe Watershed Master Plan.
- Executed (Memorandum of Agreement) MOA with K-Water for potential international collaboration.
- Completed acquisitions for Coyote Creek Flood Management Measures Project (CCFMMP).
- Terminated the Santa Teresa lease, resulting in saving Valley Water over $500K annually, and returning staff to VW campus.

## FY 2027 Milestones

- Complete draft Mitigated Negative Declaration for Regnart Creek Bank Stabilization and final Mitigated Negative Declarations for Almaden-Calero Canal Rehabilitation and Lower Penitencia Creek Rehabilitation.
- Secure natural resource agency permits for Upper Berryessa Creek Off-site Mitigation Plan, Lower Calera Creek Inline Check Valve Installation, Almaden-Calero Canal Rehabilitation, and Lower Penitencia Creek Rehabilitation.
- Complete the fish passage impediment prioritization study for Alamitos, Calero, and Guadalupe Creeks under SCW D4 KPI #4.
- Complete the Coyote 10B Freshwater Wetland Planning Study and support Coyote 10B Freshwater Wetlands design.
- Support design of Moffett Fish Ladder passage improvement.
- Complete the Lower Peninsula and West Valley Watershed Master Plans.
- Complete CEQA for the advanced purified water project pilot study and learning center.
- Complete Final Water Treatment Plant Master Plan PEIR.
- Submit Lake and Streambed Alteration Agreement (LSAA) applications for FAHCE dams and diversions.
- Implement new Cityworks database and OnBase Document Storage system, including the creation of new work processes, forms, invoicing, and applications for the new database and close out contract.
- Implement an approved encroachment remediation licensing program and new proactive encroachment planning.
- Update Llagas Creek design flows by completing a calibrated (Hydrologic Engineering Center - Hydrologic Modeling System ) HEC-HMS model.
- Continue updating the Flood Watch web site to support flood emergency monitor and response. Collect sediment and flow data to provide calibration dataset for hydrologic, hydraulic and sediment models.
- Continue processing several licenses, agreements, and easements in/out for both Valley Water-owned properties and Valley Water project required real estate.
- Continue monitoring and renewal of several leases on Valley Water owned property and continued management of Valley Water-owned residential lease properties.
- Continue processing Capital project real estate related requests for acquisition of full fee acquisitions, licenses, easements.
- Dispose of residential properties owned by Valley Water and no longer required for project purposes.

- Continue monitoring, renewing, and terminating leases on Valley Water fee owned real estate.

# Division Summaries

## FY 2028 Milestones

- Maintain partnership MOUs for invasive plant control and habitat restoration under SCW D2.
- Complete final Mitigated Negative Declaration for Regnart Creek Bank Stabilization.
- Secure natural resource agency permits for Regnart Creek Bank Stabilization.
- Maintain Valley Water's municipal stormwater compliance program through 2028 and submit Municipal Regional Stormwater Permit annual report.
- Complete study on two additional creeks for fish passage barriers under SCW D4 KPI #4.
- Complete Climate Change Action Plan Biennial Update.
- Begin the Coyote Watershed Master Plan update.
- Publish Advanced Purified Water Project draft EIR.
- Complete Final Canal Maintenance EIR.
- Implement an approved encroachment remediation licensing program and new proactive encroachment planning.
- Complete Coyote Creek Flood Protection Project (CCFPP), a continuation of Coyote Creek Flood Management Measures Project (CCFMMP).
- Continue updating Flood Watch website to support flood emergency monitor and response.
- Continue processing several licenses, agreements, and easements in/out for both Valley Water-owned properties and Valley Water project required real estate.
- Continue monitoring and renewal of several leases on Valley Water owned property and continued management of Valley Water-owned residential lease properties.
- Continue processing capital project real estate related requests for acquisition of full fee acquisitions, licenses, easements, etc.
- Dispose of residential properties owned by Valley Water and no longer required for project purposes.
- Continue monitoring, renewing, and terminating leases on Valley Water fee owned real estate.

## Budget Issues and Constraints

- Internal staffing shortages have limited the ability to service project demands and delayed responses to encroachment submittals.
- Workload pressures, jurisdictional complexity, and limited design and operations staff continue to constrain project implementation timelines and require increased reliance on other departments.
- Regulatory compliance remains a major challenge, with unpredictable authorization processes, evolving natural resource management requirements, and difficult negotiations with resource agencies on permits and mitigation.
- External factors, including water rights complaints, regulatory permit conditions, and external party requests for reevaluation, unplanned requests, continue to introduce delays and require significant staff attention.
- Funding limitations from external partners and federal agencies, coupled with instability and staffing challenges among federal partners, present ongoing risks to project advancement and long-term planning.

# Division Summaries

## Watershed Stewardship & Planning Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 31,559,167 | 33,950,993 | 39,810,903 | 41,637,365 |
| Operating Project | 2,640,617 | 3,302,891 | 4,502,212 | 4,505,902 |
| Capital | 8,943,475 | 7,091,341 | 13,551,543 | 11,643,970 |
| **Total (1)** | **43,143,260** | **44,345,225** | **57,864,658** | **57,787,237** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Community Projects Review | 7,597,194 | 8,242,176 | 8,557,969 | 9,135,177 |
| Utility Planning & FAHCE Support | – | – | 3,602,116 | 3,873,196 |
| Environmental Mitigation & Monitoring | 10,738,603 | 10,738,733 | 10,797,210 | 10,438,878 |
| Environmental Planning | 6,792,738 | 7,986,931 | 8,323,690 | 8,975,914 |
| Environmental Planning #1 | 28,612 | – | – | – |
| Hydrology, Hydraulics & Geomor | 7,529,159 | 7,558,928 | 8,255,904 | 8,811,404 |
| Office of Watersheds Stewardship & Pln Div | 1,846,402 | 1,343,539 | 2,087,195 | 2,446,168 |
| Real Estate Services | 5,208,382 | 5,694,542 | 5,468,250 | 5,831,549 |
| Water Resources Planning & Policy | 3,402,170 | 2,780,375 | 10,772,324 | 8,274,951 |
| **Total (1)** | **43,143,260** | **44,345,225** | **57,864,658** | **57,787,237** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Watershed Stewardship & Planning Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **90** | **79** | **90** | **90** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2028 Organizational Chart.

# Division Summaries

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Community Projects Review** | | | | | |
| | **Salaries & Benefits** | 4,505,771 | 4,730,744 | 5,013,278 | 5,250,251 |
| | **Services & Supplies** | 251,608 | 551,581 | 675,030 | 675,030 |
| | **Intra District Charges** | 2,736,341 | 2,889,929 | 2,830,906 | 3,166,690 |
| **Community Projects Review Total** | | 7,493,720 | 8,172,253 | 8,519,214 | 9,091,971 |
| **Utility Planning & FAHCE Support Unit** | | | | | |
| | **Salaries & Benefits** | – | – | 1,555,747 | 1,703,374 |
| | **Services & Supplies** | – | – | 204,000 | 210,120 |
| | **Intra District Charges** | – | – | 930,018 | 1,090,432 |
| **Utility Planning & FAHCE Support Unit Total** | | – | – | 2,689,765 | 3,003,927 |
| **Environmental Mitigation & Monitoring** | | | | | |
| | **Salaries & Benefits** | 3,282,004 | 3,312,860 | 3,105,614 | 3,277,083 |
| | **Services & Supplies** | 2,397,229 | 2,251,759 | 2,607,750 | 1,680,476 |
| | **Intra District Charges** | 1,968,770 | 2,054,869 | 1,792,064 | 2,019,054 |
| **Environmental Mitigation & Monitoring Total** | | 7,648,003 | 7,619,489 | 7,505,428 | 6,976,613 |
| **Environmental Planning** | | | | | |
| | **Salaries & Benefits** | 1,483,837 | 1,842,889 | 2,057,921 | 2,280,360 |
| | **Services & Supplies** | 2,117,337 | 2,823,250 | 3,046,090 | 3,152,089 |
| | **Intra District Charges** | 1,014,562 | 1,158,973 | 1,211,848 | 1,435,025 |
| **Environmental Planning Total** | | 4,615,736 | 5,825,113 | 6,315,859 | 6,867,474 |
| **Environmental Planning #1** | | | | | |
| | **Services & Supplies** | 28,612 | – | – | – |
| **Environmental Planning #1 Total** | | 28,612 | – | – | – |
| **Hydrology, Hydraulics & Geomor** | | | | | |
| | **Salaries & Benefits** | 3,433,857 | 3,722,720 | 4,255,458 | 4,385,633 |
| | **Services & Supplies** | 1,401,551 | 1,272,636 | 1,441,000 | 1,484,231 |
| | **Intra District Charges** | 2,069,702 | 2,274,602 | 2,422,289 | 2,665,738 |
| **Hydrology, Hydraulics & Geomor Total** | | 6,905,110 | 7,269,958 | 8,118,747 | 8,535,603 |
| **Office of Watersheds Stewardship & Pln Div** | | | | | |
| | **Salaries & Benefits** | 1,068,318 | 1,158,850 | 1,446,820 | 1,537,601 |
| | **Services & Supplies** | 33,894 | 7,000 | 7,000 | 7,210 |
| | **Intra District Charges** | 685,885 | 722,729 | 846,622 | 967,212 |
| **Office of Watersheds Stewardship & Pln Div Total** | | 1,788,097 | 1,888,578 | 2,300,443 | 2,512,023 |
| **Real Estate Services** | | | | | |
| | **Salaries & Benefits** | 2,029,748 | 2,464,094 | 2,678,317 | 2,823,331 |
| | **Services & Supplies** | 803,068 | 964,850 | 796,180 | 822,967 |
| | **Intra District Charges** | 1,202,848 | 1,483,107 | 1,490,848 | 1,680,075 |
| **Real Estate Services Total** | | 4,035,664 | 4,912,050 | 4,965,345 | 5,326,373 |
| **Water Resources Planning & Policy** | | | | | |
| | **Salaries & Benefits** | 611,376 | 694,676 | 1,811,633 | 1,798,773 |
| | **Services & Supplies** | 680,029 | 434,000 | 1,057,600 | 939,978 |
| | **Intra District Charges** | 393,438 | 437,767 | 1,029,082 | 1,090,531 |
| **Water Resources Planning & Policy Total** | | 1,684,843 | 1,566,442 | 3,898,315 | 3,829,282 |
| **Operations Total [1]** | | **34,199,784** | **37,253,884** | **44,313,115** | **46,143,267** |

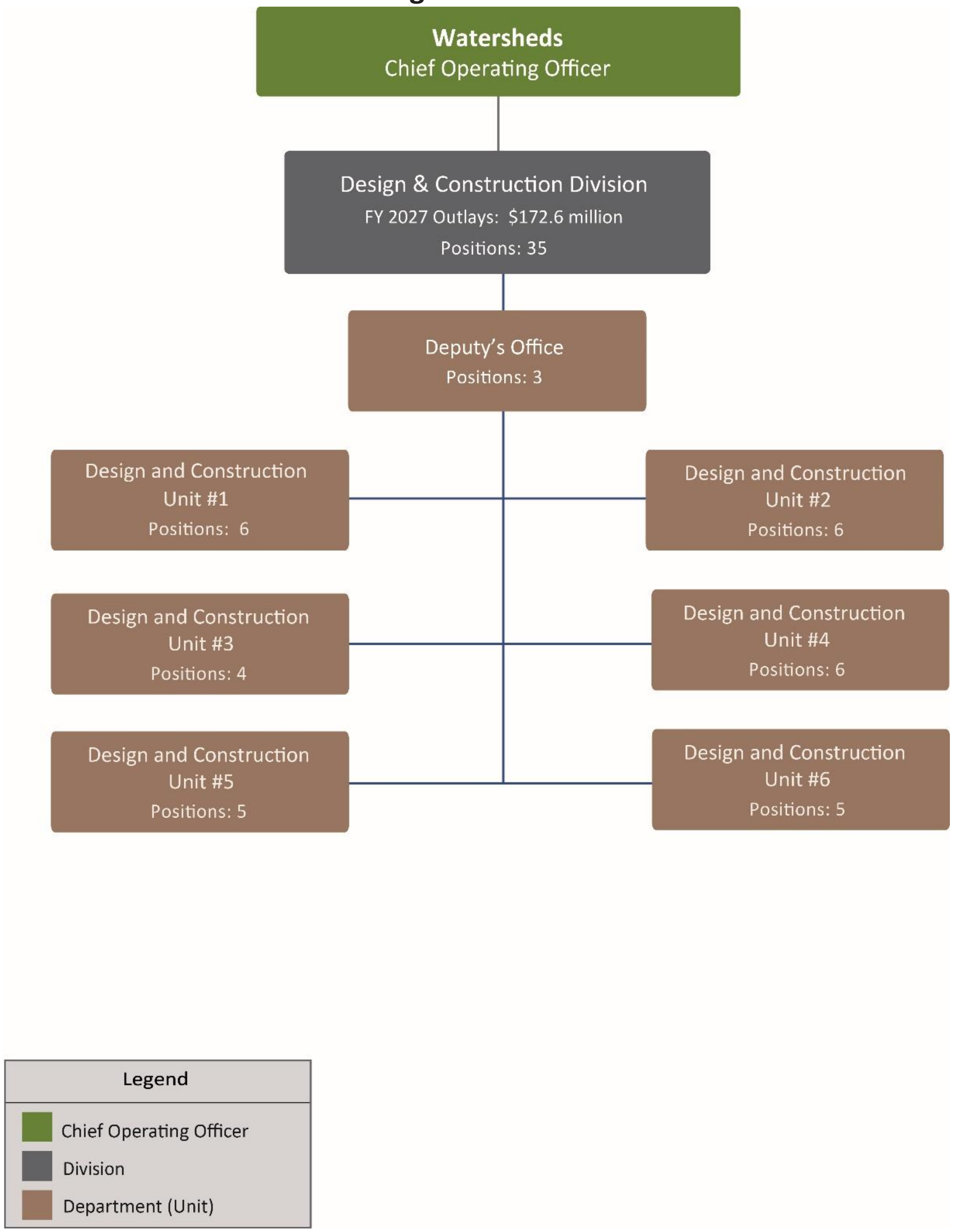
# Division Summaries

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Community Projects Review** | | | | | |
| | **Salaries & Benefits** | 51,868 | 27,756 | 24,770 | 26,956 |
| | **Services & Supplies** | 20,951 | 25,216 | – | – |
| | **Intra District Charges** | 30,655 | 16,951 | 13,985 | 16,249 |
| **Community Projects Review Total** | | 103,474 | 69,923 | 38,755 | 43,206 |
| **Utility Planning & FAHCE Support Unit** | | | | | |
| | **Salaries & Benefits** | – | – | 570,289 | 529,368 |
| | **Intra District Charges** | – | – | 342,062 | 339,901 |
| **Utility Planning & FAHCE Support Unit Total** | | – | – | 912,351 | 869,269 |
| **Environmental Mitigation & Monitoring** | | | | | |
| | **Salaries & Benefits** | 1,845,250 | 1,856,929 | 2,045,570 | 2,072,560 |
| | **Services & Supplies** | 139,309 | 100,000 | 85,500 | 100,000 |
| | **Intra District Charges** | 1,106,041 | 1,162,316 | 1,160,712 | 1,289,705 |
| **Environmental Mitigation & Monitoring Total** | | 3,090,600 | 3,119,245 | 3,291,782 | 3,462,265 |
| **Environmental Planning** | | | | | |
| | **Salaries & Benefits** | 1,238,714 | 1,252,516 | 1,246,015 | 1,187,396 |
| | **Services & Supplies** | 91,657 | 115,000 | 25,000 | 170,000 |
| | **Intra District Charges** | 846,631 | 794,302 | 736,816 | 751,044 |
| **Environmental Planning Total** | | 2,177,002 | 2,161,818 | 2,007,831 | 2,108,440 |
| **Hydrology, Hydraulics & Geomor** | | | | | |
| | **Salaries & Benefits** | 380,533 | 177,217 | 86,492 | 169,595 |
| | **Services & Supplies** | 7,054 | – | – | – |
| | **Intra District Charges** | 236,463 | 111,753 | 50,665 | 106,206 |
| **Hydrology, Hydraulics & Geomor Total** | | 624,049 | 288,970 | 137,157 | 275,801 |
| **Office of Watersheds Stewardship & Pln Div** | | | | | |
| | **Salaries & Benefits** | 3,974 | – | – | – |
| | **Services & Supplies** | 51,854 | (545,039) | (213,247) | (65,855) |
| | **Intra District Charges** | 2,478 | – | – | – |
| **Office of Watersheds Stewardship & Pln Div Total** | | 58,306 | (545,039) | (213,247) | (65,855) |
| **Real Estate Services** | | | | | |
| | **Salaries & Benefits** | 731,091 | 419,082 | 315,243 | 316,464 |
| | **Services & Supplies** | 6,816 | 114,000 | 15,000 | – |
| | **Intra District Charges** | 434,811 | 249,409 | 172,662 | 188,712 |
| **Real Estate Services Total** | | 1,172,718 | 782,492 | 502,905 | 505,175 |
| **Water Resources Planning & Policy** | | | | | |
| | **Salaries & Benefits** | 909,283 | 860,672 | 897,193 | 1,039,933 |
| | **Services & Supplies** | 221,060 | (189,209) | 5,466,997 | 2,775,117 |
| | **Intra District Charges** | 586,985 | 542,469 | 509,819 | 630,618 |
| **Water Resources Planning & Policy Total** | | 1,717,327 | 1,213,933 | 6,874,009 | 4,445,669 |
| **Capital Total [(1),(2)]** | | **8,943,475** | **7,091,341** | **13,551,543** | **11,643,970** |
| **Division Total [(1),(2)]** | | **43,143,260** | **44,345,225** | **57,864,658** | **57,787,237** |

[(1)] Totals reflect the gross budget and includes intra-district reimbursement charges.
[(2)] Negative Services & Supplies (S&S) balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

## Watershed Design & Construction Division



# Division Summaries

## Division Description and Objectives

The Watersheds Design and Construction Division designs and constructs capital projects related to flood protection and environmental stewardship. This includes delivery of projects in Valley Water's rolling 5-year Capital Improvement Program (CIP) and the Safe, Clean Water Program. The objectives of the Division are to provide natural flood protection for residents, businesses, and visitors; and, to protect and restore creek, bay, and other aquatic ecosystems.

The Division has six units responsible for planning, design and construction of various watershed and water resource stewardship capital projects.

These projects include, but are not limited to:

- Coyote Creek, Montague Expressway to Tully Road Project
- Coyote Creek Flood Management Measures Project
- Bolsa Road Fish Passage Improvements Project
- Guadalupe River-Upper, I-280 to Blossom Hill Road Project
- Guadalupe River-Upper, I-280 to SPRR (Reach 6) Project
- Lower Guadalupe River Capacity Restoration Project
- Berryessa Creek, Calaveras Boulevard to I-680 Project
- Palo Alto Tide Gate Structure Seismic Retrofit and Rehabilitation Project
- Lower Penitencia Creek Improvements Project
- Upper Penitencia Creek, Coyote Creek to Dorel Drive Project
- San Francisco Bay Shoreline - EIA 11 Project
- San Francisco Bay Shoreline – EIAs 5-10 Project
- Llagas Creek-Upper, Phase 2B Construction Project
- Sunnyvale East and West Channels Flood Protection Project
- SCW Regnart Creek Rehabilitation Project
- Aquatic Resource Creation at Ford Road Percolation Pond Project

The Division is also responsible for the implementation of the Watersheds Asset Rehabilitation Program (WARP) projects, which includes repair and rehabilitation of several segments of natural and concrete-lined channels, levees and flood walls along Calabazas Creek, Guadalupe River, Lower Penitencia Creek, and Saratoga Creek. Projects are identified and prioritized annually by the Operations and Maintenance (O&M) engineering staff, who identify rehabilitation needs beyond the everyday maintenance capability of O&M staff and which require engineering designs to restore damaged sections.

Valley Water's Watershed Capital program has a significant portion implemented in partnership with other local and federal partners, such as the United States Army Corps of Engineers (USACE) and San Francisquito Creek Joint Powers Authority (SFCJPA). With significant funding and technical lead or support roles, Valley Water plays a vital role in advancing and implementing these projects.

The Division plays a key role in advancing projects which include:

- Guadalupe River-Upper, I-280 to Blossom Hill Rd. Project (Planning/Design)
- San Francisco Bay Shoreline - EIA 11 Project, Reaches 4-5 (Planning/Design)
- San Francisco Bay Shoreline - EIAs 5-10 Project (Planning)
- San Francisquito Creek, San Francisco Bay to Middlefield Road Project (Design) (Valley Water is one of five member agencies)

# Division Summaries

## FY 2026 Accomplishments

- Completed year 2 construction of Llagas Creek-Upper, Phase 2B Construction Project.
- Completed year 1 civil construction of the Palo Alto Tide Gate Seismic Retrofit and Rehabilitation Project.
- Completed year 1 civil construction of WARP Stevens Creek Evelyn Fish Passage Project.
- Completed civil construction of WARP Permanente and Hale Creeks Concrete Channel Repair Project.
- Completed civil construction of WARP Calabazas Creek - Miller to Bollinger Road Erosion Repair Project.
- Completed construction of WARP South Babb Creek Flood Mitigation Project.
- Completed flood risk management levee construction for San Francisco Bay Shoreline - EIA 11 Project, Reaches 1-3.
- Completed the plant establishment and maintenance phase for Lower Calera Creek Flood Protection Project.
- Completed the plant establishment and maintenance phase for Hale Creek Enhancement Pilot Project.
- Completed design and advertised the Berryessa Creek, Calaveras Boulevard to I-680 - Upper Berryessa Creek Off-site Mitigation Project.
- Completed design of WARP Guadalupe Riverbank Stabilization Project: Malone Road and Blossom Hill Road.
- Completed 95% design set and submitted to City of Sunnyvale for review of Sunnyvale East and West Channels Flood Protection Project.
- Completed the Final Environmental Impact Report, the final design and advertised the Coyote Creek, Montague Expressway to Tully Road Project for construction bids.
- Supported the San Francisquito Creek Joint Powers Authority’s planning and design of the San Francisquito Creek, San Francisco Bay to Middlefield Road Project.
- Supported as Non-Federal Sponsor to U.S. Army Corps of Engineers (USACE) Feasibility Study for the San Francisco Bay Shoreline - EIAs 5-10 Project.
- Supported as Non-Federal Sponsor to USACE General Re-Evaluation Study for the Guadalupe River-Upper, I-280 to Blossom Hill Road Project, completing the third year of the Study.

## FY 2027 Milestones

- Complete year 3 construction of Llagas Creek-Upper, Phase 2B Construction Project.
- Complete year 2 civil construction of WARP Stevens Creek Evelyn Fish Passage Project.
- Complete year 2 construction with hydraulic flap gate replacement for Palo Alto Tide Gate Seismic Retrofit and Rehabilitation Project.
- Complete plant establishment and maintenance phase for the Lower Penitencia Creek Improvements Project.
- Complete plant establishment and maintenance phase for the Bolsa Road Fish Passage Improvement Project.
- Complete year 2 of plant establishment for the Palo Alto Tide Gate Seismic Retrofit and Rehabilitation Project.
- Begin construction of the Coyote Creek, Montague Expressway to Tully Road Project.
- Begin construction of the Berryessa Creek, Calaveras Boulevard to I-680 - Upper Berryessa Creek Off-site Mitigation Project.
- Begin construction of the WARP Guadalupe Riverbank Stabilization Project: Malone Road and Blossom Hill Road.
- Begin construction of the WARP Saratoga Creek Concrete Drop Structures Rehabilitation Project.
- Complete design of the Sunnyvale East and West Channels Flood Protection Project.
- Complete design of Coyote 10B Freshwater Wetlands Project.
- Continue 90% design of the WARP Guadalupe River at San Carlos Erosion Repair Project.
- Complete 60% and 90% design of SCW Regnart Creek Rehabilitation Project.
- Complete 60% design for the SCW D4.3 Fish Improvements (Moffett) Project.
- Complete evaluation of smaller scoped project for the Guadalupe River-Upper, I-280 to Blossom Hill Road Project.
- Complete evaluation of a smaller scoped project for Upper Penitencia Creek, Coyote Creek to Dorel Drive Project to reduce the risk of immediate flooding.
- Complete Planning Study Report for the Aquatic Resources Creation at Ford Road Percolation Pond Project.
- Support as Non-Federal Sponsor to USACE Feasibility Study for the San Francisco Bay Shoreline - EIAs 5-10 Project.
- Support design efforts for San Francisco Bay Shoreline - EIA 11 Project for remaining project elements of Reaches 1-3 and for Reaches 4 and 5.

- Support the San Francisquito Creek Joint Powers Authority's planning and design of the San Francisquito Creek, San Francisco Bay to Middlefield Road Project.

## FY 2028 Milestones

- Complete Year 3 civil construction of WARP Stevens Creek Evelyn Fish Passage Project.
- Complete year 1 construction of Coyote Creek, Montague Expressway to Tully Road Project.
- Complete Year 1 construction of the WARP Guadalupe Riverbank Stabilization Project: Malone Road and Blossom Hill Road.
- Complete Year 3 of plant establishment for Palo Alto Flood Basin Tide Gate Seismic Retrofit and Rehabilitation Project.
- Complete design and begin construction for the SCW Regnart Creek Rehabilitation Project.
- Complete design and begin construction of the WARP Lower Penitencia Creek at Great Mall Parkway Erosion Repair Project.
- Complete design and begin construction of the WARP Calabazas Creek Concrete Invert Overlay Project.
- Complete design and begin construction of the Coyote 10B Fresh Water Wetlands Project.
- Complete design for the Aquatic Resource Creation at Ford Road Percolation Pond Project.
- Complete 90% design for the SCW D4.3 Fish Passage Improvements (Moffett) Project.
- Complete 60% design of the Guadalupe River-Upper, I-280 to SPRR (Reach 6), Phase 2 Aquatic Habitat Improvement Project.
- Begin design of re-scoped Upper Penitencia Creek, Coyote Creek to Dorel Drive Project.
- Begin design of smaller scope project for the Guadalupe River-Upper, I-280 to Blossom Hill Road Project.
- Support design efforts for San Francisco Bay Shoreline - EIA 11 Project for remaining project elements of Reaches 1-3 and for Reaches 4 and 5.
- Support the San Francisquito Creek Joint Powers Authority's planning and design of the San Francisquito Creek, San Francisco Bay to Middlefield Road Project.

## Budget Issues and Constraints

- Environmental permitting remains a major challenge, including CEQA, obtaining permits from regulatory agencies (California Department of Fish and Wildlife, California Regional Water Quality Control Board), and securing timely approval for action under (Stream Maintenance Program) SMP permits.
- Seasonal construction work windows, especially for in-creek work during summer months, limit flexibility and can vary depending on permits.
- Limited right of way in project corridors and increasing real estate acquisition costs significantly limit the types of infrastructure that can be constructed, especially in highly urbanized areas.
- Environmental factors, including special status species, limit feasible design options.
- Certain projects are led by external agencies (San Francisco Bay Shoreline - EIAs 5-10 and EIA 11: USACE; Guadalupe River-Upper, I-280 to Blossom Hill Road Project: USACE (United States Army Corps of Engineers); San Francisquito Creek, San Francisco Bay to Middlefield Road Project: SFCJPA) and are therefore subject to their respective schedules, funding, and approval processes.
- Project implementation is constrained by external funding availability, including federal and local sources, and timing of future authorizations.

## Watershed Design & Construction Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 222,945 | 96,853 | 2,877,806 | 1,352,745 |
| Operating Project | 3,401 | – | 2,932 | 3,147 |
| Capital | 89,899,513 | 71,967,554 | 169,723,866 | 190,671,235 |
| **Total (1)** | **90,125,859** | **72,064,407** | **172,604,605** | **192,027,127** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Design & Construction Unit #1 | 18,431,911 | 21,060,974 | 81,079,162 | 80,265,776 |
| Design & Construction Unit #2 | 4,961,193 | 8,988,361 | 2,440,610 | 2,095,015 |
| Design & Construction Unit #3 | 55,208,020 | 21,441,966 | 74,142,401 | 54,182,711 |
| Design & Construction Unit #4 | 3,111,614 | 7,017,489 | 5,888,146 | 29,219,538 |
| Design & Construction Unit #5 | 3,831,378 | 7,362,531 | 1,583,908 | 13,231,127 |
| Design & Construction Unit #6 | 3,083,189 | 4,593,389 | 5,784,287 | 11,202,790 |
| Office of WS Design&Const Div | 1,498,553 | 1,599,697 | 1,686,091 | 1,830,169 |
| **Total (1)** | **90,125,859** | **72,064,407** | **172,604,605** | **192,027,127** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Watershed Design & Construction Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **41** | **36** | **35** | **35** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2028 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Design & Construction Unit #1** | | | | | |
| | **Salaries & Benefits** | 1,311 | 4,403 | 11,500 | 12,032 |
| | **Services & Supplies** | 10,653 | – | 8,500 | 8,755 |
| | **Intra District Charges** | 109 | 2,758 | 6,661 | 7,457 |
| **Design & Construction Unit #1 Total** | | 12,073 | 7,161 | 26,660 | 28,244 |
| **Design & Construction Unit #2** | | | | | |
| | **Salaries & Benefits** | 2,760 | 2,315 | 11,519 | 12,077 |
| | **Services & Supplies** | 2,816 | – | – | – |
| | **Intra District Charges** | 1,430 | 1,379 | 3,764 | 4,069 |
| **Design & Construction Unit #2 Total** | | 7,005 | 3,693 | 15,282 | 16,147 |
| **Design & Construction Unit #3** | | | | | |
| | **Services & Supplies** | 3,643 | 2,000 | 900 | 900 |
| **Design & Construction Unit #3 Total** | | 3,643 | 2,000 | 900 | 900 |
| **Design & Construction Unit #4** | | | | | |
| | **Salaries & Benefits** | 1,334 | 3,432 | 3,562 | 7,461 |
| | **Services & Supplies** | 1,823 | 900 | 900 | 927 |
| | **Intra District Charges** | 84 | 2,078 | 2,008 | 4,496 |
| **Design & Construction Unit #4 Total** | | 3,240 | 6,410 | 6,470 | 12,884 |
| **Design & Construction Unit #5** | | | | | |
| | **Salaries & Benefits** | 2,141 | – | – | – |
| | **Services & Supplies** | 2,542 | – | – | – |
| | **Intra District Charges** | 1,003 | – | – | – |
| **Design & Construction Unit #5 Total** | | 5,685 | – | – | – |
| **Design & Construction Unit #6** | | | | | |
| | **Salaries & Benefits** | 65,087 | 52,259 | 237,744 | 248,265 |
| | **Services & Supplies** | 96,763 | – | 2,460,000 | 900,000 |
| | **Intra District Charges** | 32,849 | 25,330 | 133,681 | 149,453 |
| **Design & Construction Unit #6 Total** | | 194,699 | 77,589 | 2,831,425 | 1,297,718 |
| **Operations Total [1]** | | **226,346** | **96,853** | **2,880,738** | **1,355,892** |

[1] Totals reflect the gross budget and includes intra-district reimbursement charges.

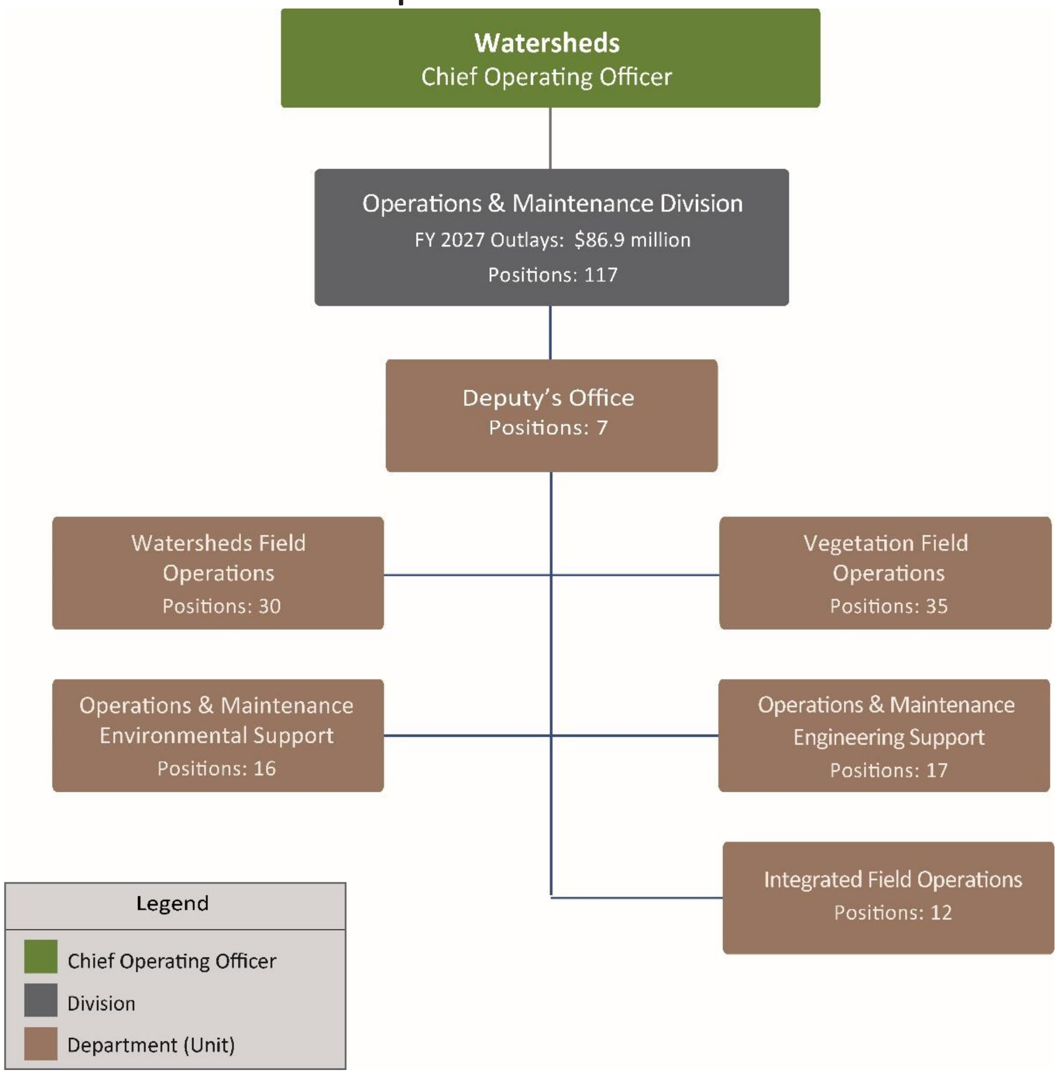
## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Design & Construction Unit #1** | | | | | |
| | **Salaries & Benefits** | 2,075,965 | 2,253,279 | 1,799,823 | 1,895,736 |
| | **Services & Supplies** | 15,036,636 | 17,388,045 | 78,209,012 | 77,165,603 |
| | **Intra District Charges** | 1,307,237 | 1,412,489 | 1,043,667 | 1,176,193 |
| **Design & Construction Unit #1 Total** | | 18,419,838 | 21,053,813 | 81,052,502 | 80,237,533 |
| **Design & Construction Unit #2** | | | | | |
| | **Salaries & Benefits** | 2,024,646 | 1,478,827 | 1,855,757 | 1,945,726 |
| | **Services & Supplies** | 1,758,643 | 6,624,399 | (455,569) | (1,014,491) |
| | **Intra District Charges** | 1,170,899 | 881,442 | 1,025,140 | 1,147,633 |
| **Design & Construction Unit #2 Total** | | 4,954,188 | 8,984,668 | 2,425,328 | 2,078,869 |
| **Design & Construction Unit #3** | | | | | |
| | **Salaries & Benefits** | 1,317,536 | 1,245,009 | 1,293,781 | 1,354,275 |
| | **Services & Supplies** | 53,076,546 | 19,417,971 | 72,096,867 | 51,987,213 |
| | **Intra District Charges** | 810,295 | 776,986 | 750,853 | 840,322 |
| **Design & Construction Unit #3 Total** | | 55,204,377 | 21,439,966 | 74,141,501 | 54,181,811 |
| **Design & Construction Unit #4** | | | | | |
| | **Salaries & Benefits** | 1,890,010 | 1,985,038 | 1,809,777 | 1,891,697 |
| | **Services & Supplies** | 116,735 | 3,824,195 | 3,051,432 | 26,174,807 |
| | **Intra District Charges** | 1,101,629 | 1,201,846 | 1,020,466 | 1,140,151 |
| **Design & Construction Unit #4 Total** | | 3,108,374 | 7,011,079 | 5,881,676 | 29,206,654 |
| **Design & Construction Unit #5** | | | | | |
| | **Salaries & Benefits** | 1,105,705 | 1,282,125 | 1,653,329 | 1,731,075 |
| | **Services & Supplies** | 2,065,808 | 5,280,000 | (1,021,699) | 10,433,958 |
| | **Intra District Charges** | 654,180 | 800,407 | 952,278 | 1,066,094 |
| **Design & Construction Unit #5 Total** | | 3,825,693 | 7,362,531 | 1,583,908 | 13,231,127 |
| **Design & Construction Unit #6** | | | | | |
| | **Salaries & Benefits** | 1,405,931 | 1,455,764 | 1,244,768 | 1,300,290 |
| | **Services & Supplies** | 582,921 | 2,140,340 | 970,820 | 7,779,412 |
| | **Intra District Charges** | 899,639 | 919,696 | 737,274 | 825,370 |
| **Design & Construction Unit #6 Total** | | 2,888,491 | 4,515,800 | 2,952,861 | 9,905,072 |
| **Office of WS Design&Const Div** | | | | | |
| | **Salaries & Benefits** | 960,722 | 1,000,705 | 1,093,310 | 1,156,897 |
| | **Services & Supplies** | 5,166 | 7,650 | 7,650 | 7,650 |
| | **Intra District Charges** | 532,665 | 591,342 | 585,130 | 665,622 |
| **Office of WS Design&Const Div Total** | | 1,498,553 | 1,599,697 | 1,686,091 | 1,830,169 |
| **Capital Total (1),(2)** | | **89,899,513** | **71,967,554** | **169,723,866** | **190,671,235** |
| **Division Total (1),(2)** | | **90,125,859** | **72,064,407** | **172,604,605** | **192,027,127** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

(2) Negative Services & Supplies (S&S) balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

## Watershed Operations & Maintenance Division



## Division Description and Objectives

The Watersheds Operations and Maintenance Division (O&M) maintains 350 miles of the County's 800 miles of streams across all five watersheds for flow conveyance, flood risk reduction, water quality, habitat protection, and fire risk reduction. The Division is composed of five units that provide field maintenance, vegetation management, engineering support, encampment cleanup, and environmental services for Watershed and Raw Water facilities and lands managed under the Stream Maintenance Program. The Division also oversees the Stream Maintenance Program (SMP) to ensure work is performed according to regulatory permits and stream maintenance guidelines.

### Watershed Field Operations

The Watersheds Field Operations unit is responsible for the coordination and management of field construction and routine maintenance activities on Watersheds facilities, coordination of storm response services, and monitoring of safety procedures. The unit ensures that work is performed efficiently, effectively, with minimal environmental impact, and with the highest regard for the safety of the public and staff.

### Vegetation Field Operations

The Vegetation Field Operations Unit (VFO) is responsible for the coordination and management of integrated vegetation management programs to control instream vegetation to maintain flow conveyance, upland vegetation management for maintenance access and fire code compliance, the Watersheds hazard tree program, SMP riparian planting and invasive plant management mitigation projects, and mitigation site maintenance on Valley Water facilities including capital projects. VFO also provides design and installation of geo-textile components and hydroseeding for projects completed under SMP. VFO is responsible for managing and implementing the Sandbag Program to build and deliver a supply of filled sandbags or sand and empty bags to the public during the winter storm season, and to supply sandbags for maintenance projects as needed.

### Operations & Maintenance Environmental Support

The Operations and Maintenance Environmental Support unit provides environmental and logistics support to Valley Water operations and maintenance activities in both Watersheds and Water Utility Enterprise. The unit supports the Stream Maintenance Program, Hazard Tree Program, Dam Maintenance Program and Pipeline Maintenance Program, as well as numerous other O&M activities that occur outside these major programs. Environmental support includes preparation of California Environmental Quality Act (CEQA) analysis, permitting, and mitigation monitoring and reporting. Logistics support includes implementation of the Equipment Material and Labor program, as well as delivery of Valley Water-wide services such as sediment and water quality sampling/testing, rodent control, archeological consulting, and landfill disposal.

### Operations & Maintenance Engineering Support

The Watersheds Operations and Maintenance Engineering Support unit is responsible for conducting creek and levee inspections, preparing work orders, and providing engineering support for operations and maintenance activities for streams, levees, and other watersheds assets within Santa Clara County over which Valley Water has responsibility. This work supports the flood protection and watershed stewardship components of Valley Water's mission.

### Integrated Field Operations

The Integrated Field Operations Unit is comprised of two Good Neighbor: Encampment Cleanup crews which are responsible for the planning and performance of encampment management activities to address the environmental impacts of encampments of unsheltered people. The unit also houses an additional Water Utility Enterprise maintenance crew which supports water utility maintenance as requested. These activities are conducted on Valley Water fee title property as well as where it has easement on both watersheds and water utility facilities, including creeks, dams, reservoirs, recharge ponds, canals, pipelines and water treatment plants.

## FY 2026 Accomplishments

- Oversaw maintenance and operations on Valley Water's 350 miles of streams, levees, and other watersheds assets across all five of Santa Clara County's watersheds for flow conveyance, flood risk reduction, water quality, habitat protection, and fire risk reduction.
- Completed 20 sediment removal projects (clearing approximately 24,000 total cubic yards of sediment) and 15 bank stabilization projects (repairing approximately 2,100 linear feet of creek bank) to reduce the risk of flooding to homes, businesses, and schools and to ensure stream and levee flow conveyance.
- Conducted approximately 2,000 acres of vegetation management for access and fire risk reduction along levee, property lines and maintenance roads.
- Managed over 300 acres of riparian planting projects and maintained over 200 acres of invasive plant management in all five watersheds.
- Managed vegetation at seven dam sites.
- Removed more than one acre of giant reed (Arundo donax) at more than 10 sites throughout the county for habitat protection, flood control, and fire risk reduction.
- Removed approximately 50 eucalyptus trees as part of a statewide fuel reduction effort.
- Distributed approximately 75,000 sandbags throughout the County.
- Removed more than 45,000 square feet of graffiti.
- Installed or repaired approximately 6,500 linear feet of fencing.
- Conducted approximately 450 trash and debris removal projects, clearing approximately 1,500 cubic yards of trash and debris.
- Managed an additional 300 acres of trash, debris, and hazardous pollutants generated from encampments to reduce the amount of these pollutants entering streams.
- Completed the initial implementation period for the Water Resources Protection Zones Ordinance which established regulations prohibiting camping and related activities on Valley Water lands to address the environmental, health, and safety impacts caused by encampment activity.
- Continued collaboration with the County of Santa Clara, providing annual funding up to $200,000 for the County Office of Supportive Housing to coordinate and provide human services to unsheltered people residing on Valley Water lands.
- Secured Board approval of the Stream Maintenance Program (SMP-3) and certified the SEIR in compliance with CEQA, enabling streamlined planning and implementation of stream maintenance activities for 2027–2036.
- Submitted regulatory permit applications for the SMP-3 2027-2036 program.
- Inspected approximately 300 miles of creeks and over 100 miles of levees.
- Provided engineering support and construction oversight for Stream Maintenance Program (SMP) bank protection, levee maintenance, and sediment removal projects.
- Submitted annual inspection reports to U.S. Army Corps of Engineers for Guadalupe River, Coyote Creek, Upper Berryessa Creek, and Uvas Creek Flood Protection Projects.
- Submitted annual inspection report to Natural Resources Conservation Service (NRCS) for NRCS-constructed reaches of Lower Llagas Creek Flood Protection Project (PL-566).
- Provided inspection, engineering, and Field Information Team (FIT)-related support in anticipation of winter storm events and emergency operations activations.
- Submitted the SMP Annual Summary Report (ASR) to regulatory agencies in January 2026 summarizing Valley Water's 2025 SMP work.
- Submitted the SMP Notice of Proposed Work (NPW) to regulatory agencies in April 2026 in preparation for the June-October 2026 stream maintenance season.

## FY 2027 Milestones

- Complete 30 instream sediment removal and erosion repair/bank stabilization projects across Valley Water's five watersheds during the Stream Maintenance Program season (June 15 - October 15).
- Conduct approximately 2,000 acres of vegetation management for access and fire risk reduction along levee, property lines and maintenance roads.
- Manage 300 acres of riparian planting projects and at least 200 acres of invasive plant management mitigation sites.
- Manage vegetation at seven dam sites.
- Continue targeted control of damaging non-native, invasive plant species throughout the County, such as Arundo donax.
- Address emergence of invasive shothole borer in riparian areas, including coordination with regulators, local agencies, and municipalities.
- Continue hazard tree removals to protect people and property.
- Remove approximately 50 eucalyptus trees as part of a statewide fuel reduction effort.
- Make and distribute 40,000 sandbags to sites countywide by November 30th.
- Clean up identified trash and graffiti hotspots at approximately 80 sites four times per year.
- Respond to litter and graffiti requests within five working days.
- Install or repair approximately 6,500 linear feet of fencing.
- Conduct approximately 450 trash and debris removal projects, clearing approximately 1,500 cubic yards of trash and debris.
- Manage an additional 300 acres of trash, debris, and hazardous pollutants generated from encampments to reduce the amount of these pollutants entering streams.
- Continue implementation of the Water Resources Protection Zones Ordinance which establishes regulations prohibiting camping and related activities on Valley Water lands to address the environmental, health, and safety impacts caused by encampment activity.
- Provide up to $500,000 per year in cost-share with local agencies for services related to encampment cleanups, including services supporting staff safety, discouraging re-encampments along waterways, or addressing the homelessness crisis with the goal of reducing the need for encampment cleanups.
- Implement revised SMP program, including new regulatory permits with a go live date of January 2027. Provide engineering support for SMP projects as follows: (a) Prepare necessary information to ensure SMP annual Notice of Proposed Work occurs by April 15th and ensure SMP Annual Summary Report occurs by January 31st; (b) Provide engineering and construction support for SMP bank protection, sediment removal, vegetation management, and levee maintenance projects (generally between June 15th and October 15th); (c) Provide engineering and inspection input as part of development of SMP-3.
- For U.S. Army Corps of Engineers (USACE)-constructed reaches of Shoreline, Guadalupe River, Coyote Creek, Upper Berryessa Creek, and Uvas Creek: (a) Conduct semi-annual inspections by November 1 and May 30; (b) Prepare and submit annual inspection reports to USACE by August 1st.
- For Natural Resources Conservation Service (NRCS)-constructed reaches of Lower Llagas Creek Flood Protection Project (PL-566): (a) Conduct annual inspection; (b) Prepare and submit annual inspection report to NRCS.
- Conduct inspections of creeks and levees (ongoing).
- Review and provide feedback on Watersheds Capital Improvement Plan (CIP) projects' designs and Community Projects Review Unit submittals.

## FY 2028 Milestones

- Complete 30 instream sediment removal and erosion repair/bank stabilization projects across Valley Water's five watersheds during the Stream Maintenance Program season (June 15 - October 15).
- Conduct approximately 2,000 acres of vegetation management for access and fire risk reduction along levee, property lines and maintenance roads.
- Manage 300 acres of riparian planting projects and at least 200 acres of invasive plant management mitigation sites.
- Manage vegetation at seven dam sites.
- Continue targeted control of damaging non-native, invasive plant species throughout the County, such as Arundo donax.
- Address emergence of invasive shothole borer in riparian areas, including coordination with regulators, local agencies, and municipalities.
- Continue hazard tree removals to protect people and property.
- Remove approximately 50 eucalyptus trees as part of a statewide fuel reduction effort.
- Make and distribute 40,000 sandbags to sites countywide by November 30th.
- Clean up identified trash and graffiti hotspots at approximately 80 sites four times per year.
- Respond to litter and graffiti requests within five working days.
- Install or repair approximately 6,500 linear feet of fencing.
- Conduct approximately 450 trash and debris removal projects, clearing approximately 1,500 cubic yards of trash and debris.
- Manage an additional 300 acres of trash, debris, and hazardous pollutants generated from encampments to reduce the amount of these pollutants entering streams.
- Continue implementation period of the Water Resources Protection Zones Ordinance, which establishes regulations prohibiting camping and related activities on Valley Water lands to address the environmental, health, and safety impacts caused by encampment activity.
- Provide up to $500,000 per year in cost-share with local agencies for services related to encampment cleanups, including services supporting staff safety, discouraging re-encampments along waterways, or addressing the homelessness crisis with the goal of reducing the need for encampment cleanups.
- Provide engineering support for Stream Maintenance Program (SMP) projects as follows: (a) Prepare necessary information to ensure SMP annual Notice of Proposed Work occurs by April 15th and ensure SMP Annual Summary Report occurs by January 31st; (b) Provide engineering and construction support for SMP bank protection, sediment removal, vegetation management, and levee maintenance projects (generally between June 15th and October 15th); (c) Provide engineering and inspection input as part of development of SMP-3.
- For U.S. Army Corps of Engineers (USACE)-constructed reaches of Shoreline, Guadalupe River, Coyote Creek, Upper Berryessa Creek, and Uvas Creek: (a) Conduct semi-annual inspections by November 1 and May 30; (b) Prepare and submit annual inspection reports to USACE by August 1st.
- For Natural Resources Conservation Service (NRCS)-constructed reaches of Lower Llagas Creek Flood Protection Project (PL-566): (a) Conduct annual inspection; (b) Prepare and submit annual inspection report to NRCS.
- Conduct inspections of creeks and levees (ongoing).
- Review and provide feedback on Watersheds Capital Improvement Plan (CIP) projects' designs and Community Projects Review Unit submittals.

## Budget Issues and Constraints

- Ongoing systemic Watersheds O&M issues (e.g., erosion, burrowing rodents, infrastructure failure, vegetation and/or sediment compromising design flow conveyance capacity, and flood protection capital projects that may require redesign and reconstruction to restore levels of service).
- The limited supply of housing and shelter in Santa Clara County results in continuing challenges as Valley Water seeks to reduce encampment activity on its property as required by the Water Resources Protection Zones Ordinance.
- Seasonal maintenance work windows limit the extent of maintenance work completed annually.
- Regulatory compliance remains a challenge, with lack of timely response, unpredictable authorization processes, evolving permit requirements, and difficult negotiations with resource agencies on permits and mitigation.
- Current staffing levels are insufficient to meet expanding maintenance demands, as the program continues to assume responsibility for newly completed capital projects without corresponding increases in maintenance staffing resources.

## Watershed Operations & Maintenance Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 69,114,380 | 78,901,347 | 83,230,939 | 91,084,853 |
| Operating Project | 1,047,424 | 1,570,650 | 3,156,862 | 2,760,382 |
| Capital | 1,458,998 | 1,127,689 | 519,791 | 454,258 |
| **Total (1)** | **71,620,801** | **81,599,685** | **86,907,591** | **94,299,493** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Office of Watershed O&M Division | 9,029,269 | 16,437,508 | 3,359,869 | 3,643,358 |
| Integrated Field Operations | | – | 14,668,029 | 16,140,900 |
| Operations & Maintenance Engineering Support | 7,738,151 | 7,783,307 | 7,922,940 | 9,562,653 |
| Operations & Maintenance Environmental Support | 11,935,771 | 12,871,820 | 11,363,447 | 13,118,543 |
| Vegetation Field Operations | 20,638,830 | 23,404,281 | 26,816,657 | 27,728,389 |
| Watersheds Field Operations | 22,276,679 | 21,102,770 | 22,776,650 | 24,105,650 |
| West & Guad Watershed Projects | 2,101 | – | – | – |
| **Total (1)** | **71,620,801** | **81,599,685** | **86,907,591** | **94,299,493** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Watershed Operations & Maintenance Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **123** | **123** | **117** | **125** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2028 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of Watershed O&M Division** | | | | | |
| | **Salaries & Benefits** | 3,942,921 | 4,533,051 | 2,154,054 | 2,280,260 |
| | **Services & Supplies** | 2,480,711 | 9,046,900 | 17,900 | 18,203 |
| | **Intra District Charges** | 2,421,248 | 2,660,836 | 1,187,915 | 1,344,895 |
| **Office of Watershed O&M Division Total** | | 8,844,880 | 16,240,787 | 3,359,869 | 3,643,358 |
| **Integrated Field Operations** | | | | | |
| | **Salaries & Benefits** | – | – | 3,170,224 | 4,632,935 |
| | **Services & Supplies** | – | – | 9,471,733 | 8,517,391 |
| | **Intra District Charges** | – | – | 2,026,071 | 2,990,575 |
| **Integrated Field Operations Total** | | – | – | 14,668,029 | 16,140,900 |
| **Ops & Maintenance Engineering Support** | | | | | |
| | **Salaries & Benefits** | 4,316,018 | 4,449,435 | 4,673,686 | 4,952,633 |
| | **Services & Supplies** | 706,723 | 451,500 | 476,500 | 1,484,450 |
| | **Intra District Charges** | 2,626,210 | 2,758,498 | 2,678,567 | 3,036,635 |
| **Ops & Maintenance Engineering Support Total** | | 7,648,951 | 7,659,433 | 7,828,753 | 9,473,718 |
| **Ops & Maintenance Environmental Support** | | | | | |
| | **Salaries & Benefits** | 5,243,581 | 5,729,942 | 4,554,511 | 4,837,367 |
| | **Services & Supplies** | 1,776,236 | 1,999,000 | 2,690,360 | 3,691,500 |
| | **Intra District Charges** | 4,062,613 | 4,447,524 | 3,855,241 | 4,396,460 |
| **Ops & Maintenance Environmental Support Total** | | 11,082,430 | 12,176,466 | 11,100,112 | 12,925,327 |
| **Vegetation Field Operations** | | | | | |
| | **Salaries & Benefits** | 8,153,979 | 9,172,594 | 9,378,669 | 10,583,452 |
| | **Services & Supplies** | 7,071,542 | 8,036,200 | 11,093,950 | 9,609,842 |
| | **Intra District Charges** | 5,383,355 | 6,107,049 | 6,215,293 | 7,396,780 |
| **Vegetation Field Operations Total** | | 20,608,876 | 23,315,843 | 26,687,911 | 27,590,073 |
| **Watersheds Field Operations** | | | | | |
| | **Salaries & Benefits** | 7,138,706 | 7,456,207 | 7,706,212 | 8,113,725 |
| | **Services & Supplies** | 10,253,787 | 8,495,673 | 10,120,073 | 10,426,106 |
| | **Intra District Charges** | 4,584,175 | 5,127,587 | 4,916,841 | 5,532,027 |
| **Watersheds Field Operations Total** | | 21,976,667 | 21,079,467 | 22,743,127 | 24,071,858 |
| **Operations Total (1)** | | **70,161,804** | **80,471,997** | **86,387,801** | **93,845,235** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

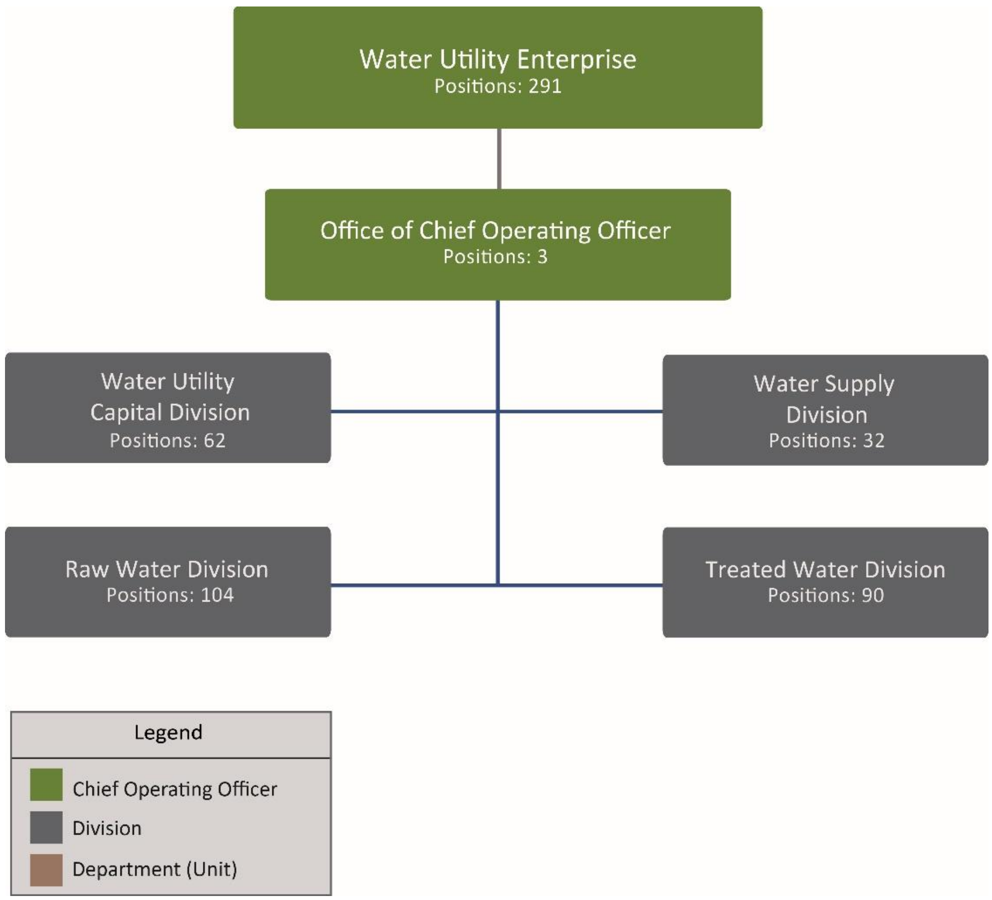
# Division Summaries

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of Watershed O&M Division** | | | | | |
| | **Salaries & Benefits** | 70,959 | 123,516 | – | – |
| | **Services & Supplies** | 69,102 | – | – | – |
| | **Intra District Charges** | 44,328 | 73,205 | – | – |
| **Office of Watershed O&M Division Total** | | 184,389 | 196,721 | – | – |
| **Ops & Maintenance Engineering Support** | | | | | |
| | **Salaries & Benefits** | 55,309 | 76,476 | 59,925 | 55,162 |
| | **Intra District Charges** | 33,892 | 47,398 | 34,262 | 33,772 |
| **Ops & Maintenance Engineering Support Total** | | 89,201 | 123,874 | 94,187 | 88,934 |
| **Ops & Maintenance Environmental Support** | | | | | |
| | **Salaries & Benefits** | 115,409 | 369,272 | 133,800 | 95,808 |
| | **Services & Supplies** | 651,206 | 40,000 | 15,000 | 10,000 |
| | **Intra District Charges** | 86,727 | 286,081 | 114,535 | 87,407 |
| **Ops & Maintenance Environmental Support Total** | | 853,341 | 695,354 | 263,335 | 193,216 |
| **Vegetation Field Operations** | | | | | |
| | **Salaries & Benefits** | 10,666 | 51,723 | 77,755 | 82,011 |
| | **Services & Supplies** | 12,915 | 2,000 | – | – |
| | **Intra District Charges** | 6,373 | 34,715 | 50,991 | 56,305 |
| **Vegetation Field Operations Total** | | 29,954 | 88,438 | 128,746 | 138,316 |
| **Watersheds Field Operations** | | | | | |
| | **Salaries & Benefits** | 73,011 | 1,876 | 2,158 | 2,262 |
| | **Services & Supplies** | 181,092 | 20,000 | 30,000 | 30,000 |
| | **Intra District Charges** | 45,908 | 1,426 | 1,365 | 1,530 |
| **Watersheds Field Operations Total** | | 300,012 | 23,303 | 33,523 | 33,792 |
| **West & Guad Watershed Program Support** | | | | | |
| | **Services & Supplies** | 2,101 | – | – | – |
| **West & Guad Watershed Program Support Total** | | 2,101 | – | – | – |
| **Capital Total (1)** | | **1,458,998** | **1,127,689** | **519,791** | **454,258** |
| **Division Total (1)** | | **71,620,801** | **81,599,685** | **86,907,591** | **94,299,493** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

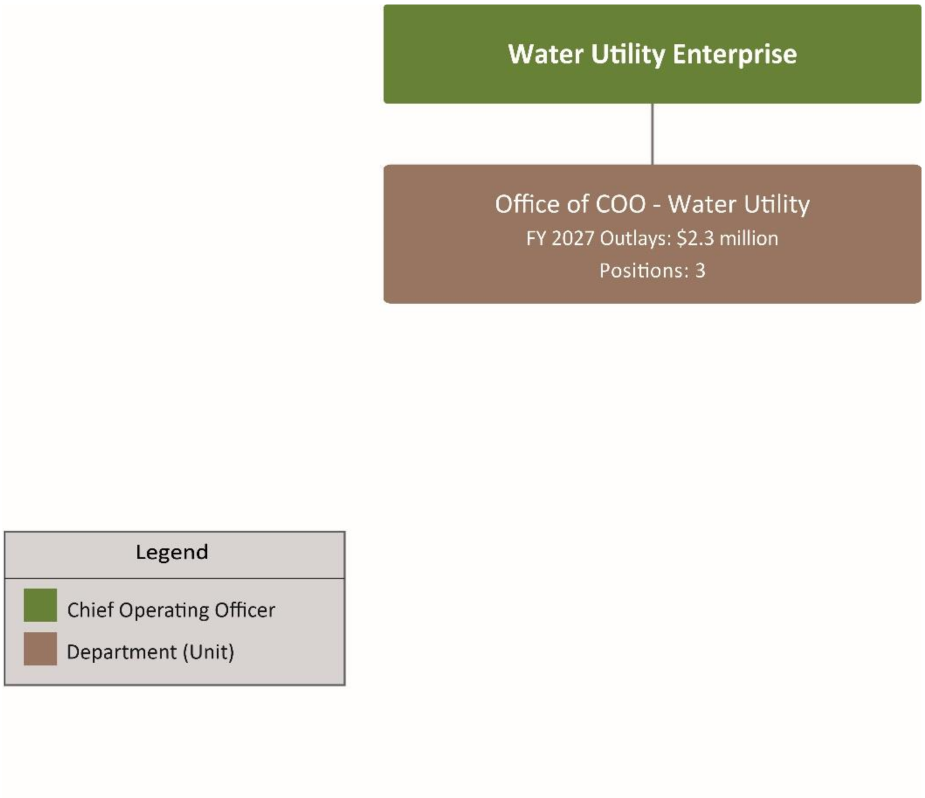
## Water Utility




The Water Utility Enterprise is primarily responsible for carrying out the core services related to Ends Policy 2 - Valley Water provides a reliable, safe, and affordable water supply for current and future generations in all communities served.

Directed by the Chief Operating Officer, Valley Water's Water Utility Enterprise (WUE) is comprised of four management divisions, each of which includes functional departments that carry out the work of the division and the enterprise.

## Office of COO Water Utility




## Division Description and Objectives

The Office of the Chief Operating Officer (COO) Water Utility oversees the Water Utility Capital, Water Supply, Raw Water, and Treated Water divisions. The Water Utility Enterprise (WUE) is primarily responsible for carrying out the core services related to Ends Policy 2 - Valley Water provides a reliable, safe, and affordable water supply for current and future generations in all communities served. The COO leads and manages the WUE to achieve the Board's Ends Goals and Objectives. This includes providing WUE the leadership, staff, and funding to conduct the administrative nature of the WUE functions. In general, the COO office provides for management activities that promote communication, human resources development, budgeting, project efficiencies and process improvement, mentoring and recruitment, and supporting district-wide and special events/efforts that benefit the whole organization.

## Office of COO Water Utility — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 2,306,768 | 2,288,415 | 2,291,611 | 2,456,335 |
| **Total (1)** | **2,306,768** | **2,288,415** | **2,291,611** | **2,456,335** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Office of COO Water Utility | 2,306,768 | 2,288,415 | 2,291,611 | 2,456,335 |
| **Total (1)** | **2,306,768** | **2,288,415** | **2,291,611** | **2,456,335** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Office of COO Water Utility - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **3** | **3** | **3** | **3** |

(1) Authorized positions exclude limited term positions.

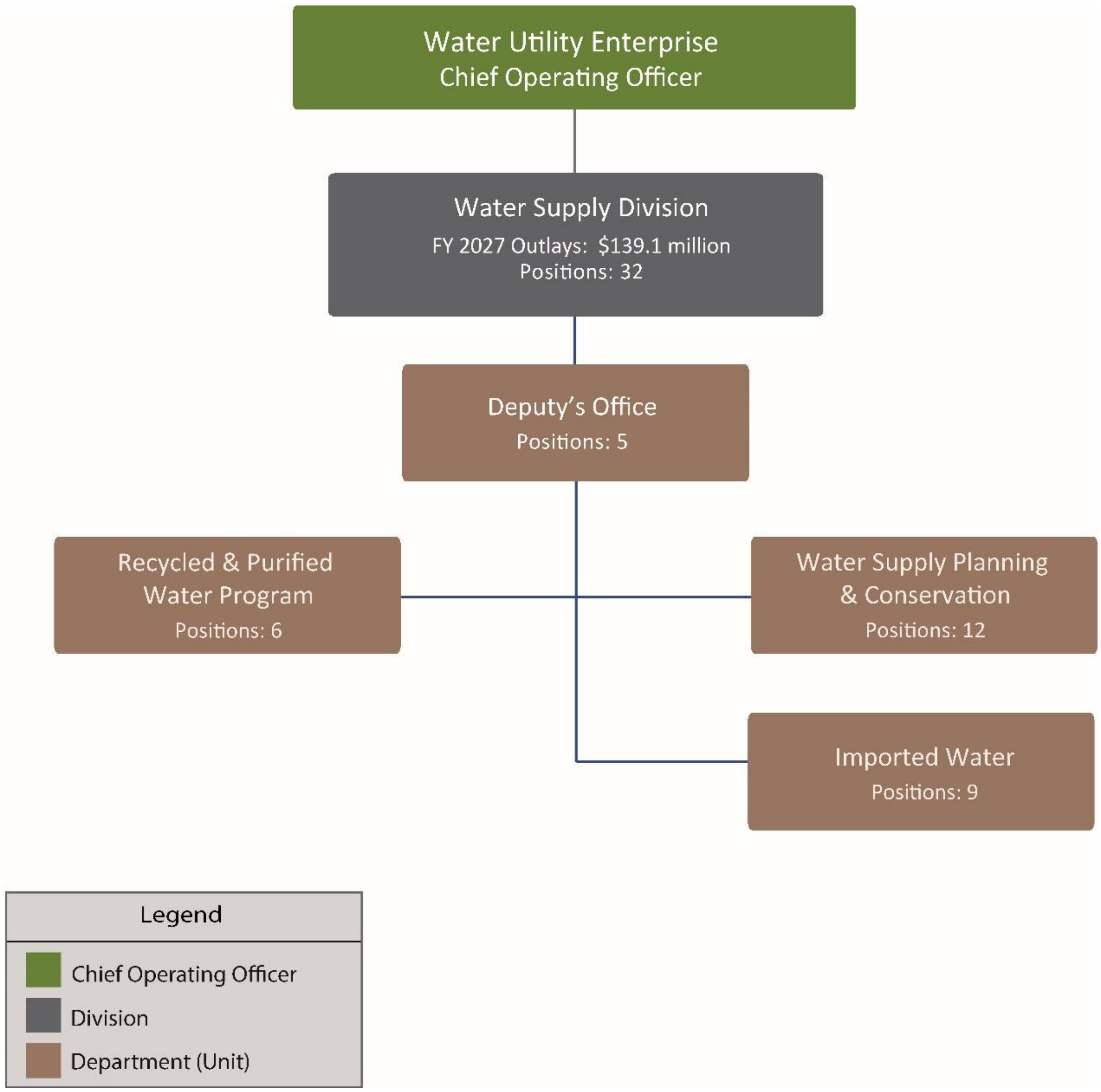
(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

# Division Summaries

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Office of COO Water Utility** | | | | | |
| | **Salaries & Benefits** | 1,134,734 | 1,173,757 | 1,203,498 | 1,274,146 |
| | **Services & Supplies** | 530,971 | 429,540 | 435,540 | 437,690 |
| | **Intra District Charges** | 641,062 | 685,118 | 652,573 | 744,500 |
| **Office of COO Water Utility Total** | | 2,306,768 | 2,288,415 | 2,291,611 | 2,456,335 |
| **Operations Total** [(1)] | | **2,306,768** | **2,288,415** | **2,291,611** | **2,456,335** |

## Water Supply Division



# Division Summaries

## Division Description and Objectives

The Water Supply Division is responsible for identifying and planning for future water supply needs, managing imported water supplies, and implementing water conservation and recycled and purified water programs. The Division is comprised of the Recycled & Purified Water, Imported Water, and Water Supply Planning & Conservation Units.

### Recycled & Purified Water

The Recycled and Purified Water (R&PW) Unit supports expansion and development of recycled and purified water in Santa Clara County by collaborating, negotiating, and executing long-term agreements with various project partners and implementing the Countywide Water Reuse Master Plan (CoRe Plan). This includes developing the Pure Water Silicon Valley project, a potable reuse project in partnership with the Cities of San José and Santa Clara, feasibility studies supporting Pure Water Silicon Valley and South County recycled water expansion, supporting Sunnyvale and Palo Alto reuse expansion, and evaluating the feasibility of desalination. The unit also manages the cost-sharing reimbursement processes known as Guiding Principle 5 (GP5) to provide funding to other agencies (that get on average 85% of their water supply from sources other than Valley Water) to fund water conservation, recycled or purified water, and wastewater treatment plant upgrades.

### Imported Water

The Imported Water Unit protects, manages and develops Valley Water's imported water assets, including the Central Valley Project (CVP), State Water Project (SWP), and other contract rights; meets current year operational needs for imported supplies; represents Valley Water in joint efforts to develop statewide and regional water supply projects; participates in Bay-Delta policy development and regulatory processes; manages and develops Valley Water's groundwater banking programs; evaluates and makes recommendations regarding participation in imported water supply planning projects; develops water transfers, exchanges and banking agreements; and, manages imported water costs.

### Water Supply Planning & Conservation

The Water Supply Planning and Conservation Unit supports Valley Water's mission by developing the Water Supply Master Plan (WSMP), Valley Water's strategy to achieve long-term water supply reliability in Santa Clara County, by developing state and federally required plans, by participating in and supporting project planning and evaluation of various regional water supply planning efforts, and by evaluating, designing, and implementing over 20 water conservation and demand management programs for the residential, commercial, industrial, institutional and agricultural sectors to meet Valley Water long-term water conservation goals.

## FY 2026 Accomplishments

- Valley Water became the first agency in California to produce and bottle purified water for outreach purposes since the adoption of California's new direct potable reuse regulations.
- Worked with the cities of Gilroy and Morgan Hill in collaboration with the South County Regional Wastewater Authority to expand recycled water in South County (continuous through FY2025) and coordinated with developers on extending recycled water pipeline in Gilroy.
- Procured design services for the Pure Water Silicon Valley demonstration facility project and executed an option agreement with partner cities that will allow construction of the demonstration facility and learning center.
- Developed an exclusive negotiations agreement to reserve space for the Pure Water Silicon Valley full-scale project.
- Arranged for two Independent Advisory Panel (IAP) meetings and conducted monthly meetings with the Division of Drinking Water to advance the Pure Water Silicon Valley project.
- Completed draft desalination feasibility study.
- Effectively managed imported water supplies in CY 2025, including coordination internally with Valley Water operations teams and with the Department of Water Resources (DWR) and the United States Bureau of Reclamation (USBR) on annual operations and securing water transfers and agreements to optimize use of Valley Water's SWP and CVP contract supplies.

- Actively participated in the Delta Conveyance Project, including influencing contract amendment discussions to ensure benefits for Valley Water would be secured if the project is developed.
- Identified opportunities and led collaboration among State Water Project participants to strengthen benefits from the Sites Reservoir Project and received Board approval for execution of assignment agreement with Wheeler Ridge-Maricopa Water Storage District for 6,234 acre-feet of Wheeler Ridge’s storage capacity in Sites Reservoir, increasing Valley Water’s Project participation level from 0.2% to 0.66%.
- Continued participation and support of the B.F. Sisk Dam Raise and Reservoir Expansion Project.
- Continued evaluation of Semitropic operations related to water quality trends, future recovery costs, and development of new water banking opportunities and continued engagement with the State Water Board, Semitropic, and Semitropic banking partners related to the Sustainable Groundwater Management Act (SGMA) status of the Kern County Subbasin.
- Saved approximately 88,000 acre-feet in FY25 from Valley Water's long-term conservation program that began in 1992 and executed agreements with retailers to support Advanced Metering Infrastructure and rebate programs.
- Worked with the Bay Area Water Supply and Conservation Agency to develop resources to implement new State regulations.
- Developed the first ever leak detection pilot in collaboration with the California Water Efficiency Partnership and International Association of Plumbing and Mechanical Professionals.
- Held the 10th annual landscape summit.
- Completed the WSMP 2050 for Board adoption.
- Completed and submitted the 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan to DWR (legal requirement).
- Completed the design for Valley Water’s on-site demonstration garden program.
- Received a second consecutive Environmental Protection Agency WaterSense Partner of the Year Award.

## FY 2027 Milestones

- Complete the design for the Direct Potable Reuse (DPR) Demonstration Facility for the Pure Water Silicon Valley Project.
- Complete the second phase of the Desalination Engineering Feasibility Study.
- Advance the full-scale Pure Water Silicon Valley project by completing Phase 2 of Ora Loma RO concentrate studies, developing agreements with the cities, and continuing regulatory engagement.
- Advance development of the Sisk Dam Raise Project, Delta Conveyance Project, and Sites Reservoir Project.
- Provide a final participation recommendation to the Board for Sites Reservoir Project.
- Continue to pursue and assess suitable, cost-effective groundwater banking projects.
- Save approximately 90,000 acre-feet in FY27 from Valley Water's long-term conservation program (baseline year is 1992).
- Deliver the annual Monitoring and Assessment Program (MAP) to the Board.
- Complete annual regulatory requirements: UWMP Annual Water Supply and Demand Assessment, and Central Valley Project Improvement Act (CVPIA) Best Management Practices (BMP) reports to USBR.
- Finalize timelines to complete updates for the Water Conservation Savings Model and Water Conservation Strategic Plan among other planning tools.
- Complete water savings analysis from pilots performed in FY24-26 and monitor progress towards long-term savings targets.
- Develop tools and resources to support water retailers when penalties and enforcement of statewide conservation regulations begin (January 1, 2027).
- Install a Demonstration Garden at Valley Water’s Almaden campus.

## FY 2028 Milestones

- Issue the invitation to bid (ITB) for the construction phase of the DPR Demonstration Facility Project for Pure Water Silicon Valley.
- Finalize negotiations for the Delta Conveyance Project.
- Provide a final participation recommendation to the Board for the Sisk Dam Raise Project.

- Develop partnerships for groundwater banking projects.
- Deliver the annual Monitoring and Assessment Program (MAP) to the Board.
- Submit the UWMP Annual Water Supply and Demand Assessment to DWR and the CVPIA Water Management Plan Update to USBR (legal requirement).
- Submit annual CVPIA BMP reports to USBR (legal requirement).
- Save approximately 93,000 acre-feet in FY28 from Valley Water's long-term conservation program (baseline year is 1992).
- Continue work on updating the Water Conservation Savings Model and Water Conservation Strategic Plan.
- Continue to support retailers in complying with relevant water conservation regulations.

## Budget Issues and Constraints

Budget issues and constraints for the Division include insufficient staff and funding to achieve all proposed Division goals. For Recycled & Purified Water, constraints include insufficient staff to achieve all proposed program goals, compressed schedules that could reduce flexibility during project execution, and complex and lengthy negotiations with external agencies that may cause unexpected delays. For Imported Water, constraints include insufficient staff to handle the entire workload and needing an increased budget during drought conditions to purchase additional emergency imported water supplies. For Water Supply Planning & Conservation, constraints include staffing and funding resources to meet Board approved water conservation goals, specifically: the need to add three full-time staff to meet the Board’s 2030 water conservation goal per the 2021 Water Conservation Strategic Plan recommendations, to secure an additional $2.5 million in funding to maintain the Landscape Rebate Program rebate at the drought level rebate amount of $2/sq. ft (vs. $1/sq. ft), to increase participation from the CII sector which require sustained relationship building and customized programming to motivate behavioral and programmatic change, and fund the sustained increase in participation in Valley Water’s conservation programs after the last drought.

# Division Summaries

## Water Supply Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 90,700,195 | 113,398,781 | 107,960,832 | 108,971,066 |
| Operating Project | 24,432,111 | – | – | – |
| Capital | 15,638,783 | 20,015,990 | 31,173,955 | 44,110,717 |
| **Total (1)** | **130,771,089** | **133,414,771** | **139,134,786** | **153,081,784** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Imported Water | 75,803,536 | 94,481,405 | 95,467,537 | 94,126,005 |
| Recycled & Purified Water Prog | 38,675,509 | 19,542,731 | 24,502,615 | 39,012,184 |
| Water Supply Admin | 3,132,723 | 3,225,023 | 3,186,518 | 3,457,630 |
| Water Supply Planning & Consrv | 13,159,322 | 16,165,612 | 15,978,115 | 16,485,966 |
| **Total (1)** | **130,771,089** | **133,414,771** | **139,134,786** | **153,081,784** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Water Supply Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **36** | **32** | **32** | **32** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Imported Water** | | | | | |
| | **Salaries & Benefits** | 2,528,222 | 2,768,705 | 2,828,969 | 2,986,400 |
| | **Services & Supplies** | 59,310,743 | 77,188,147 | 77,761,761 | 77,459,781 |
| | **Intra District Charges** | 1,589,271 | 1,698,885 | 1,615,515 | 1,821,852 |
| **Imported Water Total** | | 63,428,236 | 81,655,737 | 82,206,245 | 82,268,033 |
| **Recycled & Purified Water Prog** | | | | | |
| | **Salaries & Benefits** | 1,664,555 | 1,654,669 | 854,755 | 899,420 |
| | **Services & Supplies** | 33,896,020 | 10,742,650 | 6,325,650 | 6,463,920 |
| | **Intra District Charges** | 1,018,142 | 1,007,949 | 473,412 | 530,288 |
| **Recycled & Purified Water Prog Total** | | 36,578,718 | 13,405,269 | 7,653,817 | 7,893,628 |
| **Water Supply Division** | | | | | |
| | **Salaries & Benefits** | 1,292,038 | 1,289,193 | 1,293,418 | 1,385,889 |
| | **Services & Supplies** | 104,543 | 138,700 | 133,700 | 138,686 |
| | **Intra District Charges** | 774,666 | 754,591 | 700,851 | 804,570 |
| **Water Supply Division Total** | | 2,171,248 | 2,182,484 | 2,127,969 | 2,329,145 |
| **Water Supply Planning & Consrv** | | | | | |
| | **Salaries & Benefits** | 3,148,796 | 3,369,204 | 3,453,383 | 3,636,881 |
| | **Services & Supplies** | 7,895,282 | 10,704,650 | 10,538,650 | 10,614,295 |
| | **Intra District Charges** | 1,910,027 | 2,081,438 | 1,980,767 | 2,229,085 |
| **Water Supply Planning & Consrv Total** | | 12,954,105 | 16,155,291 | 15,972,801 | 16,480,261 |
| **Operations Total (1)** | | **115,132,306** | **113,398,781** | **107,960,832** | **108,971,066** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

# Division Summaries

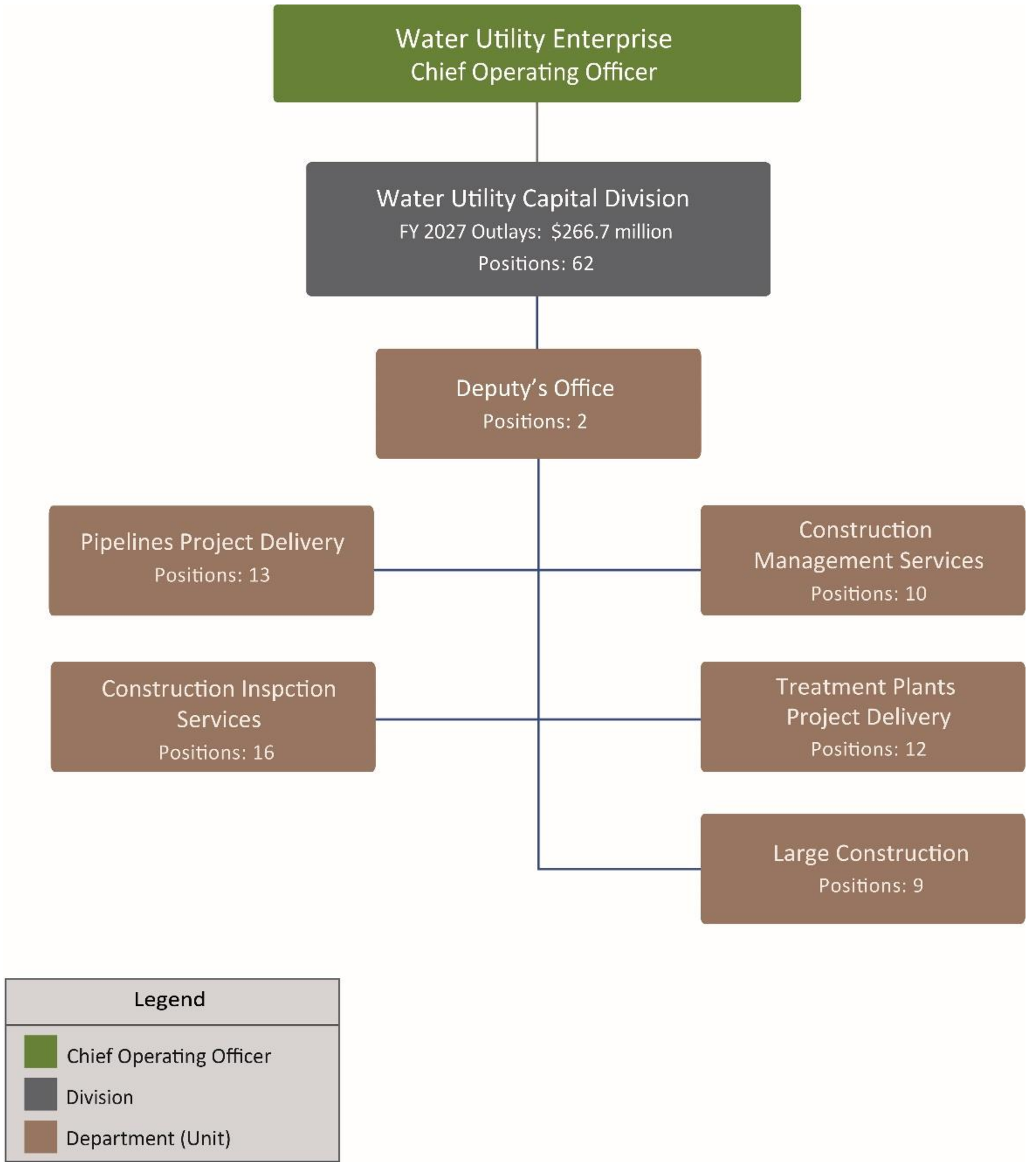
## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Imported Water** | | | | | |
| | **Salaries & Benefits** | – | 9,301 | – | – |
| | **Services & Supplies** | 12,375,300 | 12,810,639 | 13,261,292 | 11,857,972 |
| | **Intra District Charges** | – | 5,728 | – | – |
| **Imported Water Total** | | 12,375,300 | 12,825,668 | 13,261,292 | 11,857,972 |
| **Recycled & Purified Water Prog** | | | | | |
| | **Salaries & Benefits** | 334,373 | 353,256 | 1,219,048 | 1,288,231 |
| | **Services & Supplies** | 1,556,698 | 5,569,023 | 14,954,497 | 29,070,719 |
| | **Intra District Charges** | 205,719 | 215,183 | 675,253 | 759,605 |
| **Recycled & Purified Water Prog Total** | | 2,096,791 | 6,137,462 | 16,848,798 | 31,118,555 |
| **Water Supply Division** | | | | | |
| | **Salaries & Benefits** | 609,294 | 657,469 | 683,102 | 713,763 |
| | **Services & Supplies** | (14,651) | – | 5,000 | – |
| | **Intra District Charges** | 366,833 | 385,070 | 370,448 | 414,722 |
| **Water Supply Division Total** | | 961,476 | 1,042,539 | 1,058,550 | 1,128,485 |
| **Water Supply Planning & Consrv** | | | | | |
| | **Salaries & Benefits** | 126,182 | 6,383 | 3,375 | 3,534 |
| | **Intra District Charges** | 79,034 | 3,937 | 1,940 | 2,171 |
| **Water Supply Planning & Consrv Total** | | 205,216 | 10,320 | 5,315 | 5,705 |
| **Capital Total (1),(2)** | | **15,638,783** | **20,015,990** | **31,173,955** | **44,110,717** |
| **Division Total (1),(2)** | | **130,771,089** | **133,414,771** | **139,134,786** | **153,081,784** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

(2) Negative Services & Supplies (S&S) balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

## Water Utility Capital Division



# Division Summaries

## Division Description and Objectives

The Water Utility Capital (WUC) Division is responsible for planning, design and construction of Water Utility capital projects in Valley Water's rolling 5-year Capital Improvement Program (CIP). This division also works across the agency with other departments, executives and elected officials, and coordinates with various local, state and federal agencies. Below are the units that the Water Utility Capital Division oversees.

### Construction Management Services

The Construction Management Services Unit is responsible for management and administration of Capital construction projects included in the Water Utility, Watersheds, and Dam Safety Capital Improvement Program. Unit staff ensures contractors comply with the project requirements, including environmental compliance and operational requirements during construction of VW's water supply (storage, transmission, treatment, recycled water), flood protection and water resources stewardship facilities.

### Construction Inspection Services

The Construction Inspection Services Unit is responsible for inspection, and administration of Capital construction projects, in Plant Establishment Phase, included in the Water Utility, Watershed, and Dam Safety Capital Improvement Program. Unit staff ensures contractors comply with the project requirements, including environmental compliance and operational requirements during construction of VW's water supply (storage, transmission, treatment, recycled water), flood protection and water resources stewardship facilities.

### Large Construction Projects

The Large Construction Projects Unit is responsible for providing and performing construction management oversight functions for Valley Water's large construction projects managed by external consultant management firms hired by Valley Water to manage and administer, including the Water Utility, Watershed, and Dam Safety Capital Improvement Program. These consultants, on behalf of Valley Water, ensure that contractors comply with the project requirements, including environmental compliance and operational requirements during construction of VW's water supply (storage, transmission, treatment, recycled water), flood protection and water resources stewardship facilities.

### Treatment Plants Project Delivery

The Treatment Plants Project Delivery Unit is responsible for the planning, design, and engineering support services for the implementation of Valley Water's Capital Improvement Program for Water Utility treatment plant infrastructure projects and provides expert treatment plant design services throughout the District. Unit staff perform project management in addition to the planning, design, and engineering support services during construction for various water utility capital projects including expansion and rehabilitation of treatment plants, major maintenance, and other improvements.

### Pipelines Project Delivery

The Pipelines Project Delivery Unit is responsible for the planning, design, and engineering support services for the implementation of Valley Water's Capital Improvement Program for Water Utility distribution and pipeline, and pump station infrastructure projects and provides expert pipeline and pump station design services throughout the District. Unit staff perform project management in addition to the planning, design, and engineering support services during construction, structural engineering for various water utility distribution, pipeline, pump station/plant, and capital projects. The Unit also manages the Pipeline Maintenance Program, including the 10-Year Pipeline Inspection and Rehabilitation Program.

## FY 2026 Accomplishments

- Continued the Planning Study Report for the Penitencia WTP Clearwell Roof Improvement Project.
- Continued the design of the Penitencia WTP Sulfuric Acid Extension Project.
- Continued the design of the Santa Teresa WTP Ammonia Injection Relocation and Clearwell Bypass Pipe Isolation Project.
- Began construction of the Penitencia Water Treatment Plant Residuals Management Project.
- Continued Phase 4 construction of the Rinconada Water Treatment Plant Reliability Improvement Project, Phases 3-6.
- Continued the design for Santa Teresa Force Main Inspection & Rehabilitation Project.
- Continued the design of the Milpitas Pipeline Inspection & Rehabilitation Project.
- Continued the design of the Vasona Pump Station Upgrades Project.
- Continued the design of the Coyote Pumping Plant Isolation Valves and Actuators Replacement.
- Completed the design of the West Pipeline Inspection & Rehabilitation Project, Phase 2.
- Completed the design of the IRP2 Line Valve Project at West Pipeline, Phase 1.
- Completed the design for Penitencia Delivery and Force Main Inspection & Rehabilitation Project.
- Completed the design for Almaden Calero Canal Rehabilitation Project.
- Initiated construction of the Treated Water Isolation Valves Project at West Pipeline, Phase 2.
- Initiated the construction of the East Pipeline Inspection & Rehabilitation Project.
- Began construction of the Coyote Pumping Plant ASD Replacement Project.
- Began construction of the Almaden Valley Pipeline Replacement Project, Phase 1.
- Continued construction of the South County Recycled Water Project, Phase 1C.
- Completed construction of the South County Recycled Water Project, Phases 1B, 2A, 2B.
- Completed the construction of Santa Clara Conduit Inspection & Rehabilitation Project, Phase 2.
- Completed the construction of Snell Pipeline Inspection & Rehabilitation Project.

**Provided primary construction management and primary construction inspection services for Water Utility, Watershed, Maintenance, Dam Safety, and General Services projects such as:**

- PWTP Residuals Management
- RWTP Reliability Improvement, Phases 3-6
- Snell Pipeline Inspection & Rehabilitation
- Almaden Valley Pipeline Replacement
- East Pipeline Inspection & Rehabilitation
- Santa Clara Conduit Inspection & Rehabilitation, Phase 2
- West Pipeline Inspection & Rehabilitation, Phase 1
- West Pipeline Inspection & Rehabilitation, Phase 2
- IRP2 Line Valves
- South County Recycled Water Pipeline, Phase 1B
- South County Recycled Water Pipeline, Phase 1C
- FOCP Anderson Dam Tunnel
- FOCP Coyote Percolation Dam Removal, Phase 2
- FOCP Coyote Creek Chillers
- WARP South Babb Creek Flood Mitigation
- Upper Llagas Creek Flood Protection, Phase 2B
- WARP Stevens Creek Evelyn Fish Passage
- Palo Alto Flood Basin Tide Gate Seismic Retrofit & Rehabilitation, Phase 1
- Lower Calera Creek Flood Protection
- WARP Permanente and Hale Creeks Concrete Channel Repair

- Bolsa Road Fish Passage
- Security Upgrades & Enhancements

**Provided construction management oversight functions for the following construction projects:**

- RWTP Reliability Improvement, Phases 3-6
- Coyote Pumping Plant ASDs Replacement
- Coyote Creek Flood Management Measures
- Watershed Asset Rehabilitation Projects, such as Permanente and Hale Creek Concrete Channel Repair and Calabazas Creek Erosion Repair
- Other construction projects as assigned

## FY 2027 Milestones

- Continue construction of the Penitencia Water Treatment Plant Residuals Management Project.
- Continue the design of the Penitencia WTP Sulfuric Acid Extension Project.
- Continue the design of the Rinconada WTP Liquid Ammonium Sulfate Facility Project.
- Continue the design of the Santa Teresa WTP Ammonia Injection Relocation and Clearwell Bypass Pipe Isolation Project.
- Continue the design for the Penitencia WTP Clearwell Roof Improvement Project.
- Complete Phase 4 construction of the Rinconada Water Treatment Plant Reliability Improvement Project, Phases 3-6.
- Initiate design for the Santa Clara and Campbell Distributary Inspection & Rehabilitation Project.
- Continue the design of the Vasona Pump Station Upgrade Project.
- Continue the design of the Milpitas Pipeline Inspection and Rehabilitation Project.
- Continue design of the Treated Water Isolation Valve Project at the Milpitas Pipeline Inspection & Rehabilitation Project.
- Complete the design of the Coyote Pumping Plant Isolation Valves and Actuators Replacement Project.
- Complete the environmental documents for the Almaden Calero Canal Rehabilitation Project.
- Begin construction of the Santa Teresa Force Main Inspection & Rehabilitation Project.
- Begin construction of the East Pipeline Inspection & Rehabilitation Project.
- Begin construction of the Penitencia Delivery and Force Main Inspection & Rehabilitation Project.
- Continue construction of the Almaden Valley Pipeline Replacement Project, Phase 1.
- Continue the construction of West Pipeline Inspection & Rehabilitation Project, Phase 2.
- Complete the installation of the IRP2 Line Valve Project at West Pipeline, Phase 2.
- Complete the installation of the IRP2 Line Valve Project at the East Pipeline.
- Complete the construction of the Treated Water Isolation Valve Project on the West Pipeline Inspection & Rehabilitation Project, Phase 2.
- Complete construction of the Coyote Pumping Plant ASD Replacement Project.
- Complete construction of South County Recycled Water Pipeline, Phase 1C.

**Provide primary construction management and primary construction inspection services for Water Utility, Watershed, Maintenance, Dam Safety, and General Services projects such as:**

- PWTP Residuals Management
- RWTP Reliability Improvement, Phases 3-6
- Almaden Valley Pipeline Replacement
- East Pipeline Inspection & Rehabilitation
- West Pipeline Inspection & Rehabilitation, Phase 2
- Santa Teresa Force Main Inspection & Rehabilitation
- West Pipeline Inspection & Rehabilitation, Phase 1
- Coyote Pumping Plant Isolation Valve and Actuator Replacement

- Almaden Calero Canal Rehabilitation
- FOCP Cross Valley Pipeline Extension
- Coyote Percolation Dam Removal, Phase 2
- Anderson Dam Seismic Retrofit
- Pure Water Silicon Valley Pilot Facility
- Upper Llagas Creek Flood Protection, Phase 2B
- Coyote Creek Flood Management Measures
- WARP Guadalupe River Erosion Repair at Malone Road and Blossom Hill Road
- WARP Coyote Creek Rodent Damage Repair
- WARP Calabazas Creek Rehabilitation
- Bolsa Road Fish Passage
- Upper Berryessa Creek Off-Site Mitigation Planting
- HQ Operations Maintenance Building

**Provide construction management oversight functions for the following construction projects:**

- RWTP Reliability Improvement, Phases 3-6
- Coyote Pumping Plant ASDs Replacement
- Almaden Valley Pipeline Replacement, Phase 1
- Coyote Creek Flood Protection
- Live Oak Restoration Reach
- Upper Berryessa Creek Off-Site Mitigation Planting
- Watersheds WARP projects, such as Stevens Creek Evelyn Fish Passage, Guadalupe River Erosion Repair at Malone Road and Blossom Hill Road, and Concrete U-Frame
- Other construction projects as assigned

## FY 2028 Milestones

- Initiate Phase 5 construction of the Rinconada Water Treatment Plant Reliability Improvement Project, Phases 3-6.
- Begin construction of the Penitencia Water Treatment Plant Sulfuric Acid Extension Project.
- Continue construction of the Penitencia Water Treatment Plant Residuals Management Project.
- Continue the construction of the Santa Teresa Force Main Inspection & Rehabilitation Project.
- Continue the design of the Vasona Pump Station Upgrade Project.
- Continue the design for the Santa Clara and Campbell Distributary Inspection & Rehabilitation Project.
- Continuing design of the Milpitas Pipeline Inspection and Rehabilitation Project.
- Continuing design of the Treated Water Isolation Valve Project on the Milpitas Pipeline Inspection & Rehabilitation Project.
- Begin construction of the Coyote Pumping Plant Isolation Valves and Actuators Replacement Project.
- Complete construction of the East Pipeline Inspection & Rehabilitation Project.
- Complete construction of the Penitencia Delivery and Force Main Inspection & Rehabilitation Project.
- Begin construction of the Almaden Calero Canal Rehabilitation Project.
- Continue the design of the Rinconada WTP Liquid Ammonium Sulfate Facility Project.
- Continue the design for the Penitencia WTP Clearwell Roof Improvement Project.
- Continue the construction of the Almaden Valley Pipeline Replacement Project, Phase 1.
- Begin construction of the Coyote Pumping Plant Isolation Valves and Actuators Replacement Project.

**Provide primary construction management and primary construction inspection services for Water Utility, Watershed, Maintenance, Dam Safety, and General Services projects such as:**

- PWTP Residuals Management
- RWTP Reliability Improvement, Phases 3-6

- PWTP Clearwell Roof Replacement
- Almaden Calero Canal Rehabilitation
- Milpitas Pipeline Inspection & Rehabilitation
- West Pipeline Inspection & Rehabilitation, Phase 2
- East Pipeline Inspection & Rehabilitation
- Almaden Valley Pipeline Replacement, Phase 1
- Anderson Dam Seismic Retrofit
- Coyote Percolation Dam Removal, Phase 2
- Pure Water Silicon Valley Pilot Facility
- WARP Lower Penitencia Creek at Great Mall Pkwy Erosion Repair
- WARP Guadalupe River at San Carlos Erosion Repair
- WARP Calabazas Creek Rehabilitation
- Upper Llagas Creek Flood Protection, Phase 2B
- Stevens Creek Evelyn Fish Passage
- Coyote Creek Flood Management Measures
- HQ Operations Maintenance Building

**Provide construction management oversight functions for the following construction projects:**

- RWTP Reliability Improvement, Phases 3-6
- Almaden Valley Pipeline Replacement, Phase 1
- Calero Dam Seismic Retrofit
- Coyote Creek Flood Protection
- Sunnyvale East & West Flood Protection
- Upper Berryessa Creek Off-Site Mitigation Planting
- Watersheds WARP Projects
- Other construction projects as assigned

## Budget Issues and Constraints

Maintaining rate stability may place additional pressure on available staffing and resources, which could affect the number of new capital projects advanced each year. Valley Water will continue to prioritize projects identified in the five-year Capital Improvement Program and work collaboratively to meet key milestones. Project delivery may be influenced by a variety of factors, including coordination with partner agencies, permitting, material availability, and broader market conditions.

# Division Summaries

## Water Utility Capital Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 77,246 | 122,496 | 108,063 | 121,927 |
| Capital | 153,664,260 | 191,399,232 | 266,625,699 | 168,873,952 |
| **Total (1)** | **153,741,506** | **191,521,728** | **266,733,762** | **168,995,879** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Construction Management Services | 5,488,298 | 5,357,916 | 5,223,198 | 5,564,695 |
| Construction Inspection Services | 7,286,233 | 7,439,931 | 7,045,525 | 7,685,477 |
| Large Construction | 3,081,689 | 4,477,410 | 4,453,166 | 4,838,844 |
| Pipelines Project Delivery | 59,535,120 | 41,981,888 | 93,624,303 | 37,524,447 |
| Treatment Plants Project Delivery | 74,843,116 | 130,910,200 | 155,145,262 | 111,984,223 |
| Water Utility Capital Division | 3,507,052 | 1,354,383 | 1,242,308 | 1,398,194 |
| **Total (1)** | **153,741,506** | **191,521,728** | **266,733,762** | **168,995,879** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Water Utility Capital Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **68** | **65** | **62** | **62** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Construction Management Services** | | | | | |
| | **Salaries & Benefits** | 10,024 | 1,940 | 7,466 | 7,811 |
| | **Services & Supplies** | 6,862 | – | – | – |
| | **Intra District Charges** | 2,683 | 1,248 | 2,551 | 2,739 |
| **Construction Management Services Total** | | 19,570 | 3,188 | 10,017 | 10,551 |
| **Construction Inspection Services** | | | | | |
| | **Salaries & Benefits** | 1,858 | 19,889 | 25,340 | 30,453 |
| | **Services & Supplies** | 4,126 | – | – | – |
| | **Intra District Charges** | 767 | 12,825 | 15,423 | 19,529 |
| **Construction Inspection Services Total** | | 6,751 | 32,714 | 40,762 | 49,982 |
| **Large Construction** | | | | | |
| | **Salaries & Benefits** | 3,332 | – | – | – |
| | **Services & Supplies** | 2,267 | – | – | – |
| **Large Construction Total** | | 5,599 | – | – | – |
| **Pipelines Project Delivery** | | | | | |
| | **Salaries & Benefits** | 12,407 | 50,163 | 32,003 | 33,537 |
| | **Services & Supplies** | 60 | – | – | – |
| | **Intra District Charges** | 4,079 | 30,007 | 18,523 | 20,736 |
| **Pipelines Project Delivery Total** | | 16,545 | 80,170 | 50,526 | 54,273 |
| **Treatment Plants Project Delivery** | | | | | |
| | **Salaries & Benefits** | 12,451 | 5,358 | 5,617 | 5,948 |
| | **Services & Supplies** | 2,025 | – | – | – |
| | **Intra District Charges** | 4,514 | 1,065 | 1,141 | 1,173 |
| **Treatment Plants Project Delivery Total** | | 18,990 | 6,424 | 6,758 | 7,121 |
| **Water Utility Capital Division** | | | | | |
| | **Salaries & Benefits** | 6,866 | – | – | – |
| | **Services & Supplies** | 75 | – | – | – |
| | **Intra District Charges** | 2,850 | – | – | – |
| **Water Utility Capital Division Total** | | 9,790 | – | – | – |
| **Operations Total (1)** | | **77,246** | **122,496** | **108,063** | **121,927** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

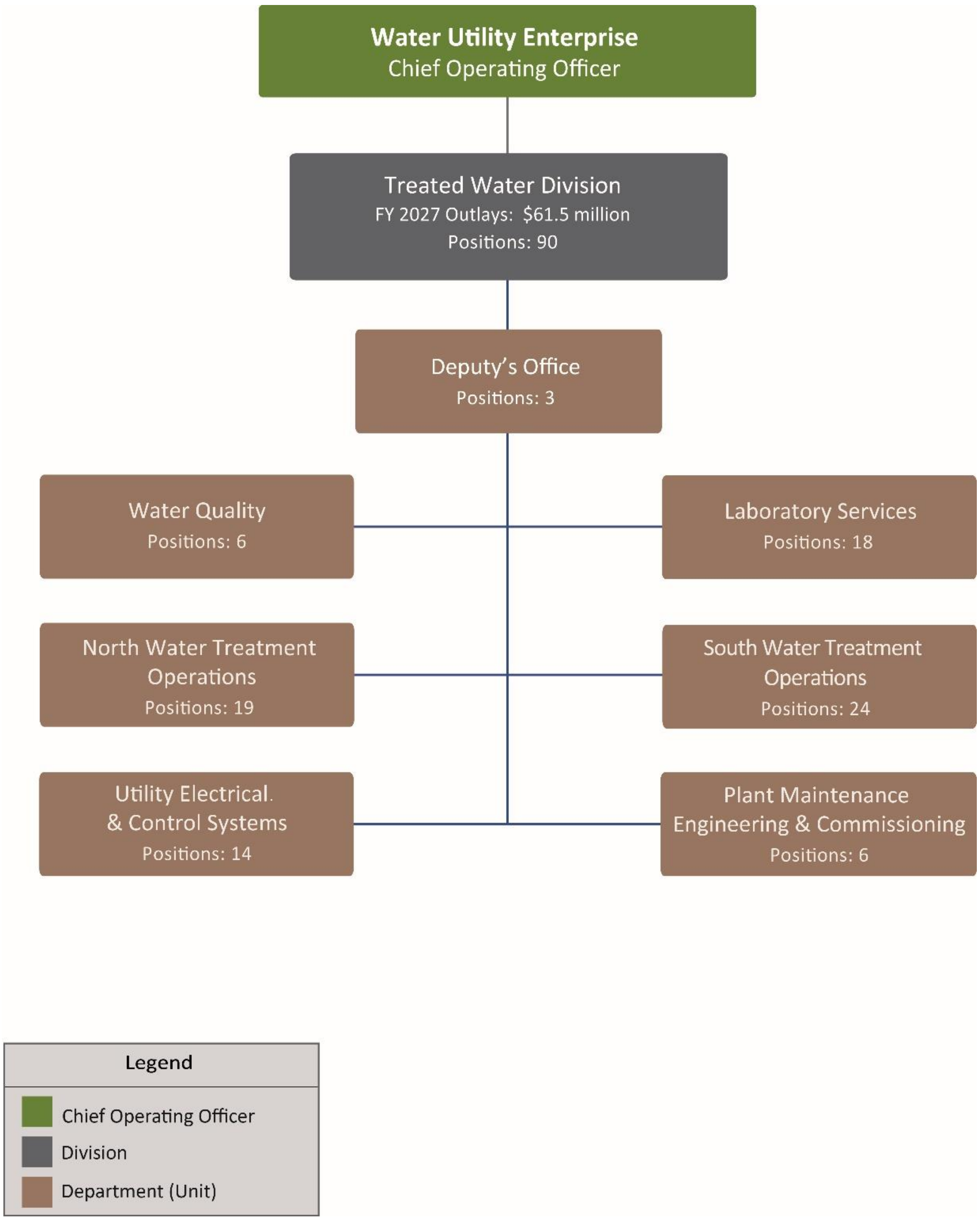
## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Construction Management Services** | | | | | |
| | **Salaries & Benefits** | 3,296,292 | 3,239,330 | 3,176,208 | 3,311,414 |
| | **Services & Supplies** | 100,615 | 68,149 | 111,500 | 81,500 |
| | **Intra District Charges** | 2,071,822 | 2,047,248 | 1,925,473 | 2,161,230 |
| **Construction Management Services Total** | | 5,468,728 | 5,354,728 | 5,213,181 | 5,554,144 |
| **Construction Inspection Services** | | | | | |
| | **Salaries & Benefits** | 4,462,845 | 4,535,218 | 4,389,161 | 4,654,499 |
| | **Services & Supplies** | 250,079 | 7,700 | 7,700 | – |
| | **Intra District Charges** | 2,566,557 | 2,864,300 | 2,607,902 | 2,980,996 |
| **Construction Inspection Services Total** | | 7,279,481 | 7,407,218 | 7,004,763 | 7,635,495 |
| **Large Construction** | | | | | |
| | **Salaries & Benefits** | 1,894,381 | 2,735,620 | 2,792,362 | 2,961,720 |
| | **Services & Supplies** | 5,828 | 64,040 | 63,365 | 63,365 |
| | **Intra District Charges** | 1,175,881 | 1,677,749 | 1,597,439 | 1,813,759 |
| **Large Construction Total** | | 3,076,090 | 4,477,410 | 4,453,166 | 4,838,844 |
| **Pipelines Project Delivery** | | | | | |
| | **Salaries & Benefits** | 3,482,171 | 3,554,429 | 3,840,433 | 4,012,410 |
| | **Services & Supplies** | 53,859,157 | 36,107,804 | 87,514,366 | 30,976,397 |
| | **Intra District Charges** | 2,177,247 | 2,239,485 | 2,218,978 | 2,481,366 |
| **Pipelines Project Delivery Total** | | 59,518,575 | 41,901,718 | 93,573,778 | 37,470,174 |
| **Treatment Plants Project Delivery** | | | | | |
| | **Salaries & Benefits** | 2,887,970 | 3,359,887 | 3,534,064 | 3,733,027 |
| | **Services & Supplies** | 70,074,981 | 125,425,751 | 149,564,835 | 105,939,607 |
| | **Intra District Charges** | 1,861,174 | 2,118,139 | 2,039,605 | 2,304,468 |
| **Treatment Plants Project Delivery Total** | | 74,824,125 | 130,903,776 | 155,138,504 | 111,977,102 |
| **Water Utility Capital Division** | | | | | |
| | **Salaries & Benefits** | 962,173 | 854,778 | 867,242 | 916,013 |
| | **Services & Supplies** | 2,003,278 | 7,600 | (91,257) | (49,966) |
| | **Intra District Charges** | 531,810 | 492,005 | 466,323 | 532,148 |
| **Water Utility Capital Division Total** | | 3,497,261 | 1,354,383 | 1,242,308 | 1,398,194 |
| **Capital Total (1),(2)** | | **153,664,260** | **191,399,232** | **266,625,699** | **168,873,952** |
| **Division Total (1),(2)** | | **153,741,506** | **191,521,728** | **266,733,762** | **168,995,879** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

(2) Negative Services & Supplies (S&S) balances reflect capital budget offsets used to reduce current-year appropriations by applying available carryforward balances. This budget reconciliation aligns project funding with the Capital Improvement Plan and accounts for appropriations budgeted in other departments within the same project.

## Treated Water Division



# Division Summaries

## Division Description and Objectives

The Treated Water Division (Division) is responsible for managing the operation of Valley Water's three conventional drinking water treatment plants to provide a reliable, high-quality drinking water supply to the Santa Clara County residents. The Division also manages the operation and maintenance of the Silicon Valley Advanced Water Purification Center to enhance the quality and advance the use of recycled water in the county.

In addition, the Division manages business units that provide leadership and technical support in areas of laboratory services; water quality process engineering; electrical and control systems engineering; and plant maintenance engineering to improve the overall safety, quality, and reliability of current facilities and the commissioning of new facilities upon capital construction handover to Operations and Maintenance (O&M). Furthermore, the Division regularly communicates with Valley Water's drinking water retailers to maintain a collaborative working relationship and conducts annual check-ins and ad-hoc meetings with the State Water Resources Control Board (SWRCB) for ongoing and annual updates of drinking and recycled water regulations.

### Laboratory Services

The Laboratory Services Unit is responsible for providing analytical testing and sampling services to Watersheds and Water Utility Enterprise. Our state-of-the-art laboratory is accredited with the California Environmental Laboratory Accreditation Program (ELAP), maintains a robust quality assurance and quality control program, and tests water produced from each of our drinking water treatment plants, the Silicon Valley Advanced Water Purification Center, surface water reservoirs, and groundwater basins.

### Water Quality

The Water Quality Unit is responsible for providing operational, process, and project support to the treatment plants as well as other Valley Water units regarding source water quality and water treatment. The unit is also responsible for tracking drinking water-related regulatory development, providing recommendations for regulatory compliance strategy, and communicating with the Division of Drinking Water (DDW), under the jurisdiction of the SWRCB, on various regulatory issues. In addition, the unit oversees Source Water Quality Management and Invasive Mussel Prevention Programs in collaboration with internal and external groups.

### Plant Maintenance Engineering and Commissioning

The Plant Maintenance Engineering and Commissioning Unit leads and coordinates the commissioning and start-up activities at Valley Water's treatment plants and treated water pipelines. The unit supports and implements the integration of large capital projects, throughout all phases, to our treatment plants and treated water pipelines. The unit also provides mechanical engineering support services for operations, maintenance, asset management and capital improvements at the treatment plants and pump stations.

### North Water Treatment Operations

The North Water Treatment Operations Unit provides safe, clean, and high-quality drinking water to Valley Water's three (3) treated water retailers along the East/Milpitas Pipelines, including San Jose Water Company, City of San Jose, and City of Milpitas. The unit is responsible for providing safe and cost-effective operations (24 hours a day, 7 days a week) and management of the Penitencia Water Treatment Plant (PWTP), the joint San Francisco Public Utilities Commission (SFPUC)-Valley Water (VW) Intertie facility, and the East/Milpitas Pipeline turnouts. The unit is also responsible for cost-effective operations and maintenance of the Silicon Valley Advanced Water Purification Center (SVAWPC).

### South Water Treatment Operations

The South Water Treatment Operations Unit provides safe, clean, and high-quality drinking water to Valley Water's seven (7) treated water retailers, and ultimately to the residents of Santa Clara County. The unit is responsible for providing safe and cost-effective operations (24 hours a day, 7 days a week) and management of the Santa Teresa Water Treatment Plant (STWTP), the Rinconada Water Treatment Plant (RWTP), and the West and Snell/East Pipeline turnouts.

**Utility Electrical and Control Systems Engineering**

The Utility Electrical and Control Systems Engineering Unit provides electrical, control systems, Supervisory Control and Data Acquisition (SCADA), and imported electricity management engineering services, including direct technical services, in support of Valley Water's critical infrastructure and systems used in the day-to-day (24 hours a day, 7 days a week) operations and maintenance of its complex, countywide raw and treated water conveyance system (including three raw water pump stations and pipelines), three drinking water treatment plants, one advanced purified water processing plant, the headquarters office campus and watershed facilities. The imported electricity management saves Valley Water a significant amount in annual electrical energy expenditures and is 100% carbon-free.

## FY 2026 Accomplishments

- Delivered 100% of the treated water to customers that met and surpassed all applicable primary drinking water standards.
- Managed the effective operation and maintenance of the STWTP, PWTP, RWTP, SFPUC-Valley Water Intertie facility, and East and West Pipeline turnouts to deliver treated water to our customers that met and/or surpassed all applicable primary drinking water quality regulatory standards.
- Submitted timely operational and compliance reports to DDW, SWQCB, water retailers, and internal stakeholders, as required, and upon request.
- Produced 100% of the purified water from SVAWPC that met Title 22 recycled water standards and O&M agreement targets.
- Water Quality Lab successfully met ELAP requirements for laboratory accreditation, quality control, and proficiency testing and completed over 150,000 tests to support ongoing Valley Water operations.
- Upgraded web-based document management system to organize, maintain, update laboratory standard operating procedures, and track employee trainings and electronic signatures.
- Upgraded Laboratory Information Management System (LIMS) and support of the Environmental Information Management (EIM) System.
- Supported the construction of the RWTP Reliability Improvement Phase 3-6 Project and West Pipeline Phase I Project.
- Resolved warranty issues for the RWTP Residuals Remediation and the STWTP Filter Media Replacement Projects.
- Provided design review for treatment plant capital projects including the PWTP Residuals Management Project.
- Supported treatment plant and pump station equipment condition assessment and replacement/rehabilitation projects.
- Supported the Water Treatment Plant, Distribution System and SCADA Master Plan Projects.
- Provided regular communication with water retailers on pertinent water quality activities, operational issues, and held successful, quarterly Water Retailer Meetings.
- Provided regular communications with DDW on pertinent water quality activities, regulatory compliance and held a successful annual meeting with DDW.
- Met with water retailers on a regular basis during various emergencies to address concerns and provide operational updates.
- Provided electrical, instrumentation and control, and SCADA engineering support for all water treatment plants, Campbell Well Field, SFPUC-Valley Water Intertie, pump stations, and pipelines to support day-to-day operations and maintenance, capital improvements and upgrades, and master planning.
- Improved reliability and maintainability of water treatment plants and water substations.
- Provided support to Water Utility and Watersheds CIP projects.
- Water Quality Lab passed annual performance evaluations in a wide variety of chemical and microbiological analyses.
- Represented Valley Water on ACWA panel related to PFAS, CUWA, Operations and Water Quality committees, and CA-NV AWWA Regulatory Committee.

- Successfully managed a district-wide cost-effective and carbon-free imported electricity program.
- Led Valley Water's comprehensive rapid response to the threat posed by invasive golden mussels to our water supply sources and infrastructure, including the completion of a comprehensive Vulnerability Assessment.

## FY 2027 Milestones

- Deliver 100% of the treated water to customers that meets and/or surpasses all applicable primary drinking water standards.
- Meet all sampling and reporting requirements established by regulatory agencies and Valley Water operational needs.
- Timely submittal of all operational and compliance reports to regulatory agencies, water retailers, and interested internal parties.
- Maintain laboratory accreditation with ELAP.
- Provide support to capital improvement efforts at all water treatment plants and pipelines, including the East Pipeline and West Pipeline Project Phase 2.
- Support treatment plant and pump station equipment condition assessment and replacement/rehabilitation efforts.
- Collaborate and communicate with DDW on pertinent current and upcoming regulatory developments and compliance requirements.
- Provide regular communications with water retailers on pertinent water quality issues (taste and odor, distribution system water quality), conduct quarterly water retailer meetings, and receive an average of "good" or "excellent" rating in the annual retailer surveys.
- Support the completion of the Water Treatment Plant, Distribution System and SCADA Master Plans.
- Participate and support the development of SCADA implementation plan as the subject matter experts.
- Provide Electrical & Control Systems (SCADA) Engineering support to district-wide capital improvement efforts.
- Manage a district-wide cost-effective and carbon-free imported electricity program.
- Continue to support response and mitigation measures against the threat of invasive mussels to our water supply sources and infrastructure, in collaboration with internal and external partners.

## FY 2028 Milestones

- Deliver 100% of the treated water to customers that meets and/or surpasses all applicable primary drinking water standards.
- Meet all sampling and reporting requirements established by regulatory agencies and Valley Water operational needs.
- Timely submittal of all operational and compliance reports to regulatory agencies, water retailers, and interested internal parties.
- Maintain laboratory accreditation with ELAP.
- Provide support to capital improvement efforts at all water treatment plants and pipelines.
- Support treatment plant and pump station equipment condition assessment and replacement/rehabilitation efforts.
- Collaborate and communicate with DDW on pertinent current and upcoming regulatory developments and compliance requirements.
- Provide regular communications with water retailers on pertinent water quality issues (taste and odor, distribution system water quality), conduct quarterly water retailer meetings, and receive an average of "good" or "excellent" rating in the annual retailer surveys.
- Participate and support the development of SCADA implementation plan as the subject matter experts.
- Provide Electrical & Control Systems (SCADA) Engineering support to district-wide capital improvement efforts.
- Manage a district-wide cost-effective and carbon-free imported electricity program.
- Continue to support response and mitigation measures against the threat of invasive mussels to our water supply sources and infrastructure, in collaboration with internal and external partners.

## Budget Issues and Constraints

- Variation in source water quality resulting from extreme weather conditions poses a challenge to plant operations and the consistency of the treated water quality.
- Aging infrastructure that can impact operations.
- Hiring qualified and certified staff to support capital and large projects.
- Staffing and resources assignment to keep up with increasing regulatory requirements, and track regulatory compliance related to PFAS, CEC, microplastics, golden mussels and others.
- Maintaining adequate service levels while managing staffing constraints and operational disruptions associated with extreme weather, chemical supply shortages, wildfires, power outages, and other emergency events.
- Limited pool of journey-level water treatment plant operators, electrical and control system/SCADA, mechanical and process engineering talent available locally.

## Treated Water Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 53,699,670 | 56,927,650 | 57,044,286 | 63,818,630 |
| Operating Project | 251,716 | – | – | – |
| Capital | 2,534,560 | 4,312,485 | 4,471,779 | 4,126,954 |
| **Total (1)** | **56,485,946** | **61,240,135** | **61,516,066** | **67,945,584** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Laboratory Services | 8,678,298 | 9,271,609 | 9,361,953 | 10,011,356 |
| North Water Treatment Operations | 14,468,959 | 16,602,198 | 15,619,912 | 19,472,195 |
| Plant Maintenance Engineering & Commissioning | 2,906,184 | 3,046,281 | 3,097,962 | 3,321,062 |
| South Water Treatment Operations | 18,679,217 | 19,049,583 | 19,623,507 | 20,334,985 |
| Treated Water Division Deputy's Office | 1,502,073 | 1,596,767 | 1,587,421 | 1,722,384 |
| Utility Electrical & Control Systems | 7,087,191 | 7,630,425 | 7,733,496 | 8,322,522 |
| Water Quality | 3,164,024 | 4,043,272 | 4,491,814 | 4,761,079 |
| **Total (1)** | **56,485,946** | **61,240,135** | **61,516,066** | **67,945,584** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Treated Water Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **92** | **90** | **90** | **90** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Laboratory Services** | | | | | |
| | **Salaries & Benefits** | 4,599,666 | 4,816,531 | 5,025,016 | 5,281,396 |
| | **Services & Supplies** | 1,260,151 | 1,446,500 | 1,443,000 | 1,478,600 |
| | **Intra District Charges** | 2,798,971 | 2,945,026 | 2,846,213 | 3,199,947 |
| **Laboratory Services Total** | | 8,658,788 | 9,208,058 | 9,314,229 | 9,959,942 |
| **North Water Treatment Operations** | | | | | |
| | **Salaries & Benefits** | 5,187,696 | 5,059,712 | 5,226,496 | 5,535,095 |
| | **Services & Supplies** | 6,423,252 | 8,443,282 | 7,261,682 | 10,458,902 |
| | **Intra District Charges** | 2,852,795 | 2,972,754 | 2,943,275 | 3,331,791 |
| **North Water Treatment Operations Total** | | 14,463,743 | 16,475,748 | 15,431,453 | 19,325,789 |
| **Plant Maintenance Engineering & Commissioning** | | | | | |
| | **Salaries & Benefits** | 1,001,583 | 902,458 | 958,141 | 1,007,658 |
| | **Services & Supplies** | 68,542 | 87,500 | 82,000 | 84,460 |
| | **Intra District Charges** | 601,857 | 553,240 | 536,958 | 603,827 |
| **Plant Maintenance Engineering & Commissioning Total** | | 1,671,982 | 1,543,198 | 1,577,099 | 1,695,946 |
| **South Water Treatment Operations** | | | | | |
| | **Salaries & Benefits** | 6,461,756 | 6,362,950 | 6,802,271 | 7,120,341 |
| | **Services & Supplies** | 8,869,877 | 8,983,000 | 9,215,000 | 9,189,660 |
| | **Intra District Charges** | 3,296,655 | 3,511,776 | 3,452,888 | 3,897,557 |
| **South Water Treatment Operations Total** | | 18,628,289 | 18,857,726 | 19,470,159 | 20,207,558 |
| **Treated Water Division Deputy's Office** | | | | | |
| | **Salaries & Benefits** | 924,110 | 960,991 | 981,504 | 1,039,239 |
| | **Services & Supplies** | 10,635 | 53,500 | 53,500 | 55,105 |
| | **Intra District Charges** | 567,328 | 582,276 | 552,417 | 628,040 |
| **Treated Water Division Deputy's Office Total** | | 1,502,073 | 1,596,767 | 1,587,421 | 1,722,384 |
| **Utility Electrical & Control Systems** | | | | | |
| | **Salaries & Benefits** | 3,454,850 | 3,058,342 | 3,262,074 | 3,707,838 |
| | **Services & Supplies** | 508,687 | 590,800 | 568,800 | 649,424 |
| | **Intra District Charges** | 1,942,048 | 1,789,684 | 1,752,946 | 2,172,153 |
| **Utility Electrical & Control Systems Total** | | 5,905,585 | 5,438,827 | 5,583,820 | 6,529,415 |
| **Water Quality** | | | | | |
| | **Salaries & Benefits** | 1,651,692 | 1,434,658 | 1,774,111 | 1,893,935 |
| | **Services & Supplies** | 492,099 | 1,510,100 | 1,297,100 | 1,331,914 |
| | **Intra District Charges** | 977,135 | 862,570 | 1,008,894 | 1,151,748 |
| **Water Quality Total** | | 3,120,926 | 3,807,328 | 4,080,105 | 4,377,597 |
| **Operations Total (1)** | | **53,951,386** | **56,927,650** | **57,044,286** | **63,818,630** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

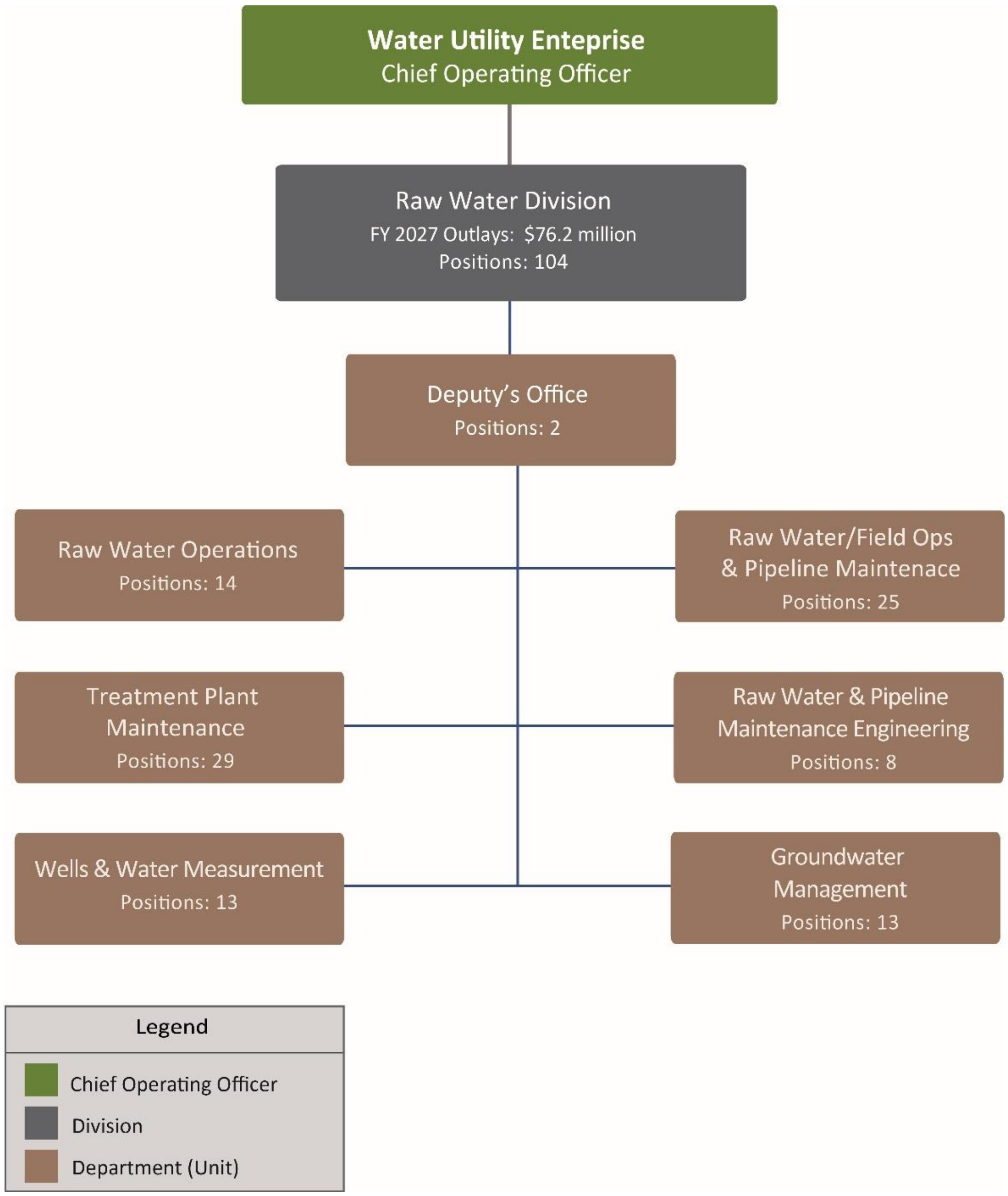
# Division Summaries

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Laboratory Services** | | | | | |
| | **Salaries & Benefits** | 12,235 | 39,303 | 30,376 | 31,916 |
| | **Intra District Charges** | 7,275 | 24,248 | 17,348 | 19,498 |
| **Laboratory Services Total** | | 19,510 | 63,552 | 47,723 | 51,414 |
| **North Water Treatment Operations** | | | | | |
| | **Salaries & Benefits** | 863 | 78,108 | 118,498 | 89,710 |
| | **Services & Supplies** | 3,793 | – | – | – |
| | **Intra District Charges** | 559 | 48,342 | 69,962 | 56,697 |
| **North Water Treatment Operations Total** | | 5,216 | 126,450 | 188,459 | 146,407 |
| **Plant Maintenance Engineering & Commissioning** | | | | | |
| | **Salaries & Benefits** | 779,550 | 931,765 | 971,624 | 1,012,942 |
| | **Services & Supplies** | 2,756 | – | – | – |
| | **Intra District Charges** | 451,896 | 571,318 | 549,239 | 612,174 |
| **Plant Maintenance Engineering & Commissioning Total** | | 1,234,202 | 1,503,083 | 1,520,863 | 1,625,117 |
| **South Water Treatment Operations** | | | | | |
| | **Salaries & Benefits** | 33,378 | 119,802 | 98,104 | 79,554 |
| | **Intra District Charges** | 17,550 | 72,055 | 55,243 | 47,873 |
| **South Water Treatment Operations Total** | | 50,929 | 191,857 | 153,347 | 127,427 |
| **Utility Electrical & Control Systems** | | | | | |
| | **Salaries & Benefits** | 735,643 | 1,576,774 | 1,362,091 | 1,107,831 |
| | **Services & Supplies** | 10,867 | (358,832) | – | – |
| | **Intra District Charges** | 435,095 | 973,657 | 787,585 | 685,276 |
| **Utility Electrical & Control Systems Total** | | 1,181,605 | 2,191,599 | 2,149,676 | 1,793,108 |
| **Water Quality** | | | | | |
| | **Salaries & Benefits** | 27,855 | 146,516 | 261,486 | 237,569 |
| | **Intra District Charges** | 15,244 | 89,428 | 150,224 | 145,913 |
| **Water Quality Total** | | 43,099 | 235,944 | 411,709 | 383,482 |
| **Capital Total (1)** | | **2,534,560** | **4,312,485** | **4,471,779** | **4,126,954** |
| **Division Total (1)** | | **56,485,946** | **61,240,135** | **61,516,066** | **67,945,584** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Raw Water Division



## Division Description and Objectives

The Raw Water Division (Division) maintains the Water Utility infrastructure, operates the Raw Water System, and ensures continued groundwater sustainability. This includes the operations and maintenance of Valley Water's ten reservoirs, three raw water pump stations, 94 miles of large-diameter raw water transmission pipelines and tunnels, and a multifaceted groundwater recharge system including 98 miles of managed creeks and 99 recharge ponds. The Division also maintains Valley Water's three water treatment plants, the Silicon Valley Advanced Water Purification Center (SVAWPC), 17 miles of recycled water pipelines in South County, and 40 miles of large diameter treated water distribution pipelines. The Division also prepares the Annual Water Supply Operations Plan (Operations Plan) for the water supply of the county, manages local water rights and groundwater basins, administers the Well Ordinance and Water Measurement programs, and ensures compliance with regulators for Raw Water Operations as described below.

### Groundwater Management

The Groundwater Management Unit helps ensure continued groundwater sustainability by providing accurate and timely information on current and forecasted groundwater conditions, ensuring Valley Water compliance with Sustainable Groundwater Management Act (SGMA) requirements, and implementing programs to protect groundwater resources. Related programs include groundwater level, groundwater quality, and land subsidence monitoring; evaluation of groundwater data and the use of numerical models to inform operational decisions and long-term water supply planning; activities to protect groundwater quality; and the maintenance and implementation of a comprehensive groundwater management plan for compliance with the District Act and SGMA.

### Raw Water Operations Unit

The Raw Water Operations Unit performs the day-to-day operations planning and 24/7 remote operations of Valley Water's Raw Water System that comprises local surface water reservoirs, raw water pipelines, pump stations, and appurtenances. The Operations Plan guides the beneficial use of local and imported water throughout Santa Clara County. The unit is responsible for the implementation of the Fish and Aquatic Habitat Collaborative Effort (FAHCE) flows from the reservoirs in the Guadalupe River and Stevens Creek watersheds. In addition, the unit administers the Untreated Surface Water Program. The unit also performs the required water rights and regulatory compliance reporting to maintain and protect local water supply operations.

### Raw Water and Pipeline Maintenance Engineering Unit

The Raw Water and Pipeline Maintenance Engineering Unit provides civil and corrosion control engineering in support of Water Utility operations, maintenance, and capital programs and projects. The unit also supports the 10-year pipeline rehabilitation capital project and oversees the implementation of the management strategy for large diameter water conveyance and transmission pipelines. This includes the inspection of Welded Steel, bar-wrapped and Pre-stressed Concrete Cylinder Pipe (PCCP) as well as the development of seismic and risk management tools for pipelines. In addition, the unit provides engineering support for the three water treatment plants, SVAWPC, three raw water pump stations, San Francisco Public Utilities Commission (SFPUC) Intertie, and other related infrastructure and facilities.

### Raw Water/Field Operations and Pipeline Maintenance Unit

The Raw Water Field Operations and Pipeline Maintenance Unit is responsible for the mechanical, electrical, and raw water control system along with 24/7 on-call support for Valley Water facilities. This includes the preventive, corrective, and rehabilitative maintenance of the pipeline infrastructure, which includes three pump stations – Pacheco, Coyote, and Vasona – and over 150 miles of pipelines. Also included are the operation and maintenance of recharge and water distribution systems for groundwater basins, reservoirs, canals, and other water supply infrastructure.

### Treatment Plant Maintenance Unit

The Treatment Plant Maintenance Unit conducts predictive, preventive, corrective, and rehabilitative maintenance required to sustain operations of the Santa Teresa Water Treatment Plant, Penitencia Water Treatment Plant, Rinconada Water Treatment Plant, Advanced Purification Center, Campbell Well Field, and San Francisco Intertie to produce and distribute treated water.

### Wells & Water Measurement

The Wells and Water Measurement Unit is responsible for the Well Ordinance Program and Water Measurement Program. The Well Ordinance Program helps protect Valley Water's groundwater resource by providing services needed for the implementation of Valley Water's Well Ordinance (Ordinance 90-1). Implementation of the well ordinance includes well permitting, well inspection, well data management, and violation enforcement for wells located in Santa Clara County. The Water Measurement Program provides services and supplies for the operation of Valley Water's meter test facility, for meter reading, for meter installation, for the test and overhaul of meters, and for the preventative and corrective maintenance of approximately 1,000 groundwater, treated water, and raw water meters.

## FY 2026 Accomplishments

- Operated the raw water conveyance system 24/7/365 without any major incidents.
- Developed annual Water Supply Operations Plans; and water supply operations outlook scenarios for two calendar years, coordinating prospective operation with interested parties.
- Continued invasive species monitoring and mitigation in the midst of growing golden mussel infestation.
- Safely operated Valley Water's 10 reservoirs during the rainy season.
- Submitted the Water Year Report for the Santa Clara and Llagas Subbasins by the Department of Water Resources annual April 1 deadline for continued SGMA compliance.
- Submitted the annual reports for the Lake or Streambed Alteration Agreements (LSAAs) for North County's six diversions and South County's two reservoirs to CDFW by their respective deadlines.
- Continued working with CDFW on the renewal of the few remaining North County LSAAs.
- Continued coordination on FAHCE, prepared the annual FAHCE report for the prior water year, and implemented FAHCE-Plus flows for reservoirs in the Guadalupe River and Stevens Creek watersheds in the current water year.
- Completed the work projects identified in the Five-Year Maintenance Work Plan.
- Responded to and supported pipeline emergency repair efforts.
- Completed and implemented Board-approved updates to the Well Ordinance Program.
- Conducted enforcement on abandoned wells in accordance with the plan per the Well Ordinance.
- Completed maintenance of 599 Valley Water meters and backflow devices. Read meters weekly for 32 Treated Water sites, monthly for 214 meters along 10 routes for groundwater well sites, and semi-annually for 811 meters along 23 routes for groundwater well sites.
- Provided Civil and Corrosion Control engineering and technical support for Operations, Maintenance, Asset Management and Capital Improvement projects and programs.
- Monitored, maintained and repaired pipeline condition assessment equipment and instrumentation (Acoustic Fiber Optic, Transient, Cathodic Protection, and Geotechnical).
- Ensured sustainable groundwater conditions.
- Commented on environmental review documents for over 25 community projects to help ensure continued groundwater sustainability and protection of groundwater quality.
- Continued groundwater PFAS monitoring and coordination efforts with local and state agencies.
- Issued approximately 773 well permits and completed approximately 735 well inspections.
- Installed 87 Advanced Metering Infrastructure (AMI) meters.
- Drafted Valley Water's Cross Connection Control Plan.

- Completed corrective maintenance work (which includes emergency maintenance) per assigned schedules through Q4.
- Completed work projects identified in the Five-Year Maintenance Work Plan.
- In coordination with Asset Management, completed condition assessments of pre-determined facilities by the scheduled quarter.
- In collaboration with Valley Water's Career Pathways program, successfully onboarded two skilled trade interns to the Raw Water and Pipeline Maintenance units.

## FY 2027 Milestones

- Maintain reliable water treatment, raw water, and pipeline facilities by performing corrective and scheduled preventative maintenance.
- Complete all scheduled condition assessments for pre-determined facilities by the assigned quarterly deadlines.
- Operate recharge, canal, ditch, and low-pressure pipelines as required by the operations plan and regulatory agency requirements.
- Complete groundwater recharge pond maintenance.
- Effectively manage and operate Valley Water's raw water system 24/7/365.
- Safely operate Valley Water's 10 reservoirs during the rainy season.
- Prepare annual FAHCE-Plus report.
- Manage Cathodic Protection and Corrosion Control Systems (maintenance, surveys, troubleshooting and repairs).
- Submit the Water Year report for the Santa Clara and Llagas Subbasins by DWR April 1 deadline for continued SGMA compliance.
- Submit to DWR the 2026 Groundwater Management Plan as the second periodic evaluation of approved Alternative Plan for continued SGMA compliance.
- Continue to issue well permits, perform inspections, and conduct enforcement of abandoned wells per Valley Water Well Ordinance 90-1 requirements.
- Begin decommissioning work for identified groundwater well sites.
- Continue to install meters and perform treated water verifications.
- Continue to install Advanced Metering Infrastructure for Valley Water meters.
- Submit groundwater elevation data to the DWR quarterly.
- Analyze groundwater and land subsidence conditions to support water supply operations, long-term planning, and Valley Water projects.

## FY 2028 Milestones

- Maintain reliable water treatment, raw water, and pipeline facilities by performing corrective and scheduled preventative maintenance.
- Complete all scheduled condition assessments for pre-determined facilities by the assigned quarterly deadlines.
- Operate recharge, canal, ditch, and low-pressure pipelines as required by the operations plan and regulatory agency requirements.
- Complete groundwater recharge pond maintenance.
- Effectively manage and operate Valley Water's raw water system 24/7/365.
- Safely operate Valley Water's 10 reservoirs during the rainy season.
- Prepare annual FAHCE-Plus report.
- Manage Cathodic Protection and Corrosion Control Systems (maintenance, surveys, troubleshooting and repairs).
- Submit Water Year report for the Santa Clara and Llagas Subbasins by DWR April 1 deadline for continued SGMA compliance.
- Continue to issue well permits, perform inspections, and conduct enforcement of abandoned wells per Valley Water Well Ordinance 90-1 requirements.
- Continue to install meters and perform treated water verifications.

- Continue to install Advanced Metering Infrastructure for Valley Water meters.
- Submit groundwater elevation data to the DWR quarterly.
- Analyze groundwater and land subsidence conditions to support water supply operations, long-term planning, and Valley Water projects.

## Budget Issues and Constraints

Raw Water division faces challenges due to aging infrastructure, dry conditions, and potential water quality obstacles that threaten uninterrupted operations and groundwater management. Ongoing staffing and resource constraints narrow the ability to simultaneously support various areas, including operations and maintenance, capital and large projects, and the tracking and analysis of contaminants that may affect groundwater supplies. In recent years, the division has been challenged in backfilling retirements and out-of-unit promotions due to limited pool of journey-level electrical and mechanical trade talent available. Succession planning and cross-training are underway to offset the impacts of anticipated retirements in the future.

# Division Summaries

## Raw Water Division — Budget Summary

| Project Type (Category) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Operations | 50,798,306 | 56,909,854 | 59,756,799 | 62,581,956 |
| Operating Project | 18,715 | – | – | – |
| Capital | 4,492,636 | 18,973,716 | 16,449,071 | 16,531,033 |
| **Total (1)** | **55,309,657** | **75,883,571** | **76,205,870** | **79,112,989** |

| Department (Unit) | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| Groundwater Monitoring | 5,825,637 | 6,570,928 | 6,624,201 | 7,095,792 |
| Raw Water Division Deputy's Office | 1,012,570 | 1,054,928 | 1,048,634 | 1,145,569 |
| Raw Water Operations | 6,891,464 | 7,718,039 | 8,011,297 | 8,299,637 |
| Raw Wtr-Field Ops & Pipeline Maint. | 13,705,884 | 21,540,273 | 23,971,261 | 27,811,859 |
| Treatment Plant Maintenance | 17,447,993 | 26,174,626 | 23,346,042 | 21,604,183 |
| Raw Water & Pipeline Maintenance Engineering | 5,078,754 | 7,042,882 | 7,245,496 | 6,811,449 |
| Wells & Water Measurement | 5,347,355 | 5,781,892 | 5,958,937 | 6,344,500 |
| **Total (1)** | **55,309,657** | **75,883,571** | **76,205,870** | **79,112,989** |

(1) Totals include intra-district reimbursement charges. FY 2025 and FY 2026 department expenditures are presented according to the FY 2027 Division Organizational Chart.

### Raw Water Division - Position Summary

| | FY 2024-25 Adjusted Budget (2) | FY 2025-26 Adopted Budget (2) | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|
| **Authorized Positions (1)** | **105** | **105** | **104** | **104** |

(1) Authorized positions exclude limited term positions.

(2) For comparison purposes, FY 2025 and FY 2026 position count lists all positions according to the FY 2027 Organizational Chart.

## Operations Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Groundwater Management** | | | | | |
| | **Salaries & Benefits** | 3,501,647 | 3,766,945 | 3,964,478 | 4,188,614 |
| | **Services & Supplies** | 207,395 | 470,300 | 426,800 | 388,789 |
| | **Intra District Charges** | 2,116,180 | 2,309,957 | 2,221,639 | 2,506,274 |
| **Groundwater Management Total** | | 5,825,222 | 6,547,202 | 6,612,917 | 7,083,678 |
| **Raw Water Division Deputy's Office** | | | | | |
| | **Salaries & Benefits** | 613,968 | 649,461 | 659,499 | 702,471 |
| | **Services & Supplies** | 15,096 | 11,500 | 16,500 | 16,875 |
| | **Intra District Charges** | 383,506 | 393,968 | 372,635 | 426,223 |
| **Raw Water Division Deputy's Office Total** | | 1,012,570 | 1,054,928 | 1,048,634 | 1,145,569 |
| **Raw Water Operations** | | | | | |
| | **Salaries & Benefits** | 4,073,787 | 3,986,596 | 4,176,267 | 4,493,819 |
| | **Services & Supplies** | 431,952 | 1,124,400 | 1,406,386 | 1,176,406 |
| | **Intra District Charges** | 2,263,068 | 2,266,238 | 2,198,669 | 2,543,437 |
| **Raw Water Operations Total** | | 6,768,806 | 7,377,234 | 7,781,322 | 8,213,662 |
| **Raw Wtr-Field Ops & Pipeline Maint.** | | | | | |
| | **Salaries & Benefits** | 5,996,060 | 6,344,949 | 6,741,871 | 7,099,153 |
| | **Services & Supplies** | 3,237,678 | 4,218,260 | 5,179,360 | 5,097,973 |
| | **Intra District Charges** | 3,692,479 | 4,102,323 | 4,370,809 | 4,896,534 |
| **Raw Wtr-Field Ops & Pipeline Maint. Total** | | 12,926,217 | 14,665,533 | 16,292,040 | 17,093,660 |
| **Treatment Plant Maintenance** | | | | | |
| | **Salaries & Benefits** | 6,733,277 | 6,648,363 | 7,333,779 | 7,690,038 |
| | **Services & Supplies** | 3,843,728 | 3,724,500 | 3,805,500 | 3,945,415 |
| | **Intra District Charges** | 4,376,612 | 4,651,742 | 4,761,258 | 5,335,899 |
| **Treatment Plant Maintenance Total** | | 14,953,617 | 15,024,606 | 15,900,537 | 16,971,352 |
| **Raw Water & Pipeline Maintenance Engineering** | | | | | |
| | **Salaries & Benefits** | 1,716,723 | 1,982,292 | 1,814,076 | 1,958,829 |
| | **Services & Supplies** | 1,299,293 | 3,217,300 | 3,207,300 | 2,456,550 |
| | **Intra District Charges** | 998,642 | 1,258,867 | 1,141,034 | 1,314,155 |
| **Raw Water & Pipeline Maintenance Engineering Total** | | 4,014,657 | 6,458,459 | 6,162,411 | 5,729,535 |
| **Wells & Water Measurement** | | | | | |
| | **Salaries & Benefits** | 3,148,860 | 3,298,582 | 3,400,241 | 3,560,256 |
| | **Services & Supplies** | 209,106 | 359,800 | 424,300 | 396,010 |
| | **Intra District Charges** | 1,957,966 | 2,123,511 | 2,134,396 | 2,388,234 |
| **Wells & Water Measurement Total** | | 5,315,931 | 5,781,892 | 5,958,937 | 6,344,500 |
| **Operations Total (1)** | | **50,817,021** | **56,909,854** | **59,756,799** | **62,581,956** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.

## Capital Budget by Department and Account Category

| Department | Account Category | FY 2024-25 Budgetary Actuals | FY 2025-26 Adopted Budget | FY 2026-27 Adopted Budget | FY 2027-28 Proposed Plan |
|---|---|---|---|---|---|
| **Groundwater Management** | | | | | |
| | **Salaries & Benefits** | 249 | 14,667 | 7,215 | 7,559 |
| | **Intra District Charges** | 165 | 9,059 | 4,069 | 4,555 |
| **Groundwater Management Total** | | 414 | 23,726 | 11,284 | 12,114 |
| **Raw Water Operations** | | | | | |
| | **Salaries & Benefits** | 75,938 | 211,564 | 146,640 | 53,449 |
| | **Services & Supplies** | 1,007 | – | – | – |
| | **Intra District Charges** | 45,712 | 129,241 | 83,335 | 32,526 |
| **Raw Water Operations Total** | | 122,657 | 340,806 | 229,975 | 85,975 |
| **Raw Wtr-Field Ops & Pipeline Maint.** | | | | | |
| | **Salaries & Benefits** | 158,745 | 234,224 | 246,698 | 268,330 |
| | **Services & Supplies** | 518,236 | 6,482,000 | 7,263,841 | 10,260,641 |
| | **Intra District Charges** | 102,686 | 158,517 | 168,682 | 189,228 |
| **Raw Wtr-Field Ops & Pipeline Maint. Total** | | 779,667 | 6,874,741 | 7,679,221 | 10,718,199 |
| **Treatment Plant Maintenance** | | | | | |
| | **Salaries & Benefits** | 130,409 | 561,357 | 493,420 | 533,053 |
| | **Services & Supplies** | 2,296,076 | 10,164,208 | 6,606,000 | 3,700,000 |
| | **Intra District Charges** | 67,891 | 424,456 | 346,086 | 399,778 |
| **Treatment Plant Maintenance Total** | | 2,494,377 | 11,150,020 | 7,445,506 | 4,632,831 |
| **Raw Water & Pipeline Maintenance Engineering** | | | | | |
| | **Salaries & Benefits** | 514,437 | 361,320 | 666,659 | 647,109 |
| | **Services & Supplies** | 249,784 | – | – | – |
| | **Intra District Charges** | 299,876 | 223,103 | 416,426 | 434,806 |
| **Raw Water & Pipeline Maintenance Engineering Total** | | 1,064,097 | 584,423 | 1,083,085 | 1,081,915 |
| **Wells & Water Measurement** | | | | | |
| | **Services & Supplies** | 31,424 | – | – | – |
| **Wells & Water Measurement Total** | | 31,424 | – | – | – |
| **Capital Total [(1)]** | | **4,492,636** | **18,973,716** | **16,449,071** | **16,531,033** |
| **Division Total [(1)]** | | **55,309,657** | **75,883,570** | **76,205,870** | **79,112,989** |

(1) Totals reflect the gross budget and includes intra-district reimbursement charges.