Santa Clara Valley Water District
CONFORMED COPY

File No.: 23-0215

Agenda Date: 3/14/2023
Item No.: 7.1.

BOARD AGENDA MEMORANDUM

Government Code § 84308 Applies: Yes ☐ No ☒
(If "YES" Complete Attachment A - Gov. Code § 84308)

SUBJECT:
Accept Management Response to the Independent Monitoring Committee Report on the Renewed Safe Clean Water Natural Flood Protection Program Annual Report for Fiscal Year 2021-2022.

RECOMMENDATION:

A. Accept Management Response to the Independent Monitoring Committee Report on the Renewed Safe Clean Water Natural Flood Protection Program Annual Report for Fiscal Year 2021-2022; and
B. Provide additional direction as necessary.

SUMMARY:
On February 8, 2023, the Independent Monitoring Committee (IMC) issued its report on Santa Clara Valley Water District's (Valley Water) renewed Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) Annual Report for Fiscal Year 2021-22 (Annual Report).

Over the past months, project managers, Assistant and Deputy Operating Officers managing projects included in the Safe, Clean Water Program met with the IMC and its subcommittees for Program priorities and finance to review the report, answer questions, and provide follow-up information as necessary. The IMC members have shown passion and dedication to the Safe, Clean Water Program throughout this review process.

In its annual report, the IMC made program-wide as well as some project-specific recommendations. Of the eight (8) program-wide recommendations, staff agrees with seven, in some instances proposing a refined approach or alternative approaches for addressing the recommendations and has a different view on one recommendation, which relates to IMC's scope.

Of the 32 projects in the renewed Safe, Clean Water Program, the IMC agreed with the status as stated in the Annual Report regarding all but one of the projects, deeming the Coyote Creek Flood Protection Project to be "Not on Target." The IMC had no recommendations for 26 projects, thus requiring no Board direction for those projects.

The IMC also provided notes for Valley Water's consideration in developing future year's Annual

Reports, which staff will address moving forward.

To address each of the recommendations and notes made by the IMC, a staff response column, providing summarized responses, has been added to the IMC's report table (Attachment 1). Upon the Board's approval, staff is prepared to implement the IMC's recommendations as set forth in the staff response (Attachment 1).

Detailed responses to some of the program-wide recommendation Project E1: Coyote Creek Flood Protection status assessment are provided below.

Program-wide Recommendations

Schedule a new audit immediately to be consistent with the five-year schedule as originally intended (under the 2012 Program), dating back to the end period of the previous audit.

> **Management Response:** Staff agree that an audit should be implemented and recommends two separate audits, one for the renewed Safe, Clean Water Program, which came into effect in FY2021-22, and a closeout audit for the 2012 Program, which ended in FY2020-21. Two audits are recommended because the renewed Safe, Clean Water Program replaced the 2012 Program in its entirety, and while many of the projects were carried forward, the renewed program includes a new priority, new projects, new KPIs, and new funding allocations. If directed by the Board, staff will work to include the audits and associated costs in the FY2023-24 budget and initiate the audit process.
>
> Background:
> Voters have passed three (3) Valley Water ballot measures. These are Measure B, the 15-year Clean, Safe Creeks and Natural Flood Protection Plan (CSC Plan) approved in 2000; Measure B, the 15-year Safe, Clean Water and Natural Flood Protection Program (2012 Program) approved in 2012, which replaced the CSC in its entirety; and Measure S, the renewed Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program), approved in 2020 and replaced the 2012 Program in its entirety. The renewed Safe, Clean Water Program took effect on July 1, 2021.
>
> In 2012, the CSC Plan had an independent audit. While developing the subsequent voter measure, the 2012 Program, Valley Water incorporated the requirement for independent audits every five years in the new program. The first audit of the 2012 Program was held in 2017, and the next would have been due in FY2021-22. The renewed Safe, Clean Water Program, which took effect in FY2021-22, also requires independent audits at least every five years.

KPIs be modified to reflect more accurate and meaningful outcomes, as previously recommended in the Moss Adams Audit in 2017. In the Audit, Moss Adams made a finding that "some KPIs focus on outputs rather than outcomes and do not address District success in achieving key objectives." In a number of situations, the IMC recommends modification of KPIs for these same reasons, and/or to align the KPI to track reasonably necessary measures

to meet the priorities of the specific Program.

Management Response: Staff acknowledges the recommendation and believes that a Board-directed audit of the renewed Safe, Clean Water Program will provide an excellent opportunity to review the KPIs and consider the auditor's recommendations as Valley Water examines the need and approach to modifying these KPIs. See Attachment 2 for an overview of the types of KPIs, the modification process, and the modifications carried out under the 2012 Program and the renewed Safe, Clean Water Program.

Overall, the IMC recommends that Valley Water provide a more nuanced "Confidence Level" system that more succinctly captures the project's status and the obstacles and challenges. It recommends that there be five confidence levels in next year's report.

Management Response: Staff agrees and will work with IMC members to refine the process for a more detailed and nuanced confidence-level reporting system. The current system was developed in response to recommendations from the 2012 Program IMC and staff plans to continue to improve upon the system with the IMC for the renewed Safe, Clean Water Program.

In some areas, the jurisdictional complexities category was not clear, and the IMC recommends that more details be provided.

Management Response: Staff agrees and will work to add more details. Staff would like to note that while every agency impacting a project's jurisdictional complexity may not have been referenced in each project write-up, the information was included in *Appendix C: Capital Projects Jurisdictional Complexities (Confidence Levels Regarding Outside Agencies)*, which provides a list of all the agencies associated with the project and the confidence level for each agency. The current system was developed in response to recommendations from the 2012 Program IMC and staff plans to continue to improve this system with the IMC for the renewed Safe, Clean Water Program.

Although the role of the IMC is to review each Annual Report, the IMC suggests that such a narrow scope prevents a more realistic approach to evaluating Valley Water's progress in support of the Program objectives. Measure S expressly provides that the IMC may make recommendations to the Board regarding reasonably necessary measures to meet the priorities of the Program (Measure S, Section P). As noted, the IMC no sooner had been provided with Staff's assessment that a particular program (E-1) was "On Target" as of the end of FY2021-2022, than Staff turned to the Board to request major modifications to cover unexpected cost increases for this same project to the tune of $162 million. The IMC cannot be expected to turn a blind eye to the reality that these extraordinary cost increases only became apparent since the end of FY2021-2022.

Management Response: The IMC conducts its review of Valley Water's prior fiscal year's Annual Report during the same time as Valley Water is updating the Capital Improvement Program's rolling Five-Year Plan in alignment with the water rate setting process and

upcoming fiscal years' biennial budget cycle. Project updates that occur during this time fall outside the IMC's assigned period of review. Staff acknowledges the challenge the IMC faces on focusing its review backwards. However, staff believes that it is important for the integrity of the reporting process that the IMC operate within the guidelines approved by the voters. IMC's annual review is limited to reviewing Valley Water's Annual Report, including project statuses, per the information in the Annual Report or applicable to the given fiscal year. Program and project progress made in the subsequent fiscal years will be reflected in the Valley Water Annual Report for those fiscal years. Per the voter-approved measure, the IMC does have the opportunity to "look ahead" every five years in its review of the renewed Program's Five-Year Plans. The renewed Program's IMC reviewed the renewed Program's Five-Year Plan for FY2022-26 in May of 2021.

The Board-adopted Program Resolution No. 20-64 outlines the parameters within which the IMC conducts Program review states:

> "An external, independent monitoring committee (IMC) shall be appointed by the Valley Water Board of Directors to conduct an annual review of Valley Water's fiscal year report and provide an annual report from the IMC to the Board of Directors regarding implementation of the intended results of the Program. The IMC shall also review each proposed five-year implementation plan prior to its submittal for Board approval. Through review of both the annual reports and five-year implementation plans, the IMC may make recommendations to the Valley Water Board of Directors regarding reasonably necessary measures to meet the priorities of the Safe, Clean Water and Natural Flood Protection Program."

The Board authorize and enable staff to collaborate with the IMC to help it track projects over time by aggregating and summarizing information from IMC's annual evaluations to create an ongoing "dashboard" summary that covers the life of each project. Multi-year dashboards for the life of each project will better communicate progress on the individual projects. They also will highlight the systemic, external obstacles that are hindering many projects.

Management Response: Staff agrees. Valley Water has a history of working collaboratively with the IMC to make the 2012 Safe, Clean Water Program Annual Reports more transparent and accessible to the IMC and the public. Staff will continue to work with the renewed Safe, Clean Water Program IMC members to develop a reporting process to achieve the desired outcome of aggregating multi-year summaries of each project reflecting the Board-approved project statuses.

Project E1: Coyote Creek Flood Protection

"On Target" Project Status - IMC does not agree with the project status and considers the project to be "Not on Target."

As referenced in the IMC's cover letter, "In its Report, Staff noted that it had only expended 77% of the annual budget, noting as follows: The under-expenditure was because real estate

transactions for project easements were not completed and the agreement for construction management services was not awarded in FY2021-2022. Also, the level of CEQA documentation had not been finalized in FY2021-2022. (Program Annual Report FY 2021-2022, p. 84)."

It goes without saying that these steps - real estate transactions for project easements, construction management agreements, and CEQA compliance - are not trivial matters. Although not included in the FY2021-2022 Annual Report, but recently reported to Valley Water at a Board meeting held on January 24, 2023, Staff has announced that Project E.1 is facing additional costs of up to $162 million… For the foregoing reasons, the IMC concluded that Project E-1 is "Not on Target" and recommends that the full historical context of these changes over the past two decades be made available to the public."

Staff Note: *Leading up to the split vote of 5 ayes/2 nays/2 abstains, the majority of the discussion surrounding the project's status was not focused on the FY2021-22 Annual Report and the project status for that year. Instead, it pertained to the project history and failure to progress towards delivery of 1% flood protection under the Clean, Safe Creeks Plan and 2012 Program, along with projected concerns focused on FY2022-23 based on the updated project schedule and the potential that there could be a challenge to the award of a construction contract for the Coyote Creek Flood Management Measures Project (CCFMMP).*

Management Response: This year's IMC report is a review of Valley Water's annual report for the Safe, Clean Water Program for FY2021-22, which began on July 1, 2021, and ended on June 30, 2022. Based on the project progress during FY2021-22, staff deems the project to be "On Target" and does not concur with IMC's assessment that the project was "Not on Target" in FY2021-22. As referenced above in staff's response to the IMC's scope, staff believes that it is important that the IMC review Valley Water's Annual Report within the parameters outlined in Resolution No. 20-64. The Resolution states that Valley Water shall file a fiscal year report with the Board no later than January 1 of each year for the prior fiscal year and the IMC would conduct annual review of the fiscal year annual report and provide an annual report to the Board regarding implementation of the intended results of the Program.

Overview:
The Coyote Creek Flood Protection Project (Project E1) KPI to "Construct flood protection improvements along Coyote Creek between Montague Expressway and Tully Road to provide protection from floods up to the level that occurred on February 21, 2017, approximately a 5% (20-year) flood event" is delivered by two projects- the Coyote Creek Flood Management Measures Project (CCFMMP) and the Coyote Creek Flood Protection Project (CCFPP). CCFMMP constitutes 40% of the project and is funded by Water Utility and is part of the Anderson Dam's Federal Energy Regulatory Commission (FERC) Order Compliance Project (FOCP). The CCFMMP is scheduled to begin construction in FY2022-23. The CCFPP represents the remaining 60% of the project and is funded by the Safe, Clean Water Program and its construction will follow the CCFMMP.

Regarding the project's status of "On Target," in FY2021-22, CEQA analysis and compliance

were in progress; the right-of-way needs were being determined; and the CCFPP reached a significant milestone with the completion of 30% Design (and has subsequently progressed to 60% Design March 2023).

Project Progress History: Based upon the fact that delivery of CCFMMP is linked to the delivery of the renewed Safe, Clean Water Program's KPI for the project but funded separately, the slight under-expenditure of 77% of the FY2022-23 budget is not an indication that the project was behind schedule in FY2021-22.

When staff initially prepared the Construction Management (CM) Services RFP, it had planned to award the contract for both the projects; CCFMMP, which is scheduled to begin construction first, and CCFPP. However, later the CCFPP scope was removed from that contract. Regarding the real estate transactions, three properties were identified in the planning study for acquisition in a voluntary sale, however, the property owners were not interested in selling their parcels. Easements will be acquired once the CCFPP Environmental Impact Report (EIR) is completed. The level of CEQA documentation was not determined in FY2021-22 as the consultant was still developing the preliminary analysis to help make the determination. Meanwhile, Valley Water completed multiple voluntary sale acquisitions and acquired easements in FY2021-22 for CCFMMP.

Project Cost Estimate Updates: In FY2022-23, as part of the Capital Improvement Program's annual cycle to update project plans in the development of the rolling Five-Year Plan in alignment with the upcoming biennial budget cycle and water rates setting process, the CCFMMP and CCFPP project plans were updated, reflecting increased project costs. The CCFPP costs escalated by approximately $162 million and CCFMMP increased by approximately $87 million. The increased costs and the schedule change were presented to Valley Water Board as part of the Preliminary CIP Five-Year Plan on January 10, 2023. To ensure CCFPP has adequate funding and continues to move forward, on January 24, 2023, following a public hearing, the Board modified some Safe, Clean Water projects, making funding available for the CCFPP.

Furthermore, another major project milestone was reached on February 28, 2023, with the Board Authorizing Advertisement for Bids for the Construction of CCFMMP. On March 28, 2023, staff will recommend the Board approve an agreement with Ghirardelli Associates, Inc. for CCFMMP construction management services.

Project E1 Recommendations - In future annual reports:

- **Provide the history of the Coyote Creek Flood Protection Project under the 2000, 2012 and the current 2020 programs.**

Staff agrees. Under the renewed Safe, Clean Water Program report prepared for the voters, each project included a flooding history and project background section. This background information is currently provided on each project's web page. For consistency, staff will review

the backgrounds for all flood protection projects, update as necessary, and include a summary of each project's history in future annual reports, with links to the project web pages for the full history. Staff has reviewed and updated the project history for Coyote Creek, which is included as Attachment 3.

- **This is the third iteration of the project since initially proposed in 2005.**

  Staff agrees. Voters have passed three (3) Valley Water ballot measures, each replacing its predecessor in its entirety. These are the 15-year CSC Plan, approved in 2000; the 15-year 2012 Program, approved in 2012; and the renewed Safe, Clean Water Program, approved in 2020. The renewed Safe, Clean Water Program became effective on July 1, 2021.

- **Clarify that the project was changed from a 1% flood protection project to a 5% flood protection project.**

  Staff agrees. The KPI was modified under the 2012 Program in February 2017. The modified status was reported both in the FY2016-17 annual report and in the Status History Tables in subsequent annual reports for the 2012 Program. As the 2012 Program was entirely replaced by the renewed Safe, Clean Water Program and the Coyote Creek project has an updated KPI, it would not be appropriate to reflect a modified status for the new KPI. Instead, staff will include information regarding the modification under the 2012 Program in the project's history and background section, as referenced above.

Valley Water staff is committed to the success of the renewed Safe, Clean Water Program and to achieving KPIs in a cost-efficient and transparent manner. We appreciate the IMC's commitment and look forward to continuing to engage in an open and responsive review process.

ENVIRONMENTAL JUSTICE IMPACT:
There are no Environmental Justice impacts associated with this item.

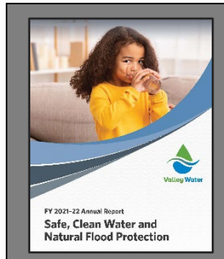
FINANCIAL IMPACT:
There is no financial impact associated with this item.

CEQA:
The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Management Response Table
Attachment 2: KPI Overview
Attachment 3: Coyote Creek Project (E1) History
Attachment 4: Project F1 Supplemental Information
Attachment 5: PowerPoint

UNCLASSIFIED MANAGER:
Melanie Richardson, 408-630-2035



Independent Monitoring Committee Fiscal Year 2021-2022 Annual Report
Safe, Clean Water and Natural Flood Protection Program
General Recommendations

#	Subject:	Recommendation:	Staff Response:
1	IMC Members	To ensure full representation of all districts and optimal subcommittee discussions, the IMC recommends that all IMC positions be filled.	Staff agrees with the recommendation. Vacant positions are scheduled to be filled before the start of the FY2022-23 IMC review cycle in December 2023. Staff is working with the Directors to fill any vacant positions via appointment or reappointment. Currently there are positions open in District 1 and District 4.
2	Program Audits	Schedule a new audit immediately to be consistent with the five-year schedule as originally intended (under the 2012 Program), dating back to the end period of the previous audit.	Staff agree that an audit should be implemented and recommends two separate audits, one for the renewed Safe, Clean Water Program, which came into effect in FY2021-22, and a closeout audit for the 2012 Program, which ended in FY2020-21. This is because the renewed Safe, Clean Water Program replaced the 2012 Program in its entirety, and while many of the projects were carried forward, the renewed program includes a new priority, new projects, new KPIs, and new funding allocations. If directed by the Board, staff will work to include the audits and associated costs in the FY2023-24 budget and initiate the audit process.
3	KPI Modifications	KPIs be modified to reflect more accurate and meaningful outcomes, as previously recommended in the Moss Adams Audit in 2017. In the Audit, Moss Adams made a finding that "some KPIs focus on outputs rather than outcomes and do not address District success in achieving key objectives." In a number of situations, the IMC recommends modification of KPIs for these same reasons, and/or to align the KPI to track reasonably necessary measures to meet the priorities of the specific Program.	Staff acknowledges the recommendation and believes that a Board-directed audit of the renewed Safe, Clean Water Program will provide an excellent opportunity to review the KPIs and consider the auditor's recommendations as Valley Water examines the need and approach to modifying these KPIs. See Attachment 2 for an overview of the types of KPIs, the modification process and the modifications carried out under the 2012 Program and the renewed Safe, Clean Water Program.
4	Confidence Levels	Provide a more nuanced "Confidence Level" system that more succinctly captures the project's status and the obstacles and challenges. It recommends that there be five confidence levels in next year's report.	Staff agrees and will work with IMC members to refine the process for a more detailed and nuanced confidence-level reporting system.
5	Jurisdictional Complexities	In some areas, this category was not clear, and the IMC recommends that more details be provided.	Staff agrees and will work to add more details.
6	Project Labor Agreement	The IMC recommends that projects under Project Labor Agreements (PLAs) be identified.	Staff agrees and future annual reports will identify projects under PLAs.

7	IMC Scope	Although the role of the IMC is to review each Annual Report, the IMC suggests that such a narrow scope prevents a more realistic approach to evaluating Valley Water's progress in support of the Program objectives. Measure S expressly provides that the IMC may make recommendations to the Board regarding reasonably necessary measures to meet the priorities of the Program (Measure S, Section P). As noted, the IMC no sooner had been provided with Staff's assessment that a particular program (E-1) was "On Target" as of the end of FY2021-2022, than Staff turned to the Board to request major modifications to cover unexpected cost increases for this same project to the tune of $162 million. The IMC cannot be expected to turn a blind eye to the reality that these extraordinary cost increases only became apparent since the end of FY2021-2022.	Staff acknowledges this recommendation. Staff believes that it is important for the integrity of the reporting process that the IMC operates within the guidelines approved by the voters. IMC's annual review should be limited to reviewing the annual report, including project statuses, per the information in the annual report or applicable to the given fiscal year. Program and project progress made in the subsequent fiscal years will be reflected in the annual report for those fiscal years. Per the voter-approved measure, the IMC does have the opportunity to "look ahead" every five years in its review of the renewed Program's Five-Year Plans. The Board-adopted Program Resolution No. 20-64 outlines the parameters within which the IMC conducts Program review states: "An external, independent monitoring committee (IMC) shall be appointed by the Valley Water Board of Directors to conduct an annual review of Valley Water's fiscal year report and provide an annual report from the IMC to the Board of Directors regarding implementation of the intended results of the Program. The IMC shall also review each proposed five-year implementation plan prior to its submittal for Board approval. Through review of both the annual reports and five-year implementation plans, the IMC may make recommendations to the Valley Water Board of Directors regarding reasonably necessary measures to meet the priorities of the Safe, Clean Water and Natural Flood Protection Program."
8	Ongoing Dashboard Summary	The Board authorize and enable staff to collaborate with the IMC to help it track projects over time by aggregating and summarizing information from IMC's annual evaluations to create an ongoing "dashboard" summary that covers the life of each project. Multi-year dashboards for the life of each project will better communicate progress on the individual projects. They also will highlight the systemic, external obstacles that are hindering many projects. The multi-year summaries and the process used to produce them can help the IMC inform the public and provide recommendations to the Board based on that multi-year perspective. Rather than focus on annual status ratings based on "moving targets," we believe that the Priorities of Measure S are better served by identifying recurring, systemic reasons for delays and cost over-runs, and communicating those reasons to the public.	Staff agrees will work with IMC members to develop a reporting process to achieve the desired outcome of aggregating multi-year summaries of each project reflecting the Board-approved project statuses.

Independent Monitoring Committee Fiscal Year 2021-2022 Annual Report
Project Recommendations
Priority A - Ensure a Safe, Reliable Water Supply

#	Project:	KPI:	Status	Recommendation:	Staff Response:
1	A1: Pacheco Reservoir Expansion	1. Provide a portion of funds, up to $10 million, to help construct the Pacheco Reservoir Expansion Project.	Adjusted	IMC agrees with the project status. Recommendations: 1. Provide supplemental information about the project progress and, if warranted, modify the KPI. 2. Add the link to the Pacheco Reservoir project webpage and ensure posted material is updated.	Staff agrees. 1. The annual report does include information about the project's progress. However, staff will provide additional details as the project advances. If the Board directs staff to move forward with the recommended audits, it will be most beneficial to consider the auditor's KPI-related recommendations regarding the need and approach to modifying KPIs. 2. Future annual reports will include web page links for all the projects and Valley Water staff will continue to update project web pages on a quarterly basis and as needed.
2	A2: Water Conservation Rebates and Programs	1. Award up to $1 million per year toward specified water conservation program activities, including rebates, technical assistance, and public education, within the first seven (7) years of the Program.	On Target	IMC agrees with the project status. Recommendation: Modify the KPI to reflect operational outcome objectives to meet program measures. Need to tie the KPI to the outcome of water being conserved. E.g., show trendline on conservation or how is overall conservation or progress.	Staff acknowledges this recommendation. In future annual reports, staff will include details on how delivery of the KPI ties back to the project benefits, further linking the output to the outcome. If the Board directs staff to move forward with the recommended audits, it will be most beneficial to consider the auditor's KPI-related recommendations regarding the need and approach to modify KPIs. The Project A2 KPI is fiscal-based and was written to support a larger Valley Water project via fund transfer. The Safe, Clean Water funds support the project and priority objectives, but alternative funding sources are required for the delivery of the project. Fiscal-based KPIs support the project objectives while providing the flexibility to respond to changing priorities or circumstances to achieve the larger overall goal. For example, Project A2: Water Conservation Rebates and Programs helps meet the overall Valley Water goal of conserving nearly 99,000 acre-feet of water in 2030 and nearly 110,000 acre-feet in 2040. The current KPI is written to provide the flexibility to deliver funding where it is most required. In FY2021-22, a year of severe drought, Project A2 funding was used to expand water conservation rebates and pilot new programs. As reflected in the annual report, 86% of $1 million was expended on the Landscape Rebate Program.
3	A3: Pipeline Reliability	2. Install four (4) new line valves on treated water distribution pipelines.	Adjusted	IMC agrees with the project status. No recommendations.	No response required.

Independent Monitoring Committee Fiscal Year 2021-2022 Annual Report
Project Recommendations

Priority B – Reduce Toxins, Hazards, and Contaminants in Our Waterways

#	Project:	KPI:	Status:	Recommendation:	Staff Response:
1	B1: Impaired Water Bodies Improvement	1. Investigate, develop, and implement actions to reduce methylmercury in fish and other organisms in the Guadalupe River Watershed. 2. Prepare and update a plan for the prioritization of surface water quality improvement activities, such as addressing trash and other pollutants. 3. Implement at least two (2) priority surface water quality improvement activities identified in the plan per 5-year implementation period.	On Target	IMC agrees with the project status. No recommendations.	No response required.
2	B2: Inter-Agency Urban Runoff Program	1. Address trash in creeks by maintaining trash capture devices or other litter control programs. 2. Maintain Valley Water's municipal stormwater compliance program and partner with cities to address surface water quality improvements, including participation in at least three (3) countywide, regional, or statewide stormwater program committees to help guide regulatory development, compliance, and monitoring. 3. Support at least one (1) stormwater quality improvement activity per 5-year implementation period in Santa Clara County, including providing up to $1.5 million over 15 years to support implementation of green stormwater infrastructure consistent with Santa Clara Basin and South County Stormwater Resource Plans.	On Target	IMC agrees with the project status. No recommendations.	No response required.
3	B3: Hazardous Materials Management and Response	1. Respond to 100% of hazardous materials reports requiring urgent on-site inspection in two (2) hours or less.	On Target	IMC agrees with the project status. No recommendations.	No response required.
4	B4: Support Volunteer Cleanup Efforts	1. Fund Valley Water's creek stewardship program to support volunteer cleanup activities, such as annual National River Cleanup Day, California Coastal Cleanup Day, the Great American Litter Pick Up, and the Adopt-A-Creek Program.	On Target	IMC agrees with the project status. No recommendations.	No response required.

Independent Monitoring Committee Fiscal Year 2021-2022 Annual Report
Project Recommendations
Priority C - Protect Our Water Supply and Dams from Earthquakes and Other Natural Disasters

#	Project:	KPI:	Status:	Recommendation:	Staff Response:
1	C1: Anderson Dam Seismic Retrofit	1. Provide portion of funds, up to $54.1 million, to help restore full operating reservoir capacity of 90,373 acre-feet.	Adjusted (Scheduled to Start in FY25)	IMC agrees with the project status. Recommendations: 1. Develop a 5D BIM (Building Information Model). 2. Provide details of the various sub-projects, project by project, where we are, where the money's being spent, and where we're going. 3. Modify the KPI in terms of reporting whether or not you're making progress toward the ultimate goal. Maintain funds transferred but tie it to a sub-project or sub-projects within the larger project after the contract is awarded. 4. Add the link to the Anderson Dam project webpage and ensure posted material is updated.	Staff acknowledges the recommendations. 1. Valley Water has an alternative method/process to achieve the outcome desired by the recommendation for the Anderson Dam Tunnel Project (cost-loaded Critical Path Method (CPM) schedule). It is premature to produce a BIM for the Anderson Dam Seismic Retrofit Project as the design and permitting are incomplete. 2. Valley Water has an alternative method/process to achieve the outcome desired by the recommendation. The various sub-projects are tracked in the 5-year rolling Capital Improvement Program (CIP), and the Board's CIP Committee and the Board monitor the projects' progress. The FY2021-22 annual report briefly listed the progress made under various sub-projects. Future annual reports will provide more details and links to the CIP Committee and Board meetings discussing the projects' progress. The projects also have web pages reflecting project developments and future annual reports will include links to those web pages. 3. The project KPI is fiscal based because the Safe, Clean Water Program funding constitutes a very small percentage of the budget required to deliver the project. The Safe, Clean Water Program provides $54.1 million of the estimated $1.2 billion (FY2021-22 estimate), representing about 5% of the estimated ADSRP cost. The Safe, Clean Water funding is not adequate to deliver the project by contributing such a small share of the project cost. Furthermore, it provides the flexibility to deliver the funding while helping manage the financial health of the Safe, Clean Water Fund (Fund 26). Finally, if the Board directs staff to move forward with the recommended audits, it will be most beneficial to consider the auditor's KPI-related recommendations regarding the need and approach to modify KPIs. 4. Future annual reports will include web page links for all the Safe, Clean Water projects. Valley Water will continue to update project web pages on a quarterly basis and as needed.

Independent Monitoring Committee Fiscal Year 2021-2022 Annual Report
Project Recommendations
Priority D - Restore Wildlife Habitat and Provide Open Space

#	Project:	KPI:	Status:	Recommendation:	Staff Response:
1	D1: Management of Riparian Planting and Invasive Plant Removal	1. Maintain a minimum of 300 acres of riparian planting projects annually to meet regulatory requirements and conditions. 2. Maintain a minimum of 200 acres of invasive plant management projects annually to meet regulatory requirements and conditions. 3. Remove 25 acres of Arundo donax throughout the county over a 15-year period.	On Target	IMC agrees with the project status. No recommendations.	No response required.
2	D2: Revitalize Riparian, Upland and Wetland Habitat	1. Revitalize at least 21 acres over a 15-year period through native plant revegetation and/or removal of invasive exotic species. 2. Develop an Early Detection and Rapid Response Program Manual. 3. Identify and treat at least 100 occurrences of emergent invasive species over a 15-year period, as identified through the Early Detection and Rapid Response Program. 4. Develop at least eight (8) information sheets for Early Detection of Invasive Plant Species.	On Target	IMC agrees with the project status. No recommendations.	No response required.
3	D3: Sediment Reuse to Support Shoreline Restoration	1. Maintain partnership agreements to reuse sediment to improve the success of salt pond and tidal marsh restoration projects and activities. 2. Provide up to $4 million per 15-year period to support activities necessary for sediment reuse.	On Target	IMC agrees with the project status. No recommendations.	No response required.
4	D4: Fish Habitat and Passage Improvement	1. Complete planning and design for one (1) creek/lake separations. 2. Construct one (1) creek/lake separation project in partnership with local agencies. 3. Use $8 million for fish passage improvements by June 30, 2028. 4. Update study of all major steelhead streams in the county to identify priority locations for fish migration barrier removal and installation of large woody debris and gravel as appropriate. 5. Complete five (5) habitat enhancement projects based on studies that identify high priority locations for large wood, boulders, gravel, and/or other habitat enhancement features.	Adjusted	IMC agrees with the project status. No recommendations.	No response required.
5	D5: Ecological Data Collection and Analysis	1. Reassess and track stream ecological conditions and habitats in each of the county's five (5) watersheds every 15 years. 2. Provide up to $500,000 per 15-year period toward the development and updates of five (5) watershed plans that include identifying priority habitat enhancement opportunities in Santa Clara County.	On Target	IMC agrees with the project status. No recommendations.	No response required.

6	D6: Restoration of Natural Creek Functions	1. Construct the Hale Creek Enhancement Pilot Project, which includes restoration and stabilization of a 650-foot section of concrete-lined channel on Hale Creek, between Marilyn Drive and North Sunshine Drive on the border of Mountain View and Los Altos. 2. Construct the Bolsa Road Fish Passage Project along 1,700 linear feet of Uvas-Carnadero Creek in unincorporated Santa Clara County, which includes geomorphic design features that will restore stability and stream function. 3. Identify, plan, design, and construct a third geomorphic-designed project to restore stability and stream function by preventing incision and promoting sediment balance throughout the watershed.	Adjusted	IMC agrees with the project status. No recommendations.	No response required.
7	D7: Partnerships for the Conservation of Habitat Lands	1. Provide up to $8 million per 15-year period for the acquisition or enhancement of property for the conservation of habitat lands.	On Target	IMC agrees with the project status. No recommendations.	No response required.

Independent Monitoring Committee Fiscal Year 2021-2022 Annual Report
Project Recommendations
Priority E - Provide Flood Protection to Homes, Businesses, Schools, Streets, and Highways

#	Project:	KPI:	Status:	Recommendation:	Staff Response:
1	E1: Coyote Creek Flood Protection	1. Construct flood protection improvements along Coyote Creek between Montague Expressway and Tully Road to provide protection from floods up to the level that occurred on February 21, 2017, approximately a 5% (20-year) flood event.	On Target	1. <u>Project status (including reference in cover letter)</u> IMC does not agree with the project status and considers the project to be "Not on Target." As referenced in the IMC's cover letter, "In its Report, Staff noted that it had only expended 77% of the annual budget, noting as follows: The under-expenditure was because real estate transactions for project easements were not completed and the agreement for construction management services was not awarded in FY2021-2022. Also, the level of CEQA documentation had not been finalized in FY2021-2022. (Program Annual Report FY 2021-2022, p. 84). It goes without saying that these steps – real estate transactions for project easements, construction management agreements, and CEQA compliance – are not trivial matters. Although not included in the FY2021-2022 Annual Report, but recently reported to Valley Water at a Board meeting held on January 24, 2023, Staff has announced that Project E.1 is facing additional costs of up to $162 million… For the foregoing reasons, the IMC concluded that Project E-1 is "Not on Target" and recommends that the full historical context of these changes over the past two decades be made available to the public." 2. <u>Recommendations</u> - In future annual reports: ○ Provide the history of the Coyote Creek Flood Protection Project under the 2000, 2012 and the current 2020 programs. ○ This is the third iteration of the project since initially proposed in 2005.	Staff acknowledges the recommendations. It is important that the IMC review the annual report within the parameters outlined in Resolution No. 20-64, which states that the IMC would conduct annual review of the prior fiscal year's annual report. This year's IMC report is a review of Valley Water's annual report for the Safe, Clean Water Program for FY2021-22, which began July 1, 2021, and ended on June 30, 2022. 1. Based on the project progress during FY2021-2022, staff deems the project to be "On Target" and does not concur with IMC's assessment that the project was "Not on Target" in FY2021-2022. The Coyote Creek Flood Protection Project KPI is delivered by two projects— the Coyote Creek Flood Management Measures Project (CCFMMP) and the Coyote Creek Flood Protection Project (CCFPP). CCFMMP constitutes 40% of the project and is funded by Water Utility and is part of the Anderson Dam's Federal Energy Regulatory Commission (FERC) Order Compliance Project (FOCP). The CCFMMP is scheduled to begin construction in FY2022-2023. The CCFPP represents the remaining 60% of the project and is funded by the Safe, Clean Water Program and its construction will follow the CCFMMP. The CCFPP status of "On Target" FY2021-22 is based on that CEQA was in progress, the right-of-way needs were being determined and the project reached a significant milestone with the completion of 30% Design (and has subsequently progressed to 60% Design this March). Further, based upon the fact that delivery of CCFMMP is linked to the delivery of the renewed Safe, Clean Water Program's KPI for the project but funded separately, the slight under-expenditure of 77% of the FY2022-23 budget is not an indication that the project was behind schedule in FY2021-22. When staff initially prepared the Construction Management (CM) Services RFP, it had planned to award the contract for both the projects--CCFMMP, which is scheduled to begin construction first, and CCFPP. However, later the CCFPP scope was removed from that contract. Regarding the real estate transactions, three properties were identified in the planning study for acquisition in a voluntary sale. The property owners were not interested in a voluntary sale. Easements will be acquired once the CCFPP Environmental Impact Report (EIR) is completed. The level of CEQA documentation was not determined in FY2021-22 as the consultant was still developing the preliminary analysis to help make the determination. Meanwhile, Valley Water completed multiple voluntary sale acquisitions and acquired easements in FY2021-22 for CCFMMP. In FY2022-23, as part of the Capital Improvement Program's annual cycle to update project plans in the development of the rolling Five-Year Plan in alignment with the upcoming biennial budget cycle and water rates setting process, the CCFMMP and CCFPP project plans were updated, reflecting increased project costs. The CCFPP costs escalated by approximately $162 million and CCFMMP increased by approximately $87 million. The increased costs and the schedule change were presented to Valley Water Board as part of the Preliminary CIP Five-Year Plan on January 10, 2023. To ensure CCFPP has adequate funding and continues to move forward, on January 24, 2023, following a public hearing, the Board modified some Safe, Clean Water projects, making funding available for the CCFPP.

				○ Clarify that the project was changed from a 1% flood protection project to a 5% flood protection project.	Furthermore, another major project milestone was reached on February 28, 2023, with the Board Authorizing Advertisement for Bids for the Construction of CCFMMP. On March 28, 2023, staff will be recommending to the Board to approve an agreement with Ghirardelli Associates, Inc. for CCFMMP construction management services. 2. Staff agrees with including history of projects in future annual reports. The renewed Safe, Clean Water Program includes several flood protection projects that were contained in the previous 2000 and 2012 measures. These include the Coyote Creek Flood Protection, Sunnyvale East and Sunnyvale West Channels and the Upper Guadalupe Flood Protection projects. The renewed Safe, Clean Water Program Report prepared for voters included brief historical backgrounds for all flood protection projects. This background information is currently provided on the projects' web pages. For consistency, staff will review the backgrounds for all flood protection projects and update as necessary and incorporate the summary of each project's history in the annual report, with links to project web pages for full history. For a detailed history of the Coyote Creek Flood Protection Project, see Attachment 3. All the 2012 Program annual reports are available at https://www.valleywater.org/safe-clean-water-and-natural-flood-protection-program/safe-clean-water-program-archive.
2	E2: Sunnyvale East and Sunnyvale West Channels Flood Protection	1. Provide 1% (100-year) flood protection for 1,618 properties and 47 acres (11 parcels) of industrial land, while improving stream water quality and working with other agencies to incorporate recreational opportunities.	Adjusted	IMC agrees with the project status. No recommendations.	No response required.
3	E3: Lower Berryessa Flood Protection, including Tularcitos and Upper Calera Creeks (Phase 3)	1. With local funding only: Complete the design phase of the 1% (100-year) flood protection project to protect an estimated 1,420 parcels.	Scheduled To Start	IMC agrees with the project status. No recommendations.	No response required.
4	E4: Upper Penitencia Creek Flood Protection	1. Preferred project with federal and local funding: Construct a flood protection project to provide 1% (100-year) flood protection to 8,000 parcels. 2. With local funding only: Construct a 1% (100-year) flood protection project from Coyote Creek confluence to Capital Avenue to provide 1% (100-year) flood protection to 1,250 parcels, including the new Berryessa BART station.	Adjusted	IMC agrees with the project status. No recommendations.	No response required.
5	E5: San Francisquito Creek Flood Protection	1. Preferred project with federal, state and local funding: Protect more than 3,000 parcels by providing 1% (100-year) flood protection.	Adjusted	IMC agrees with the project status. No recommendations.	No response required.

		2. With state and local funding only: Protect approximately 3,000 parcels by providing 1% (100-year) flood protection downstream of Highway 101, and approximately 1.4% (70-year) protection upstream of Highway 101.			
6	E6: Upper Llagas Creek Flood Protection	1. Preferred project with federal and local funding: Plan, design and construct flood protection improvements along 13.9 miles of Upper Llagas Creek from Buena Vista Avenue to Llagas Road to provide flood protection to 1,100 homes, 500 businesses, and 1,300 agricultural acres, while improving stream habitat. 2. With local funding only: Construct flood protection improvements along Llagas Creek from Buena Vista Avenue to Highway 101 in San Martin (Reaches 4 and 5 (portion)), Monterey Road to Watsonville Road in Morgan Hill (Reach 7a), approximately W. Dunne Avenue to W. Main Avenue (portion of Reach 8), and onsite compensatory mitigation at Lake Silveira.	On Target	IMC agrees with the project status. No recommendations.	No response required.
7	E7: San Francisco Bay Shoreline Protection	1. Provide a portion of the local share of funding for planning, design and construction phases for the Santa Clara County shoreline area, EIAs 1-4. 2. Provide a portion of the local share of funding for planning and design phases for the Santa Clara County shoreline area, EIAs 5-9.	On Target	IMC agrees with the project status. No recommendations.	No response required.
8	E8: Upper Guadalupe River Flood Protection	1. Preferred project with federal and local funding: Construct a flood protection project to provide 1% (100-year) flood protection to 6,280 homes,	Adjusted	IMC agrees with the project status. No recommendations.	No response required.

		320 businesses and 10 schools and institutions. 2. With local funding only: Construct flood protection improvements along 4,100 feet of Guadalupe River between the Southern Pacific Railroad (SPRR) crossing, downstream of Willow Street, to the Union Pacific Railroad (UPRR) crossing, downstream of Padres Drive, and provide gravel augmentation along approximately 800 linear feet of the Upper Guadalupe River in San José, from approximately the Union Pacific Railroad Bridge to West Virginia Street Bridge to improve aquatic habitat for migrating steelhead and channel stability.			

Independent Monitoring Committee Fiscal Year 2021-2022 Annual Report
Project Recommendations
Priority F – Support Public Health and Public Safety for Our Community

#	Project:	KPI	Status:	Recommendation:	Staff Response
1	F1: Vegetation Control and Sediment Removal for Capacity	1. Maintain completed flood protection projects for flow conveyance.	On Target	IMC agrees with the project status. Recommendations: 1. Using HEC-RAS or similar modeling to show flow conveyance. 2. Under the status, provide supplemental information explaining how the actions taken are leading to the desired outcome.	Staff acknowledges the recommendations. 1. Valley Water conducts hydraulic modeling on creek reaches over which Valley Water has responsibility through the development and implementation of stream maintenance guidelines. With routine creek inspections and observations, staff is able to assess if sedimentation or increased vegetation in these reaches compromise flow conveyance capacity. If it has, Valley Water typically addresses these issues in the following season if budget, resources, and regulatory approvals allow for it. If such issues are not observed, no action is warranted, and monitoring will continue. 2. Supplemental information is provided in Attachment 4.
2	F2: Emergency Response Planning and Preparedness	1. Coordinate with local municipalities to merge Valley Water-endorsed flood emergency processes with their own emergency response plans and processes. 2. Complete five (5) flood management plans/procedures per 5-year period, selected by risk priorities. 3. Train Valley Water staff and partner municipalities annually on disaster procedures via drills and exercises before testing the plans and procedures. 4. Test flood management plans/procedures annually to ensure effectiveness.	On Target	IMC agrees with the project status. No recommendations.	No response required.
3	F3: Flood Risk Assessment Studies	1. Complete engineering studies on three (3) creek reaches to address 1% (100-year) flood risk. 2. Annually, update floodplain maps on a minimum of three (3) creek reaches in accordance with new FEMA standards.	On Target	IMC agrees with the project status. No recommendations.	No response required.

4	F4: Vegetation Management for Access and Fire Safety	1. Provide vegetation management for access and fire risk reduction on an average of 495 acres per year, totaling 7,425 acres along levee, property lines and maintenance roads over a 15-year period.	On Target	IMC agrees with the project status. No recommendations.	No response required.
5	F5: Good Neighbor Program: Encampment Cleanup	1. Manage 300 acres annually to clean up trash, debris, and hazardous pollutants generated from encampments and to reduce the amount of these pollutants entering streams. 2. 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 socio-environmental crisis with the goal of reducing the need for encampment cleanups.	Modified	IMC agrees with the project status. Recommendations: 1. Provide better data and more details; not just how much trash was collected, but more information on how much is out there vs. how much has been collected. 2. If warranted, explore KPI modification based on changing circumstances.	Valley Water acknowledges the recommendations. It is important to note that the project is just one component of Valley Water's effort to address the growing numbers of unhoused people in Santa Clara County. The Valley Water Board of Directors has established the Environmental Creek Cleanup Committee which is focused on the concerns and impacts of encampments of unsheltered people, and on facilitating discussion of the issues and making recommendations to the full Board. Last month, CEO Rick Callender established an internal working group to explore mechanisms to formalize and expand countywide collaboration to achieve a "functional zero" population of unhoused people in Santa Clara County. Valley Water also is exploring state legislation that would allow us to better assist unsheltered people living along waterways. 1. Valley Water owns approximately 12,370 acres of fee title property and maintaining these is a top priority for Valley Water as a landowner agency. The remaining stretches of creeks are owned by private entities and other public agencies. Valley Water does not perform trash removal or encampment cleanup activities on lands held in easement as these activities are landowner responsibilities. Valley Water staff have assessed all fee title properties and estimated that about 700 acres are impacted by one or more encampments at any given time. These acreages are routinely inspected and scheduled for cleanups to ensure that encampment-generated trash, debris and hazardous pollutants are prevented from entering waterways under Project F5. Some sites are cleaned monthly or every few months, dependent on their needs. During cleanup events, all debris is removed from these creek reaches; thus, the recommendation to have staff provide data on how much trash is out there is not necessary since the amount of trash collected is what is present at the time of each cleanup event. This is the most accurate information that Valley Water can provide because the amount of trash varies depending on the movement of the unhoused. In FY2021-2022, Valley Water managed 1,457 acres (including routinely managed sites), far exceeding the KPI of 300 acres. Furthermore, it is common for a single site cleanup to take multiple days. Encampment structures and any personal belongings are not removed during these cleanup events since they are not considered trash and debris. The total tons of trash removed under this project is reported in the annual report and in FY2021-2022, 868 tons of trash and debris were removed. In addition to Project F5, four other Safe, Clean Water projects also contribute to trash and debris removal. In FY2021-2022, 1,006 tons of trash were removed from local waterways under the Safe, Clean Water Program. The annual report provides additional details about this project in *Appendix D: Cumulative Trash Removal Data for Projects B1, B2, B4 F5, F6 and F9*. In future annual reports, these details will also be included in the project write-up. 2. If the Board directs staff to move forward with the recommended audits, it will be most beneficial to consider the auditor's KPI-related recommendations regarding the need and approach to modify KPIs.

6	F6: Good Neighbor Program: Graffiti and Litter Removal and Public Art	1. Cleanup identified trash and graffiti hotspots at approximately 80 sites four (4) times per year. 2. Respond to requests on litter or graffiti cleanup within five (5) working days. 3. Provide up to $1.5 million over 15 years to implement public art projects on Valley Water property and infrastructure.	On Target	IMC agrees with the project status. No recommendations.	No response required.
7	F7: Emergency Response Upgrades	1. Maintain existing capabilities for flood forecasting and warning. 2. Improve flood forecast accuracy and emergency response time working with the National Weather Service and through research and development.	On Target	IMC agrees with the project status. No recommendations.	No response required.
8	F8: Sustainable Creek Infrastructure for Continued Public Safety	1. Provide up to $7.5 million in the first 15-year period to plan, design and construct projects identified through Watersheds asset management plans.	On Target	IMC agrees with the project status. No recommendations.	No response required.

9	F9: Grants and Partnerships for Safe, Clean Water, Flood Protection and Environmental Stewardship	1. Provide a grant and partnership cycle each year for projects related to safe, clean drinking water, flood protection and environmental stewardship. 2. Provide annual funding for bottle filling stations to increase drinking water accessibility, with priority for installations in economically disadvantaged communities and locations that serve school-age children and students. 3. Provide annual mini-grant funding opportunity for projects related to safe, clean drinking water, flood protection and environmental stewardship. 4. Provide up to $3 million per 15-year period for partnerships with small municipalities (defined as under 50,000 people in the most recent census available), or special districts with boundaries substantially within the footprint of small cities, for projects aligned with the District Act and related to safe, clean drinking water, flood protection and environmental stewardship.	On Target	IMC agrees with the project status. No recommendations.	No response required.

Independent Monitoring Committee Fiscal Year 2021-2022 Notes
Safe, Clean Water and Natural Flood Protection Program
Notes for Future Annual Reports

#	Subject:	Note:	Staff Response:
1	Program-wide	1. Provide links to the project web pages. 2. Provide brief visual presentations to accompany project updates to the subcommittees. Short presentations that hit the key points and help the audience focus.	1. Staff agrees and will provide links to the project web pages in the individual project updates. 2. Staff agrees and will provide brief visual presentations to accompany project updates to the IMC subcommittees.
2	A2: Water Conservation Rebates and Programs	1. Email IMC members the Water Conservation Savings Model presentation. 2. Make links, such as the 2022 Landscape Summit, more accessible both digitally and in the annual report.	1. Staff emailed the Water Conservation Savings Model to IMC members on January 19, 2023. 2. Staff agrees and will make links, such as the 2022 Landscape Summit, more accessible both digitally and in the annual report.
3	B1: Impaired Water Bodies Improvement	1. Explain the sorbent treatment method at its first reference and include the technical terminology in the Glossary section.	1. Staff agrees and will explain the sorbent treatment method at its first reference and include the technical terminology in the Glossary section.
4	B3: Hazardous Materials Management and Response	1. Provide information on what the workflow looks like when calls originate through another system. What is the workflow on the back end? How do we make sure those other municipalities know who to contact, etc.? How do we ensure that nothing is going to a dead end?	1. Staff agrees and future reports will include information on what the workflow looks like when calls originate through another system.
5	C1: Anderson Dam Seismic Retrofit	1. On page 42, under Confidence Levels for ADSR, Jurisdictional Complexity section is missing some text. 2. The status is Adjusted, with the funding schedule changed. However, since the funding doesn't start until FY25, the "Scheduled to Start" status is also applicable. When status categories are overlapping, they should be displayed distinctly.	1. Staff agrees and the text has been corrected. 2. Staff agrees and in future reports when categories are overlapping, the different applicable status categories will be displayed distinctly.
6	E5: San Francisquito Creek Flood Protection	1. On page 100, in the project map (Figure E5.1) add reference to the two bridges.	1. Staff agrees and will add the reference to the bridges in the map (Figure E5.1).
7	F1: Vegetation Control for Capacity & F1.2: Sediment Removal for Capacity	1. Provide volumes of instream vegetation removed and indicate that it is composted at a green waste facility. 2. Clarify that workers and supporting resources were diverted from sediment removal to work on erosion repair projects; F1 funds were not. 3. Show before and after and how does this help.	1. Staff agrees and will provide volumes of instream vegetation removed and indicate that it is composted at a green waste facility. 2. Staff agrees and will clarify that workers and supporting resources were diverted from sediment removal to work on erosion repair projects; F1 funds were not. 3. Staff agrees and will show before and after and how it helps.
8	F2: Emergency Response Planning and Preparedness	1. Explain terminologies such as a tabletop exercise, artificialities, etc. 2. Importance of training preparedness needs to be ongoing.	1. Staff agrees and will explain terminologies such as a tabletop exercise, artificialities, etc. 2. Staff agrees preparedness training needs to be ongoing and will continue to report on it in future reports.

9	F4: Vegetation Management for Access and Fire Safety	1. Include graphics and more details to show how the overall fire safety targets are being met (e.g., by including reference to Valley Water's Fuel Management Policy and Wildfire Resiliency Plan Development in "Opportunities and Challenges" section). 2. Explain Valley Water is trying to reduce the ladders that cause these fires. 3. Either with a graphic or in a narrative, show geographic areas that Valley Water is focused on to improve fire safety.	1. Staff agrees and will include graphics and more details to show how the overall fire safety targets are being met. 2. Staff agrees and future annual report project updates will mention that Valley Water is trying to reduce the ladders that cause these fires. 3. Staff agrees and will show, through a graphic or in a narrative, the geographic areas that Valley Water is focused on to improve fire safety.
10	F5: Good Neighbor Program: Encampment Cleanup	1. Give a presentation to the IMC about the various efforts Valley Water is making to address the issue of encampments, including providing Valley Water's estimate of the total cost of encampments on Valley Water operations and expenses.	1. Staff agrees and will give a presentation to the IMC on the various efforts that Valley Water is making to address the encampment issue.
11	F7: Emergency Response Upgrades	1. Report on maintaining existing flood forecasting and warning capabilities beyond the seven flood-prone reaches mentioned in FY22 annual report. There should be some education, especially to show that you are looking at the Coyote Creek system.	1. Staff agrees and will report on maintaining existing flood forecasting and warning capabilities beyond the seven flood-prone reaches mentioned in FY2021-22 annual report.
12	F9: Grants and Partnerships for Safe, Clean Water, Flood Protection, and Environmental Stewardship	1. Add a footnote to Figure F9.1, the annual financial summary table, explaining the difference between annual expenditure and the total dollar amount of grants awarded during the year. 2. Note that this list of grant and partnership projects in the annual report does not include those awarded funds in previous years. In future annual reports clarify again which grants and projects funded under the renewed SCW program are listed and which can be found via on-line complete list.	1. Staff agrees and will add a footnote to Figure F9.1, the annual financial summary table, explaining the difference between annual expenditure and the total dollar amount of grants awarded during the year. 2. Staff agrees and though information is already included in the current report, it will be made more prominent in future reports. It will also clarify again that the grants listed are for the year under review, while all grants awarded to date can be found via the comprehensive online list.

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Overview of Key Performance Indicators (KPIs) and Project and KPI Modifications

Historically, Valley Water has taken a cautious approach to proposing modifications to the voter-approved language. As required by the 2012 Safe, Clean Water and Natural Flood Protection Program (2012 Program), a Change Control Process was developed outlining a methodology for adjusting, modifying, or not implementing projects. Per the Change Control Process, which was also set forth as a requirement under the renewed Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program), modifications to KPIs require a formal public hearing, which must be publicly noticed as set forth by Government Code Section 6066.

The renewed Safe, Clean Water Program has 32 projects, each with one or more key performance indicators (KPIs), which are used to monitor the progress and completion of project objectives and program priorities.

There are three types of KPIs:

1. **Performance-based**, requiring completion of a specific activity in support of the project and priority objectives.
2. **Fiscal-based**, supporting a larger Valley Water project via a fund transfer or through the expenditure of a designated allocation. In most instances, the KPIs are fiscal based because the Safe, Clean Water Program funding constitutes a very small percentage of the budget required to deliver the project. The Safe, Clean Water funds support the project and priority objectives, but the alternative funding sources are the primary funds required to deliver the project.
3. **Schedule-based**, requiring completion of project deliverables according to an identified timeline, which could include either annual deliverables or project delivery by a specific date.

Renewed Safe, Clean Water Program Modification Guidelines

The renewed Safe, Clean Water Program, Measure S, approved by the voters in November 2020, included KPIs for all projects. The Board-adopted Program Resolution No. 20-64 also includes a provision for Valley Water Board to direct staff to modify projects or not implement projects due to various factors:

> "The Board of Directors may direct that proposed projects in the Safe, Clean Water and Natural Flood Protection Program be modified or not implemented depending upon a number of factors, including federal and state funding limitations and the analysis and results of CEQA environmental review and permitting by state and federal regulatory agencies. The Board of Directors must hold a formal, public hearing on the matter, which will be noticed by publication and notification to interested parties, before adoption of any such decision to modify or not implement a project."

Previously Approved Safe, Clean Water Program Modifications

Valley Water has modified KPIs in the past based on recommendations from the Board, Valley Water staff and the IMC, in response to changed circumstances, including financial, policy and regulatory changes impacting the projects.

Below are the projects modified under the 2012 Program and the renewed Safe, Clean Water Program:

San Francisquito Creek Flood Protection Project (E5) (modified in 2014): The modification included modifying KPI #2 to provide approximately 30-year flood protection upstream of Highway 101 instead of 50-year protection. Downstream of Highway 101, the project under KPI #2 continued to provide 1% flood protection level. The modification to the flood protection level upstream of Highway 101 was necessitated due to a lack of federal funding and community feedback, which did not support the construction of floodwalls. Further details regarding the flooding history of the creek and the project background, including the modification, can be found at https://www.valleywater.org/sites/default/files/SCW_Public%20Hearing%20on%20San%20Francisquito.pdf.

Coyote Creek Flood Protection Project (modified in 2017): The modification included modifying the project scope and the KPI due to various developments, including extremely high project cost estimates, the absence of federal funding, the need to include neighborhoods flooded by the February 2017 floods and the impacts of other Valley Water projects on the Coyote Creek project alternatives. The Board modification extended the project reach by approximately 2.9 miles upstream to Tully Road to include the Rock Springs neighborhood and incorporate the areas impacted by the flood event. In addition to extending the project reach, the modifications revised the target protection for the preferred project, a federal-state-local partnership (KPI #1), from a 1% level flood event to a flood event similar to the February 21, 2017, flood (approximately a 20 to 25-year event), which is the largest flow seen in Coyote Creek since 1950. This was to allow Valley Water to address the flood threat to the community without depending on the progress of other projects, including the Anderson Dam Seismic Retrofit (ADSRP), and their impacts on Coyote Creek flows. It would also allow Valley Water to move forward with planning and design during FY2017-2018 rather than waiting until FY2018-2019. Furthermore, a local-funding-only option (KPI #2) was created, which identified short-term relief solutions to begin implementing prior to the 2017-2018 winter season; complete the planning and design phases of the preferred project; and with any remaining funds, identify and construct prioritized elements of the preferred project. Subsequently, Valley Water implemented several short-term interim projects to help reduce the risk of flooding along Coyote Creek. These included the installation of an interim floodwall and embankment along the creek in the Rock Springs community. This structure protects the Rock Springs community from a flood event equivalent to the February 2017 flood. Other interim projects included repairing a 150-

foot levee adjacent to the South Bay Mobile Home Park, installing flood gauges on bridges that provide real-time visual information on water levels and removing invasive vegetation from Valley Water and the San Jose City property in parts of the creek that experienced the most flooding. Further details on the 2017 modification and the project background can be found at https://scvwd.legistar.com/LegislationDetail.aspx?ID=3064265&GUID=D843FFA6-6EA4-4825-9A8F-76221C76BB82.

Safe, Clean Water Partnerships and Grants (A2: KPI #3 – Nitrate Treatment System Rebate Program) (modified in 2018): The modification to KPI #3 reduced the maximum program funding to align with the demand for the Nitrate Rebate Program. KPI #3 stated, "Reduce the number of private well water users exposed to nitrate above drinking water standards by awarding 100% of eligible rebate requests for the installation of nitrate removal systems; a maximum of 1,000 rebates up to $702,000." While the KPI was met each year, with 100% of eligible rebates awarded, program demand and participation remained very low despite Valley Water's concerted outreach efforts. The 2012 IMC acknowledged its concern about the cost/benefit ratio for this program and made recommendations targeted at improving program participation each year for years one through three of the 2012 Program. Per the Board's direction, staff implemented each of the IMC's recommendations, which included additional outreach, targeted outreach and offering rebates for 100% of the treatment system cost. Despite these additional efforts, program participation remained low. As a result, in February 2018, based upon the continued low demand for the Nitrate Rebate Program despite robust outreach efforts, the IMC recommended reallocating all or a portion of the remaining funds to other Safe, Clean Water Program projects. Staff concurred with the IMC's recommendation, and on March 13, 2018, the Board directed staff to pursue the modification of KPI #3 and proceed with a formal public hearing. The modification reduced the maximum 15-year program rebate amount to "$30,000 for all rebates" from "a maximum of 1,000 rebates up to $702,000." Details of the modification can be found at https://scvwd.legistar.com/LegislationDetail.aspx?ID=3507927&GUID=C425CCA7-6DEE-46EA-9D71-DE215EB7AFE7&FullText=1.

Upper Llagas Creek Flood Protection Project (E6) (modified in 2020): The modification to KPI #2 increased the length of the project to be built with local funds only from approximately 2.9 miles to 4.9 miles, in addition to constructing the onsite compensatory mitigation. Besides maximizing the efficacy of the available secured funds, this approach was to keep the project moving forward while shortening the construction window without inducing flooding downstream and maximizing the potential for external funding opportunities. The modification included changing the reaches to be constructed with local dollars to include building the high-flow underground bypass tunnel and a section of underground reinforced concrete box culverts. The City of Morgan Hill supported advancing the construction of the tunnel and box culverts. In a December 2019 letter to the Valley Water Board, Mayor Rich

Constantine stated, “For the City of Morgan Hill, completing the tunnel work sooner is highly important as this work will require staging on a section of the future Hale Avenue roadway in Morgan Hill. The city is on a tight timetable to complete this roadway improvement, and once completed, the tunnel work will become much more complicated and expensive.” The modification also reflected improved collaboration with regulatory permitting agencies that required early mitigation for the project impacts. Details of the modification can be found at https://www.valleywater.org/sites/default/files/SCW_FY19%20ModificationsWithAttachments.pdf.

The Good Neighbor Program: Encampment Cleanup project (Project F5) under the renewed Safe, Clean (modified in 2021, FY2021-22): The project’s primary objective is to remove trash, debris and hazardous pollutants generated by encampments near waterways or on Valley Water. KPI #1 was mainly changed from “Perform 300 annual cleanups to reduce the amount of trash…entering the streams” to “Manage 300 acres annually to clean up trash, debris…to reduce the amount of these pollutants entering streams.” The modification was necessitated because the cleanup of encampments was linked to the removal of structures, which was halted because of the restrictions put in place in response to COVID-19 and case laws highlighting the legal limitations relating to the removal of illegal encampments and displacement of the people living in those encampments. Details of the modification can be found at https://scvwd.legistar.com/LegislationDetail.aspx?ID=5016949&GUID=D27CEE76-2865-4F40-BCA1-9712A282CB03&FullText=1.

Modifications to Project under Priorities D and E of the renewed Safe, Clean Water Program (modified in January 2023, FY2022-23): Infrastructure construction projects in the renewed Safe, Clean Water Program are experiencing significant cost increases. Among the projects with a major cost escalation is Project E1: Coyote Creek Flood Protection Project (CCFPP). The cost estimates for the renewed Safe, Clean Water-funded part of the project, CCFPP, increased by approximately $162 million. Upstream of the Coyote Creek Project, Valley Water is implementing ADSRP. To minimize risk to the communities along Coyote Creek, Valley Water must move forward with the planned construction schedule for the Coyote Creek project to align with the completion of the high-level outlet for the ADSRP. These increased costs are impacting the Safe, Clean Water fund’s financial health, resulting in the Board modifying D4: Fish Habitat and Passage Improvement, D6: Restoration of Natural Creek Functions, E2: Sunnyvale East and Sunnyvale West Channels Flood Protection, and E4: Upper Penitencia Creek Flood Protection projects to help balance the overall fund and deliver the voter-approved Safe, Clean Water Program.

Additionally, the Board modified Project D3: Sediment Reuse to Support Shoreline Restoration KPI #1, which required Valley Water to “Maintain partnership agreements to reuse sediment to improve the success of salt pond and tidal marsh restoration projects and activities.” Under the project, which had been carried from the 2012

Program, Valley Water has been delivering sediment for Pond A8 at Alviso for South Bay Salt Pond Restoration as per an agreement with the U.S. Fish and Wildlife Services (USFWS), which remains in effect until December 2023. However, Valley Water paused delivering sediment to Pond A8 following USFWS direction in July 2022 that it needed to renew permits, which could take approximately two years. Meanwhile, expanding the use of sediment to projects beyond the South Bay Salt Pond Restoration Project creates new opportunities for the sediment to be reused for Valley Water environmental enhancement and restoration projects not requiring a partnership agreement. As a result, the Board modified the project KPI #1 to "Reuse sediment meeting applicable screening criteria at available Valley Water or partnership project sites to support restoration." Details of the January 2023 modifications can be found at https://scvwd.legistar.com/LegislationDetail.aspx?ID=6003386&GUID=9F2E6492-072A-4DAE-BE49-79807CC3DA74.

Details of all project modifications under 2012 and the renewed Safe, Clean Water Program are available at https://www.valleywater.org/safe-clean-water-and-natural-flood-protection-program/safe-clean-water-program-archive.

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Project E1: Coyote Creek Flood Protection Project History

The Coyote Creek Flood Protection Project was originally part of the 15-year Clean, Safe Creeks and Natural Flood Protection Plan (CSC Plan), the first Valley Water voter-approved measure. The CSC Plan, which voters approved in November 2000, came into effect on July 1, 2001, (Fiscal Year 2001-2002). The Coyote Creek Flood Protection Project (Coyote Creek Project) entailed planning, design and partial construction of the project extending approximately six miles upstream of Montague Expressway to Interstate 280. The project objective was to eventually protect 1,400 parcels from 1% flood. At that time, the CSC Plan's budget for the project was approximately $38.6 million ($32 million in 1999 dollars). Under the CSC Plan, Valley Water performed geomorphic and floodplain analysis, completed 5-year fish monitoring study, prepared a problem definition report, held multiple community meetings to receive input, completed conceptual alternatives analysis and prepared the Planning Study Report (PSR), etc. A range of conceptual alternatives was developed to address the Coyote Creek Project objectives and the cost of all the alternatives significantly exceeded the project's available budget. In 2011, the 100-year flood risk reduction improvements cost was estimated between $500 million and $1 billion. Valley Water attempted to secure U.S. Army Corps of Engineers (USACE) financial support for the project but was not successful. With the limited available funding, Valley Water proceeded with a design for only the downstream reaches of the Coyote Creek Project (Montague Expressway to Highway 880).

In November 2012, voters approved the 15-year Safe, Clean Water and Natural Flood Protection Program (2012 Program), which replaced the CSC Plan. The Coyote Creek Project was carried forward into the 2012 Program along with its remaining budget and with the key performance indicator (KPI) to "Complete construction of downstream project elements." The project did not receive any additional funding at the start of the 2012 Program.

The Coyote Creek Project was delayed due to various developments, including extremely high project cost estimates and the absence of federal funding, which was critical to Valley Water's ability to construct the project. Furthermore, potentially feasible project alternatives for 1% level of protection depended significantly on the outcome of various ongoing projects, including the Anderson Dam Seismic Retrofit Project, which could impact the flows into Coyote Creek. In FY2015-2016, it was decided to return the Coyote Creek Project to Planning for a refreshed look at the project alternatives. Due to uncertainty about the results of these projects and their impacts on Coyote Creek Project design and associated permit acquisitions, in 2016, the Valley Water Board approved placing the Coyote Creek Project on hold until FY2018-2019, pending the outcome of the efforts mentioned above.

In 2017, significant flooding impacted Coyote Creek and the surrounding communities. Following the floods, the Coyote Creek Project was modified to extend the project reach by approximately 2.9 miles upstream to Tully Road to include the Rock Springs neighborhood and incorporate the areas impacted by the flood event. In addition to extending the project reach, the modifications revised the target protection for the preferred project, a federal-state-local partnership (KPI #1), from a 1% level flood event to a flood event similar to the February 21, 2017, flood (approximately a 20 to 25-year event), which is the largest flow seen in Coyote Creek since 1950. This was to allow Valley Water to address the flood threat to the community without depending on the progress of other projects and their impacts on Coyote Creek flows. It would also allow Valley Water to move forward with planning and design during FY2017-2018 rather than waiting until FY2018-2019. Furthermore, a local-funding-only option

(KPI #2) was created, which identified short-term relief solutions to begin implementing prior to the 2017-2018 winter season; complete the planning and design phases of the preferred project; and with any remaining funds, identify and construct prioritized elements of the preferred project. Subsequently, Valley Water implemented several short-term interim projects to help reduce the risk of flooding along Coyote Creek. These included the installation of an interim floodwall and embankment along the creek in the Rock Springs community. This structure protects the Rock Springs community from a flood event equivalent to the February 2017 flood. Other interim projects included repairing a 150-foot levee adjacent to the South Bay Mobile Home Park, installing flood gauges on bridges that provide real-time visual information on water levels and removing invasive vegetation from Valley Water and the San Jose City property in parts of the creek that experienced the most flooding.

Under the CSC Plan, the Coyote Creek Project had an allocation of $38.6 million ($32 million in 1999 dollars). Approximately $24.4 million in remaining funds were carried forward with the project into the 2012 Program. By FY2018-2019, the Board approved funding allocation had increased by approximately $6.4 million to approximately $30.9 million. In FY2019-2020, to demonstrate Valley Water's commitment to constructing the Coyote Creek Project, the Board further increased the funding allocation for the project by approximately $25.2 million to approximately $56.1 million, which required reducing the allocations for other projects under the 2012 Program.

In May 2018, Valley Water signed a Memorandum of Agreement with the USACE, which allowed Valley Water to conduct a Feasibility Study with as-needed technical help from the USACE, paid by Valley Water. This was the first effort of its kind in the country and was to help determine whether there could be federal interest and funding for the project providing a higher level of flood protection than the February 2017 event. In August 2019, Valley Water and the USACE agreed on an initial task under the Section 1126 MOA developed in 2018. This initial task was for the USACE to produce a Coyote Creek Project management plan (PMP) that provided a comprehensive description of how the USACE would go about producing a Feasibility Study to USACE standards. In May 2020, the USACE delivered a draft PMP to Valley Water. In March 2021, the PMP was finalized, and the task was completed. In April 2021, in consultation and agreement with Valley Water, USACE closed out the Coyote Creek Project to align with the revised project approach described below.

Following a February 2020 direction from the Federal Energy Regulatory Commission (FERC) regarding the above-mentioned Anderson Dam Seismic Retrofit Project, the Coyote Creek Project was split into two projects to accommodate building a new outlet tunnel at Anderson Dam. As a result, Valley Water accelerated the design and construction of the Coyote Creek Flood Management Measures Project (CCFMMP), representing 40% of the Coyote Creek Project, so that the creek can handle the potential release of higher flows from the larger outlet tunnel at Anderson Dam. The CCFMMP is funded by Valley Water's Water Utility Fund, while the remaining 60% of the project, the Coyote Creek Flood Protection Project (CCFPP), is funded by the renewed Safe, Clean Water Program.

In November 2020 voters approved the renewed Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program), replacing the 2012 Program. In FY2021-2022, the remaining fund allocation for the project was carried forward into the renewed Safe, Clean Water Program with an updated KPI to "Construct flood protection improvements along Coyote Creek between Montague Expressway and Tully Road to provide protection from floods up to the level that occurred on February 21, 2017, approximately a 5% (20-year) flood event." In FY2022-2023, after staff identified a significant

project cost increase, the Board increased the funding allocation for the project by approximately $162 million to a total project allocation of approximately $225 million (Preliminary FY2024-2028). The CCFMMP cost, and therefore allocation, also escalated by approximately $87 million (Preliminary FY2024-2028) to a total project cost of approximately $116 million.

Meanwhile, Valley Water has continued to explore other funding sources for Coyote Creek Project as well as seeking a low-cost federal loan under the Water Infrastructure Finance and Innovation Act (WIFIA) of 2014. In February 2023, Valley Water successfully secured $727 million in low-cost WIFIA for various critical water supply and flood projection projects, including approximately $72.5 million for CCFPP.

Flooding History

Flooding has occurred many times within the Coyote Creek Watershed, including along portions of Coyote Creek in 1911, 1917, 1931, 1958, 1969, 1982, 1983, 1997, 1998, and 2017. The largest flow recorded on Coyote Creek was 25,000 cubic feet per second in 1911, prior to construction of the current two water-supply reservoirs in the upper watershed. The worst flooding in the project reach since Anderson Reservoir was constructed in 1950, occurred in February 2017. Coyote Creek overtopped its banks at several locations between Montague Expressway and Tully Road. Businesses and hundreds of homes were inundated by creek waters for many hours. Highway 101 near Watson Park and various local streets were closed due to flooding, and thousands of residents had to be evacuated and sheltered.

Further details regarding the flooding history of the creek and the project background, including the 2017 modification, can be found at https://scvwd.legistar.com/LegislationDetail.aspx?ID=3064265&GUID=D843FFA6-6EA4-4825-9A8F-76221C76BB82.

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Project F1: Vegetation Control and Sediment Removal for Capacity Supplemental information to the Management Response to IMC Recommendations

The capacity of a creek for which a flood protection project has been completed is verified through a combination of field condition assessments and hydraulic modeling analysis. Creeks are regularly inspected for changing conditions, such as sedimentation, increased vegetation, or roughness. The amount and type of maintenance performed is based on the inspections, past effective maintenance practices, and the results of hydraulic modeling. Channel flow conditions are simulated using a hydraulic model to evaluate conveyance capacity relative to a level of service (LOS) flow rate under reference conditions and a variety of sediment and vegetation maintenance scenarios. Staff have been preparing stream maintenance guidelines to better inform the inspection and maintenance process.

While these are being developed, most maintenance guidelines have charts for the reaches of the creeks to help staff determine if sediment removal or vegetation management is needed. These charts are based on a hydraulic model that has been vetted based on a combination of engineering judgment and model calibration. They provide guidance and help show when maintenance may be needed to bring the channel back to capacity.

To better illustrate how maintenance guidelines are used in practice, staff has selected a specific reach of creek and corresponding elements from that creek's maintenance guidelines.

Figure 1 is an example chart or nomograph for a reach of Calabazas Creek downstream of Highway 101 in Santa Clara. This nomograph captures a particular cross-section of Calabazas Creek, intended to be representative of that reach of creek. The x-axis represents water surface elevation. The y-axis represents Manning's n (roughness coefficient). Each of the blue lines represents sediment accumulation scenarios with the left-most line ("Lower bound XS area") representing the cross-section with no additional sediment accumulation. Each of the subsequent blue lines represents different sediment accumulation scenarios (i.e., reduction in channel cross-sectional area relative to the lower bound condition). While this is an example of one creek reach, nomographs are being developed for multiple reaches of multiple creeks for which a flood protection project has been completed. The development of such nomographs is based on manifold runs of hydraulic models.

Figure 1: Example Stream Maintenance Guideline Nomograph for Calabazas Creek, Reach 1c

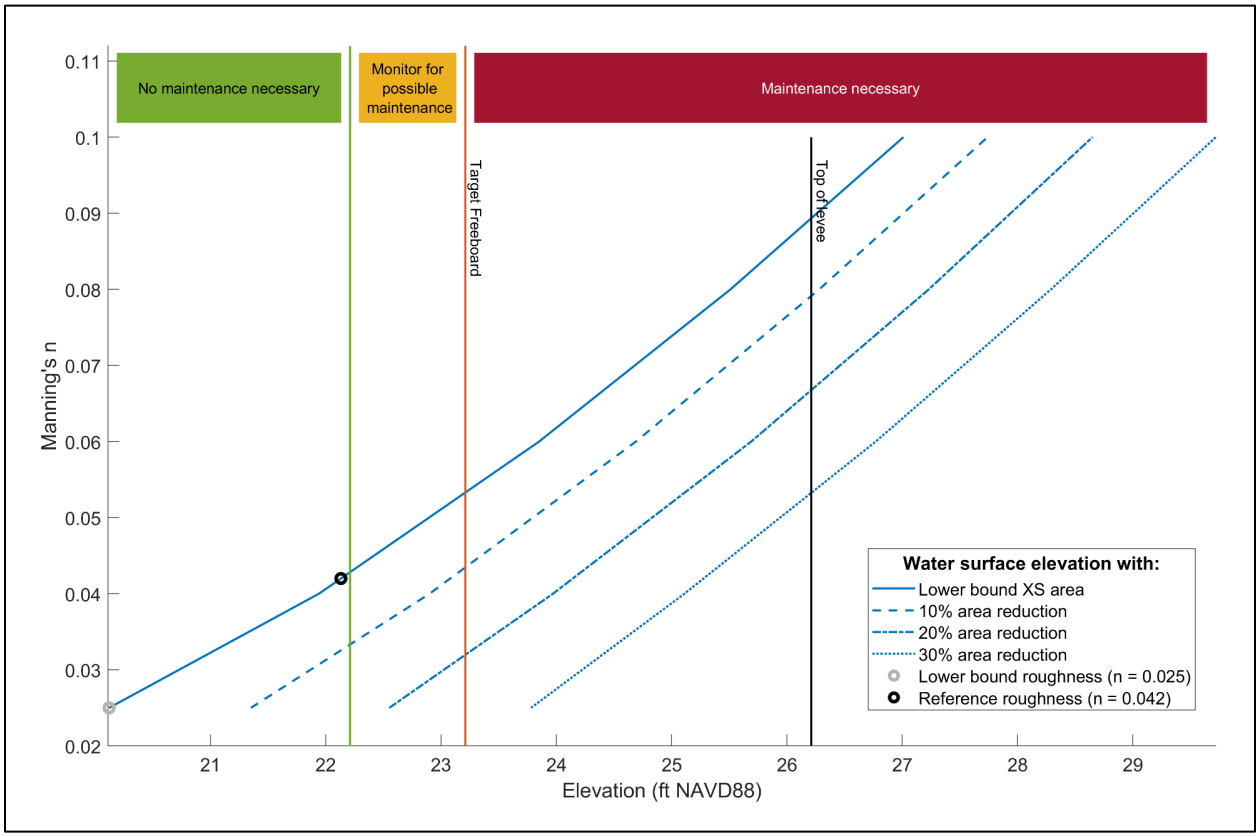


Figure 2 is a more simplified version of the nomograph, providing summary thresholds for maintenance of this reach of Calabazas Creek. Vegetation density and sediment accumulation remain key factors under consideration. Green squares represent conditions under which the target freeboard is met for the LOS flow. Yellow squares represent vegetation/sediment conditions under which the target freeboard is met for the LOS flow, but monitoring is recommended. Red squares represent conditions under which the target freeboard is not met for the LOS flow and maintenance may be required.

Figure 2: Example Stream Maintenance Guideline Summary Thresholds for Maintenance for Calabazas Creek, Reach 1c

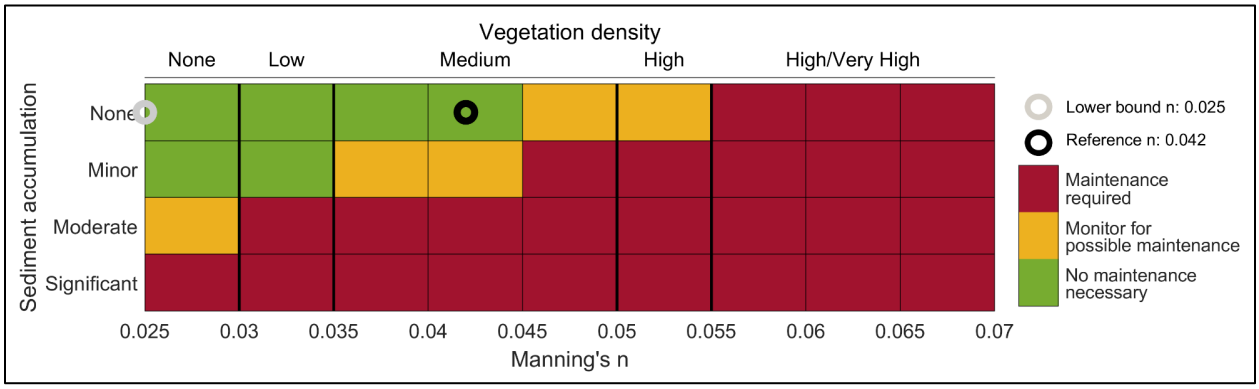


Figure 3 is a 2015 photo of the representative cross-section of this reach of Calabazas Creek. Based on staff observations and referencing a roughness/vegetation photo atlas developed for use on county streams, a composite roughness of 0.042 was ascribed for this site.

<u>Figure 3:</u> Example Stream Maintenance Guideline Representative Cross-Section Photo (2015) for Calabazas Creek, Reach 1c

Calabazas Creek Reach 1c	Composite Roughness: 0.042
Date: Spring, 2015	
Estimated vegetation composition (dotted cross-section): Grasses = 30% Herbaceous = 30% Woody = 20% Bare ground & water = 20%	

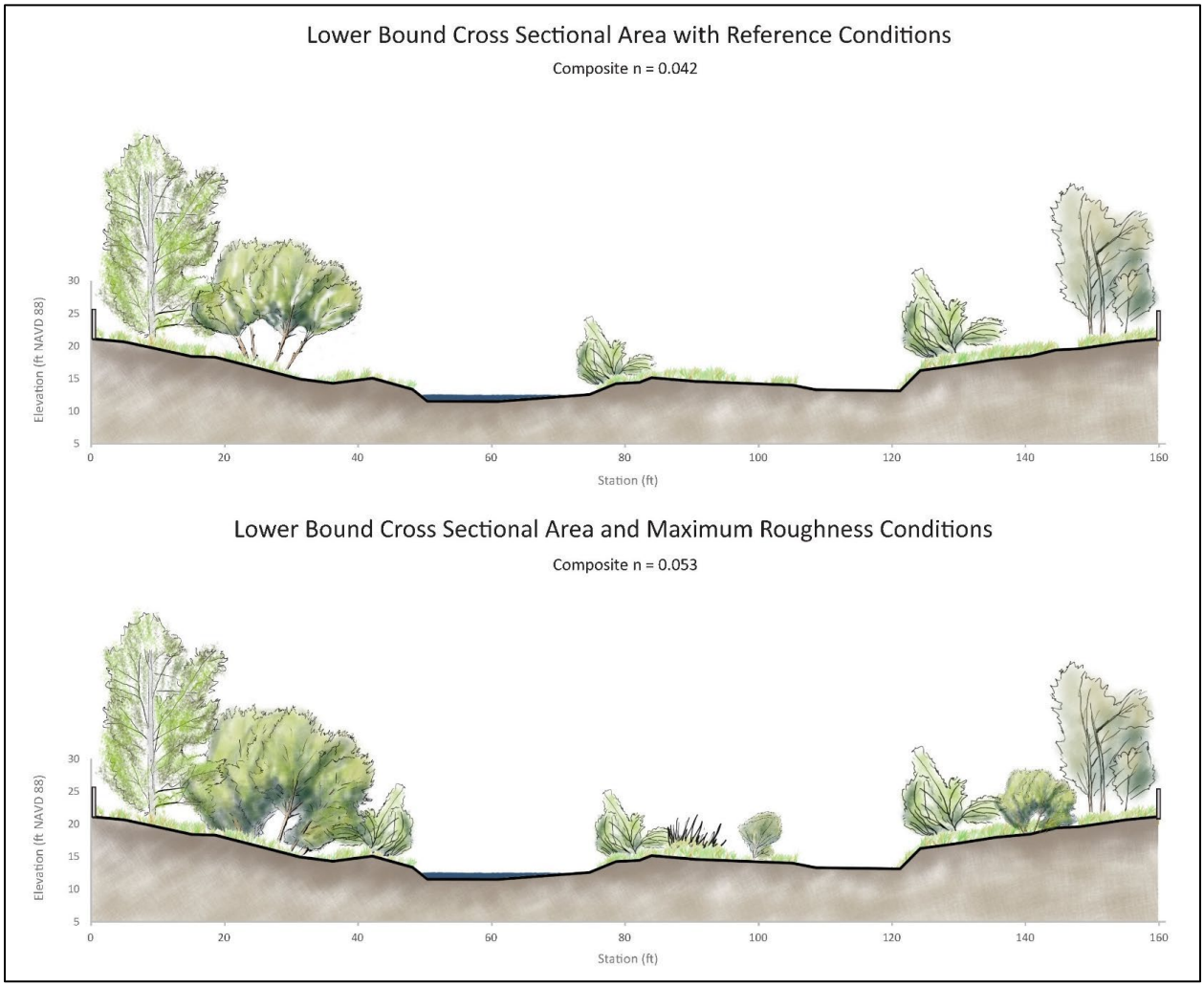
Figure 4 is an August 2022 photo from the same reach. As compared to the photo in Figure 3, the Figure 4 photo indicates much more vegetation has grown in this reach, and while it may not be readily apparent, sediment accumulation has occurred as well. Based on staff's observations, a composite hydraulic roughness of 0.05 to 0.055 was estimated.

Figure 4: Example Stream Maintenance Guideline Photo (2022) for Calabazas Creek, Reach 1c

Figure 5 illustrates the representative roughness cross-section for this reach. To provide a visual comparison of conditions, this figure includes two depictions of the representative section:

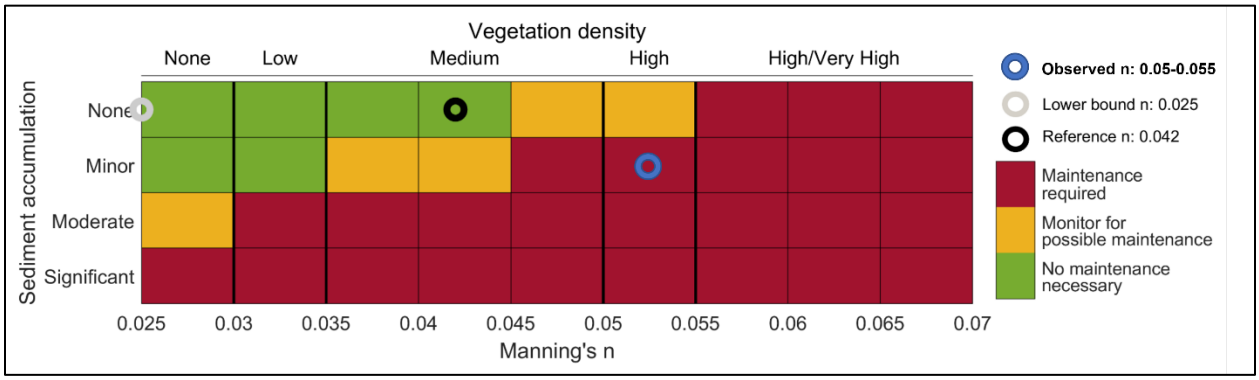
- The upper cross-section portrays roughness characteristics under observed conditions in 2015.
- The lower cross-section portrays the maximum roughness evaluated as part of the analysis. This lower cross-section more closely resembles what was observed in 2022.

<u>Figure 5:</u> Example Stream Maintenance Guideline, Representative Roughness Cross-Section for Calabazas Creek, Reach 1c



Taking the above information into account, with an estimated composite roughness of 0.05 to 0.055 and observed minor sediment accumulation, as depicted by the blue circle in Figure 6, it can be concluded that maintenance is recommended in this reach of Calabazas Creek.

<u>Figure 6:</u> Example Stream Maintenance Guideline Summary Thresholds for Maintenance for Calabazas Creek, Reach 1c with Applied 2022 Observations



While this example was specific to a particular reach of Calabazas Creek, this is the approach staff attempts to employ for all creeks for which flood protection projects have been completed to determine when sediment removal and/or vegetation management is needed to restore flow conveyance capacity.

It is also noted that there are locations for which staff understands sediment accumulation can be an issue requiring action, based on past inspections, hydraulic modeling, and analysis. These include some of the tidal reaches of creeks closer to the Bay and other locations where the channel slope flattens out, the channel is wider, or there may be undersized culverts, all of which tend to contribute to sediment dropping out in channels. For some of these sites, staff has estimated frequencies for how often sediment is expected to be removed from these locations. This can vary from year to year, depending on weather conditions and other factors. Based on routine inspections, staff can identify if sedimentation is an issue, and if it is, it will typically be addressed in the following season, if budget, resources, and regulatory approvals allow for it. If it is not an issue, no action is taken, and staff will continue to monitor the site.

In summary, for completed flood protection projects, staff conducts routine field inspections, performs hydraulic modeling analysis, and are preparing stream maintenance guidelines to maintain the flow capacity of creeks.

Safe, Clean Water and Natural Flood Protection

Management response to FY22 IMC Recommendations

Presented by: **Jessica Collins, Manager**
March 14, 2023

Valley Water

BOARD ACTIONS TODAY

A. Accept Management Response to the Independent Monitoring Committee Report on the Renewed Safe Clean Water Natural Flood Protection Program Annual Report for Fiscal Year 2021-2022; and

B. Provide additional direction, as necessary.

Presentation Outline

1. **Review Staff Responses to IMC Report**
   a. Program-Wide Recommendations
   b. Project Specific Recommendations
2. **Accept Staff Responses and Provide Direction, as needed**

Program-wide Recommendations

Staff acknowledges and agrees to address/implement the following recommendations:

1. All IMC positions be filled to ensure full representation of all districts and optimal subcommittee discussions.
2. Provide a more nuanced “Confidence Level” system that more succinctly captures the project’s status and the obstacles and challenges. IMC recommends five confidence levels.
3. In some projects, “Jurisdictional Complexity” was not clear, and more details be provided.
4. Identify all the projects under Project Labor Agreements (PLAs) be identified.
5. Authorize and enable staff to collaborate with the IMC to help track projects over time by aggregating and summarizing information to create an ongoing “dashboard” summary covering the life of each project.

Program-wide Recommendations

Staff agrees to address/implement the following recommendations <u>with refinement in approach:</u>

1. Schedule a new audit immediately to be consistent with the five-year schedule as originally intended (under the 2012 Program), dating back to the end period of the previous audit.
2. Modify KPIs to focus on outcomes rather than output.

Program-wide Recommendations

Staff disagrees with the following recommendation regarding IMC Scope:

Although the role of the IMC is to review each Annual Report, the IMC suggests that such a narrow scope prevents a more realistic approach to evaluating Valley Water's progress in support of the Program objectives. Measure S expressly provides that the IMC may make recommendations to the Board regarding reasonably necessary measures to meet the priorities of the Program (Measure S, Section P). As noted, the IMC no sooner had been provided with Staff's assessment that a particular program (E-1) was "On Target" as of the end of FY2021-2022, than Staff turned to the Board to request major modifications to cover unexpected cost increases for this same project to the tune of $162 million. The IMC cannot be expected to turn a blind eye to the reality that these extraordinary cost increases only became apparent since the end of FY2021-2022.

No recommendations for 26 of 32 projects

- A3: Pipeline Reliability
- B1: Impaired Water Bodies Improvement
- B2: Inter-Agency Urban Runoff Program
- B3: Hazardous Materials Management and Response
- B4: Support Volunteer Cleanup Efforts
- D1: Management of Riparian Planting and Invasive Plant Removal
- D2: Revitalize Riparian, Upland and Wetland Habitat
- D3: Sediment Reuse to Support Shoreline Restoration
- D4: Fish Habitat and Passage Improvement
- D5: Ecological Data Collection and Analysis
- D6: Restoration of Natural Creek Functions
- D7: Partnerships for the Conservation of Habitat Lands
- E2: Sunnyvale East and Sunnyvale West Channels Flood Protection
- E3: Lower Berryessa Flood Protection, including Tularcitos and Upper Calera Creeks (Phase 3)
- E4: Upper Penitencia Creek Flood Protection
- E5: San Francisquito Creek Flood Protection
- E6: Upper Llagas Creek Flood Protection
- E7: San Francisco Bay Shoreline Protection
- E8: Upper Guadalupe River Flood Protection
- F2: Emergency Response Planning and Preparedness
- F3: Flood Risk Assessment Studies
- F4: Vegetation Management for Access and Fire Safety
- F6: Good Neighbor Program: Graffiti and Litter Removal and Public Art
- F7: Emergency Response Upgrades
- F8: Sustainable Creek Infrastructure for Continued Public Safety
- F9: Grants and Partnerships for Safe, Clean Water, Flood Protection, and Environmental Stewardship

Project-specific recommendations

Staff agrees to address/implement the following recommendations:

A1: Pacheco Reservoir Expansion

1. Provide supplemental information about the project progress and, if warranted, modify the KPI.
2. Add the link to the Pacheco Reservoir project webpage and ensure posted material is updated.

E1: Coyote Creek Flood Protection

1. In future annual reports:
    - Provide the history of the Coyote Creek Flood Protection Project under the 2000, 2012 and the current 2020 programs.
    - This is the third iteration of the project since initially proposed in 2005.
    - Clarify that the project was changed from a 1% flood protection project to a 5% flood protection project.

Project-specific recommendations

Staff agrees to address/implement the following recommendations, some with refinement or an alternate approach:

A2: Water Conservation Rebates and Programs

1. Modify the KPI to reflect operational outcome objectives to meet program measures.

C1: Anderson Dam Seismic Retrofit

1. Develop a 5D BIM (Building Information Model).
2. Provide details of the various sub-projects, project by project.
3. Modify the KPI in terms of reporting whether progress is being made toward the ultimate goal.
4. Add the link to the Anderson Dam project webpage and ensure posted material is updated.

Project-specific recommendations

Staff agrees to address/implement the following recommendations, some with refinement or alternate approach:

F1: Vegetation Control and Sediment Removal for Capacity

1. Using HEC-RAS or similar modeling to show flow conveyance.
2. Under the status, provide supplemental information explaining how the actions taken are leading to the desired outcome.

F5: Good Neighbor Program: Encampment Cleanup

1. If warranted, explore KPI modification based on changing circumstances.

Project-specific recommendations

Staff disagrees with the following recommendation:

F5: Good Neighbor Program: Encampment Cleanup

1. Provide better data and more details; not just how much trash was collected, but more information on how much is out there vs. how much has been collected.

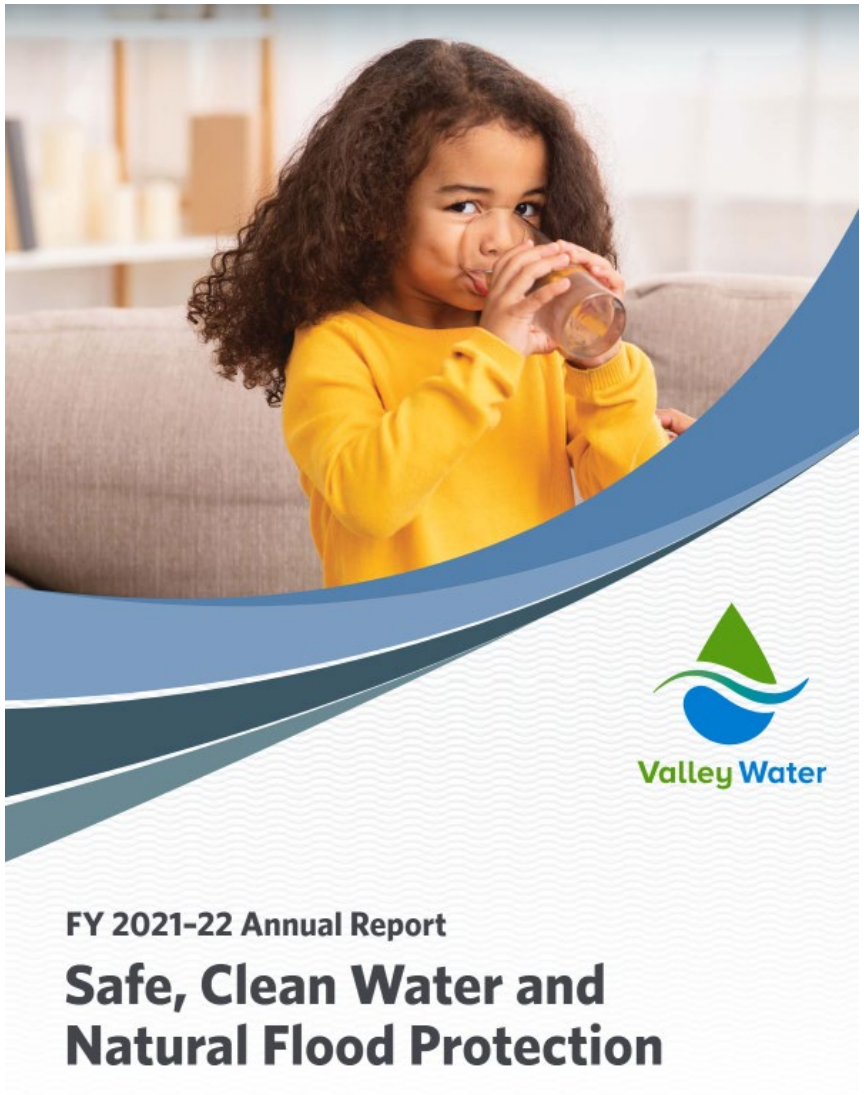
FY2021-22 Project Status

- IMC agreed with the Status of all projects except one.
- Staff disagrees with IMC's assessment that Project E1: Coyote Creek Flood Protection Project was "Not on Target" in FY2021-22.

Next Steps

Recommendations:

- Accept Management Response to the IMC Report on the Renewed Safe Clean Water Natural Flood Protection Program Annual Report for Fiscal Year 2021-2022; and
- Provide additional direction, as necessary.



QUESTIONS

Valley Water

Clean Water • Healthy Environment • Flood Protection

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