On behalf of the Santa Clara Valley Water District Board of Directors, I’m pleased to share this report of the board’s first annual performance self-assessment.

Over the past year, the board has worked to develop a framework for assessing its performance against a range of expectations it has established for itself in board policy. Expressed as our Board Governance Policies, these policies provide a foundation for transparent and accountable board governance.

This 2014 performance self-assessment will be reviewed by the board at its regular meeting on March 24, 2015. As an independently elected board, we look forward to the opportunity to openly assess our performance as a governing body. Conducting annual self-assessments is an important way to reflect on areas of strength, identify opportunities for improvement, and encourage public dialogue about how we can continue to promote our effectiveness as a board.

I would like to recognize and thank the 2014 Board Audit Committee, whose leadership and innovation were critical to developing and advocating for this performance framework. Throughout 2015 and beyond, the board will continue striving to improve our work on the public’s behalf.

If you have any comments regarding this report, please contact me at board@valleywater.org or (408) 265-2600.

Gary Kremen, Board Chair
**2014 Annual Board Performance Report**

| 5  | Comply with board ban on seeking/accepting compensated employment with the district while serving on board and for one year after serving on board | A. Number of attempts to seek or accept compensated employment. Target = Zero | 0 |
| 6  | Review financial reserves at the same time and place that budget is publicly reviewed, including an overview of and rationale for its reserve management policy, and receive public comments before acting on the budget | A. Conduct annual board budget work study sessions prior to budget adoption. Target = Yes | YES |
| 7  | Comply with district’s lobbying ordinance provision requiring Directors’ disclosure of contact with lobbyists prior to voting on matters related to the contact (Ord. No.10-01, Sec. 8) | A. Present updated list of lobbyists to board twice per year. Target = Yes | YES |
| 8  | Conduct all board and committee meetings (including those composed of less than a quorum of the board) in accordance with the District Act and Brown Act (California Open Meetings Law) | A. Percent of board meetings in accordance with the District Act and the Brown Act. Target = 100% | 100% |
| 9  | Chair’s actions align with authority and roles detailed in GP-5 | A. Rules for electing Chair and Vice Chair are followed. Target = Yes | YES |
| 10 | Members must have loyalty to the district and community and not be conflicted by loyalties to staff, other organizations or any personal interest | A. Percent of board members that comply with state mandated training requirement on ethics in public service for public officials in California. Target = 100% | 100% |
| 11 | Comply with board member code of conduct, including limits on exercise of individual authority over organization | A. Number of code of conduct violations (censure, sanction, admonition, or referral to District Attorney). Target = Zero | 0 |
| 12 | Demonstrate actions and behaviors in alignment with district values expressed in GP-7 | A. Review and, if necessary, update the district values expressed in GP-7, annually. Target = Yes | YES |
| 13 | Establish clear expectations and purposes for board committees in order not to conflict with authority delegated to BAOs | A. Percent of board committees that have a formalized purpose and scope. Target = 100% | 92% |
| 14 | Conduct organizational transparency audit through a third party, periodically | A. Conduct third party transparency audit, periodically. Target = Yes | YES |
| 15 | Secure outside monitoring assistance as necessary, including for fiscal audit, to assure governing with excellence | A. Conduct annual board-commissioned audit planning. Target = Yes | YES |
| 16 | Review individual and collective board member expenses in open session quarterly, and make a determination whether reimbursements comply with board reimbursement policies | A. Percent of quarterly board member expense reports reviewed by the board. Target = 100% | 100% |

A* No board action taken in 2014 (0 of 0)
B* First year results will be included in 2015 report
### II. Linkage with the Community

**Indicator**
- **19** Provide at least three opportunities for public input in development of the annual operating budget (e.g., second pass budget, third pass budget, budget work study sessions). 

**Measure**
- A. Number of opportunities for public input in development of the annual operating budget. 
  - Target = 3

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**Indicator**
- **20** Provide at least two opportunities for public input in development of capital budget (e.g., draft CIP, and final CIP)

**Measure**
- A. Number of opportunities for public input in development of the Capital Improvement Program, annually. 
  - Target = 2

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**Indicator**
- **21** Respond timely to correspondence received by the board from the public

**Measure**
- A. Percent of correspondence addressed to the board provided to each board member within 7 calendar days from receipt. 
  - Target = 100%
  - Score: 98%

  - B. Percent of board correspondence responded to within 14 calendar days of receipt, or in situations where it is not possible for the BAOs to respond completely to an inquiry, responses sent to originators, acknowledging receipt of the inquiry and an explanation of actions being taken and timelines for preparing the complete response is acceptable for complying with this 14 day response time. 
  - Target = 90%
  - Score: 95%

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### III. Policy Setting

**Indicator**
- **24** Provide two or more opportunities for public input in the annual policy development process. (e.g., process defining stage; agenda setting stage; one or more policy discussion sessions)

**Measure**
- A. Number of opportunities for public input in annual policy development process. 
  - Target = 2

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**Indicator**
- **25** Initiate and maintain broad written policies with a major policy focus on intended results, not on the administrative or programmatic means of attaining those effects

**Measure**
- A. Board has written Board Governance Policies. 
  - Target = Yes

- B. Board and BAOs annually review Board Governance Policies to determine if they have focus on intended results, not on the administrative or programmatic means of attaining those effects. 
  - Target = Yes
  - Score: YES

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**A** No board action taken in 2014 (0 of 0)

**B** First year results will be included in 2015 report
### 2014 Annual Board Performance Report

#### 2014 Annual Board Performance Report

#### BAO Direction

- **25 (cont.)**
  - C. Conduct an annual review of the Board Governance Policies and adopt new or revised policies by the end of September. **Target = Yes**

#### BAO Limits

- **26**
  - Produce written governing policies which, at the broadest levels, address each category of organizational decision

- **27**
  - Instruct the BAOs through written policies which prescribe the organizational ends to be achieved, and describe organizational situations and actions to be avoided

- **28**
  - Develop Executive Limitations policies as appropriate, and develop them systematically from the broadest, most general level to more defined levels

- **29**
  - Adopt district capital and operating budget no later than June 15

#### Water Rates

- **30**
  - Adopt water rate adjustments annually no later than June 1 and review for mid year water rate adjustment no later than December 15

#### Planning

- **31**
  - Develop a Board Agenda Planning Calendar for the current calendar year by the end of March

- **32**
  - Conduct a mid-year review of the Board Agenda Planning Calendar by the end of September

#### BAO Review

- **33**
  - The Board Agenda Planning Calendar will include board work study sessions, as necessary, to continually improve board performance through education

- **34**
  - The Board Agenda Planning Calendar will include the upcoming fiscal year’s budget planning agenda items

#### IV. Monitor and Review BAO Performance

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>35</strong> Conduct BAO performance reviews no less than twice per year (mid year by end of April, annual by end of September) in accordance with BAO Performance Evaluation procedure</td>
<td></td>
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<tr>
<td>Target = Yes</td>
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<tr>
<td><strong>36</strong> Conduct BAO salary adjustment in open session, in a regular board meeting, annually</td>
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<td>Target = Yes</td>
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<tr>
<td><strong>37</strong> Refer board member requests that require substantive work to the board for direction</td>
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<td>Target = Yes</td>
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<tr>
<td><strong>38</strong> Periodically review board’s method and frequency for routine monitoring of BAO instructions/performance</td>
<td></td>
</tr>
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<td>Target = Yes</td>
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#### BAO Monitoring

- **39**
  - Approve or deny nominations to name or rename district-owned land, facilities and amenities in accordance with the naming procedure

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