TO: Board of Directors
FROM: Rick L. Callender, Esq.
Chief Executive Officer

SUBJECT: Fiscal Year 2020-2021 (FY 21) Quarter 1 (Q1) Quarterly Ends Policy Outcome Measure Status Report
DATE: November 20, 2020

Enclosed is the FY 21 Q1 performance report, which, per Board policy, is monitored by reporting on the Board Appointed Officer’s (BAO) Ends Policy Outcome Measures. This report is one of the ways that the Santa Clara Valley Water District Board of Directors (the Board) monitors the degree to which the Board policies are being met by the Chief Executive Officer.

This report summarizes the status of 108 Outcome Measures, grouped by each Board Ends Policy Objective. Overall, in Q1, 83% of the Ends Outcome Measures (90 of 108) are on target or were met; 13% have been or will be adjusted (14 of 108).

Specifically, four percent (4 of 108) are not on target for the reasons below:

- **OM-2.1.1.e** At least 95% of countywide water supply wells meet primary drinking water standards.
  
  Elevated nitrate in South County (primarily domestic wells) resulted in 87% of wells tested meeting primary standards (this increases to 100% if nitrate is not included).
  
  Action Plan: Continue to implement the free domestic well testing and nitrate treatment system rebate programs for domestic wells; continue efforts to work with regulatory and land use agencies to address this long-term issue.

- **OM-2.1.1.g** At least 90% of wells in both the shallow and principal aquifer zones have stable or decreasing concentrations of nitrate, chloride, and total dissolved solids.
  
  This measure is not met for chloride, with 82% of wells having water with stable or decreasing concentration trends, but the measure is met for TDS and nitrate.
  
  Action Plan: Implement Salt and Nutrient Management Plans to address salt loading, continue collaborating with regulatory and land use agencies.

- **OM-3.2.1.a** 90% of Water Resource Protection Ordinance violations are resolved.
  
  75 cases were opened 7/1/20 – 9/30/20. 14 (19%) were resolved within the quarter. 61 (81%) remained open at the end of Q1. Because of Covid-19 shelter in place, we have not been able to act on many new violations. We are also down by one team member.

- **OM-4.1.1.k** Perform 52 annual clean-ups for the duration of the Safe, Clean Water program to reduce the amount of trash and pollutants entering the streams.
  
  Due to the COVID-19 pandemic, no encampment sites were cleaned up during FY21 Q1. Local agencies, including Valley Water, have ceased encampment clean-ups until further notice is received that it is safe for all involved to proceed.
These performance areas are monitored quarterly by Watersheds and Water Utility Enterprise and their status is reported to the CEO.

As part of the Board’s desire to govern transparently and effectively, the Board’s role is to serve as the initiator of policy and delegator of authority to its BAO’s.

The organization’s performance toward accomplishing the Board’s Ends policy goals and objectives is the responsibility of the Board Appointed Officers. Through the BAOs’ interpretation of these policies, Outcome Measures are derived and implemented through the budget process and guide development of project and individual staff work plans. These plans specify operational activities to be implemented to achieve the Board’s direction for the organization.

The BAOs analyze and monitor organizational performance through operational Quarterly Management Reviews and report results to the Board through Quarterly Performance Reports, as required by Board-BAO Linkage Policy 5.4:

All policies which instruct the BAOs will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule. Frequency = Quarterly.

The performance of the Outcome Measures are regularly monitored to ensure that they are achieved and meet the Board’s expectations and are used to monitor the CEO’s performance.

The alignment of the Board policies, BAO Interpretations, and the Budget Process supports a cycle of continual improvement. The outcomes from monitoring either reinforce existing Board policy or facilitate recommended policy changes for Board consideration.

Please contact me if you have comments or questions about this report.

Rick L. Callender, Esq.
Chief Executive Officer
Valley Water
<table>
<thead>
<tr>
<th>Board Ends Policy Objective</th>
<th>Overall Outcome Measure Status¹</th>
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</table>
| **1** E-2.1.1 Aggressively protect groundwater from the threat of contamination and maintain and develop groundwater to optimize reliability and to minimize land subsidence and salt water intrusion. | On target: 75% (6 of 8)  
Adjusted: 0%  
Not on Target: 25% (2 of 8) |
| **2** E-2.1.2 Protect, maintain, and develop local surface water.                            | On target: 88% (7 of 8)  
Adjusted: 13% (1 of 8)  
Not on Target: 0% |
| **3** E-2.1.3 Protect, maintain, and develop imported water.                                 | On target: 100% (1 of 1)  
Adjusted: 0%  
Not on Target: 0% |
| **4** E-2.1.4 Protect, maintain, and develop recycled water.                                 | On target: 100% (1 of 1)  
Adjusted: 0%  
Not on Target: 0% |
| **5** E-2.1.5 Maximize water use efficiency, water conservation, and demand management opportunities. | On target: 100% (2 of 2)  
Adjusted: 0%  
Not on Target: 0% |
| **6** E-2.1.6 Prepare for and respond effectively to water utility emergencies.              | On target: 100% (2 of 2)  
Adjusted: 0%  
Not on Target: 0% |
| **7** E-2.2.1 Raw water transmission and distribution assets are managed to ensure efficiency and reliability. | On target: 67% (2 of 3)  
Adjusted: 33% (1 of 3)  
Not on Target: 0% |
| **8** E-2.3.1 Meet or exceed all applicable water quality regulatory standards.              | On target: 67% (2 of 3)  
Adjusted: 33% (1 of 3)  
Not on Target: 0% |

¹ There are 108 Outcome Measures monitored by the Board Appointed Officers. Each Ends Policy Objective is monitored by 1 or more Outcome Measures; the results of which are reported as a percentage in the Outcome Measure Status column.
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<tbody>
<tr>
<td>9  E-2.3.2</td>
<td>Maintain effective relationships with the retailer and other stakeholders to ensure high quality, reliable drinking water.</td>
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<tr>
<td>10 E-3.1.1.</td>
<td>Protect parcels from flooding by applying an integrated watershed management approach that balances environmental quality and protection from flooding.</td>
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<tr>
<td>11 E-3.1.2.</td>
<td>Preserve flood conveyance capacity and structural integrity of stream banks, while minimizing impacts on the environment and protecting habitat values.</td>
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<tr>
<td>12 E-3.2.1.</td>
<td>Promote the preservation of flood plain functions.</td>
</tr>
<tr>
<td>13 E-3.2.2.</td>
<td>Reduce flood risks through public engagement.</td>
</tr>
<tr>
<td>14 E-3.2.3.</td>
<td>Prepare and respond effectively to flood emergencies countywide to protect life and property.</td>
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<tr>
<td>15 E-4.1.1.</td>
<td>Preserve creeks, bay, and ecosystems through environmental stewardship.</td>
</tr>
<tr>
<td>16 E-4.1.2.</td>
<td>Improve watersheds, streams, and natural resources.</td>
</tr>
</tbody>
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| 17  E-4.1.3.                | On target: 100% (4 of 4)  
Adjusted: 0%  
Not on Target: 0% |
| 18  E-4.1.4.                | On target: 100% (3 of 3)  
Adjusted: 0%  
Not on Target: 0% |
| 19  E-4.1.5.                | On target: 100% (1 of 1)  
Adjusted: 0%  
Not on Target: 0% |
| 20  E-4.1.6.                | Outcome Measure for this  
Objective pending board review. |
| 21  E-4.2.1.                | On target: 100% (1 of 1)  
Adjusted: 0%  
Not on Target: 0% |
| 22  E-4.2.2.                | On target: 100% (1 of 1)  
Adjusted: 0%  
Not on Target: 0% |
| 23  E-4.3.1.                | On target: 50% (1 of 2)  
Adjusted: 50% (1 of 2)  
Not on Target: 0% |

<sup>1</sup> There are 108 Outcome Measures monitored by the Board Appointed Officers. Each Ends Policy Objective is monitored by 1 or more Outcome Measures; the results of which are reported as a percentage in the Outcome Measure Status column.