

January 14, 2020

MEETING NOTICE & REQUEST FOR RSVP

TO: SANTA CLARA VALLEY WATER COMMISSION

Municipality

City of Campbell
 City of Cupertino
 City of Gilroy
 City of Los Altos
 Town of Los Altos Hills
 Town of Los Gatos
 City of Milpitas
 City of Monte Sereno
 City of Morgan Hill
 City of Mountain View
 City of Palo Alto
 City of San Jose
 City of Santa Clara
 City of Saratoga
 City of Sunnyvale
 Santa Clara County Board of Supervisors
 Midpeninsula Regional Open Space District
 Open Space Authority Santa Clara Valley

Representative

Hon. Susan M. Landry
 Hon. Darcy Paul
 Hon. Peter Leroe-Muñoz
 Hon. Anita Enander
 Hon. Courtenay Corrigan
 Hon. Marcia Jensen
 Hon. Carmen Montano
 Hon. Liz Lawler
 Hon. Rich Constantine
 Hon. Lucas Ramirez
 Hon. Tom DuBois
 Hon. Pam Foley
 Hon. Debi Davis
 Hon. Rishi Kumar
 Hon. Nancy Smith
 Hon. Mike Wasserman
 Hon. Jed Cyr
 Hon. Mike Flaughner

Alternate

Hon. Anne Bybee
 Hon. Steven Scharf
 Hon. Fred Tovar
 Hon. Lynette Lee Eng
 Hon. Rob Rennie
 Hon. Karina R. Dominguez
 Hon. Javed Ellahie
 Hon. Yvonne Martinez Beltran
 Hon. Alison Hicks
 Kerrie Romanow
 Hon. Kathy Watanabe
 Hon. Yan Zhao
 Hon. Mason Fong
 Hon. Cindy Chavez
 Hon. Yoriko Kishimoto
 Hon. Shay Franco-Claussen

The regular meeting of the Santa Clara Valley Water Commission is scheduled to be held on Wednesday, **January 22, 2020, at 12:00 p.m.**, in the Headquarters Building Boardroom, located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California. Lunch will be provided.

Enclosed are the meeting agenda and corresponding materials. Please bring this packet with you to the meeting. Additional copies of this meeting packet are available on-line at <https://www.valleywater.org/how-we-operate/committees/board-advisory-committees>.

A majority of the appointed membership is required to constitute a quorum, which is fifty percent plus one. A quorum for this meeting must be confirmed at least 48 hours prior to the scheduled meeting date or it will be canceled.



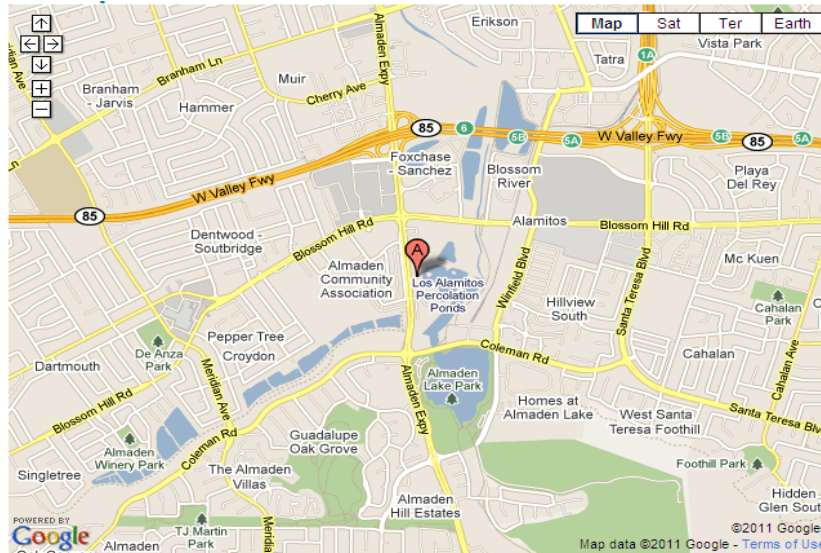
Further, a quorum must be present on the day of the scheduled meeting to call the meeting to order and take action on agenda items.

Members with two or more consecutive unexcused absences will be subject to rescinded membership.

Please confirm your attendance **no later than Friday, January 17, 2020; noon** by contacting Glenna Brambill at 1-408-630-2408, or gbrambill@valleywater.org.

Enclosures

**Santa Clara Valley Water District - Headquarters Building,
5700 Almaden Expressway, San Jose, CA 95118**



From Oakland:

- Take 880 South to 85 South
- Take 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Morgan Hill/Gilroy:

- Take 101 North to 85 North
- Take 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- Cross Blossom Hill Road
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Sunnyvale:

- Take Highway 87 South to 85 North
- Take Highway 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From San Francisco:

- Take 280 South to Highway 85 South
- Take Highway 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Downtown San Jose:

- Take Highway 87 - Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (first traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Walnut Creek, Concord and East Bay areas:

- Take 680 South to 280 North
- Exit Highway 87-Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance



Santa Clara Valley Water District Santa Clara Valley Water Commission Meeting

**HQ Boardroom
5700 Almaden Expressway
San Jose CA 95118**

REGULAR MEETING AGENDA

**Wednesday, January 22, 2020
12:00 PM**

District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.

All public records relating to an item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.

**Santa Clara Valley Water District
Santa Clara Valley Water Commission
REGULAR MEETING
AGENDA**

Wednesday, January 22, 2020

12:00 PM

HQ Boardroom
5700 Almaden Expy
San Jose CA 95118

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.

Notice to the public: This item is reserved for persons desiring to address the Commission on any matter not on this agenda. Members of the public who wish to address the Commission on any item not listed on the agenda should complete a Speaker Form and present it to the Commission Clerk. The Commission Chair will call individuals in turn. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Commission action on, or extended discussion of, any item not on the agenda except under special circumstances. If Commission action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Commission may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of Minutes.

[20-0040](#)

Recommendation: Approve the October 23, 2019, Meeting Minutes.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: 102319 Water Comm Draft Mins](#)

Est. Staff Time: 5 Minutes

4. ELECTION OF CHAIR AND VICE CHAIR

4.1. Election of Chair and Vice Chair.

[20-0041](#)

Recommendation: Elect 2020 Chair and Vice Chair

Manager: Michele King, 408-630-2711

5. ACTION ITEMS:

- 5.1. Review and Approve 2019 Annual Accomplishments Report for Presentation to the Board (Commission Chair). [20-0042](#)
Recommendation: A. Approve the 2019 Accomplishments Report for presentation to the Board; and
B. Provide comments to the Commission Chair to share with the Board as part of the Accomplishments Report presentation pertaining to the purpose, structure, and function of the Commission
Manager: Michele King, 408-630-2711
Attachments: [Attachment 1: Water Comm 2019 Accomplishments Rep](#)
Est. Staff Time: 5 Minutes
- 5.2. Review and Comment to the Board on the Fiscal Year 2020-21 Preliminary Groundwater Production Charges. [20-0043](#)
Recommendation: Discuss and consider the attached preliminary groundwater production charge analysis and provide comment to the Board on policy implementation, as necessary.
Manager: Darin Taylor, 408-630-3068
Attachments: [Attachment 1: PowerPoint Presentation](#)
Est. Staff Time: 20 Minutes
- 5.3. Opportunities to Enhance and Update the Safe, Clean Water and Natural Flood Protection Program by Evaluating a Future Funding Measure. [20-0044](#)
Recommendation: A. Receive information on opportunities to strengthen and update the existing Safe, Clean Water and Natural Flood Protection Program;
B. Receive information on the feasibility of developing and placing a future funding measure on the November 2020 ballot; and
C. Provide input on potential new program development.
Manager: Marta Lugo, 408-630-2237
Est. Staff Time: 20 Minutes
- 5.4. Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda. [20-0045](#)
Recommendation: Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.
Manager: Michele King, 408-630-2711
Attachments: [Attachment 1: 2020 Water Comm Work Plan](#)
[Attachment 2: 040820 Water Comm Draft Agenda](#)
Est. Staff Time: 5 Minutes

6. INFORMATION ITEMS:

6.1. Standing Items Report.

[20-0046](#)

Recommendation: **Standing Items Reports**

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2020 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: Standing Items Report](#)

Est. Staff Time: 5 Minutes

7. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

8. COMMISSION REPORTS:

8.1. Director's Report

8.2. Manager's Report

8.3. Commission Member Report

8.4. Informational Link Reports

9. ADJOURN:

9.1. Adjourn to Regular Meeting at 12:00 p.m., on Wednesday, April 8, 2020, in the Santa Clara Valley Water District HQ Boardroom, 5700 Almaden Expressway, San Jose, California.



Santa Clara Valley Water District

File No.: 20-0040

Agenda Date: 1/22/2020
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Approval of Minutes.

RECOMMENDATION:

Approve the October 23, 2019, Meeting Minutes.

SUMMARY:

A summary of Committee discussions, and details of all actions taken by the Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Committee's meetings.

ATTACHMENTS:

Attachment 1: 102319 WC Draft Meeting Minutes.

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711



SANTA CLARA VALLEY WATER COMMISSION MEETING

DRAFT MINUTES

**WEDNESDAY, OCTOBER 23, 2019
12:00 PM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Santa Clara Valley Water Commission (Commission) was held on October 23, 2019, in the Headquarters Building Boardroom, located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

1. CALL TO ORDER/ROLL CALL

Hon. Vice Chair Rich Constantine called the meeting to order at 12:01 p.m.

Members in attendance were:

<u>Municipality</u>	<u>Representative</u>	<u>Alternate</u>
City of Cupertino	Hon. Darcy Paul*	
City of Gilroy	Hon. Peter Leroe-Muñoz*	
City of Los Altos	Hon. Anita Enander	
Town of Los Altos Hills	Hon. Courtenay Corrigan*	
Town of Los Gatos		Hon. Marcia Jensen
City of Milpitas	Hon. Carmen Montano	
Town of Monte Sereno	Hon. Liz Lawler	
City of Morgan Hill	Hon. Rich Constantine	
City of Mountain View	Hon. Lucas Ramirez	
City of San José	Hon. Pam Foley	
City of Saratoga	Hon. Rishi Kumar	
City of Sunnyvale		Hon. Larry Klein
County of Santa Clara	Hon. Mike Wasserman	
Midpeninsula Regional Open Space District	Hon. Jed Cyr	

Members not in attendance were:

<u>Municipality</u>	<u>Representative</u>	<u>Alternate</u>
City of Campbell	Hon. Susan M. Landry	Hon. Anne Bybee
City of Cupertino		Hon. Steven Scharf
		Timm Borden
City of Gilroy		Hon. Fred Tovar
City of Los Altos		Hon. Lynette Lee Eng
Town of Los Gatos	Hon. Steve Leonardis	
City of Milpitas		Hon. Karina R. Dominguez
Town of Monte Sereno		Hon. Javed Ellahie
City of Morgan Hill		Hon. Larry Carr
City of Mountain View		Hon. Alison Hicks
City of Palo Alto	Hon. Tom DuBois	
City of San José		Kerrie Romanow
City of Santa Clara	Hon. Debi Davis	Hon. Kathy Watanabe
City of Saratoga		Hon. Yan Zhao
City of Sunnyvale	Hon. Nancy Smith	
County of Santa Clara		Hon. Cindy Chavez
Midpeninsula Regional Open		Hon. Yoriko Kishimoto
Space District		
Santa Clara Valley Open	Hon. Mike Flaugher	
Space Authority		Hon. Shay Franco-Clausen

Board members in attendance were: Directors Nai Hsueh and Linda J. LeZotte, Board Representatives.

Staff members in attendance were: Aaron Baker, Glenna Brambill, John Brosnan, Norma J. Camacho, Domingo Candelas, Vincent Gin, Alexander Gordon, Kristen Yasukawa and Bhavani Yerrapotu.

Guest in attendance was: Gary Welling (City of Santa Clara).

*Hon. Peter Leroe-Muñoz arrived at 12:03 p.m.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA

There was no one present who wished to speak.

3. APPROVAL OF MINUTES

It was moved by Hon. Mike Wasserman, seconded by Hon Pam Foley, and unanimously carried, to approve the July 24, 2019, Santa Clara Valley Water Commission meeting minutes as presented.

4. 4.1. STANDING ITEMS REPORTS

Vice Chair Rich Constantine reviewed the standing items report.

The Commission received information on the Homeless Encampment Ad Hoc Committee.

The Commission took no action.

5. ACTION ITEMS

5.1 SANTA CLARA VALLEY WATER DISTRICT (VALLEY WATER) RESPONSE TO PG & E POWER OUTAGE

Mr. Alexander Gordon reviewed the materials as outlined in the agenda item.

Hon. Courtenay Corrigan arrived at 12:12 p.m.

The Commissioners (Hon. Mike Wasserman, Hon. Rishi Kumar, Hon. Larry Klein, Hon. Carmen Montano, Hon. Pam Foley and Hon. Rich Constantine) discussed their concerns on the following issues with PG&E, shutting down power for homes and businesses, needing to fix the myriad of problems, monopoly, the impacts, PSPS program, conducting drills/training exercises, loss of critical services, traffic lights, response time, Valley Water's use of generators, a Communication Plan, use of EOCs and Anderson Dam concerns.

Ms. Norma J. Camacho, Ms. Bhavani Yerrapotu, Ms. Erin Baker were available to answer questions.

The Commission took no action.

5.2 REVIEW SANTA CLARA VALLEY WATER COMMISSION WORK PLAN, THE OUTCOMES OF BOARD ACTION OF COMMISSION REQUESTS AND THE COMMISSION'S NEXT MEETING AGENDA

Ms. Glenna Brambill reviewed the materials as outlined in the agenda item.

Director Nai Hsueh adding to the workplan-the encroachment remediation program which was approved by the Board on 10/22/19.

Hon. Anita Enander and Hon. Courtenay Corrigan noted that there are 2 items on the plan that the Commission took action on and receiving the Board's outcomes in writing would be appreciated.

The Commission took no action.

6. CLERK REVIEW AND CLARIFICATION OF COMMISSION REQUESTS TO THE BOARD

Ms. Glenna Brambill reported there were no action items for Board consideration.

7. REPORTS

7.1 Director's Report

Director Linda J. Lezotte reported on the following:

Reiterated the Board's action on 10/22/19, of the new encroachment remediation program

7.2 Manager's Report

Ms. Norma J. Camacho reported on the following:

- Anderson Dam discussion at the Board's 10/22/19, meeting, Heard back from consultant on project design and the potential impact on the fisheries is going to be reviewed

Ms. Kristen Yasukawa reported on the following:

- Announced about grant opportunities and application period will close on November 1, 2019, (available is \$2.1m for water conservation, habitat restoration and pollution prevention)

7.3 Commission Member Reports

None.

7.4 Informational Link Reports

None.

Hon. Darcy Paul arrived at 12:46 p.m.

8. ADJOURNMENT

Vice Chair Hon. Rich Constantine adjourned at 12:46 p.m. to the next regular meeting on Wednesday, January 20, 2020, at 12:00 p.m., in the Santa Clara Valley Water District Headquarters Boardroom.

Glenna Brambill
Board Committee Liaison
Office of the Clerk of the Board

Approved:



Santa Clara Valley Water District

File No.: 20-0041

Agenda Date: 1/22/2020
Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Election of Chair and Vice Chair.

RECOMMENDATION:

Elect 2020 Chair and Vice Chair

SUMMARY:

Per the Board Resolution, the duties of the Chair and Vice-Chair are as follows:

The officers of each Committee shall be a Chairperson and Vice-Chairperson, both of whom shall be members of that Committee. The Chairperson and Vice-Chairperson shall be elected by the Committee, each for a term of one year commencing on January 1 and ending on December 31 and for no more than two consecutive terms. The Committee shall elect its officers at the first meeting of the calendar year. All officers shall hold over in their respective offices after their term of office has expired until their successors have been elected and have assumed office.

The Chairperson shall preside at all meetings of the Committee, and he or she shall perform other such duties as the Committee may prescribe consistent with the purpose of the Committee.

The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In case of the unexpected vacancy of the Chairperson, the Vice-Chairperson shall perform such duties as are imposed upon the Chairperson until such time as a new Chairperson is elected by the Committee.

Should the office of Chairperson or Vice-Chairperson become vacant during the term of such office, the Committee shall elect a successor from its membership at the earliest meeting at which such election would be practicable, and such election shall be for the unexpired term of such office.

Should the Chairperson and Vice-Chairperson know in advance that they will both be absent from a meeting, the Chair may appoint a Chairperson Pro-tempore to preside over that meeting. In the event of an unanticipated absence of both the Chairperson and Vice-Chairperson, the Committee may elect a Chairperson Pro-tempore to preside over the meeting in their absence.

BACKGROUND:

The District Act provides for the creation of advisory boards, committees, or commissions by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Advisory Committees, which bring respective expertise and

community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Advisory Committees may help the Board produce the link between the District and the public through information sharing to the communities they represent.

The Board may also establish Ad-hoc Committees to serve in a capacity as defined by the Board and will be used sparingly.

ATTACHMENTS:

None

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711



Santa Clara Valley Water District

File No.: 20-0042

Agenda Date: 1/22/2020
Item No.: 5.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Review and Approve 2019 Annual Accomplishments Report for Presentation to the Board (Commission Chair).

RECOMMENDATION:

- A. Approve the 2019 Accomplishments Report for presentation to the Board; and
- B. Provide comments to the Commission Chair to share with the Board as part of the Accomplishments Report presentation pertaining to the purpose, structure, and function of the Commission

SUMMARY:

The Accomplishments Report summarizes the commission's discussions and actions to prepare Board policy alternatives and implications for Board deliberation throughout 2019. The Commission Chair, or designee, presents the Accomplishments Report to the Board at a future Board meeting.

The Commission may provide feedback to the Commission Chair, at this time, to share with Board as part of the Accomplishments Report presentation pertaining to the purpose, structure, and function of the Commission.

BACKGROUND:

Governance Process Policy-8:

The District Act provides for the creation of advisory boards, committees, or commissions by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Advisory Committees, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Advisory Committees may help the Board produce the link between the District and the public through information sharing to the communities they represent.

File No.: 20-0042

Agenda Date: 1/22/2020
Item No.: 5.1.

ATTACHMENTS:

Attachment 1: Water Comm 2019 Accomplishments Report

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

2019 Annual Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2020

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion. Subsequently, an annual committee accomplishments report is developed based on the work plan and presented to the District Board of Directors.

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
1	Election of Chair and Vice Chair for 2019	<ul style="list-style-type: none"> Commission Elects Chair and Vice Chair for 2019. (Action) 	<p>Accomplished January 23, 2019: The Commission elected Hon. Debi Davis as 2019 Commission Chair and Hon. Rich Constantine as 2019 Commission Vice Chair.</p>
2	Annual Accomplishments Report	<ul style="list-style-type: none"> Review and approve 2018 Accomplishments Report for presentation to the Board. (Action) Provide comments to the Board, as necessary. 	<p>Accomplished January 23, 2019: The Commission reviewed and approved the 2018 Accomplishments Report for presentation to the Board.</p> <p><i>The Board received the Commission's presentation at its March 26, 2019, meeting.</i></p>
3	Water Supply Master Plan Update See Board Priority Standing item #5	<ul style="list-style-type: none"> Receive an update on the Water Supply Master Plan. (Action) Provide comments to the Board, as necessary. 	<p>Accomplished January 23, 2019: The Commission received information on the Water Supply Master Plan and took no action.</p> <p>Link to 1/18/19 Board Agenda https://scvwd.legistar.com/LegislationDetail.aspx?ID=3833245&GUID=B2A7EFC8-34C3-4EF8-BF2A-FC11774B9CF1&Options=ID Text Attachments Search=January+18%2c+2019</p> <p>Accomplished July 24, 2019: The Commission received information on the Water Supply Master Plan and took no action.</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 1 of 8

**2019 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2020

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
4	Review and Comment to the Board on the Fiscal Year 2019-20 Preliminary Groundwater Production Charges	<ul style="list-style-type: none"> Review and Comment to the Board on the Fiscal Year 2019-20 Preliminary Groundwater Production Charges. (Action) 	<p>Accomplished January 23, 2019: The Commission received and commented to the Board on the Fiscal Year 2019-20 Preliminary Groundwater Production Charges and took no action.</p>
5	Open Space Credit	<ul style="list-style-type: none"> Receive information on Open Space Credit. (Information) 	<p>Accomplished January 23, 2019: The Commission received information on the Open Space Credit Policy and took no action.</p> <p>Accomplished April 10, 2019: The Commission received information on the Open Space Credit Policy and took the following action:</p> <ul style="list-style-type: none"> The Commission approved that the Board consider freezing agricultural groundwater rates and retain Open Space Credit for 2020-2022 to further explore efforts that support the health of agriculture in Santa Clara County (referencing the County Ag Plan). <p><i>The Board received the Commission's recommendation at its April 23, 2019, meeting and took action at their May 14, 2019, meeting by the adoption of groundwater production and other water charges for District Fiscal year 2019-2020</i></p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 2 of 8

**2019 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2020

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
6	Update on the State Water Resources Control Board's Amendments to the Bay-Delta Water Quality Control Plan and Agency-Proposed Voluntary Agreements.	<ul style="list-style-type: none"> Receive an update on the State Water Resources Control Board's Amendments to the Bay-Delta Water Quality Control Plan and Agency-Proposed Voluntary Agreements. (Information) 	<p>Accomplished January 23, 2019: The Commission received an update on the State Water Resources Control Board's Amendments to the Bay-Delta Water Quality Control Plan and Agency-Proposed Voluntary Agreements and took no action.</p>
7	Review of Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests and the Commission's Next Meeting Agenda	<ul style="list-style-type: none"> Receive and review the 2019 Committee work plan. (Action) Submit requests to the Board, as appropriate. 	<p>Accomplished January 23, 2019: The Commission received and reviewed the 2019 Commission work plan and took no action.</p> <p>Accomplished April 10, 2019: The Commission received and reviewed the 2019 Commission work plan and took no action.</p> <p>Accomplished July 24, 2019: The Commission received and reviewed the 2019 Commission work plan and took no action.</p> <p>Accomplished October 23, 2019: The Commission received and reviewed the 2019 Commission work plan and took no action.</p>
8	<p>Standing Items Reports/Fiscal Year 2019:</p> <ol style="list-style-type: none"> Finalize the Fisheries and Aquatic Habitat Collaboration Effort (FAHCE) (Report from the FAHCE Ad Hoc Committee) Actively Pursue Efforts to Increase Water Storage Opportunities (Report from the Water Storage Exploratory Committee) 	<ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) 	<p>Accomplished April 10, 2019: The Commission reviewed the new standing items report and took no action.</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 3 of 8

**2019 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2020

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
	3. Actively Participate in Decisions Regarding the California WaterFix (Report from EWRC Board Representative) 4. Advance Recycled and Purified Water Efforts with the City of San Jose and Other Agencies (Report from the Recycled Water Committee) 5. Advance Anderson Dam Seismic Retrofit Project (Report from the Capital Improvement Program Committee) 6. Provide for a Watershed-Wide Regulatory Planning and Permitting Effort (Report from the Capital Improvement Program Committee) 7. Ensure Immediate Emergency Action Plans and Flood Protection are Provided for Coyote Creek (Report from the Coyote Creek Flood Risk Reduction Ad Hoc Committee) 8. Foster a Coordinated Approach to Environmental Stewardship Effort (Report from EWRC Board Representative) 9. Advance Diversity and Inclusion Efforts (Report from the Diversity and Inclusion Ad Hoc Committee)		
9	Review and Comment to the Board on the Fiscal Year 2020 Proposed Groundwater Production Charges.	<ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2020 Proposed Groundwater Production Charges. (Action) Provide comments to the Board, as necessary. 	Accomplished April 10, 2019: The Commission reviewed and commented to the Board on the Fiscal Year 2020 Proposed Groundwater Production Charges and took the following action: <ul style="list-style-type: none"> The Commission approved that the Board of Directors consider having staff review increasing the M&I groundwater charge by a few cents per month to help reduce the amount of future debt issuances and thereby reduce future debt service

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

**2019 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2020

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
			<p>costs that are projected to increase significantly over the next 10 years and, also, look for revenue sources that would reduce future debt service.</p> <p><i>The Board received the Commission's recommendation at its April 23, 2019, meeting and took action at their May 14, 2019, meeting by the adoption of groundwater production and other water charges for District Fiscal year 2019-2020.</i></p>
10	<p>Discuss Policy Framework and Outreach Plan for Use of Santa Clara Valley Water District Property for Trails</p>	<ul style="list-style-type: none"> Discuss policy framework and outreach plan for use of Santa Clara Valley Water District Property for Trails. (Information) Provide comments to the Board, as necessary. 	<p>Accomplished July 24, 2019: The Commission discussed policy framework and outreach plan for use of Santa Clara Valley Water District Property for Trails and took no action.</p>
11	<p><u>Standing Items Reports Fiscal Year 2020:</u> 1. Finalize the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE). (Assigned to FAHCE) 2. Actively Pursue Efforts to Increase Water Storage Opportunities. (Assigned to Water Storage Exploratory Committee) 3. Actively Participate in Decisions Regarding the California Delta Conveyance. (Assigned to California Delta Conveyance Working Group) 4. Lead Recycled and Purified Water</p>	<ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) 	<p>Accomplished July 24, 2019: The Commission received the quarterly reports on standing items and took no action.</p> <p>Accomplished October 23, 2019: The Commission received the quarterly reports on standing items and took no action.</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 5 of 8

**2019 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2020

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
	<p>Efforts with the City of San Jose and Other Agencies. (Assigned to Recycled Water Committee)</p> <p>5. Engage and educate the community, local elected officials and staff on future water supply strategies in Santa Clara County. (Assigned to Water Conservation and Demand Management Committee)</p> <p>6. Advance Anderson Dam Seismic Retrofit Project. (Assigned to Capital Improvement Program Committee)</p> <p>7. Provide for a Watershed-Wide Regulatory Planning and Permitting Effort. (Assigned to FAHCE)</p> <p>8. Attain net positive impact on the environment when implementing Valley Water's mission.</p> <p>9. Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation (E-4.1.3). (Assigned to Homeless Encampment Ad Hoc Committee)</p> <p>10. Advance Diversity and Inclusion Efforts. Carry forward to FY20. (Assigned to Diversity and Inclusion Ad Hoc Committee)</p> <p>11. Understand if the level of services Valley Water provides to the public are</p>		

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 6 of 8

**2019 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2020

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
	reasonable and the costs of providing services are affordable and effective. (Assigned to Revenue Working Group)		
12	One Water Plan	<ul style="list-style-type: none"> • Receive information on the One Water Plan. (Information) • Provide comments to the Board, as necessary. 	
13	Discussion on how the cities propose working together (with the other cities, the county and the District) to develop a summit to address the unhoused population in our communities and creeks. Also, discuss the authority that the cities (police) have on removing the inhabitants and patrolling the creeks.	<ul style="list-style-type: none"> • Discuss issues regarding the unhoused population in our communities and creeks and propose how to work with the County to develop a summit to address this issue. Getting additional feedback from cities will be key in planning for this effort in 2019. (Action) • Submit requests to the Board, as appropriate. 	

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**2019 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2020

ITEM	WORK PLAN ITEM	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
14	Discussion on the Riparian Corridor Ordinance, Encroachment Process (<i>Discussion on the District's Water Resources Protection Ordinance</i>)	<ul style="list-style-type: none"> • Discuss the Riparian Corridor Ordinance, Encroachment Process. (Action) • Provide comments to the Board, as necessary. 	
15	Climate Change Action Plan - Climate Change Impacts, Vulnerabilities and Stakeholder Needs	<ul style="list-style-type: none"> • Receive information on Climate Change Action Plan - Climate Change Impacts, Vulnerabilities and Stakeholder Needs. (Action) • Provide comments to the Board, as necessary 	https://scvwd.legistar.com/LegislationDetail.aspx?ID=3834299&GUID=3DE58FF2-BB43-4305-81C4-916B18DBE118&Options=&Search=

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors



Santa Clara Valley Water District

File No.: 20-0043

Agenda Date: 1/22/2020

Item No.: 5.2.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Review and Comment to the Board on the Fiscal Year 2020-21 Preliminary Groundwater Production Charges.

RECOMMENDATION:

Discuss and consider the attached preliminary groundwater production charge analysis and provide comment to the Board on policy implementation, as necessary.

SUMMARY:

Summary of Groundwater Production Charge Analysis:

Staff has prepared the preliminary FY 2020-21 groundwater production charge analysis, which includes several scenarios for Board review. Staff has developed a baseline scenario that aligns with the 80% level of service goals per the Water Supply Master Plan approved by the Board in November 2019, along with several other scenarios for Board consideration. Staff is seeking Board input on the preliminary analysis to incorporate into the development of the groundwater production charge recommendation.

The groundwater production charge recommendation will be detailed in the Annual Report on the Protection and Augmentation of Water Supplies that is planned to be filed with the Clerk of the Board on February 28, 2020. The public hearing on groundwater production charges is scheduled to open on April 14, 2020. It is anticipated that the Board would set the FY 2020-21 groundwater production charges by May 12, 2020, that would become effective on July 1, 2020.

The FY 2020-21 groundwater production charge and surface water charge setting process will be conducted consistent with the District Act, and Board resolutions 99-21 and 12-10.

Water Use Assumptions

District managed water use for FY 2018-19 is estimated to be approximately 208,000 acre-feet (AF), roughly 19,000 AF lower than budgeted due to a wet winter and wet spring. If the wet winter and wet spring were to repeat for the current year FY 2019-20, then there would be a 30,000 AF water usage shortfall versus budget, which would translate to an estimated \$40 million revenue shortfall. Wet springs have happened roughly 30% of the time over the past two decades, so the likelihood of a repeat is low but still possible. The current water demand projection for FY 2020-21 is 251,000 AF,

which is approximately a 21% increase compared to the FY 2018-2019 estimate. Staff believes that the water demand projection should be adjusted downward to 230,000 AF for FY 2020-21. This adjustment would better align with the FY 2017-18 actuals (which did not include a wet spring) and includes consideration for the impact of ramping up production at San Jose Water Company's Montevina Treatment Plant, which uses non-District sourced water. The preliminary groundwater charge scenarios discussed in the following section are based on a reduced water demand projection of 230,000 AF in FY 2020-21, and then assumes a very small amount of growth in the following years.

Staff will continue to carefully monitor monthly water use actuals and work closely with the water retailers during the upcoming rate setting process to modify the water usage forecast as necessary.

Newly Proposed Water Supply Projects

On November 20, 2019, the Board approved the Water Supply Master Plan 2040, which identified a suite of investments to meet long-term water supply reliability goals. The WSMP's sustainability strategy emphasized the need to secure existing supplies and infrastructure. However, this plan did not evaluate the utility infrastructure needs; this evaluation has not taken place since 2011. Valley Water continues to experience greater constraints on system operations (including recent Public Safety Power Shutoffs), and infrastructure is aging/obsolete and needs to be replaced (e.g., SCADA, Almaden Valley Pipeline).

Therefore, to ensure all the conveyance, treatment, and distribution systems are ready to deliver on those future investments, staff has identified the following three new projects:

1. Supervisory Control and Data Acquisition (SCADA) Implementation Project,
2. Water Treatment Plant Implementation Project, and
3. Distribution System Implementation Project.

The three projects referenced above are aligned with the WSMP's sustainability strategy. However, as a result of the parallel timelines, the three projects were not included in the FY 2021-25 Preliminary CIP, but can be added into the Draft FY 2021-25 CIP upon Board direction.

Additional information about the scope of work, deliverables, schedule, and resource needs for each new project is provided below:

SCADA Implementation Project

Valley Water's process control and SCADA systems, which serve a pivotal role in monitoring and controlling the raw water conveyance system (including reservoirs and pumping plants), treatment plants and distribution systems are aging and in need of coordinated replacement and upgrade. The proper functioning of these systems is essential for meeting water demand, maintaining water quality, achieving regulatory compliance, and satisfying customer expectations. In addition, the process control and SCADA systems contain important data used by Operations, Maintenance, Water Quality, Management and other Engineering staff for operations, reporting, analysis, and planning purposes; and expanded access to the data systems is needed.

The objectives of the project are to prepare an update to the process control systems/SCADA master plan (2011), recommend a coordinated suite of improvement projects (projects implementation plan) for the Board's consideration, produce detailed design and implementation standards for the new projects, develop the new projects through conceptual design, and provide owner's engineering support for new projects through construction.

It is anticipated that the project will start in FY 2021 and take 15 years to complete. The first three years of the project will be focused on bringing the updated master plan and suite of new projects with an implementation plan to the Board, at a budgeted cost of \$6.7 million (which includes \$3.3 million in consultant cost, along with staff resources for project engineering, and key partner and stakeholder participation). The remainder of the project, through FY 2035, will consist of the design and construction of the recommended replacement and upgrade projects themselves, with Board check-ins and approvals for each as they are initiated.

Water Treatment Plant Implementation Project

The infrastructure needs for the water treatment plants (WTPs) have been developed over the years through a number of planning documents focused on specific process areas, and not through an integrated master implementation plan. As a result, projects are often piecemealed for specific needs, needing frequent rebuilds or upgrades due to adjacent processes or regulatory requirements changes. There is a need to develop a comprehensive implementation plan that coordinates regulatory-driven changes with aging infrastructure needs and other operational improvements for the WTPs as well as integrates with the recently completed Water Supply Master Plan.

The WTP Implementation Project will prepare an implementation plan over the next 30 years to identify projects needed to repair, replace, and/or upgrade Valley Water's WTP infrastructures; address the increasingly stringent water quality regulations; and prepare to implement projects that the Board approves. The implementation plan will also conclude with a programmatic EIR. Facilities include the Rinconada, Santa Teresa, Penitencia WTPs and the Purification Center.

It is anticipated that the project will start in FY 2021 and take three years to complete. The estimated cost of the project is \$8.4 million (which includes \$6 million in consultant cost, along with staff resources for dedicated project management and project engineering, and for key partner and stakeholder participation).

Distribution System Implementation Project

Valley Water has not conducted a comprehensive evaluation of its distribution system (raw and treated water pipelines) in recent history. With the recently completed Water Supply Master Plan, there is a need to develop a comprehensive Distribution Systems Implementation Plan (DSMP) looking out 30 years to identify improvements to Valley Water's raw and treated water systems based on current demands, future growth, and emergencies.

The DSMP will provide significant insights, analysis tools for Valley Water's raw and treated water distribution systems to ensure that the distribution system infrastructure is appropriately sized to accommodate new supplies as they are brought online, retailer needs, recommend direct capital

actions needed to protect existing distribution systems, and will conclude with a programmatic EIR.

It is anticipated that the project will start in FY 2021 and take three years to complete. The estimated cost of the project is \$8.1 million (which includes \$6 million in consultant cost, along with staff resources for dedicated modeling analysis and evaluation, project engineering support, and for key partner and stakeholder participation).

Groundwater Production Charge Projections

Staff has prepared several preliminary groundwater production charge projection scenarios for Board review. The increase in the North County Municipal and Industrial (M&I) groundwater production charge ranges from 8.1% to 8.7% for FY 2020-21 depending on the scenario, and from 4.7% to 5.3% in the South County.

The overall impact of the preliminary analysis scenarios for FY 2020-21 to the average household would be an increase ranging from \$3.83 to \$4.12 per month in North County and from \$0.78 to \$0.88 per month in South County.

Staff proposes to increase the Contract Treated Water Surcharge from \$100/AF to \$200/AF to encourage retailers to continue investing in groundwater wells. Staff is concerned about increased retailer interest in reliance on treated water relative to groundwater due to the increased life-cycle cost of groundwater wells. Groundwater provides 40% of water used in the county and is the largest emergency supply. It is important that treated water retailers maintain groundwater wells for routine use as well as use during an emergency.

Staff has prepared the following scenarios for Board consideration:

Scenario 1) Baseline: Water Supply Master Plan (WSMP) 80% Level of Service (LOS)

This scenario includes the following projects and assumptions:

- Baseline Projects according to the WSMP including the Almaden Valley Pipeline Replacement, Land Rights - South County Recycled Water Pipeline, and Supervisory Control and Data Acquisition (SCADA)/Water Treatment Plant/ Distribution System Implementation Projects;
- Delta Conveyance (State side only);
- No Regrets Package projects;
- Potable Reuse Phase 1 to produce 24,000 AF (assume operations start in FY 28);
- Pacheco Reservoir Expansion (assumes \$485M Proposition 1 grant, \$250M of WIIN Act Funding, 20% Partnerships);
- Transfer-Bethany Pipeline;
- South County Recharge (assume facilities built beyond FY 2029-30);
- \$200M warranty placeholder cost for dams and Water Treatment Plants.

Scenario 2) No WIIN Act Funding

Includes the same projects and assumptions as Scenario 1 except as follows:

- Assumes \$0 WIIN Act Funding instead of \$250M.

Scenario 3) Revised Purified Water Program

Includes the same projects and assumptions as Scenario 2 except as follows:

- Replaces Potable Reuse Phase 1 placeholder project with a \$614M Potable Reuse Project based on the recently signed agreement with Palo Alto and Mountain View to produce 13KAF by FY 30, and;
- Assumes that the District builds, finances and operates the facilities (i.e. not delivered via a Public-Private Partnership or P3) and therefore the P3 reserve is eliminated.

Scenario 4) Add Delta Conveyance Central Valley Project (CVP) side investment

Includes the same projects and assumptions as Scenario 3 except as follows:

- Adds the Delta Conveyance CVP side costs.

Staff can model additional scenarios for the Board as needed.

It should be noted that Investment Scenario 3 replaces the Potable Reuse Phase 1 placeholder project, which would produce 24KAF by FY 28, with a \$614M Potable Reuse Project based on the recently signed agreement with Palo Alto/Mountain View to produce 10 to 13KAF by FY 30. This revised Potable Reuse Project under Scenario 3 would meet the 80% level of service goal (note that the Baseline scenario slightly exceeded the 80% LOS goal, due to future uncertainties discussed with the Board in 2019). The cost estimate for the revised Potable Reuse Project is based on an indirect potable reuse (IPR) project, but it could potentially be a direct potable reuse (DPR) project. Regulations for DPR are expected by the end of 2023, and draft regulations are expected to be released sometime in 2022. A DPR project may lower total cost due to avoiding long pipelines to recharge areas.

There are a couple of strategic options for the Board to consider:

1. Given the reduced near-term water usage projection, the Board could wait until the Fall of 2020 for the Monitoring and Assessment Plan (MAP) review to determine if a water supply shortfall exists relative to achieving the 80% level of service goal.
2. Pursue substitute water supply investment to make up the 11 to 14KAF shortfall (including incremental purified water investments, incremental Delta Conveyance “CVP side” investments, and/or investments in Sites or Los Vaqueros water storage projects).

Transition to modified Groundwater Benefit Zones

On October 8, 2019, the Board directed staff to pursue modifying the existing groundwater benefit zones W-2 and W-5, and to create two new zones W-7 (Coyote Valley) and W-8 (below Uvas and Chesbro Reservoirs), effective July 1, 2020. New metes and bounds (the legal description that defines the boundaries of the zones) will be developed for Board consideration in accordance with Santa Clara Valley Water District Act requirements. Accordingly, staff has engaged Raftelis Financial Consultants to assist with analyzing cost allocations between the modified zones that would support corresponding modified groundwater charges for each zone for FY 2020-21. As of the preparation of this memo, staff is still working on the cost allocations between the modified zones in the South County area (Zones W-5, W-7 and W-8).

Other Assumptions

All scenarios assume the continued practice of relying on the State Water Project (SWP) Tax to pay for 100% of the SWP contractual obligations. Pursuant to Water Code Section 11652, the District, whenever necessary, is required to levy on all property in its jurisdiction not exempt from taxation, a tax sufficient to provide for all payments under its SWP contract with the California Department of Water Resources (DWR). All scenarios assume no change in the SWP Tax for FY 2020-21, which would remain at \$18M. The SWP Tax for the average household in Santa Clara would remain at about \$27 per year.

All scenarios also assume the continued practice to set the South County agricultural groundwater production charge at 6% of the M&I charge until FY 2022.

A Drought Reserve was established in FY 2015-16 and was budgeted at \$10M for FY 2019-20. No further funding for this reserve is included in the preliminary analysis. The purpose of this reserve would be to help minimize rate impacts during the next drought and would complement the Supplemental Water Supply Reserve. The preliminary analysis also includes a P3 reserve of \$10M in FY 2020-21 under Scenarios 1 and 2, which is adjusted to \$0 under Scenarios 3 and 4. The purpose of this reserve would be to help minimize the impact of unforeseen events associated with the delivery of the Purified Water Program via a public-private partnership or P3. The preliminary analysis does not include unfunded capital projects or additional unfunded operations cost needs identified by staff.

All scenarios assume Water Utility operations cost of \$208.7M in FY 2020-21 versus the FY 2019-20 adopted budget of \$184.9M.

A PowerPoint presentation will be provided at the meeting.

ATTACHMENTS:

Attachment 1 - PowerPoint Presentation

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068

Preliminary FY 21 Groundwater Production Charge Analysis

January 14, 2020

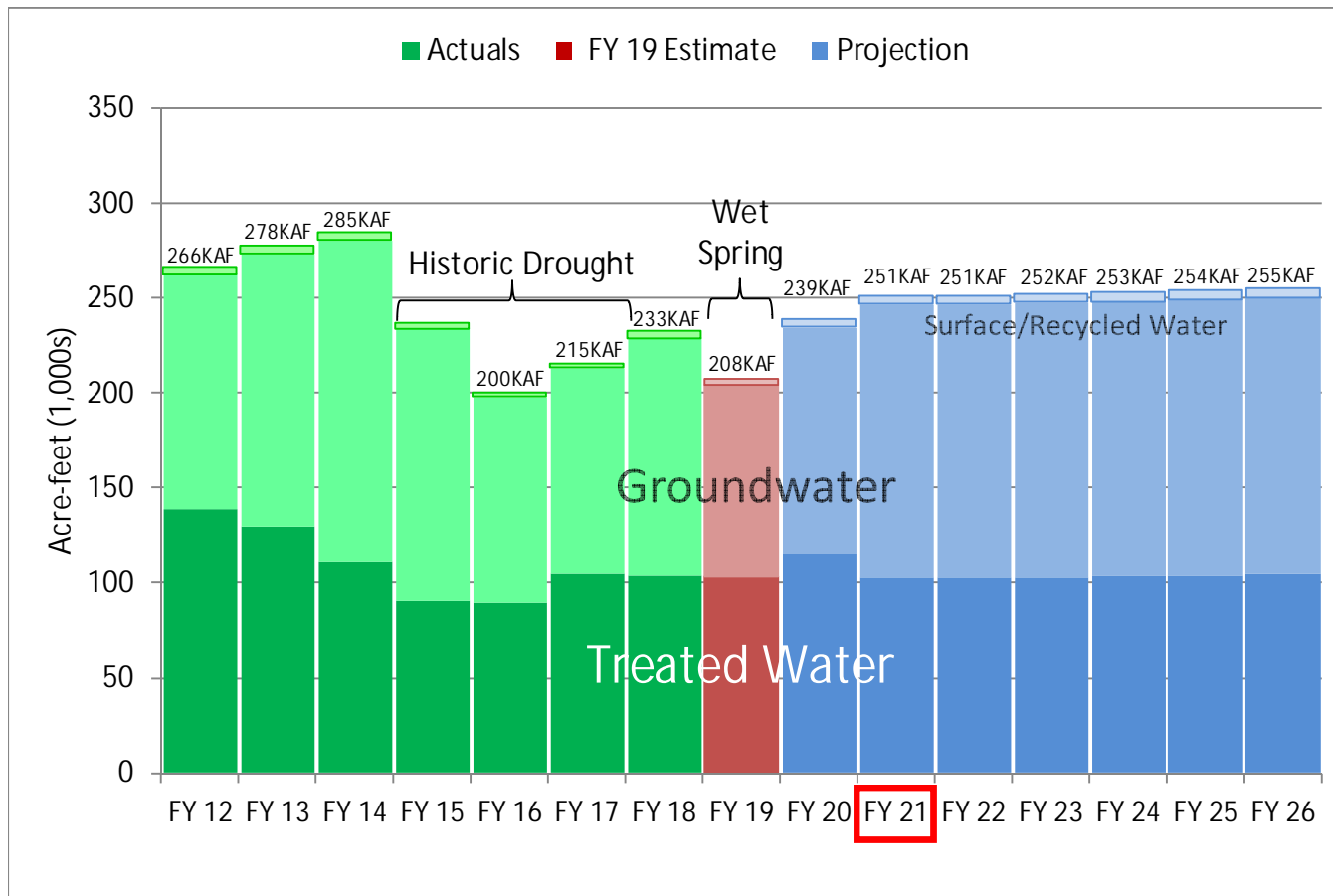


Topics

1. Water Usage
2. Financial Analysis
3. Investment Scenarios
4. Preliminary Groundwater Charge Forecast Scenarios
5. Translation to Modified Groundwater Benefit Zones
6. Other Information
7. Schedule
8. Summary

Water Usage (District Managed)

As of 11/26/19



valleywater.org



Water Usage (District Managed)

Year	1,000's Acre-feet (District Managed Use)				
	TW	GW	SW/RW	Total	
FY '03	138.3	146.5	3.5	288.3	Slight Wet Spring
FY '04	136.0	162.4	4.1	302.4	
FY '05	130.7	140.1	3.8	274.6	Wet Spring
FY '06	131.6	138.5	4.2	274.3	Wet Spring
FY '07	140.2	157.6	4.3	302.1	
FY '08	124.9	172.4	6.8	304.1	
FY '09	119.0	162.2	3.8	285.0	Drought
FY '10	103.5	143.1	3.9	250.4	Wet Spring, Drought
FY '11	113.3	134.6	3.4	251.2	Slight Wet Spring
FY '12	139.0	123.7	3.5	266.1	
FY '13	129.5	143.9	4.3	277.7	
FY '14	111.6	168.8	4.5	284.8	
FY '15	90.7	143.5	2.3	236.5	Historic Drought
FY '16	89.9	108.3	2.2	200.4	Historic Drought
FY '17	104.6	108.4	2.3	215.4	
FY '18	103.9	125.1	2.6	231.7	
FY '19 Est	103.7	101.0	3.0	207.7	Wet Spring
FY '20 Bud				239.4	
FY '21 Fcst				251.4	230 KAF
FY '22 Fcst				251.4	230 KAF

~225 KAF assuming Montevina at full capacity

Key Questions

- Will water usage bounce back in FY 20?
 - Wet springs occur about 30% of the time
 - A repeat of FY 19 water usage = \$40M revenue shortfall
- Should water usage forecast be adjusted downward for FY 21 & beyond?
 - Prelim GW charge scenarios based on 230KAF

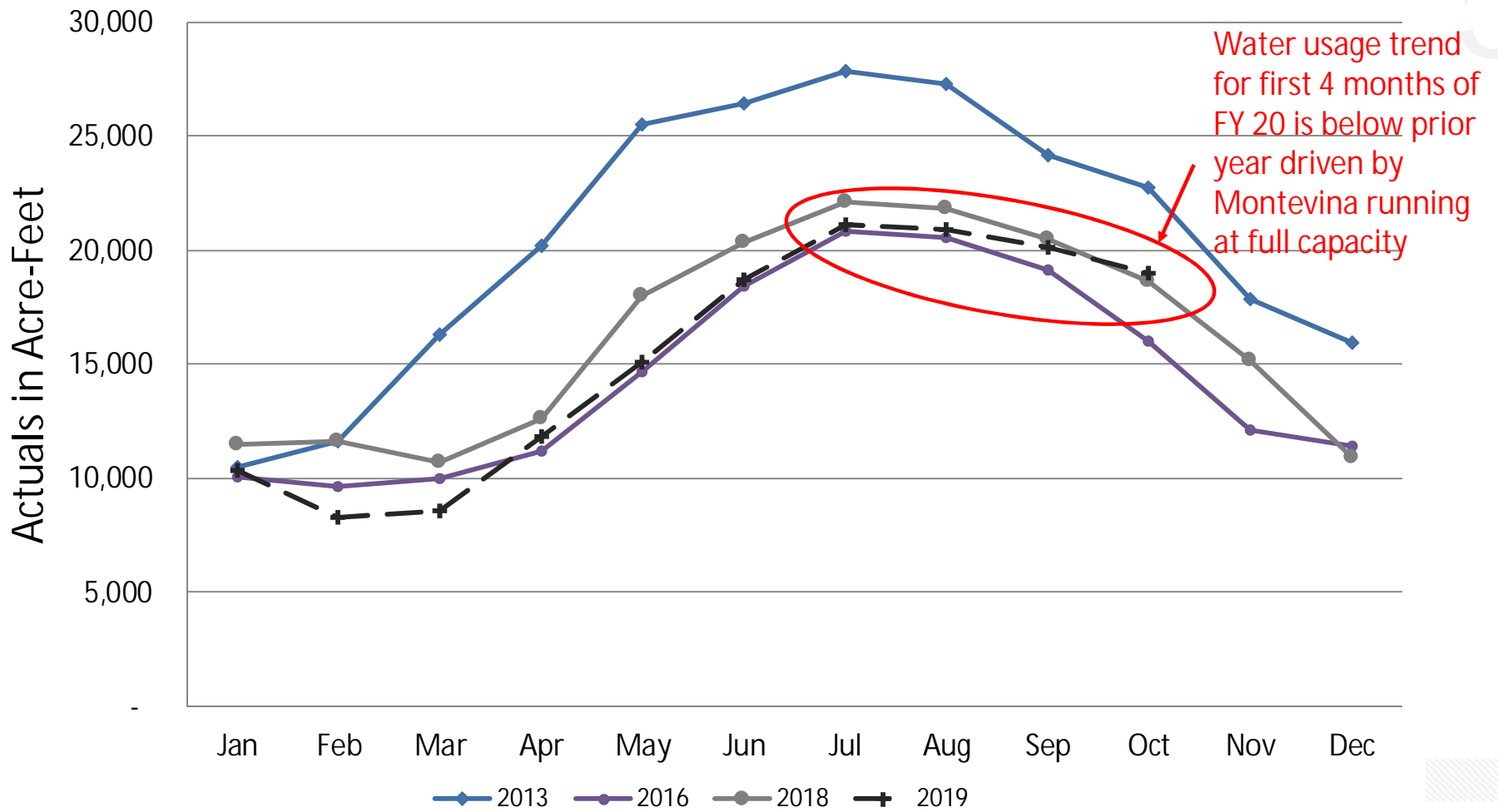
Next Steps

- Discuss water usage trends/projections with retailers
- Continue to monitor FY 20 water usage actuals

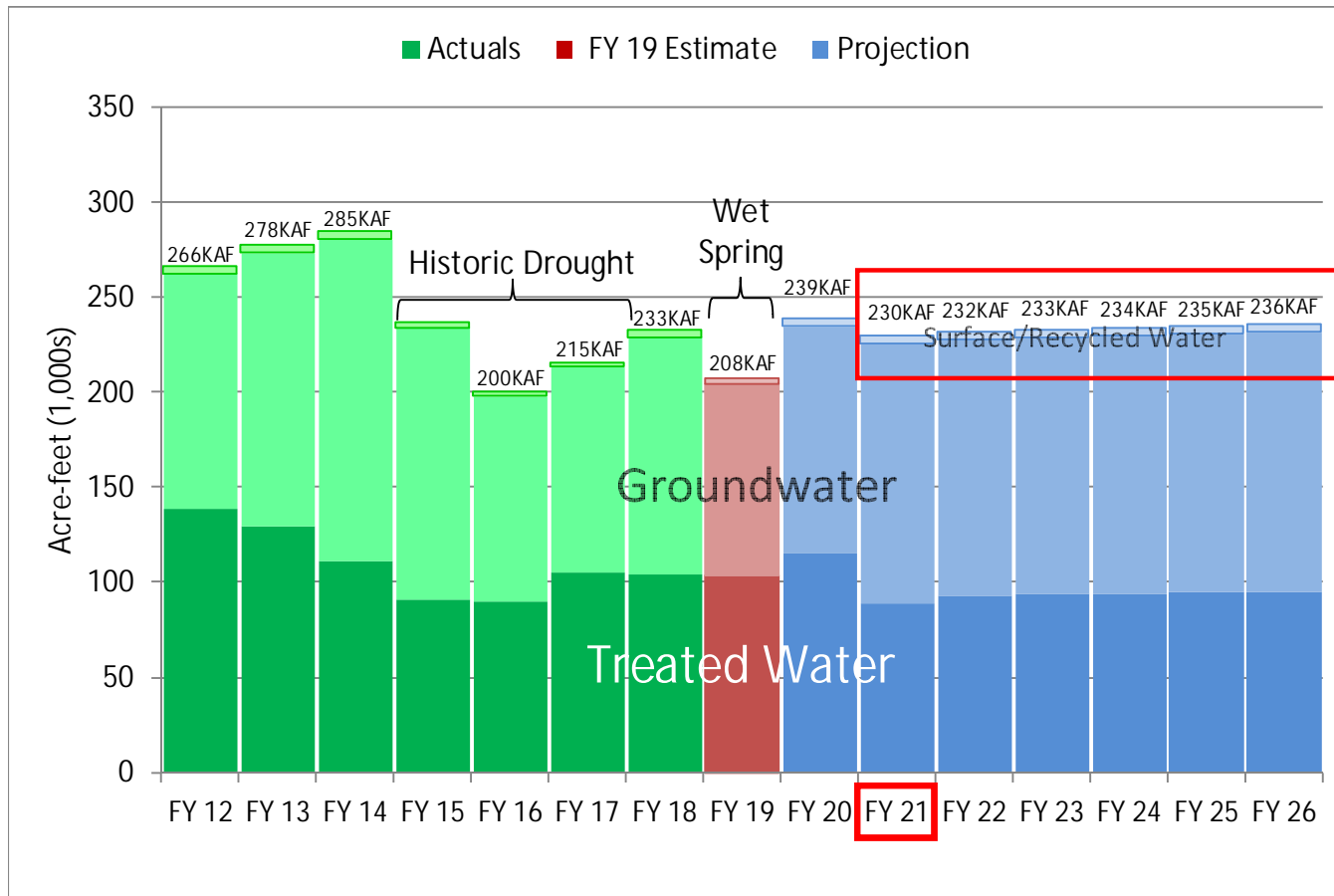


Note: TW = Treated Water, GW = Groundwater, SW/RW = Surface Water and Recycled Water

Historic Water Usage (Groundwater & Treated Water)



Water Usage (District Managed)

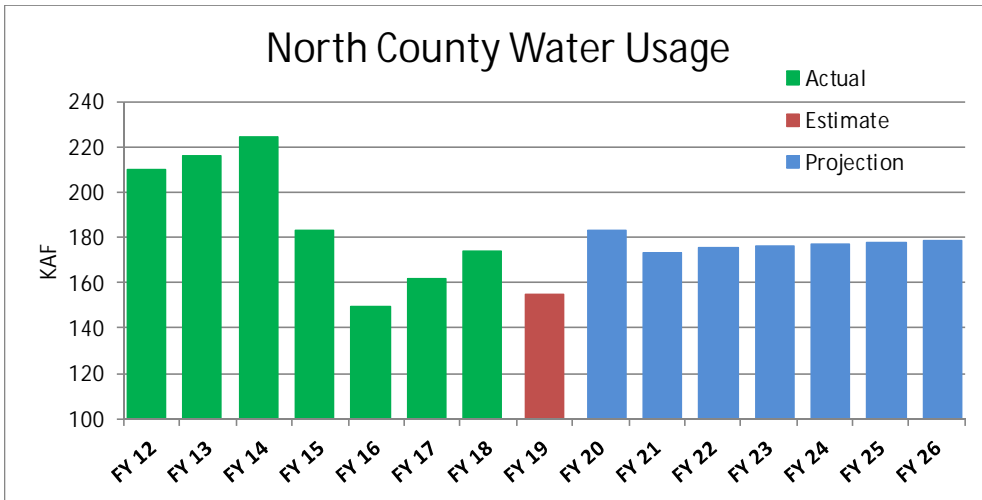


Revised Projection
as of 1/14/20

valleywater.org

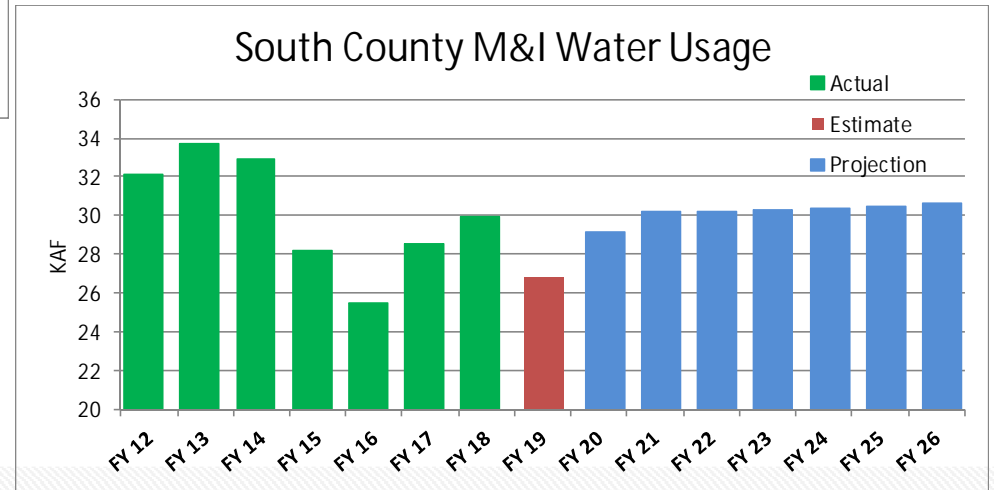


Water Usage Trend by Zone

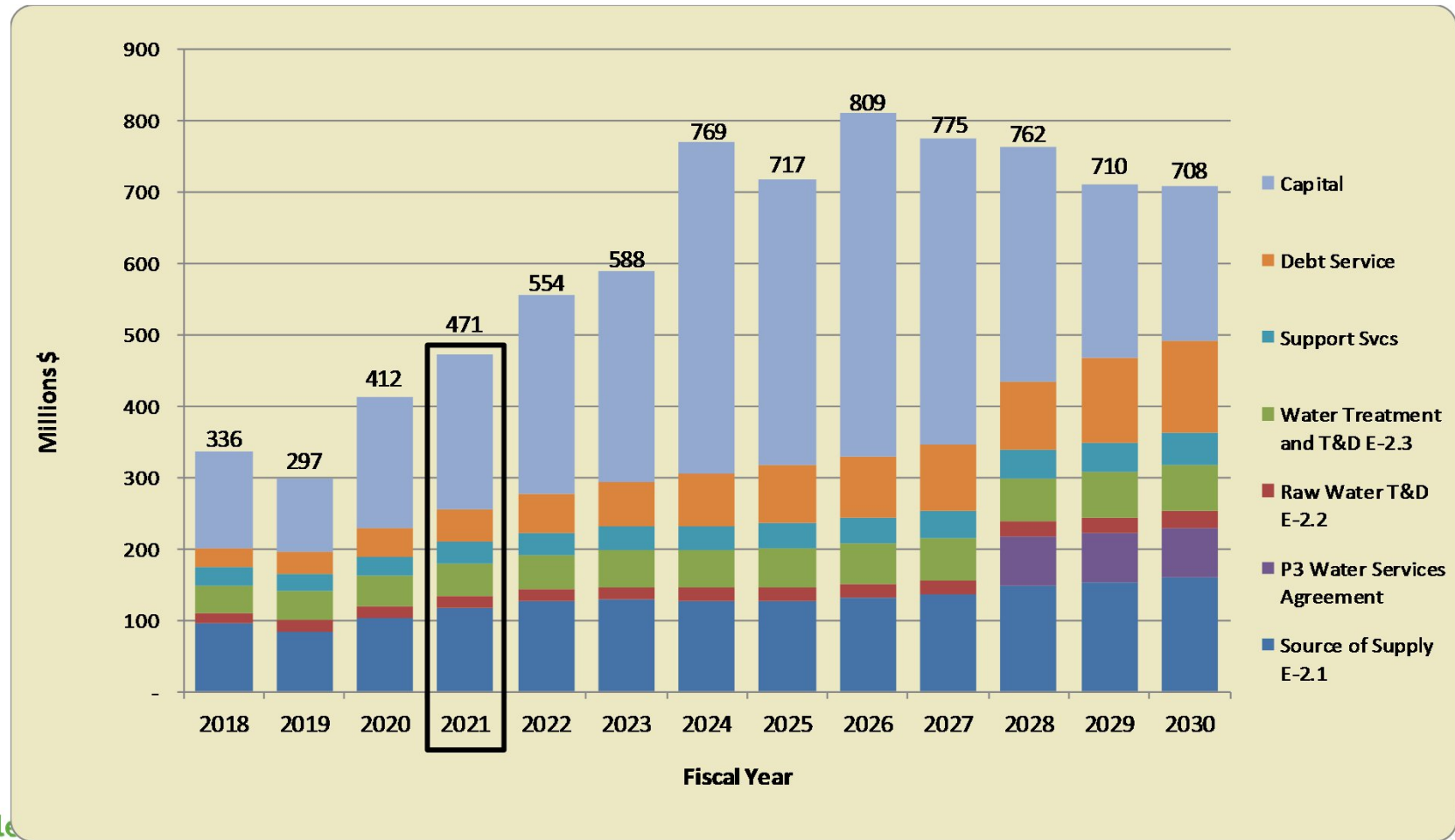


North County Water Usage includes Groundwater, Treated Water & Surface Water

South County Water Usage includes Groundwater, Surface Water & Recycled Water



Financial Analysis: Preliminary Cost Projection



Delta Conveyance Project

Status:

- Technical analysis is proceeding to refine project design
- Bureau of Reclamation has not indicated degree to which it will support Central Valley Project (CVP) participation
- Staff anticipates re-initiation of negotiations to amend State Water Project (SWP) contract to include Delta Conveyance project in late January 2020

Cost Estimate:

\$M	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
Gap Funding	7.8	7.8	3.9							
SWP 2.4% (State Side)				1.1	2.4	3.3	4.5	6.4	8.4	10.3
SWP 3.2% (CVP side)				1.4	3.1	4.2	5.8	8.2	10.7	13.2
Total	7.8	7.8	3.9	2.5	5.5	7.5	10.3	14.7	19.1	23.6

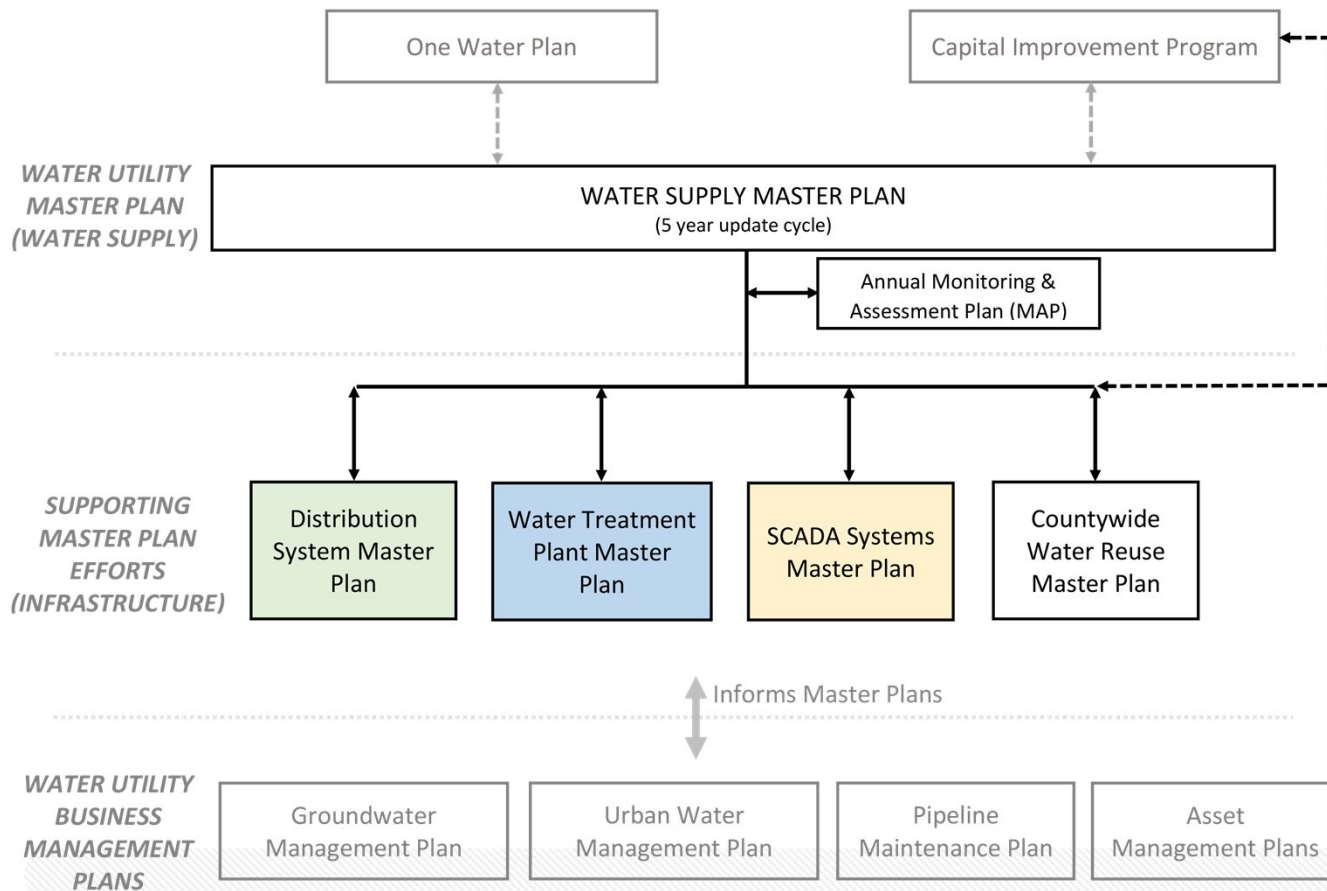
Included in "Baseline" scenario

- No new project costs have been provided, cost estimates based on prior year information adjusted for timing
- Gap Funding based on 5.6% of \$350M spread over 2.5 years



Newly Proposed Water Supply Projects Master Planning Diagram

Valley Water Master Planning Diagram



Newly Proposed Water Supply Projects SCADA Implementation

Develop a comprehensive implementation plan that coordinates aging/obsolete infrastructure, standardization, and other operational improvements.

Deliverables:

- Update to 2011 Master Plan resulting in a coordinated suite of improvement projects for the Boards consideration
- Detailed design and implementation standards for the design of new projects
- Provide owners engineering support through construction

Resources: \$6.7 million



Newly Proposed Water Supply Projects WTP Implementation

Develop a comprehensive implementation plan that coordinates regulatory-driven changes, aging infrastructure, and other operational improvements.

Deliverables:

- Develop a Master Plan looking out 30 years resulting in a coordinated suite of improvement projects for the Boards consideration
- Develop an implementation plan with a programmatic EIR

Resources: \$8.4 million



Newly Proposed Water Supply Projects Distribution System Implementation

Develop a comprehensive implementation plan that coordinates aging infrastructure, future growth/retailer needs, and other operational improvements.

Deliverables:

- Develop a Master Plan looking out 30 years resulting in a coordinated suite of improvement projects for the Boards consideration
- Develop an implementation plan with a programmatic EIR

Resources: \$8.1 million



Water Retailer reliance on Treated Water

Background:

Treated Water provides in-lieu recharge to help protect groundwater basin

Issue:

Increased retailer interest in reliance on treated water

- Due to increased life-cycle cost of groundwater wells
- Groundwater provides 40% of water used in county and is the largest emergency supply
- Groundwater basins are currently full

Proposed Solution:

Staff proposes to increase TW surcharge from \$100/AF to \$200/AF for FY 21

- Provides increased economic incentive for Treated Water Retailers to sustain use of groundwater
- Emerging conditions such as climate change increase the importance of ensuring a steady balance between groundwater and treated water beneficial uses

Investment Scenarios

1) Baseline: WSMP 80% Level Of Service

- ▶ Baseline Projects*
 - ▶ Almaden Valley Pipeline Replacement
 - ▶ Land Rights - South County RW Pipeline
 - ▶ SCADA, WTP, Distr. Sys. Implementation
- ▶ Delta Conveyance (State side)
 - ▶ Paid for by water charges, not SWP Tax
- ▶ ~~Delta Conveyance (CVP side)~~
- ▶ No Regrets Package
- ▶ Potable Reuse Phase 1 to produce 24KAF by FY 28
 - ▶ Based on \$690M capital project, District contributes 30% "pay as you go"
 - ▶ P3 reserve at \$10M in FY 21 growing to \$20M by FY 28
- ▶ Pacheco Reservoir
 - ▶ \$250M WIIN funding + WIFIA loan
 - ▶ Partner Agencies pay 20% of project
- ▶ Transfer-Bethany Pipeline
- ▶ South County Recharge
 - ▶ Timing = beyond FY 30
- ▶ \$200M warranty placeholder for dams & WTP's

2) Baseline + No WIIN Funding

- ▶ Baseline Projects*
 - ▶ Almaden Valley Pipeline Replacement
 - ▶ Land Rights - South County RW Pipeline
 - ▶ SCADA, WTP, Distr. Sys. Implementation
- ▶ Delta Conveyance (State side)
 - ▶ Paid for by water charges, not SWP Tax
- ▶ ~~Delta Conveyance (CVP side)~~
- ▶ No Regrets Package
- ▶ Potable Reuse Phase 1 to produce 24KAF by FY 28
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- ▶ Pacheco Reservoir
 - ▶ ~~\$250M WIIN funding~~ + WIFIA loan
 - ▶ Partner Agencies pay 20% of project
- ▶ Transfer-Bethany Pipeline
- ▶ South County Recharge
 - ▶ Timing = beyond FY 30
- ▶ \$200M warranty placeholder for dams & WTP's

3) Baseline, No WIIN + Revised Purified Wtr

- ▶ Baseline Projects*
 - ▶ Almaden Valley Pipeline Replacement
 - ▶ Land Rights - South County RW Pipeline
 - ▶ SCADA, WTP, Distr. Sys. Implementation
- ▶ Delta Conveyance (State side)
 - ▶ Paid for by water charges, not SWP Tax
- ▶ ~~Delta Conveyance (CVP side)~~
- ▶ No Regrets Package
- ▶ Potable Reuse Palo Alto Agreement to produce 13KAF by FY 30
 - ▶ Based on \$614M IPR capital project, District builds, finances and operates (Not a P3)
 - ▶ ~~P3 reserve at \$10M in FY 21 growing to \$20M by FY 28~~
- ▶ Pacheco Reservoir
 - ▶ ~~\$250M WIIN funding~~ + WIFIA loan
 - ▶ Partner Agencies pay 20% of project
- ▶ Transfer-Bethany Pipeline
- ▶ South County Recharge
 - ▶ Timing = beyond FY 30
- ▶ \$200M warranty placeholder for dams & WTP's

4) Baseline, No WIIN + Revised PW + CVP side

- ▶ Baseline Projects*
 - ▶ Almaden Valley Pipeline Replacement
 - ▶ Land Rights - South County RW Pipeline
 - ▶ SCADA, WTP, Distr. Sys. Implementation
- ▶ Delta Conveyance (State side)
 - ▶ Paid for by water charges, not SWP Tax
- ▶ ~~Delta Conveyance (CVP side)~~
- ▶ No Regrets Package
- ▶ Potable Reuse Palo Alto Alt 1 to produce 13KAF by FY 30
 - ▶ Based on \$614M IPR capital project, District builds, finances and operates (Not a P3)
 - ▶ ~~P3 reserve at \$10M in FY 21 growing to \$20M by FY 28~~
- ▶ Pacheco Reservoir
 - ▶ ~~\$250M WIIN funding~~ + WIFIA loan
 - ▶ Partner Agencies pay 20% of project
- ▶ Transfer-Bethany Pipeline
- ▶ South County Recharge
 - ▶ Timing = beyond FY 30
- ▶ \$200M warranty placeholder for dams & WTP's

Exceeds 80% LOS goal

* Includes but not limited to dam seismic retrofits, Rinconada WTP reliability improvement, 10-year pipeline rehabilitation program



Water Supply Investment Strategic Discussion

Background:

- Baseline Scenario slightly exceeds 80% LOS goal (due to resource uncertainties discussed in 2019)
- Scaled down and pushed out the 24KAF Purified Water Indirect Potable Reuse (IPR) Project under Scenario 3 to produce 10-13KAF by FY 30 as potential DPR:
 - Regulations for direct potable reuse (DPR) expected by end of 2023 (draft regulations in 2022)
 - DPR project may lower total cost due to avoiding long pipelines to recharge areas
 - Can be staged, and still meets 80% LOS goal
- Monitoring and Assessment Plan (MAP) review in Fall 2020 will include updated 2040 demand forecast

For Consideration:

1. Given reduced short-term water demand projection, wait for the Fall 2020 Monitoring and Assessment Plan review to determine if a shortfall exists
2. Pursue substitute water supply investment to make up 11-14KAF shortfall (to reach 24KAF)
 - Incremental purified water investments (Assume P3?)
 - Incremental Delta Conveyance "CVP side" commitment (25%, 50%, 100%?)
 - Continue to advance broader portfolio options (e.g., Sites, LVE)



Preliminary Groundwater Charge Increase Scenarios

No. County M&I Groundwater Charge Y-Y Growth %	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
May 2019	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	
Baseline	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
1) Baseline - Wtr Use at 230KAF	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%	8.1%
2) Baseline - Wtr Use at 230KAF, No WIIN Funding	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%
3a) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%
3b) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW Srchrg	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%
4) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW, + CVP	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%	8.6%

So. County M&I Groundwater Charge Y-Y Growth %	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
May 2019	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	6.9%	
Baseline	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
1) Baseline - Wtr Use at 230KAF	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
2) Baseline - Wtr Use at 230KAF, No WIIN Funding	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%
3a) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%
3b) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW Srchrg	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%
4) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW, + CVP	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%



Preliminary Monthly Impact to Average Household Scenarios

No. County M&I Groundwater Charge Impact to Avg. Household

	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
May 2019	\$3.13	\$3.33	\$3.55	\$3.78	\$4.03	\$4.30	\$4.58	\$4.89	\$5.21	
Baseline	\$3.08	\$3.28	\$3.49	\$3.72	\$3.96	\$4.21	\$4.49	\$4.78	\$5.09	\$5.42
1) Baseline - Wtr Use at 230KAF	\$3.83	\$4.14	\$4.48	\$4.84	\$5.23	\$5.66	\$6.12	\$6.61	\$7.15	\$7.73
2) Baseline - Wtr Use at 230KAF, No WIIN Funding	\$4.12	\$4.48	\$4.86	\$5.29	\$5.75	\$6.25	\$6.79	\$7.38	\$8.02	\$8.72
3a) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW	\$4.12	\$4.48	\$4.86	\$5.29	\$5.75	\$6.25	\$6.79	\$7.38	\$8.02	\$8.72
3b) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW Src	\$3.97	\$4.31	\$4.67	\$5.06	\$5.49	\$5.95	\$6.45	\$6.99	\$7.58	\$8.21
4) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW, + C\	\$4.07	\$4.42	\$4.80	\$5.21	\$5.66	\$6.15	\$6.68	\$7.25	\$7.87	\$8.55

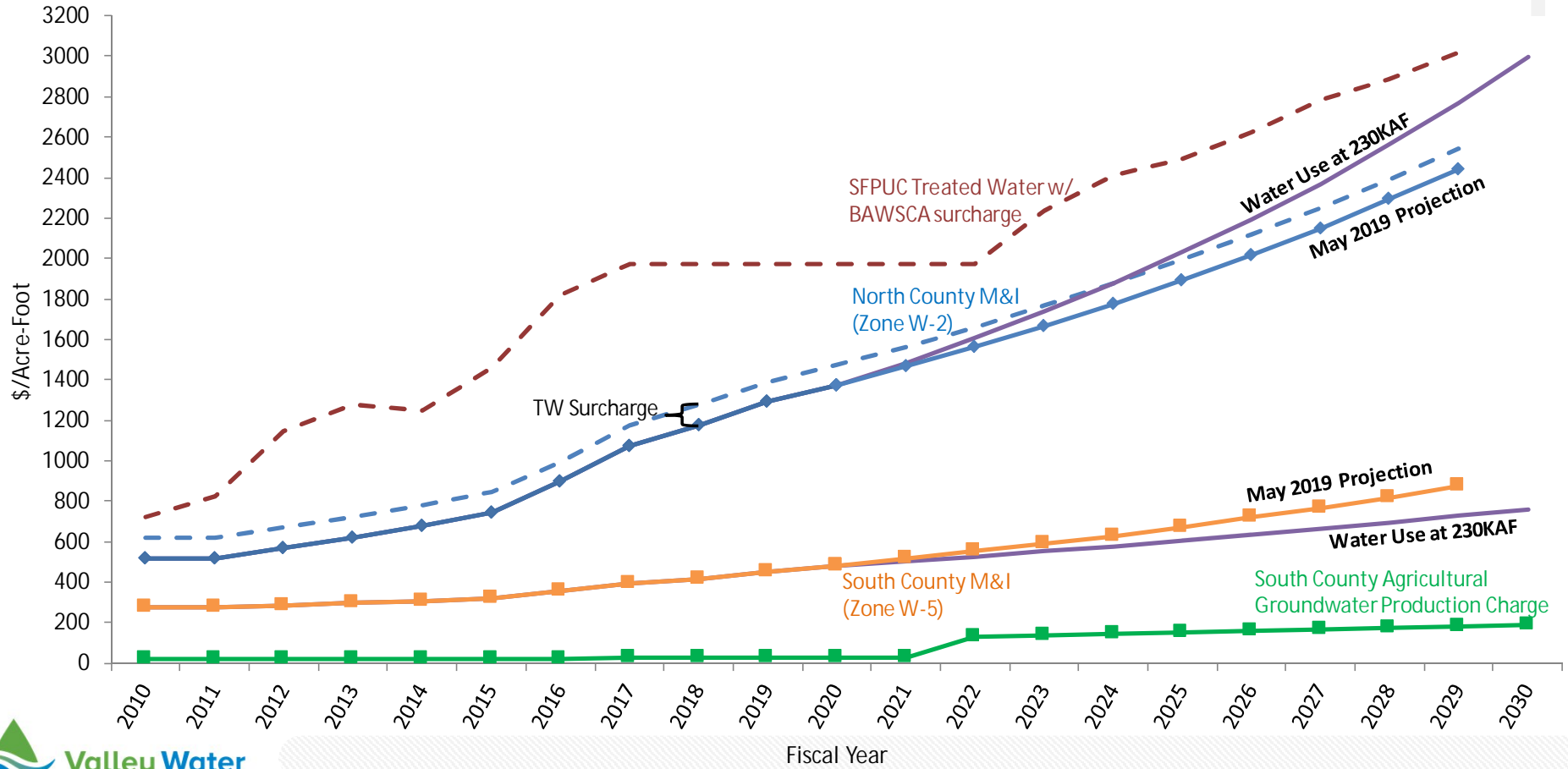
So. County M&I Groundwater Charge impact to Avg. Household

	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
May 2019	\$1.14	\$1.22	\$1.31	\$1.40	\$1.49	\$1.60	\$1.71	\$1.82	\$1.95	
Baseline	\$0.78	\$0.82	\$0.85	\$0.89	\$0.94	\$0.98	\$1.03	\$1.07	\$1.12	\$1.18
1) Baseline - Wtr Use at 230KAF	\$0.78	\$0.82	\$0.85	\$0.89	\$0.94	\$0.98	\$1.03	\$1.07	\$1.12	\$1.18
2) Baseline - Wtr Use at 230KAF, No WIIN Funding	\$0.84	\$0.89	\$0.93	\$0.98	\$1.03	\$1.08	\$1.14	\$1.20	\$1.26	\$1.32
3a) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW	\$0.84	\$0.89	\$0.93	\$0.98	\$1.03	\$1.08	\$1.14	\$1.20	\$1.26	\$1.32
3b) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW Src	\$0.84	\$0.89	\$0.93	\$0.98	\$1.03	\$1.08	\$1.14	\$1.20	\$1.26	\$1.32
4) Baseline - Wtr Use at 230KAF, No WIIN, Rvsd PW, \$200 TW, + C\	\$0.88	\$0.92	\$0.97	\$1.03	\$1.08	\$1.14	\$1.20	\$1.26	\$1.33	\$1.40



Preliminary Groundwater Production Charge Projection

M&I Groundwater Charge Projection



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How does the preliminary analysis translate to New and Modified Zones?

	Existing W-2	
	FY 20	FY 21*
M&I Groundwater	\$1,374.00/AF	\$1,485.00/AF
Ag Groundwater	\$28.86/AF	\$30.22/AF

* FY 21 assumes Baseline Scenario with 230KAF water usage

Modified W-2
FY 21*
\$X/AF
\$30.22/AF

Staff still working on details of cost allocations between new and modified zones

	Existing W-5	
	FY 20	FY 21*
M&I Groundwater	\$481.00/AF	\$504.00/AF
Ag Groundwater	\$28.86/AF	\$30.22/AF

* FY 21 assumes Baseline Scenario with 230KAF water usage

Modified W-5	New W-7	New W-8
FY 21*	FY 21*	FY 21*
\$X/AF	\$X/AF	\$X/AF
\$30.22/AF	\$30.22/AF	\$30.22/AF

- Ag groundwater charge remains consistent between Existing and Modified zones to align with Board direction to maintain Open Space Credit policy as is through FY 21



Other Charges, Taxes, Reserves Information

	FY 2020	FY 2021
<u>Other Charges</u>	<u>Budget</u>	<u>Projection</u>
Contract TW Surcharge (\$/AF)	\$100.00	\$200.00
Non-contract TW Surcharge (\$/AF)	\$200.00	\$200.00
Surface Water Master Charge (\$/AF)	\$37.50	\$39.15
 <u>SWP Tax</u>		
Revenue	\$18M	\$18M
Cost per average household	\$27/Yr	\$27/Yr
1% Ad Valorem Taxes	\$8.1M	\$8.2M
Drought Reserve	\$10.0M	\$10.0M
P3 Reserve	\$8.0M	\$10.0M
Cumulative GP 5 Funds	\$6.9M	\$10.7M



2020 Schedule

- Jan 14 Board Meeting: Preliminary Groundwater Charge Analysis
- Jan 15 Water Retailers Meeting: Preliminary Groundwater Charge Analysis
- Jan 22 Water Commission Meeting: Prelim Groundwater Charge Analysis

- Feb 11 Board Meeting: Budget development update & Set time & place of Public Hearing
- Feb 28 Mail notice of public hearing and file PAWS report

- Mar 18 Water Retailers Meeting: FY 19 Groundwater Charge Recommendation
- Mar 24 Board Meeting: Budget development update
- Mar 31 Landscape Committee Meeting

- Apr 6 Ag Water Advisory Committee
- Apr 8 Water Commission Meeting
- Apr 14 Open Public Hearing
- Apr TBD Continue Public Hearing in South County
- Apr 28 Conclude Public Hearing
- Apr 29-30 Board Meeting: Budget work study session

- May 12 Adopt budget & groundwater production and other water charges



Summary

- Scenarios with reduced water usage range from 8.1% to 8.7% annual increases in North County M&I groundwater charge, & 4.7% to 5.3% in South County
- Potential FY 20 increase ranges from \$3.83 to \$4.12 per month for the average household in North County, and \$0.78 to \$0.88 per month in South County
- Board direction on following issues to be incorporated into Report on Protection and Augmentation of Water Supplies (PAWS) scheduled for February 28, 2020
 - Water demand projection reduction to 230KAF?
 - TW surcharge increase to \$200/AF?
 - Add Newly Proposed Water Supply Projects?
 - Wait for Fall 2020 MAP review, or pursue substitute investment to make up 11-14KAF shortfall?
 - Other?





Valley Water

Clean Water • Healthy Environment • Flood Protection

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Santa Clara Valley Water District

File No.: 20-0044

Agenda Date: 1/22/2020
Item No.: 5.3.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Opportunities to Enhance and Update the Safe, Clean Water and Natural Flood Protection Program by Evaluating a Future Funding Measure.

RECOMMENDATION:

- A. Receive information on opportunities to strengthen and update the existing Safe, Clean Water and Natural Flood Protection Program;
- B. Receive information on the feasibility of developing and placing a future funding measure on the November 2020 ballot; and
- C. Provide input on potential new program development.

SUMMARY:

The Safe Clean Water team wishes to share information and receive input from Valley Water's Board advisory committees to keep them apprised of planning for future funding. It is recognized that the committees provide a valuable service to Valley Water with each member bringing expertise and insight that reflect the values of the community at large for their specific committee directives. The team sees this as the first step of many in engaging the committees as stakeholders in this process that is critical to the future of Valley Water and its projects and programs.

With the upcoming November 2020 elections, staff is exploring the opportunity to place a ballot measure to continue the existing special parcel tax for the Safe, Clean Water Program beyond its current expiration in 2028 in an effort to extend existing funding levels and address additional funding needs. Additionally, this new program could potentially include more multi-benefit projects and strategies to address Board priorities such as infrastructure reliability and climate change adaption.

At the December 10 Board meeting, the Board of Directors provided direction to staff to continue exploring the feasibility of such a funding measure and to bring back information as it relates to what a new program would look like. Staff is now seeking input from the advisory committees.

Current Safe Clean Water Program

Overwhelmingly approved by voters, the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) is a 15-year strategy to ensure uninterrupted water resources services in Santa Clara County. The program was developed through community collaboration and input from residents and stakeholders that identified five top community priorities:

Priority A: Ensure a Safe, Reliable Water Supply

Priority B: Reduce Toxins, Hazards, and Contaminants from our Waterways
Priority C: Protect our Water Supply from Earthquakes and Natural Disasters
Priority D: Restore Wildlife Habitat and Provide for Open Space
Priority E: Provide Flood Protection to Homes, Business, Schools and Highways

In November 2012, Santa Clara County voters passed the Safe, Clean Water ballot measure by nearly 74%, extending the funding at the same parcel tax rate approved under the previous Clean, Safe, Creek and Natural Flood Protection Plan (Clean, Safe Creeks Plan).

Currently, the Safe, Clean Water Program special parcel tax includes five (5) types of parcels that cover categories for commercial/ industrial, institutional purposes such as churches, schools or multiple dwellings exceeding four units, single-family residential and multi-family units up to four, agricultural, and nonutilized urban and rural areas. A sixth category, parcels used exclusively as well sites for residential use, is exempt from the special parcel tax. An annual escalator is also included to account for the effects of inflation. Santa Clara Valley Water District (Valley Water) Board of Directors may adjust the special tax amounts annually by the change in the San Francisco-Oakland-San Jose Consumer Price Index for all Urban Consumers (CPI-U), or 3%, whichever is greater.

The current FY20 annual tax rate for the average single-family residence stands at \$67.67. In FY21, the Board may consider increasing the tax to \$69.70 based on the consumer price index increase in costs for performing the functions of the program.

Current Program Needs and Opportunities

In the face of new challenges due to climate change, population/economic growth and future uncertainties with imported water supplies, it is imperative for Valley Water to plan, adapt, build, and upgrade its water resources systems by investing in existing and new programs that will help meet the future challenges of tomorrow. Currently, there is an opportunity to put a ballot measure in front of voters to extend the Safe, Clean Water Program which sunsets on June 30, 2028, and funds approximately one-third of the existing watershed and stewardship budgeted programs.

The existing Safe, Clean Water Program has priorities that could be enhanced to address several existing and new challenges, including the opportunity to develop more multi-benefit projects that provide enhanced environmental benefits, and providing needed funding for several large infrastructure and flood protection projects.

Furthermore, with increased homeless encampments along our creeks and waterways, water quality will remain a top priority. A new program will enable Valley Water to adequately address such existing challenges that have significant impacts to our water quality, as well as new and emerging threats. Valley Water must remain well-equipped to address all water quality issues to continue providing safe, clean water to our entire community.

In addition, a new program would allow Valley Water to better adapt and meet the growing challenges that stem from climate change and extreme weather patterns, such as severe drought, flooding and wildfires. Climate change adaptation needs to be integrated across projects to include upgrading aging infrastructure; expanding water storage; securing locally-controlled, reliable and sustainable

water supplies; increasing and expanding flood protection for homes, businesses, and schools, as well as addressing sea-level rise. Each of these priorities will require significant mitigation, along with ongoing infrastructure maintenance and vegetation and sediment removal. This work is more critical than ever as we face increased flooding and wildfire threats.

Some of the key projects that have been identified as prime candidates for additional enhancements or funding under the new program are:

- *Anderson Dam Seismic Retrofit*
- *Pacheco Reservoir Expansion*
- *Almaden Valley Pipeline Replacement Project*
- *Coyote Creek Flood Protection Project*
- *Upper Penitencia Creek Flood Protection Project*
- *San Francisquito Creek Flood Protection Project*
- *Upper Llagas Creek Flood Protection Project*
- *Upper Guadalupe Flood Protection Project*
- *San Francisco Bay Shoreline Flood Protection*
- *Stevens Creek Fish Passage Barrier Removal*
- *Creek Cleanups and Homeless Encampments*

Project Priorities and Initial Gap Assessment

Staff has begun the process for a preliminary identification of needs and opportunities in November 2019. The identified needs and opportunities represent a range of candidate projects and programs that could be undertaken. The development of needs and opportunities is in effect the “gap” analysis to identify those areas where the current Safe, Clean Water Program could benefit from additional funding for existing projects over the next planning horizon, along with potential new projects that could benefit the community. The identified opportunities are included below and will be further refined. Staff is seeking input from the advisory committees on such priorities that they would like staff to investigate and consider.

Priority A: Ensure a Safe, Reliable Water Supply

- Safe Clean Water Partnerships and Grants - Continue and Enhance
- Pipeline Reliability Project - Continue and Enhance

Priority A Newly Identified Opportunities

Staff is exploring the feasibility of adding, replacing, enhancing or expanding the following new concepts:

- Pacheco Reservoir Expansion
- Water Conservation Rebate Program

Priority B: Reduce Toxins, Hazards, and Contaminates from our Waterways

- Impaired Water Bodies Improvement - Continue
- Interagency Urban Runoff Program - Continue

- Pollution Prevention Partnerships and Grants - Continue and Enhance
- Good Neighbor Program: Encampment Cleanup - Continue and Enhance
- Hazardous Materials Management and Response - Continue
- Good Neighbor Program: Remove Graffiti and Litter - Continue
- Support Volunteer Cleanup Efforts and Education - Continue and Enhance

Priority B Newly Identified Opportunities

Staff is exploring the feasibility of adding, replacing, enhancing or expanding the following new concepts:

- Green Stormwater Infrastructure Projects
- Good Neighbor Public Arts Program

Priority C: Protect our Water Supply from Earthquakes and Natural Disasters

- Anderson Dam Seismic Retrofit - Continue and Enhance
- Emergency Response Upgrades - Continue and Enhance

Priority C Newly Identified Opportunities

Staff is exploring the feasibility of adding, replacing, enhancing or expanding the following new concepts:

- Dam Safety Program Seismic Retrofit Projects
- Almaden Valley Pipeline Replacement Project

Priority D: Restore Wildlife Habitat and Provide for Open Space

- Management of Riparian Vegetation Projects - Continue and Enhance
- Revitalize Stream, Upland and Wetland Habitat - Continue and Enhance
- Grants and Partnerships to Restore Wildlife Habitat/ Provide Access to Trails - Continue and Enhance
- Fish Habitat and Passage Improvements
 - Almaden Creek-Lake Separation - Continue and Enhance
 - Fish Passage Improvements - Continue and Enhance
 - Install Large/Woody Debris and Gravel Augmentation - Continue and Enhance
- Ecological Data Collection and Analysis - Continue and Enhance
- Creek Restoration and Stabilization
 - Hale Creek - Continue and Enhance
- Partnerships for the Conservation of Habitat Lands - Continue and Enhance
- South Bay Salt Ponds Restoration Partnership - Continue

Priority D Newly Identified Opportunities

Staff is exploring the feasibility of adding, replacing, enhancing or expanding the following new concepts:

- Coyote Valley Partnership
- Lands Management - Land acquisition for strategic floodplain management, access for operations, mitigation efforts, and habitat connectivity.
- Calabazas - San Tomas Aquino Creeks Realignment Project
- Coyote Creek Riparian and Aquatic Enhancements
- Coyote Meadows Habitat and Floodplain Enhancements

Priority E: Provide Flood Protection to Homes, Business, Schools and Highways

- Vegetation Control and Sediment Removal for Flood Protection - Continue and Enhance
- Emergency Response Planning - Continue and Enhance
- Flood Risk Reduction Studies - Continue and Enhance
- Upper Penitencia Creek Flood Project - Additional funding
- San Francisquito Creek Flood Protection - Additional funding
- Upper Llagas Creek Flood Protection - Additional funding
- San Francisco Bay Shoreline Protection - Additional funding
- Upper Guadalupe River Flood Protection - Additional funding

Continued Clean, Safe Creeks Projects

- Sunnyvale East and Sunnyvale West Channels Flood Protection - Continue
- Coyote Creek Flood Protection - Additional funding

Priority E Newly Identified Opportunities

Staff is exploring the feasibility of adding, replacing, enhancing or expanding the following new concepts:

- Ross Creek Flood Protection
- Upper Berryessa Creek (680 to Old Piedmont)
- 5-year O&M Plan identified activities
- Thompson Creek Sediment and Erosion Management
- Watersheds Asset Reliability Program - prioritize/ improve reaches in need of rehabilitation

NEXT STEPS

Program Development

Under the Board's direction, staff is exploring the feasibility of this effort, including how to enhance and update the program that is inclusive of the community's desire and values. As part of this effort, an agency-wide internal Steering Committee with functional task groups has been assembled and key program staff have been identified to assist with internal project teams to start developing an updated community plan to refine priorities. These priorities, along with financial analysis models to further refine program funding estimates, will be further developed between mid-December 2019 and May 2020.

Community and Stakeholder Outreach

To achieve public consent on any future program, which may go to the voters, staff will lead a broad public participation effort. This effort will allow for the public to provide input on their interests and values for the new program, including recommended project outcomes. This input will aid staff in developing a draft community preferred program.

Staff will fine tune the priorities and projects through a series of broad outreach efforts, such as Board advisory committees and a blue-ribbon stakeholder roundtable (anticipated to be held in February 2020).

Additionally, staff will develop other outreach tools and strategies to solicit programmatic input for the Board's consideration. Based on information gathered from the community and stakeholders, staff will prepare a report for the Board on the community preferred program, for the Board's consideration for the November 2020 ballot.

ATTACHMENTS:

None

UNCLASSIFIED MANAGER:

Marta Lugo, 408-630-2237



Santa Clara Valley Water District

File No.: 20-0045

Agenda Date: 1/22/2020

Item No.: 5.4.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda.

RECOMMENDATION:

Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.

SUMMARY:

The attached Work Plan outlines the Board-approved topics for discussion to be able to prepare policy alternatives and implications for Board deliberation. The work plan is agendaized at each meeting as accomplishments are updated and to review additional work plan assignments by the Board.

BACKGROUND:

Governance Process Policy-8:

The District Act provides for the creation of advisory boards, committees, or commissions by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Advisory Committees, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Advisory Committees may help the Board produce the link between the District and the public through information sharing to the communities they represent.

ATTACHMENTS:

Attachment 1: Water Commission 2020 Work Plan

Attachment 2: Water Commission April 8, 2020, Draft Agenda

File No.: 20-0045

Agenda Date: 1/22/2020
Item No.: 5.4.

UNCLASSIFIED MANAGER:
Michele King, 408-630-2711

2020 Work Plan: Santa Clara Valley Water Commission

Update: January 2020

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion. Subsequently, an annual committee accomplishments report is developed based on the work plan and presented to the District Board of Directors.

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
1	Election of Chair and Vice Chair for 2020	January 22	<ul style="list-style-type: none"> Commission Elects Chair and Vice Chair for 2020. (Action) 	
2	Annual Accomplishments Report	January 22	<ul style="list-style-type: none"> Review and approve 2019 Accomplishments Report for presentation to the Board. (Action) Submit requests to the Board, as appropriate. 	
3	Review of Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests and the Commission's Next Meeting Agenda	January 22 April 8 July 22 October 28	<ul style="list-style-type: none"> Receive and review the 2020 Board-approved Committee work plan. (Action) Submit requests to the Board, as appropriate. 	
4	<u>Standing Items Reports Fiscal Year 2020:</u>	January 22 April 8	<ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) 	
WATER SUPPLY: There is reliable, clean water supply for current and future generations				
Board Strategy 1	Finalize the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE). <i>(Assigned to FAHCE)</i>			

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 1 of 3

2020 Work Plan: Santa Clara Valley Water Commission

Update: January 2020

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
<i>Board Strategy 2</i>			Actively Pursue Efforts to Increase Water Storage Opportunities. <i>(Assigned to Water Storage Exploratory Committee)</i>	
<i>Board Strategy 3</i>			Actively Participate in Decisions Regarding the California Delta Conveyance. <i>(Assigned to California Delta Conveyance Working Group)</i>	
<i>Board Strategy 4</i>			Lead Recycled and Purified Water Efforts with the City of San Jose and Other Agencies. <i>(Assigned to Recycled Water Committee)</i>	
<i>Board Strategy 5</i>			Engage and educate the community, local elected officials and staff on future water supply strategies in Santa Clara County. <i>(Assigned to Water Conservation and Demand Management Committee)</i>	
<i>Board Strategy 6</i>			Advance Anderson Dam Seismic Retrofit Project. <i>(Assigned to Capital Improvement Program Committee)</i>	
NATURAL FLOOD PROTECTION. There is a healthy and safe environment for residents, businesses and visitors, as well as for future generations.				
<i>Board Strategy 1</i>			Pursue opportunities to expedite regulatory permit processes and streamline permit reviews. <i>(Assigned to FAHCE)</i>	
ENVIRONMENTAL STEWARDSHIP: There is water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County.				
<i>Board Strategy 1</i>			Attain net positive impact on the environment when implementing flood protection and water supply projects.	
<i>Board Strategy 2</i>			Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation (Homeless encampment strategies assigned to Homeless Encampment Ad Hoc Committee)	
BUSINESS MANAGEMENT: Provide Affordable and Effective Cost Level of Services.				
<i>Board Strategy 1</i>			Advance Diversity and Inclusion Efforts. Carry forward to FY20. <i>(Assigned to Diversity and Inclusion Ad Hoc Committee)</i>	
<i>Board Strategy 2</i>			Maintain Appropriate Staffing Levels and Expertise <i>(Assigned to Diversity and Inclusion Ad Hoc Committee)</i>	
<i>Board Strategy 3</i>			Provide Affordable and Effective Level of Services <i>(Assigned to Financial Sustainability Group)</i>	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 2 of 3

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
5	Discuss Approach to Keep Safe, Clean Water and Natural Flood Protection by Evaluating a Future Funding Measure	January 22	<ul style="list-style-type: none"> Receive information on opportunities to strengthen and update the existing Safe, Clean Water and Natural Flood Protection Program and on the feasibility of developing and placing a future funding measure on the November 2020 ballot. Provide input on new program development. 	
6	Review and Comment to the Board on the Fiscal Year 2020 - 2021 Proposed Groundwater Production Charges.	April 8	<ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2021 Proposed Groundwater Production Charges. (Action) Provide comments to the Board, as necessary. 	
7	Discussion on the Riparian Corridor Ordinance, Encroachment Process <i>(Discussion on the District's Water Resources Protection Ordinance)</i>	TBD	<ul style="list-style-type: none"> Discuss the Riparian Corridor Ordinance, Encroachment Process. (Action) Provide comments to the Board, as necessary. 	
8	One Water Plan Update <i>See Board Priority Standing item #8</i>	TBD	<ul style="list-style-type: none"> Receive information on One Water Plan. (Information) Provide comments to the Board, as necessary. 	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

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Commission Officers

, Chair
, Vice Chair

Board Representative

, Board Representative
, Board Representative
, Alternate

DRAFT AGENDA

SANTA CLARA VALLEY WATER COMMISSION

WEDNESDAY, APRIL 8, 2020

12:00 p.m. – 2:00 p.m.

**Santa Clara Valley Water District
Headquarters Building Boardroom
5700 Almaden Expressway
San Jose, CA 95118**

**Time Certain:
12:00 p.m.**

- 1. Call to Order/Roll Call**
- 2. Time Open for Public Comment on Any Item Not on Agenda**
Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.
- 3. Approval of Minutes**
3.1 Approval of Minutes – January 22, 2020, meeting
- 4. Action Items**
 - 4.1 Review and Comment to the Board on the Fiscal Year 2021 Proposed Groundwater Production Charges. (Darin Taylor)
Recommendation: Review and Comment to the Board on the Fiscal Year 2021 Proposed Groundwater Production Charges.
 - 4.2 Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests and the Commission’s Next Meeting Agenda (Commission Chair)
Recommendation: Review the Commission work plan to guide the committee’s discussions regarding policy alternatives and implications for Board deliberation.
- 5. Standing Items Reports**
This item allows the Commission to receive verbal or written updates and discuss the Board’s Fiscal Year 2020 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

WATER SUPPLY: There is reliable, clean water supply for current and future generations	
<i>Board Strategy 1</i>	Finalize the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE). (Assigned to FAHCE)
<i>Board Strategy 2</i>	Actively Pursue Efforts to Increase Water Storage Opportunities. (Assigned to Water Storage Exploratory Committee)
<i>Board Strategy 3</i>	Actively Participate in Decisions Regarding the California Delta Conveyance. (Assigned to California Delta Conveyance Working Group)

<i>Board Strategy 4</i>	Lead Recycled and Purified Water Efforts with the City of San Jose and Other Agencies. <i>(Assigned to Recycled Water Committee)</i>
<i>Board Strategy 5</i>	Engage and educate the community, local elected officials and staff on future water supply strategies in Santa Clara County. <i>(Assigned to Water Conservation and Demand Management Committee)</i>
<i>Board Strategy 6</i>	Advance Anderson Dam Seismic Retrofit Project. <i>(Assigned to Capital Improvement Program Committee)</i>
NATURAL FLOOD PROTECTION. There is a healthy and safe environment for residents, businesses and visitors, as well as for future generations.	
<i>Board Strategy 1</i>	Pursue opportunities to expedite regulatory permit processes and streamline permit reviews. <i>(Assigned to FAHCE)</i>
ENVIRONMENTAL STEWARDSHIP: There is water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County.	
<i>Board Strategy 1</i>	Attain net positive impact on the environment when implementing flood protection and water supply projects.
<i>Board Strategy 2</i>	Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation (Homeless encampment strategies assigned to Homeless Encampment Ad Hoc Committee)
BUSINESS MANAGEMENT: Provide Affordable and Effective Cost Level of Services.	
<i>Board Strategy 1</i>	Advance Diversity and Inclusion Efforts. Carry forward to FY20. <i>(Assigned to Diversity and Inclusion Ad Hoc Committee)</i>
<i>Board Strategy 2</i>	Maintain Appropriate Staffing Levels and Expertise (Assigned to Diversity and Inclusion Ad Hoc Committee)
<i>Board Strategy 3</i>	Provide Affordable and Effective Level of Services (Assigned to Financial Sustainability Group)

6. Clerk Review and Clarification of Commission Requests to the Board

This is a review of the Commission's Requests, to the Board (from Item 4). The Committee may also request that the Board approve future agenda items for Commission discussion.

7. Reports

Directors, Managers, and Commission members may make brief reports and/or announcements on their activities. Unless a subject is specifically listed on the agenda, the Report is for information only and not discussion or decision. Questions for clarification are permitted.

- 7.1 Director's Report
- 7.2 Manager's Report
- 7.3 Commission Member Reports
- 7.4 Links to Informational Reports

8. Adjourn: Adjourn to next regularly scheduled meeting at 12:00 p.m., **July 22, 2020**, in the Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, CA 95118

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA., 95118, at the same time that the public records are distributed or made available to the legislative body.

The Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend committee meetings. Please advise the Clerk of the Board office of any special needs by calling 1-408-630-2277.

Santa Clara Valley Water Commission's Purpose and Duties

The Santa Clara Valley Water Commission of the Santa Clara Valley Water District is established to assist the Board of Directors (Board) with policies pertaining to water supply, flood protection and environmental stewardship in the areas of interest to Santa Clara County and the Towns and Cities therein.

The specific duties are:

- Prepare policy alternatives
- Provide comment on activities in the implementation of the District's mission
- Produce and present to the Board an Annual Accomplishments Report that provides a synopsis of the annual discussions and actions.

In carrying out these duties, Commission members bring to the District their respective expertise and the interests of the communities they represent. In addition, Commissioners may help the Board produce the link between the District and the public through information sharing to the communities they represent.



Santa Clara Valley Water District

File No.: 20-0046

Agenda Date: 1/22/2020

Item No.: 6.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Standing Items Report.

RECOMMENDATION:

Standing Items Reports

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2020 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

SUMMARY:

The Santa Clara Valley Water Commission was established to assist the Board with policy review and development, provide comment on activities in the implementation of the District mission, and to identify Board-related issues.

On March 12, 2019, the Board of Directors approved aligning the Board Advisory Committees' agendas and work plans with the Board's yearly work plan.

The new agenda format will allow regular reports on the Board's priorities from the Board's committees and/or Board committee representative and identify subjects where the committees could provide advice to the Board on pre-identified subjects in a timely manner to meet the Board's schedule, and distribute information/reports that may be of interest to committee members.

ATTACHMENTS:

Attachment 1: Standing Items Report

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

FY19-20 BOARD WORK PLAN – STANDING ITEMS REPORT
December 2019 Update

WATER SUPPLY There is reliable, clean water supply for current and future generations.	
Strategy 1:	Finalize the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE)
FY20 Focus:	Expedite early implementation of feasibility studies, monitoring activities, and planning and construction of various fish passage improvements.
Update:	<ul style="list-style-type: none"> • Valley Water hosted a third FAHCE Technical Work Group meeting on November 19, 2019. • A FAHCE Initiating Party Meeting was held on December 10, 2019 to clarify a path forward for the FAHCE Environmental Impact Report (EIR).
Strategy 2:	Actively Pursue Efforts to Increase Water Storage Opportunities
FY20 Focus:	Explore opportunities to develop surface and groundwater storage projects that align with Valley Water’s mission. Additionally, seek water exchange and transfer opportunities.
Update:	<ul style="list-style-type: none"> • Planning documents are in development for Pacheco Dam and Valley Water is developing responses to the draft Environmental Impact Report. • A Joint Workshop of the Sites Project Authority and the Reservoir Committee was held at ACWA on December 3, 2019. The next Reservoir Committee meeting will be on December 19, 2019.
Strategy 3:	Actively participate in decisions regarding the California Delta Conveyance
FY20 Focus:	As a voice for Northern California, continue to engage and negotiate, through serving on the Delta Conveyance Design and Construction Authority and Finance Authority in adherence to Board approved Guiding Principles, to protect Santa Clara County’s interests.
Update:	<ul style="list-style-type: none"> • Valley Water has continued executive partnering and targeted meetings with the Department of Water Resources (DWR) and the Delta Conveyance Authority (DCA) to chart the strategic path forward on Delta Conveyance. • The next meeting of the DCA will be on December 19, 2019. • The next meeting of the Delta Conveyance Finance Authority (DCFA) will be on December 19, 2019.
Strategy 4:	Lead Recycled and Purified Water Efforts with the City of San Jose and Other Agencies
FY20 Focus:	Develop a portfolio of advanced purified water and secure recycled water sources as identified in the 2040 Water Supply Master Plan.
Update:	<ul style="list-style-type: none"> • On November 18, 2019, the Partnership Agreement between Valley Water, the City of Palo Alto, and the City of Mountain View to Advance Resilient Water Reuse Programs in Santa Clara County was approved unanimously by the city councils of Palo Alto and Mountain View. • On December 10, 2019, the Partnership Agreement was approved by the Valley Water Board of Directors.

Strategy 5:	Engage and educate the community, local elected officials and staff on future water supply strategies in Santa Clara County.
FY20 Focus:	Aggressively implement “No Regrets” package as identified in the 2040 Water Supply Master Plan, with emphasis on a leadership role in implementing the model ordinance.
Update:	<ul style="list-style-type: none"> On October 4, 2019 the Office of Government Relations conducted Valley Water’s annual Water Walk Tour, which educated and engaged 44 elected official and staff representing federal, state, regional, and local jurisdictions and key advocacy stakeholders on critical Valley Water projects. The application period for the Water 101 Academy closed on November 8, 2019. Community members from all seven districts apply to the Academy to become “Water Ambassadors” to learn about and become spokespeople around water issues. Participant selection will be made by January 2020 with the next Academy session starting February 2020.
Strategy 6:	Advance Anderson Dam Seismic Retrofit Project
FY20 Focus:	<ul style="list-style-type: none"> Continue to work with appropriate regulatory agencies to review and obtain approval for all project design plans. Release for review and certify the Draft Environmental Report. Continue to inform the public and neighborhoods of the project progress and construction timeline (Project Delivery). Balance flood protection, water supply, and environmental flow requirements appropriately for annual operations prior to completion of the construction of Anderson Dam Seismic Retrofit (Rule Curve).
Update:	<ul style="list-style-type: none"> On December 4, 2019, Valley Water management participated in a meeting in Washington D.C. with U.S. Congresswoman Zoe Lofgren, various local elected officials, and representatives from FERC DHAC, FERC D2SI, NMFS, USACE, and USFWS to discuss the Anderson Dam project design and coordination, leading to the various groups represented agreeing to meet on a quarterly basis to continue to advance the project. On December 16, 2019, the Anderson Dam Seismic Retrofit (ADSR) Project Description and Geographic Scope was submitted to the Federal Energy Regulatory Commission (FERC).

NATURAL FLOOD PROTECTION

There is a healthy and safe environment for residents, businesses and visitors, as well as for future generations.

Strategy 1:	Goal 1: Provide natural flood protection for residents, businesses and visitors and reduce the potential for flood damages
FY20 Focus:	FY20 Focus: Provide for Watershed-Wide regulatory planning and permitting effort and pursue other efforts at the state and federal level to expedite permit review.
Update:	<ul style="list-style-type: none">Emergency Services and Security hosted the Winter Preparedness Workshop at Valley Water on December 05, 2019. The purpose of the workshop was to discuss the predicted weather forecast for the upcoming winter season, how agencies have prepared for the winter, resources for agencies and the public, and what a coordinated response to emergency situations would look like. Valley Water and external agencies delivered presentations on the different types of flooding, monitoring/response capabilities, and emergency management coordination. 71 participants were present during the workshop, which included representatives from the following external agencies: NASA Ames Moffett Field, Palo Alto OES, Santa Clara County Fire, Santa Clara County Office of Emergency Management, Santa Clara Kaiser, Sunnyvale Dpt. Of Public Safety, Town of Los Gatos, Kaiser Santa Clara, Morgan Hill CERT, Milpitas OES, Department of Water Resources, National Weather Service, Morgan Hill OES, Emergency Response Team NASA, American Red Cross, Cupertino OES, CAL Fire, County of Santa Clara Public Health Department, City of San Jose OES, Mt. View Fire, Palo Alto Public Works, and the cities of: Morgan Hill, Mountain View, Palo Alto, San Jose, and Santa Clara.

ENVIRONMENTAL STEWARDSHIP

There is water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County.

Strategy 1:	Attain net positive impact on the environment when implementing flood protection and water supply projects.
FY20 Focus:	Provide regular project updates to the Board on One Water’s Watershed Plans.
Update:	<ul style="list-style-type: none">• One Water Countywide Framework is nearing completion as staff considers additional Board input on levels of service.• One Water Watershed Plans are under development with a draft Coyote Watershed Plan complete and progress continuing on the remaining four watershed plans.
Strategy 2:	Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation.
FY20 Focus:	Continue efforts to protect the ecosystem and water quality of our waterbodies, the integrity of our infrastructure, and ensure our employees have a safe work environment. Such efforts include preventing stormwater pollution, increased implementation of green stormwater infrastructure, addressing mercury pollution, and homeless encampment clean ups.
Update:	<ul style="list-style-type: none">• On November 14, 2019, Valley Water staff held a conference call with staff and management from the California Department of Fish and Wildlife, Regional Water Quality Control Board, and U.S. Army Corps of Engineers to educate these agencies about our environmental mission. The meeting included a presentation that outlined Valley Water’s restoration goals, the Safe, Clean Water program, our project development process, and desire to identify multi-benefit project opportunities. Following the presentation, participants participated in a brief brainstorming session to identify ways to facilitate the permitting process for restoration projects, in addition to answering project-specific questions from agency staff.

BUSINESS MANAGEMENT Provide Affordable and Effective Cost Level of Services.	
Advance Diversity and Inclusion	
FY20 Focus:	Ensure a work environment that is diverse, inclusive, free of discrimination and harassment, and that provides equal opportunity employment.
Update:	<ul style="list-style-type: none"> • On September 25, 2019, Valley Water was recognized for the 2nd year in a row as the “Heathiest Employer in the San Francisco Bay Area” among companies with 500-1,999 employees. • Valley Water was a top ten finalist in the Partnerships for Industry and Education (PIE) Contest at the California Economic Summit hosted by California Forward. The PIE Contest honors innovative partnerships achieving success for students and communities. Valley Water was recognized for its partnership with Gavilan College’s Water Resource Management internship program. • Valley Water Employee Resource Groups (ERGs) hosted several events including: Asian Pacific Resources Group (APRG) Mid-Autumn Festival, Organization for Latino Affairs and Association of Black Employees joint Hispanic Heritage Month event, Ability Awareness Vision event, Association of Women Employees and Classic Vinyl Movie Night, Green Team Vegetarian Thanksgiving, Indo-American Association Diwali event, Santa Vists Alviso Foundation Event, Veterans ERG and APRG collected Toys For Tots, and an ERG-wide Holiday Potluck and Ornament Exchange.
Maintain Appropriate Staffing Levels and Expertise	
FY20 Focus:	Ensure there are capable employees with knowledge and subject-matter expertise to accomplish Valley Water’s mission.
Update:	<ul style="list-style-type: none"> • The Analyst Certificate Program was launched in the Fall of 2019 to provide a series of practical courses that support the roles and responsibilities of a successful analyst. • On November 6, 2019, 20 staff graduated from the Fall 2019 Lead Worker Academy to provide Lead Workers with skills to lead teams without possessing formal authority held by supervisors. • On November 19, 2019, 22 employees graduated from the 2019 Facilitator Academy and gained skills including meeting design, participation strategies and facilitation tools.
Provide Affordable and Effective Level of Services	
FY20 Focus:	Continue to research and pursue feasible revenue sources allowed by the District Act.
Update:	<p>The Financial Sustainability Group has conducted the following activities this quarter:</p> <ul style="list-style-type: none"> • Reviewed opportunities to assess fees related to city/county development plans. • Reviewed and discussed flood protection related ends policies. • Reviewed Redevelopment Agency (RDA) Successor Agency revenue historical actuals and forecast. • Discussed potential Safe Clean Water renewal effort.

