

January 20, 2022

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. Hung Wei
Hon. Peter Leroe-Muñoz
Hon. Lynette Lee Eng
Hon. Lisa Schmidt
Hon. Maria Ristow
Hon. Carmen Montano
Hon. Liz Lawler
Hon. Rich Constantine
Hon. Lucas Ramirez
Hon. Greg Tanaka
Hon. Pam Foley
Hon. Karen Hardy
Hon. Rishi Kumar
Hon. Omar Din
Hon. Mike Wasserman
Hon. Jed Cyr
Hon. Mike Flaugher

Alternate

Hon. Sergio Lopez
Hon. Jon R. Willey
Hon. Fred Tovar
Hon. Anita Enander
Hon. Matthew Hudes
Tony Ndah
Hon. Bryan Mekechuk
Hon. Yvonne Martinez Beltran
Hon. Pat Showalter
Kerrie Romanow
Hon. Kathy Watanabe
Hon. Mary-Lynne Bernald
Hon. Gustav Larsson
Hon. Cindy Chavez
Hon. Yoriko Kishimoto
Hon. Helen Chapman

The regular meeting of the Santa Clara Valley Water Commission is scheduled to be held on Wednesday, **January 26, 2022, at 12:00 p.m.**, Join via Zoom Link:

<https://valleywater.zoom.us/j/91095453959>

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 Members with two or more consecutive unexcused absences will be subject to rescinded membership.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 Monday, January 24, 2022; noon** by contacting Glenna Brambill at 1-408-630-2408, or gbrambill@valleywater.org.

Enclosures

Join Zoom Meeting

<https://valleywater.zoom.us/j/91095453959>

Meeting ID: 910 9545 3959

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Dial by your location

+1 669 900 9128 US (San Jose)

Meeting ID: 910 9545 3959

Find your local number: <https://valleywater.zoom.us/j/91095453959>



Santa Clara Valley Water District Santa Clara Valley Water Commission Meeting

Teleconference via Zoom

Join Zoom Meeting:

<https://valleywater.zoom.us/j/91095453959>

REGULAR MEETING AGENDA

**Wednesday, January 26, 2022
12:00 PM**

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

Hon. Pam Foley, Chair
Hon. Lynette Lee Eng, Vice Chair

Director Tony Estremera
Director Gary Kremen
Director John L. Varela

During the COVID-19 restrictions, 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 to the public through the legislative body agenda web page 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 participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Ms. Melanie Richardson
Ms. Rachael Gibson
(Staff Liaisons)

Ms. Glenna Brambill
(Commission Liaison)
Management Analyst II
gbrambill@valleywater.org
1-408-630-2408

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 26, 2022

12:00 PM

Teleconference

BY VIRTUAL TELECONFERENCE ONLY

Pursuant to California Government Code section 54953(e), this meeting will be held by teleconference only. No physical location will be available for this meeting; however, members of the public will be able to participate in the meeting as noted below.

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the "Raise Hand" tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

Santa Clara Valley Water District (Valley Water) in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Committee meetings to please contact the Clerk of the Board's office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:
<https://valleywater.zoom.us/j/91095453959>

Meeting ID: 910 9545 3959
One tap mobile
+16699009128,,91095453959# US (San Jose)

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: Members of the public who wish to address the Committee on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee 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 Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of Minutes.

[22-0143](#)

Recommendation: Approve the October 27, 2021, Meeting Minutes.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: 10272021 Water Comm Draft Mins](#)

Est. Staff Time: 5 Minutes

4. ACTION ITEMS:

4.1. Election of Chair and Vice Chair.

[22-0144](#)

Recommendation: Elect 2022 Chair and Vice Chair

Manager: Candice Kwok-Smith, 408-630-3193

Est. Staff Time: 5 Minutes

- 4.2. Review and Approve 2021 Annual Accomplishments Report for Presentation to the Board (Commission Chair) [22-0145](#)
- Recommendation: A. Approve the 2021 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: Candice Kwok-Smith, 408-630-3193
- Attachments: [Attachment 1: Water Comm Accomplishments Report](#)
- Est. Staff Time: 5 Minutes
- 4.3. Update on progress towards Valley Water’s drought emergency response and drought-related water conservation efforts. [22-0146](#)
- Recommendation: Receive an update on Valley Water’s drought emergency response, progress towards meeting the Board’s call for water use reduction in response to the water shortage emergency condition, and water conservation efforts.
- Manager: Donald Rocha, 408-630-2338
- Attachments: [Attachment 1: PowerPoint Presentation](#)
- Est. Staff Time: 15 Minutes
- 4.4. Discuss Preliminary Fiscal Year 2022-23 Preliminary Groundwater Production Charge Analysis; Invite Board Feedback and Comment. [22-0147](#)
- Recommendation: Discuss staff’s preliminary Fiscal Year 2022-23 Groundwater Production Charge analysis; Board to comment or provide direction to staff as desired, including, for example, regarding minimizing near-term rate impacts or future water use projections.
- Manager: Darin Taylor, 408-630-3068
- Attachments: [Attachment 1: PowerPoint](#)
- Est. Staff Time: 20 Minutes
- 4.5. Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission’s Next Meeting Agenda. [22-0148](#)
- Recommendation: Review the Commission work plan to guide the commission’s discussions regarding policy alternatives and implications for Board deliberation.
- Manager: Candice Kwok-Smith, 408-630-3193
- Attachments: [Attachment 1: 2022 Water Comm Work Plan](#)
- Est. Staff Time: 5 Minutes

5. INFORMATION ITEMS:

5.1. Standing Items Report.

[22-0149](#)

Recommendation: Standing Items Report

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2022 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: Candice Kwok-Smith, 408-630-3193

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

Est. Staff Time: 5 Minutes

6. 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.

7. REPORTS:

7.1. Director's Report

7.2. Manager's Report

7.3. Commission Member Report

7.4. Informational Links:

<https://www.valleywater.org/how-we-operate/committees/board-committees>

- Board Policy and Planning Committee (BPPC)
- Stream Planning and Operations Committee (SPOC) (formerly FAHCE Ad Hoc Committee)
- Environmental Creek Cleanup Committee formerly Homeless Encampment Committee
- Water Storage Exploratory Committee (WSEC)

<https://www.valleywater.org/how-we-operate/committees/board-advisory-committees>

- Redistricting Advisory Committee (RAC)
- Water Conservation and Demand Management Committee (WCaDMC)

<https://www.valleywater.org/your-water/water-supply-planning/monthly-water-tracker>

- Water Tracker

8. ADJOURN:

8.1. Adjourn to Regular Meeting at 12:00p.m., on Wednesday, April 13, 2022.



Santa Clara Valley Water District

File No.: 22-0143

Agenda Date: 1/26/2022
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Approval of Minutes.

RECOMMENDATION:

Approve the October 27, 2021, 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: 10272021, Water Comm Draft Meeting Mins.

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193



SANTA CLARA VALLEY WATER COMMISSION MEETING

DRAFT MINUTES

**WEDNESDAY, OCTOBER 27, 2021
11:00 AM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Santa Clara Valley Water Commission (Commission) was held on October 27, 2021. Teleconference via Zoom in San Jose, California.

1. CALL TO ORDER/ROLL CALL

Chair Hon. Pam Foley called the meeting to order at 12:00 p.m. A quorum of 14 was established.

Members in attendance were:

Municipality

Representative

Alternate

City of Campbell

Hon. Susan M. Landry

City of Cupertino

Hon. Hung Wei

City of Gilroy

Hon. Peter Leroe-Muñoz

City of Los Altos

Hon. Lynette Lee Eng

Town of Los Gatos

Hon. Matthew Hudes

City of Milpitas

Hon. Carmen Montano

City 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 Santa Clara

Hon. Karen Hardy*

City of Saratoga

City of Sunnyvale

Hon. Omar Din

Santa Clara Valley Open Space

Hon. Helen Chapman

Authority

Midpeninsula Regional Open Space

Hon. Jed Cyr

District

Members not in attendance were:

<u>Municipality</u>	<u>Representative</u>	<u>Alternate</u>
City of Campbell		Hon. Sergio Lopez
City of Cupertino		Hon. Jon Wiley
City of Gilroy		
City of Los Altos		Hon. Anita Enander
Town of Los Altos Hills	Hon. Lisa Schmidt	
Town of Los Gatos	Hon. Maria Ristow	
City of Monte Sereno		Hon. Bryan Mekechuk
City of Morgan Hill		Hon. Yvonne Martinez Beltran
City of Mountain View		Hon. Alison Hicks
City of Palo Alto	Hon. Greg Tanaka	
City of San José		Kerrie Romanow
City of Saratoga	Hon. Rishi Kumar	Hon. Tina Walia
City of Sunnyvale		Hon. Mason Fong
County of Santa Clara	Hon. Mike Wasserman	Hon. Cindy Chavez
Midpeninsula Regional Open Space District		Hon. Yoriko Kishimoto
Santa Clara Valley Open Space Authority	Hon. Mike Flaughner	

* Commission Member logged on at time stated.

Board members in attendance were: Director Tony Estremera (Board Representative), Director Nai Hsueh (Board Alternate), and Director Gary Kremen (Board Representative).

Staff members in attendance were: Aaron Baker, Neeta Bijoor, Glenna Brambill, Vincent Gin, Andy Gschwind, Cindy Kao, Carlos Orellana, Metra Richert, Don Rocha, Gregory Williams, and Beckie Zisser.

Guests in attendance were: Lisa Bilir (City of Palo Alto), Camryn Heinkel (City of San José), Mansour Nasser (City of Sunnyvale), Tony Ndah (City of Milpitas), Hon. Fred Tovar (City of Gilroy), David Siddiqui (Green Evolution), Hon. Kathy Watanabe and Gary Welling (City of Santa Clara).

*Hon. Karen Hardy logged on at 12:05 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. Carmen Montano, seconded by Hon. Omar Din, and by roll call and unanimous vote to approve the July 28, 2021, Santa Clara Valley Water Commission meeting minutes with correction of Town of Monte Sereno to City of..

4. ACTION ITEMS:

4.1 UPDATE ON PROGRESS TOWARDS VALLEY WATER'S DROUGHT EMERGENCY RESPONSE AND DROUGHT-RELATED WATER CONSERVATION EFFORTS

Mr. Aaron Baker, Ms. Neeta Bijoor, Mr. Don Rocha, and Mr. David Siddiqui reviewed the materials as outlined in the agenda item along with the handout.

The Santa Clara Valley Water Commission discussed the following: drought summit was informational, school districts, gray water, keeping costs down, purple piping, recycled water, drought tolerant plants, landscaping, artificial turf, messaging on the drought needs to be ongoing, and having rainwater/stormwater fact sheets available.

The Santa Clara Valley Water Commission took no action.

Water Commission Chair Hon. Pam Foley thanked Mr. Aaron Baker and Director Linda J. LeZotte for participating in her Town Hall meeting on the drought.

4.2 REVIEW FY2022 BOARD WORK PLAN

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

The Santa Clara Valley Water Commission discussed the following: water supply, Urban Water Management Plan, forecasting growth of cities, RHNA numbers, permanent conservation, long-term messaging for residents and the same language that can be understood by all.

Board Chair Director Tony Estremera, Mr. Aaron Baker, Mr. Vincent Gin, and Director Nai Hsueh were available to answer questions.

The Santa Clara Valley Water Commission took no action.

4.3 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.

The Santa Clara Valley Water Commission took no action.

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

Ms. Glenna Brambill reported there were no action items.

6. REPORTS

6.1 Director's Report

None.

6.2 Manager's Report

None.

6.3 Commission Member Reports

None.

6.4 Informational Link Reports

None.

7. ADJOURNMENT

Commission Chair Hon. Pam Foley adjourned at 1:03 p.m. to the next regular meeting on Wednesday, January 26, 2022, at 12:00 p.m.

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

Approved:



Santa Clara Valley Water District

File No.: 22-0144

Agenda Date: 1/26/2022

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Election of Chair and Vice Chair.

RECOMMENDATION:

Elect 2022 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:

Candice Kwok-Smith, 408-630-3193



Santa Clara Valley Water District

File No.: 22-0145

Agenda Date: 1/26/2022

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Review and Approve 2021 Annual Accomplishments Report for Presentation to the Board
(Commission Chair)

RECOMMENDATION:

- A. Approve the 2021 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 committee's discussions and actions to prepare Board policy alternatives and implications for Board deliberation throughout 2020. 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.: 22-0145

Agenda Date: 1/26/2022
Item No.: 4.2.

ATTACHMENTS:

Attachment 1: Water Comm 2021 Accomplishments Report

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

2021 Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2022

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	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
1	Election of Chair and Vice Chair for 2021	<ul style="list-style-type: none"> Commission Elects Chair and Vice Chair for 2021 (Action) 	<p>Accomplished January 27, 2021: The Commission elected Hon. Pam Foley as Chair and Hon. Lynette Lee Eng as Vice Chair.</p>
2	Annual Accomplishments Report	<ul style="list-style-type: none"> Review and approve 2020 Accomplishments Report for presentation to the Board. (Action) Submit requests to the Board, as appropriate. 	<p>Accomplished January 27, 2021: The Commission approved the Santa Clara Valley Water Commission's 2020 Accomplishments Report. Due to COVID 19, the Committee was limited in fully engaging in 2020.</p>
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	<ul style="list-style-type: none"> Receive and review the 2021 Board-approved Committee work plan. (Action) Submit requests to the Board, as appropriate. 	<p>Accomplished January 27, 2021: The Commission received the 2021 work plan and will continue to align the work plan according to the Board's work plan and took no action.</p> <p>Accomplished April 14, 2021: The Commission received the 2021 work plan and will continue to align the work plan according to the Board's work plan and took no action.</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 1 of 9

2021 Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2022

ITEM	WORK PLAN ITEM BOARD POLICY	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
4	Review and Comment to the Board on the Fiscal Year 2021 - 2022 Preliminary Groundwater Production Charges.	<ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2022 Preliminary Groundwater Production Charges. (Action) Submit comments to the Board, as appropriate. 	Accomplished January 27, 2021: The Commission reviewed the Fiscal Year 2022 Preliminary Groundwater Production Charges and took no action.
5	Update on Valley Water's Creation of New Office of Racial Equity, Diversity & Inclusion and Board Adoption of a Resolution Addressing Systemic Racism and Promoting Equity.	<ul style="list-style-type: none"> Receive update on Valley Water's Creation of New Office of Racial Equity, Diversity & Inclusion and Board Adoption of a Resolution Addressing Systemic Racism and Promoting Equity. 	Accomplished January 27, 2021: The Commission received information on the New Office of Racial Equity, Diversity & Inclusion (REDI) Board Adoption of a Resolution and took no action.
6	Standing Items Reports Fiscal Year 2021:	<ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) 	Accomplished January 27, 2021: The Commission received information on the quarterly reports on standing items and took no action. Accomplished April 14, 2021: The Commission received information on the quarterly reports on standing items and took no action.
WATER SUPPLY:			
<i>Board Strategy 1</i>	Actively Pursue Efforts to Increase Water Storage Opportunities. <i>(Assigned to Water Storage Exploratory Committee)</i>		
<i>Board Strategy 2</i>	Actively Participate in Decisions Regarding the California Delta Conveyance. <i>(Assigned to California Delta Conveyance Working Group)</i>		
<i>Board Strategy 3</i>	Lead Recycled and Purified Water Efforts with the City of San Jose and Other Agencies. <i>(Assigned to Recycled Water Committee)</i>		

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 2 of 9

**2021 Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2022

ITEM	WORK PLAN ITEM BOARD POLICY	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
<i>Board Strategy 4</i>	Engage and educate the community, 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 5</i>	Advance Anderson Dam Seismic Retrofit Project. <i>(Assigned to Capital Improvement Program Committee)</i>		
NATURAL FLOOD PROTECTION:			
<i>Board Strategy 1</i>	Protect and maintain existing assets and infrastructure. <i>(Assigned to Board Policy and Planning Committee)</i>		
<i>Board Strategy 2</i>	Pursue opportunities to improve internal capacity to acquire regulatory permits. <i>(Assigned to Board Policy and Planning Committee)</i>		
ENVIRONMENTAL STEWARDSHIP:			
<i>Board Strategy 1</i>	Attain net positive impact on the environment when implementing flood protection and water supply projects. <i>(Assigned to Board Policy and Planning Committee)</i>		
<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 Committee)		
<i>Board Strategy 3</i>	Continue the Fisheries and Aquatic Habitat Collaborative Effort. <i>(Assigned Stream Planning and Operations Committee (SPOC) formerly FAHCE Committee)</i>		
BUSINESS MANAGEMENT:			
<i>Board Strategy 1</i>	Advance Diversity and Inclusion. <i>(Assigned to Diversity and Inclusion Ad Hoc Committee and the Full Board)</i>		
<i>Board Strategy 2</i>	Maintain Appropriate Staffing Levels and Expertise <i>(Assigned to Diversity and Inclusion Ad Hoc Committee and the Full Board)</i>		
<i>Board Strategy 3</i>	Provide Affordable and Cost-Effective Level of Services <i>(Assigned to Financial Sustainability Group)</i>		
CLIMATE CHANGE:			
<i>Board Strategy 1</i>	Address Future Impacts of Climate Change to Valley Water's Mission and Operations. <i>((Assigned to Board Policy and Planning Committee and the Full Board)</i>		
7	Review and Comment to the Board on the Fiscal Year 2021 - 2022 Proposed Groundwater Production Charges.	<ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2022 Proposed Groundwater Production Charges. (Action) 	Accomplished April 14, 2021: The Santa Clara Valley Water Commission reviewed and commented to the Board on the Fiscal Year 2022 Proposed Groundwater

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 3 of 9

**2021 Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2022

ITEM	WORK PLAN ITEM BOARD POLICY	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
			<p>Production Charges and took the following action:</p> <ul style="list-style-type: none"> • Having the Board of Directors write a letter in support of tier rates and low-income programs, • Supports keeping the Agricultural rates/SWP taxes as low as possible, • Looking at other resources such as, purification (building plants-1/2 size of dams), recycling, desalination, stormwater capture and Federal funding (President Biden's Infrastructure Bill-Lobbying for funds), and • urban planning and housing-development concerns and having Valley Water engage with local agencies <p><i>Board gave staff direction during the 5/11/2021, Board meeting on the Water Commission's recommendations.</i></p>
8	Public Trails on Valley Water Lands: Policy Criteria and Guidance.	<ul style="list-style-type: none"> • Discuss Public Trails on Valley Water Lands: Policy Criteria and Guidance (Information) 	<p>Accomplished April 14, 2021: The Santa Clara Valley Water Commission passed on this agenda item because of time constraints.</p>
9	Water Shortage Emergency Condition and Call for Conservation.	<ul style="list-style-type: none"> • Receive information on Water Shortage Emergency Condition and Call for Conservation. (Action) 	<p>Accomplished July 28, 2021 The Santa Clara Valley Water Commission took the following actions: Action #1 (Recommendation): The Santa Clara Valley Water Commission recommended that the Valley Water Board of Directors write letters to the State, MTC and ABAG regarding the Water Commission's concerns of the limited water resources, the</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1

Page 4 of 9

**2021 Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2022

ITEM	WORK PLAN ITEM BOARD POLICY	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
			<p>length of the construction of Anderson Dam, that the requirement of the current RHNA numbers be revisited so that there is more data at which time the balancing housing growth to sustainable water demand and supply and housing development will be within a scope that is feasible given available water supply over the planning time-period. <i>{the Water Commission would like to receive the BAWSCA letter regarding ABAG, Ms. Glenna Brambill will follow up on this request}</i></p> <p><u>Action #2 (Recommendation):</u> The Santa Clara Valley Water Commission recommended that the Board of Directors take up the issue of increasing the production and use of recycled water with defined goals and benchmarks.</p> <p><i>Board gave staff direction during the 8/24/2021, Board meeting on the Water Commission's recommendations.</i></p>
10	<p>Update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts.</p>	<ul style="list-style-type: none"> Receive Update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts. (Action) 	<p><u>Accomplished October 27, 2021</u> The Santa Clara Valley Water Commission received update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts and took no action.</p>
11	<p>Review FY2022 Board Work Plan.</p>	<ul style="list-style-type: none"> Review FY2022 Board Work Plan. (Information) 	<p><u>Accomplished October 27, 2021</u> The Santa Clara Valley Water Commission reviewed the FY2022 Board Work Plan and took no action.</p>

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Attachment 1

Page 5 of 9

2021 Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2022

ITEM	WORK PLAN ITEM BOARD POLICY	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
INTEGRATED WATER RESOURCES MANAGEMENT	Strategy #1 Protect and maintain existing assets and infrastructure and advance new infrastructure projects.	<ul style="list-style-type: none"> • Be strategic in managing existing flood protection assets consistent with the Safe Clean Water Program. • Advance new infrastructure projects identified in the Asset Management Plan and Operations & Maintenance Plan. • Increase engagement with cities on flood plain management, Community Rating System (CRS) program, and emergency action plans. 	Board Policy and Planning Committee (BPPC)
	Strategy #2 Pursue opportunities to improve internal capacity to acquire regulatory permits.	<ul style="list-style-type: none"> • Continue to provide for agency-wide regulatory planning and permitting effort and pursue other efforts at the state and federal level to expedite permit review. • Continue to foster better relationships with regulatory agencies and open dialogue with environmental, environmental justice and other stakeholders. • Implement memorandum of understanding (MOU) with Regional Water Quality Control Board. 	BPPC
	Strategy #3 Engage and educate the community, elected officials and staff on our management of water resources in Santa Clara County	<ul style="list-style-type: none"> • Continue to apply strategies for effective outreach, engagement, and education. • Continue to develop and refine metrics to understand and improve the return on investment (ROI) of outreach strategies. • Continue increasing efforts to educate the public about the mix of different types of water in Valley Water's portfolio, as well as our flood protection and environmental stewardship efforts. • Engage directly with local government jurisdictions through joint meetings. 	Board of Directors

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Attachment 1
Page 6 of 9

2021 Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2022

GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
WATER SUPPLY	Strategy #1 Actively Pursue New Water Supply and Storage Opportunities.	<ul style="list-style-type: none"> • Explore opportunities to develop new surface and groundwater storage projects that align with Valley Water's mission. • Determine level of participation for projects and decisions about partnerships in accordance with the Water Supply Master Plan and water affordability. • Make decisions on the Pacheco Reservoir Expansion Project following review of the project's Environmental Impact Report (EIR). 	Water Storage Exploratory Committee (WSEC)
	Strategy #2 Actively Participate in decisions regarding the CA Delta Conveyance.	<ul style="list-style-type: none"> • As a voice for Northern California, continue to engage and negotiate, through serving on the Delta Conveyance Design and Construction Authority and Finance Authority and Stakeholder Engagement Committee in adherence to Board approved Guiding Principles, to protect Santa Clara County's interests. 	Board of Directors
	Strategy #3 Lead Recycled and Purified Water Efforts with committed partners.	<ul style="list-style-type: none"> • Advance the Expedited Purified Water Program by releasing a Request for Proposal (RFP) for at least one Locally Sponsored Project. • Implement the Countywide Water Reuse Master Plan. • Continue to monitor Direct Potable Reuse (DPR) guidance and implement actions as needed. • Finalize negotiations on term sheet for South County recycled water and agreement on governance. 	Recycled Water Committee (RWC)
	Strategy #4 Advance Anderson Dam Seismic Retrofit Project.	<ul style="list-style-type: none"> • Continue construction on the Anderson Dam Tunnel Project (ADTP). • Continue to work with appropriate regulatory agencies to advance the ADSRP. • Release for review the Draft Environmental Report for the ADSRP. • Continue to educate and engage the public, key stakeholders, decision makers, and elected officials of the project progress and construction timeline. • Coordinate long term ADSRP operations with the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE). 	Capital Improvement Program (CIP) Stream Planning and Operations Committee (SPOC)
	Strategy #5 Promote Making Water Conservation a California Way of Life in Santa Clara County.	<ul style="list-style-type: none"> • Increase communication and education outreach to promote Valley Water's water conservation programs to customers. • Increase collaboration with retailers to promote Valley Water's water conservation programs. • Implement new water conservation programs and engagement strategies identified within the Water Conservation Strategic Plan. • Engage and support private-sector stakeholders, local, state, and federal agencies that promote water conservation. 	Water Conservation and Demand Management Committee (WCaDMC)

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Attachment 1
Page 7 of 9

2021 Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2022

GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
NATURAL FLOOD PROTECTION	Strategy #1 Plan, design and maintain flood protection projects with multiple benefits, including protecting ecosystem functions and enhancing habitat.	<ul style="list-style-type: none"> Continue to advance Shoreline EIA 11 levee construction. Finalize the One Water Coyote Creek Watershed plan and make significant progress on the Guadalupe and Pajaro watershed plans. Use a holistic approach to maintaining streams for flow conveyance and habitat enhancement. Complete construction of Phase I of the Upper Llagas Flood Protection Project, a multi-benefit project providing flood protection while restoring habitat and benefiting the environmental ecosystem. 	CIP BPPC
	Strategy #2 Provide flood protection equitably in all regions of the County, prioritizing disadvantaged communities.	<ul style="list-style-type: none"> Advance One Water Countywide Framework in a comprehensive manner that includes diverse community-wide stakeholders and the incorporation of environmental justice policies in all planning efforts. Continue progress on flood protection capital projects consistent with Valley Water's commitment to the Safe, Clean Water Program and equitably in all regions. 	CIP BPPC

GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
ENVIRONMENTAL STEWARDSHIP	Strategy #1 Attain net positive impact on the environment when implementing flood protection and water supply projects.	<ul style="list-style-type: none"> As part of the One Water Countywide Framework planning process, continue to develop an integrated water resource plan for each watershed, including appropriate metrics to monitor Valley Water's impacts on and benefit to the environment. Ensure that stewardship efforts are integrated and not focused primarily on mitigation. 	BPPC
	Strategy #2 Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation.	<ul style="list-style-type: none"> Continue efforts to protect the ecosystem and water quality of our water bodies and the integrity of our infrastructure. Such efforts include preventing stormwater pollution, increased implementation of green stormwater infrastructure, addressing mercury pollution, and homeless encampment clean ups. Continue partnerships and investments on a regional scale such as the South Bay Salt Pond Restoration and Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP). 	Homeless Encampment Committee (HEC) SPOC
	Strategy #3 Continue the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE).	<ul style="list-style-type: none"> Continue implementation of feasibility studies, monitoring activities, and planning and construction of various fish passage improvements. Advance the Guadalupe River and Stevens Creek Environmental Impact Report (EIR) consistent with all stakeholder agreements. Develop a programmatic approach to implementing FAHCE settlement. Advance Adaptive Management Plan to encompass all three creeks. 	SPOC

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Attachment 1
Page 8 of 9

2021 Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2022

GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
BUSINESS MANAGEMENT	Strategy #1 Advance racial equity, diversity, and inclusion.	<ul style="list-style-type: none"> Begin implementation of best practices to address internal and external disparities and build an organizational culture consistent with the Board's Resolution addressing racial equity, diversity, and inclusion. Remain committed to environmental justice and the fair treatment and meaningful engagement of all people regardless of race, color, gender identity, disability status, national origin, tribe, culture, income, immigration status, or English language proficiency, with respect to the planning, projects, policies, services, and operations of Valley Water. 	Diversity and Inclusion Ad Hoc Committee (D&I)
	Strategy #2 Maintain appropriate staffing levels and expertise and ensure the safety of our staff.	<ul style="list-style-type: none"> Develop and finalize a long-term staffing strategy that aligns with future capital and operational needs. Develop classification career ladders to provide understanding of requirements for professional growth. Advance the development of a skilled trades apprenticeship program. Maximize the safety of staff working in creeks, homeless encampments and Valley Water facilities and continue to promote health & safety guidance to protect staff from public health emergencies and environmental impacts. 	D&I
	Strategy #3 Provide affordable and cost-effective level of services.	<ul style="list-style-type: none"> Continue to establish benchmarking with other agencies, particularly water agencies, in order to understand areas for improvement. Research and identify best practices from other agencies around water affordability, particularly with disadvantaged communities. Establish Valley Water as a statewide leader in conversations around water affordability. 	Financial Sustainability Working Group (FSWG) Board Audit Committee (BAC)
GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
CLIMATE CHANGE	Strategy #1 Address future impacts of climate change to Valley Water's mission and operations.	Begin implementation of Climate Change Action Plan.	BPPC

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Attachment 1
Page 9 of 9

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Santa Clara Valley Water District

File No.: 22-0146

Agenda Date: 1/26/2022

Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts.

RECOMMENDATION:

Receive an update on Valley Water's drought emergency response, progress towards meeting the Board's call for water use reduction in response to the water shortage emergency condition, and water conservation efforts.

SUMMARY:

On June 9, 2021, the Valley Water Board of Directors declared a water shortage emergency condition pursuant to California Water Code §350, called for water use reduction of 15% compared to 2019, and urged the County of Santa Clara to proclaim a local emergency. The County adopted a Resolution ratifying the proclamation of a local emergency due to the drought on June 22, 2021.

Despite rains received since October 2021, Santa Clara County remains in drought. U.S. Drought Monitor data from January 4, 2021 indicates that the majority of the County is in severe drought, and the northeastern portion of the County is in extreme drought. The northern Sierra Nevada snowpack, a primary source of imported water, has shown improvement and as of January 12, 2022, it was above normal for this date.

Reflecting critically dry conditions across the state, the Central Valley Project and State Water Project drastically reduced imported water allocations in 2021, which typically comprise half of Valley Water's annual water supply. An additional Central Valley Project Municipal and Industrial Public Health and Safety increment of 28,500 acre-feet (AF) was delivered by December 2021. In 2021, Valley Water secured agreements for about 58,000 AF of emergency transfer supplies (not considering conveyance losses) and recovered approximately 35,000 AF from its Semitropic Groundwater Bank.

On December 1, 2021, the California Department of Water Resources (DWR) issued a Notice to State Water Project Contractors stating that the initial 2022 State Water Project allocation will be based on unmet minimum human health and safety needs. Valley Water submitted a request for human health and safety water in December 2021 and is currently working with DWR to confirm the specific quantity allocated. Valley Water has also begun negotiating additional purchases of emergency transfer water in 2022 if conditions continue to be dry.

While seasonal recovery has begun to stabilize or increase groundwater levels in many areas of the county, groundwater levels continue to decline due to the drought in some areas. Emergency

imported water supplies and water use reduction by the community have begun to help slow groundwater level declines. However, if dry conditions continue and the Board's water use reduction target is not met consistently, projected 2022 groundwater storage is similar to what was observed in 2014. This would increase the risk in 2022 of resumed subsidence in North County and wells going dry, particularly in South County. In South County, groundwater is the only drinking water supply.

Consequently, water conservation is an important strategy to help alleviate these negative impacts.

Water Conservation Outreach

Valley Water provides multi-language radio, TV, digital and social media ads to increase conservation and expand our county's use of purified water. Media continues to be interested in the drought and recent storms. Valley Water Board members and staff are highlighting to the media the importance of continuing to conserve water despite substantial rainfall from recent storms.

Valley Water is promoting its Purified Water & Conservation campaign through television segments and advertisements. Valley Water is also providing purified water advertisements in movie theaters in partnership with the City of Sunnyvale. On social media, Valley Water continues to provide drought and conservation messaging. Efforts included a series of posts to remind people to turn off their outdoor irrigation before, during and after storms, and an animation with outdoor watering tips. Valley Water also shared a social media graphic to share the news that Santa Clara County reached its conservation goal of 15% reduction in water use in October and November. This post saw the highest engagement of all posts in December without additional monetary boosting. Valley Water continues to share water conservation tips, tools, rebates, and programs on our social media pages, including the Sustainable Landscape Guide.

A Summer 2021 Conservation Campaign Report was completed for the media and outreach campaign to quantify impressions, the number of times content is displayed. The report states that the campaign resulted in over 46 million impressions, indicating a successful campaign.

Valley Water provides Speakers Bureau Program presentations focused on the drought, water conservation, and water supply. Valley Water's Education Outreach team teaches about drought and conservation to classrooms, and reached nearly 3,000 students since the Valley Water's water use reduction call in June 2021. Additionally, staff work with the Valley Water Youth Commission to promote the importance of water conservation to Santa Clara County youth, and recently developed a "Youth Drought Messaging Toolkit" for this purpose.

Water Conservation Programs

Valley Water has received a significant increase in applications for our landscape rebates, requests for water-saving devices, and reports of water waste in 2021. In 2021, Valley Water received 2,670 applications for the Landscape Rebate Program, 5,512 orders for water-efficient devices from our website, and 1,340 water waste reports. These are signs that people are taking this drought seriously and are taking actions to support water use reduction.

Countywide Water Use Reduction

Valley Water is engaging with retailers and cities to encourage drought response actions. As of January 13, 2022, the County of Santa Clara and 13 cities in Santa Clara County have taken action to their Councils in response to the extreme drought conditions and to Valley Water's call to reduce water use by 15% compared to 2019 levels. Cities that have not yet taken formal Council action still recognize the current drought conditions and have provided information on Valley Water's water conservation rebates and programs on their websites to encourage water use reduction.

After months of progress, Santa Clara County met Valley Water's call to reduce water use by 15% compared to 2019. Valley Water's retailers used 20% less water in November 2021 compared to November 2019. The call was first achieved in October 2021. Rain received in October and November may have helped in achieving the call. Rain often results in a decrease in outdoor water use. Though consistently maintaining a 15% reduction in water use each month is challenging, Valley Water continues outreach to encourage residents, businesses, farms, and others to continue to save water and achieve a 15% cumulative savings in 2022.

Model Water Efficient New Development Ordinance

Valley Water has continued to conduct outreach to the municipalities for their consideration and adoption of the Model Water Efficient New Development Ordinance (MWENDO), which would ensure new developments meet strong water efficiency standards. Since Valley Water's Drought Summit in October 2021, Valley Water has followed up with all jurisdictions that have expressed interest in MWENDO. Jurisdictions may consider including water-efficiency measures as part the upcoming triennial building code update.

ATTACHMENTS:

Attachment 1: Drought Emergency Response Update PowerPoint

UNCLASSIFIED MANAGER:

Donald Rocha, 408-630-2338



Drought emergency response and water conservation updates

Santa Clara Valley Water Commission

January 26, 2022

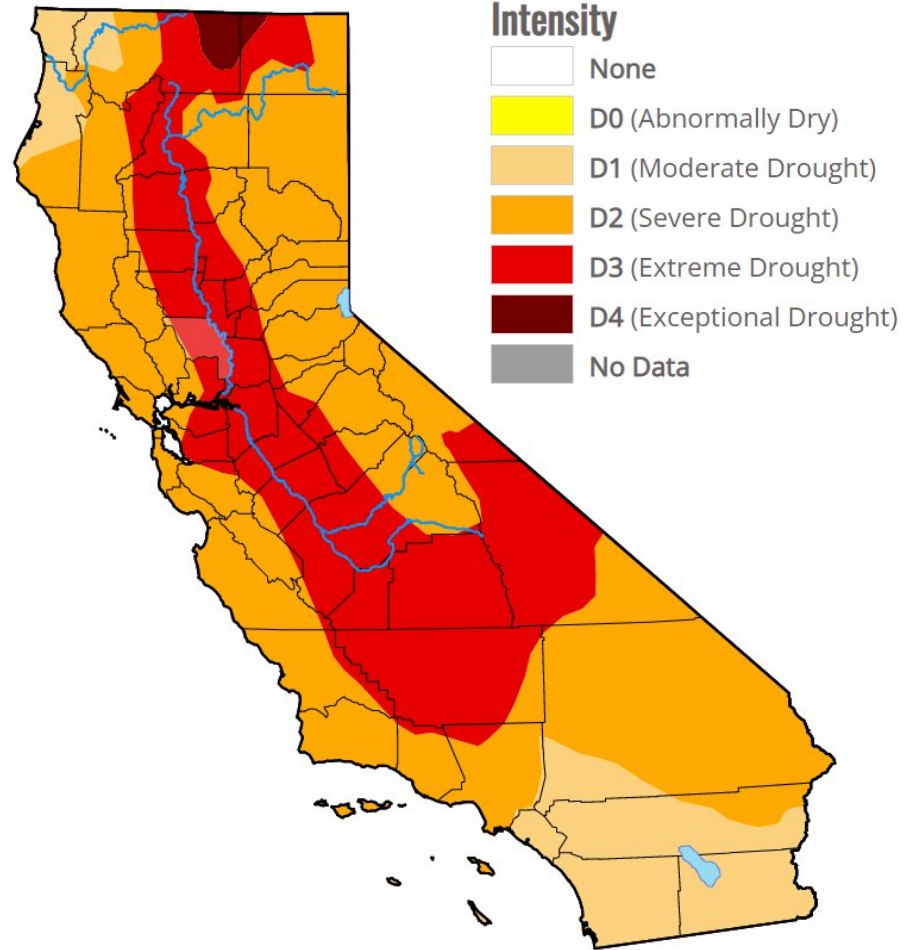
Presenter: Neeta Bijoor, Ph.D.



Drought Status

- Severe/Extreme drought
- Local reservoirs levels increased slightly
- State snowpack improved

Data sources: U.S. Drought Monitor, California DWR

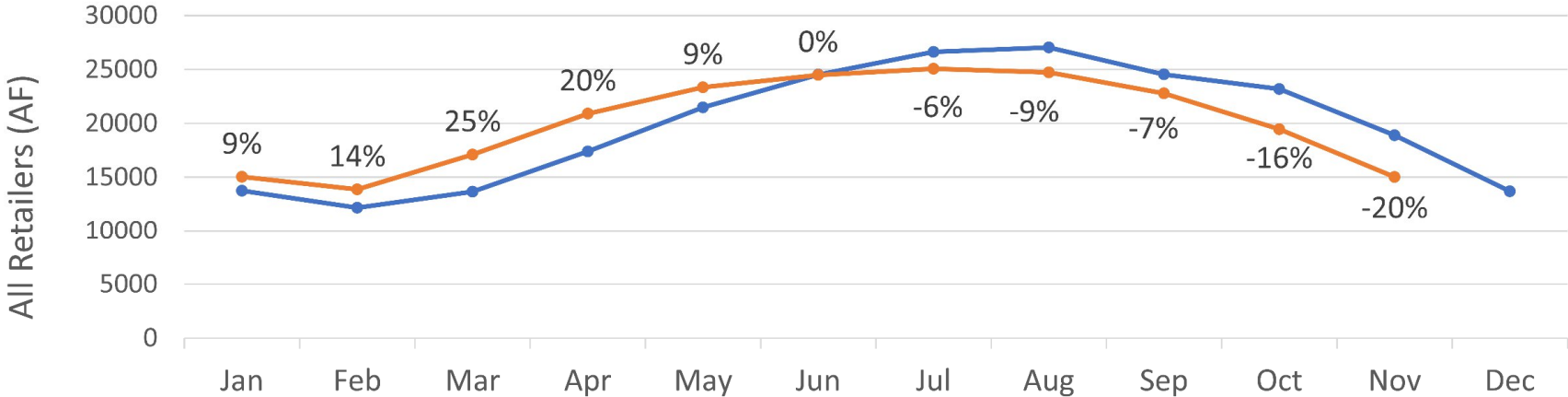


Valley Water's water savings call was achieved in November

3

— 2019 — 2021

The percent increase (+) or percent decrease (-) in water use from 2019 to 2021 is shown for each month.



valleywater.org



Collaboration

- Council action or administrative measures by County of Santa Clara and 13 cities
- Partnership with the County of Santa Clara and Office of Sustainability

Model Water Efficient New Development Ordinance

5

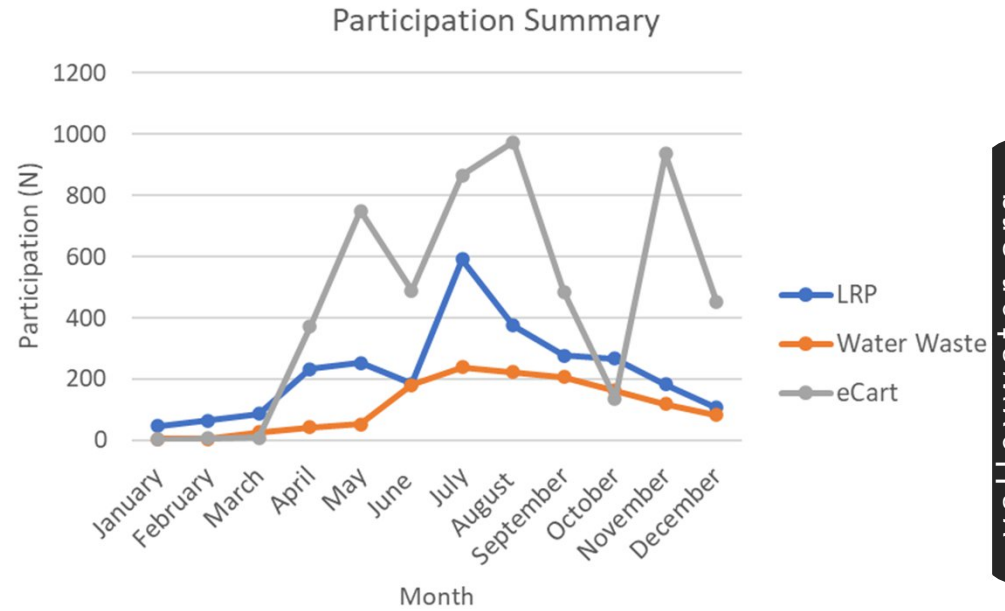
- Valley Water continues to work with jurisdictions to encourage adoption
- Jurisdictions may include measures as part of an upcoming triennial building code update

Water Conservation

Increased program participation

- Landscape Rebate Program
- eCart
- Water Waste Reports

Outreach to agriculture



Drought and Conservation Public Outreach

Media campaign and outreach

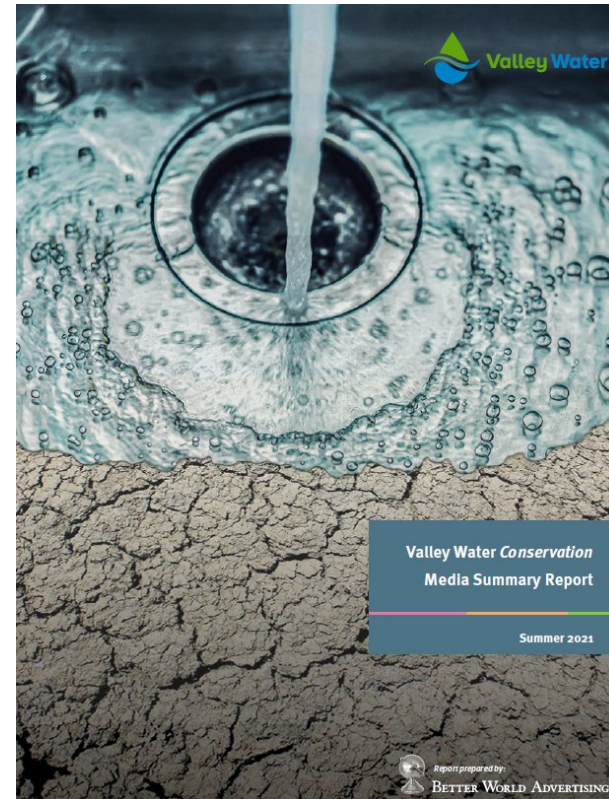
Summer 2021 Conservation Campaign Report

- 46,173,113 Impressions

Speakers Bureau outreach

Youth Commission

Education



Purified Water Campaign

- Retailer Partnership
- TV Commercials
(<https://beheard.valleywater.org/drought-information>)
- NBC and Telemundo Segments
(https://beheard.valleywater.org/purifiedwaterproject/news_feed/what-is-purified-water)
- Influencer Campaign



Purified Water Advertisement



valleywater.org



2022 Imported Water Supplies

- State reservoir storage levels below normal
- State Water Project – based on human health and safety
- Central Valley Project – allocation late February
- Semitropic banking recovery – at least 31.5 TAF in 2022 if dry
- Emergency transfers - as needed

Groundwater

11

Conditions

- Seasonal recovery of groundwater levels
- Emergency transfers, water use reduction helped slow groundwater level declines
- Continued risk of subsidence, wells going dry in 2022 if dry conditions continue and conservation target not met

Managed Recharge

- Increased recharge since August 2021
- Recharge was below average in 2021

QUESTIONS





Santa Clara Valley Water District

File No.: 22-0147

Agenda Date: 1/26/2022

Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Discuss Preliminary Fiscal Year 2022-23 Preliminary Groundwater Production Charge Analysis; Invite Board Feedback and Comment.

RECOMMENDATION:

Discuss staff's preliminary Fiscal Year 2022-23 Groundwater Production Charge analysis; Board to comment or provide direction to staff as desired, including, for example, regarding minimizing near-term rate impacts or future water use projections.

SUMMARY:

Summary of Preliminary Groundwater Production Charge Analysis:

Staff has prepared the preliminary FY 2022-23 groundwater production charge analysis, which includes several scenarios for Board review. Staff is seeking Board input on the preliminary analysis to incorporate into the development of the groundwater production charge recommendation.

The groundwater production charge reflects the benefit of District activities to protect and augment groundwater supplies and is applied to water extracted from the groundwater basin in Zones W-2, W-5, W-7, and W-8. Zone W-2 encompasses the Santa Clara groundwater subbasin north of Metcalf Road or the North County. Zone W-5 overlays the Llagas subbasin from northern Morgan Hill south to the Pajaro River. Zone W-7 overlays the Coyote Valley south of Metcalf Road to northern Morgan Hill, and W-8 encompasses the area below Uvas and Chesbro Reservoirs.

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 25, 2022. The public hearing on groundwater production charges is scheduled to open on April 12, 2022. It is anticipated that the Board would adopt the FY 2022-23 groundwater production charges by May 10, 2022, that would become effective on July 1, 2022.

The FY 2022-23 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 Usage Trend

District managed water use for the fiscal year ended last June 30, 2021 (FY 2020-21) is estimated to

be approximately 246,500 acre-feet (AF), roughly 16,000 AF higher than was budgeted due to a dry winter and dry spring. For current FY 2021-22, due to drought conditions and the Board's call for 15% mandatory conservation compared to 2019, if drought conditions continue and conservation goals are achieved, there could be about a reduction of approximately 32,000 AF in water usage versus the budgeted amount of 232,000 AF. This could translate to *upwards of \$50 million in reduced revenue this fiscal year*. Water use projections for FY 2022-23 and beyond have been adjusted due to the current drought and mandatory calls for conservation. Based on trends from the last drought (2014-2017) returning to "normal" water use is projected by FY 2025-26.

Staff are carefully monitoring monthly water use actuals and working closely with the water retailers during the drought and will continue to do so during the upcoming rate setting process, modifying the water usage forecast as necessary.

Groundwater Production Charge Projection Scenarios

Staff has prepared a preliminary baseline groundwater production charge projection scenario for Board review, with additional scenarios based on various levels of conservation and projected water use. The ongoing drought has significantly impacted near-term rate projections.

For the baseline scenario, the increase in the North County Zone W-2 Municipal and Industrial (M&I) groundwater production charge is 15.0% for FY 2022-23. In the South County, for FY2022-23 baseline scenario, increases in the M&I groundwater production charge projections are 5.2% for Zone W-5; 10.3% for Zone W-7; and 8.0% for Zone W-8.

The overall impact of the preliminary analysis baseline scenario for FY 2022-23 to the average household would be an estimated increase of \$7.75 per month in North County, \$0.86 per month in South County Zone W-5, \$1.86 per month in South County in Zone W-7, and \$0.93 per month in South County in Zone W-8.

Staff proposes to set the Contract Treated Water Surcharge at \$115/AF to be maintain alignment with the cost that retailers would incur to pump water from their wells. Based on information gathered from retailers, staff believes that setting the Contract Treated Water Surcharge at \$115/AF would be close to the point of neutrality where a retailer would be indifferent in the short term as to whether to pump water from the ground or take treated water.

Staff has prepared the following scenarios for Board consideration:

Scenario 1) Baseline with Return to Prior Projection Water Use by FY26:

This scenario includes the following projects and assumptions:

- Agricultural rates remain set at 10% of lowest M&I rate
- Conservation: 15% achieved by FY 2022-23, returning to prior projections of around 236kAF by FY 2025-26
- Anderson Reservoir leveraging WIFIA loans (up to 49% of total project cost (TPC))
- Pacheco Reservoir Expansion Project (PREP) with \$496 Proposition 1 grants, WIFIA loans (up to 49% of TPC) and Partnership Participation at 35% of TPC

- Purified Water Expansion operational by FY28, assumes 100% debt financed by P3 entity
- Los Vaqueros (Transfer Bethany Pipeline)
- Delta Conveyance SWP portion at 3.23%
- Master Plan Project Placeholder - Assumes \$369M in anticipated costs from FY 2022-23 to FY 2031-32 for new pipelines, pipeline rehabilitations, treatment plant upgrades and SCADA implementation projects.
- New, additional emergency water supply purchases in FY 2022-23, FY 2023-24, and FY 2024-25 (\$67.7M total)
- Transfer \$39M near-term surplus funds from PREP to rate stabilization reserve in FY 2021-22; future PREP cost projection has been adjusted such that TPC is unchanged
- Leverage existing Drought Contingency, Supplemental Water and Rate Stabilization Reserves (\$25M plus \$39M PREP for a total of \$64M used in FY 2022-23 and FY 2023-24)

Scenario 2) Baseline with Return to Prior Projection Water Use by FY32:

Includes the same projects and assumptions as Scenario 1 except water use projections have a slower rebound, returning to prior projections of around 236kAF by FY 2031-32.

Scenario 3) Baseline with 10% and No Return to Prior Projection Water Use:

Includes the same projects and assumptions as Scenario 1 except 10% conservation is achieved (around 201kAF projected water use in FY 2022-23), with future water use projections having minimal rebound, growing to 211kAF by FY 2031-32.

Scenario 4) Baseline with 15% and No Return to Prior Projection Water Use:

Includes the same projects and assumptions as Scenario 1 except 15% conservation is achieved (around 190kAF projected water use in FY 2022-23), with future water use projections having minimal rebound, growing to 199kAF by FY 2031-32.

Scenario 5) Baseline with 20% and No Return to Prior Projection Water Use:

Includes the same projects and assumptions as Scenario 1 except 20% conservation is achieved (around 179kAF projected water use in FY 2022-23), with future water use projections having minimal rebound, growing to 187kAF by FY 2031-32.

Staff can model additional scenarios for the Board as needed.

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, Valley Water, 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 an increase in the SWP Tax for FY 2022-23, setting it at \$27M. The SWP Tax for the average household in Santa Clara would increase to about \$41 per year.

A Drought Reserve was established in FY 2015-16 and was budgeted at \$10M for FY 2021-22. The purpose of this reserve is to help minimize future rate impacts and complements the Supplemental Water Supply Reserve. The preliminary groundwater production charge analysis includes full use of the reserve in FY 2022-23, with reserve levels building back up over subsequent years.

All scenarios assume Water Utility operations cost of \$265.6M in FY 2022-23 versus the FY 2021-22 adopted budget of \$247.2M.

The preliminary analysis does not include unfunded capital projects or additional unfunded operations cost needs identified by staff.

Summary of Groundwater Production Charge Analysis Issues

Staff is seeking Board direction on the following issues to be incorporated into the Report on Protection and Augmentation of Water Supplies (PAWS) scheduled to be filed with the Clerk of the Board on February 25, 2022:

- Rate Impact Minimization Strategies
- Water Use Projection Scenarios

A PowerPoint presentation will be provided at the meeting.

ATTACHMENTS:

Attachment 1: PowerPoint Presentation

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068



Valley Water

Clean Water • Healthy Environment • Flood Protection



PRELIMINARY FISCAL YEAR 2022-23

Groundwater Production Charge Analysis

Presented by
Darin Taylor, Chief Financial Officer
January 26, 2022

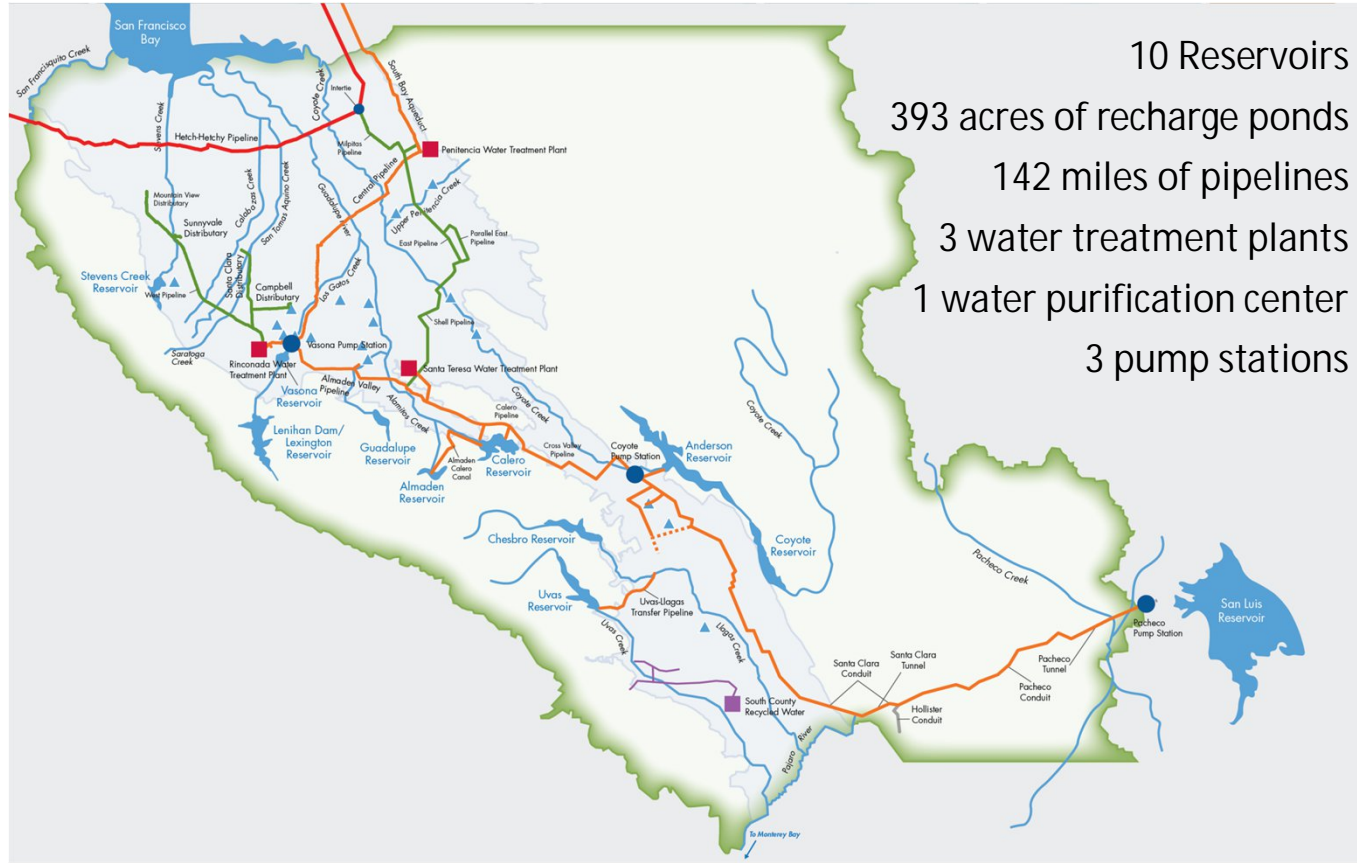
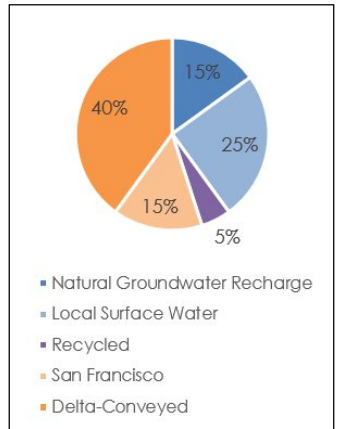


1. Background & System Infrastructure
2. Drought Impact on Preliminary Analysis
3. Water Usage
4. Water Utility Cost Projection
5. Scenario Assumptions
6. Preliminary Groundwater Charge Forecast Scenarios
7. Other Information
8. Schedule
9. Summary



A comprehensive, flexible water system

SERVING OVER 2.0 MILLION PEOPLE

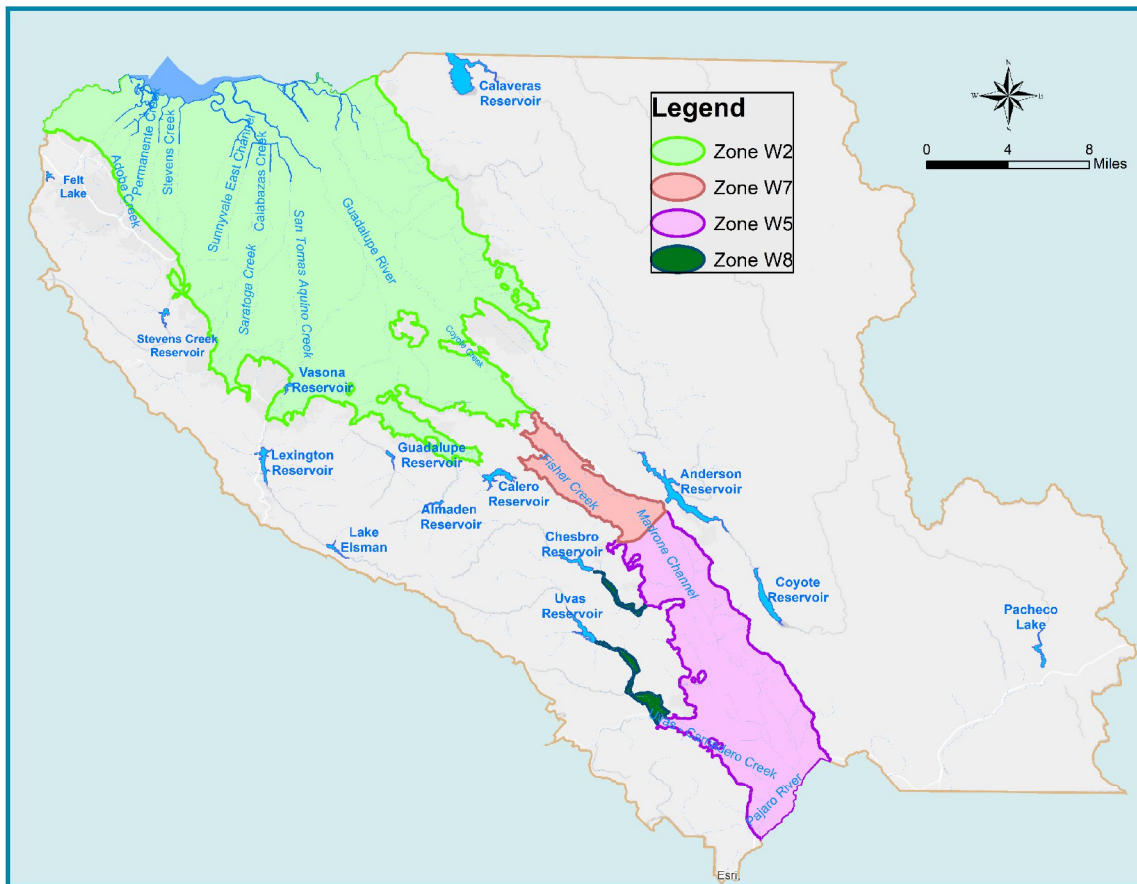


10 Reservoirs
 393 acres of recharge ponds
 142 miles of pipelines
 3 water treatment plants
 1 water purification center
 3 pump stations



Valley Water Groundwater Charge Zones of Benefit

SERVING OVER 2.0 MILLION PEOPLE



Board Pricing Policy Summary

- Groundwater charges are levied within a zone for benefits received
 - Modified zones shown became effective on 7/1/2020
- All water sources and water facilities contribute to common benefit within a zone regardless of cost, known as “pooling” concept
 - Helps maximize effective use of available resources
- Agricultural water charge shall not exceed 10% of M&I water charge



Infrastructure

DRIVES DIFFERENT GROUNDWATER PRODUCTION CHARGES IN EACH ZONE

North County

- 3 water treatment plants
- Reservoirs –
 - Almaden
 - Calero
 - Guadalupe
 - Lexington
 - Stevens Creek
 - Vasona
- Silicon Valley Advanced Water Purification Center
- Imported Water – State Water Project

Shared

- Reservoirs –
 - Anderson
 - Coyote
 - Pacheco
- Imported Water –
 - Central Valley Project
- Shared facilities do not benefit Zone W-8

South County

- Reservoirs –
 - Chesbro
 - Uvas
 - Does not benefit Zone W-7
- SCRWA Recycled Water System
 - Benefits Zone W-5 only



Drought has significant impact on preliminary analysis

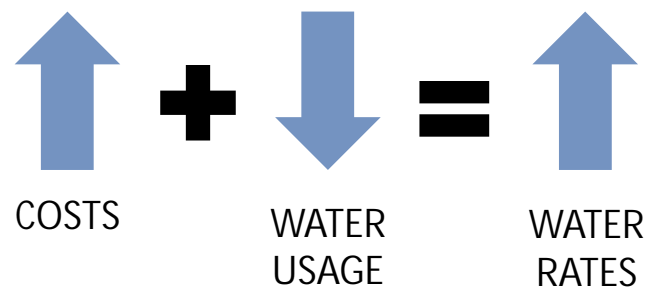
DROUGHT IMPACT PUTS PRESSURE ON WATER RATES:

Drought Emergency Cost increases

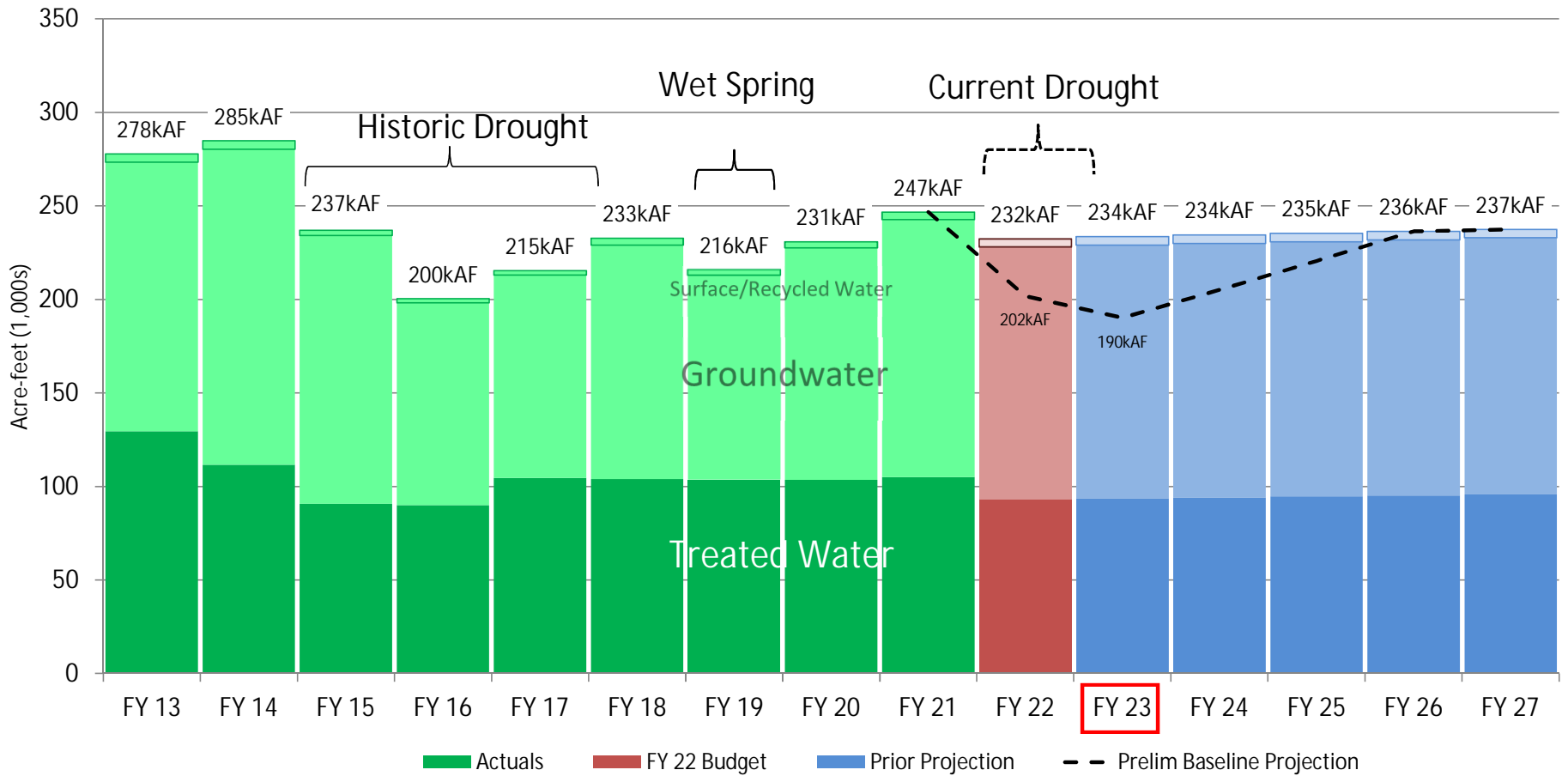
- Emergency Water Purchases projected to be \$67.7M from FY23 to FY25
- Emergency Conservation activities projected to be \$19.8M from FY23 to FY25

Water Usage down

- Mandatory 15% call for conservation compared to 2019 (achieved by FY23)
- Results in lower revenue to pay for highly fixed cost structure

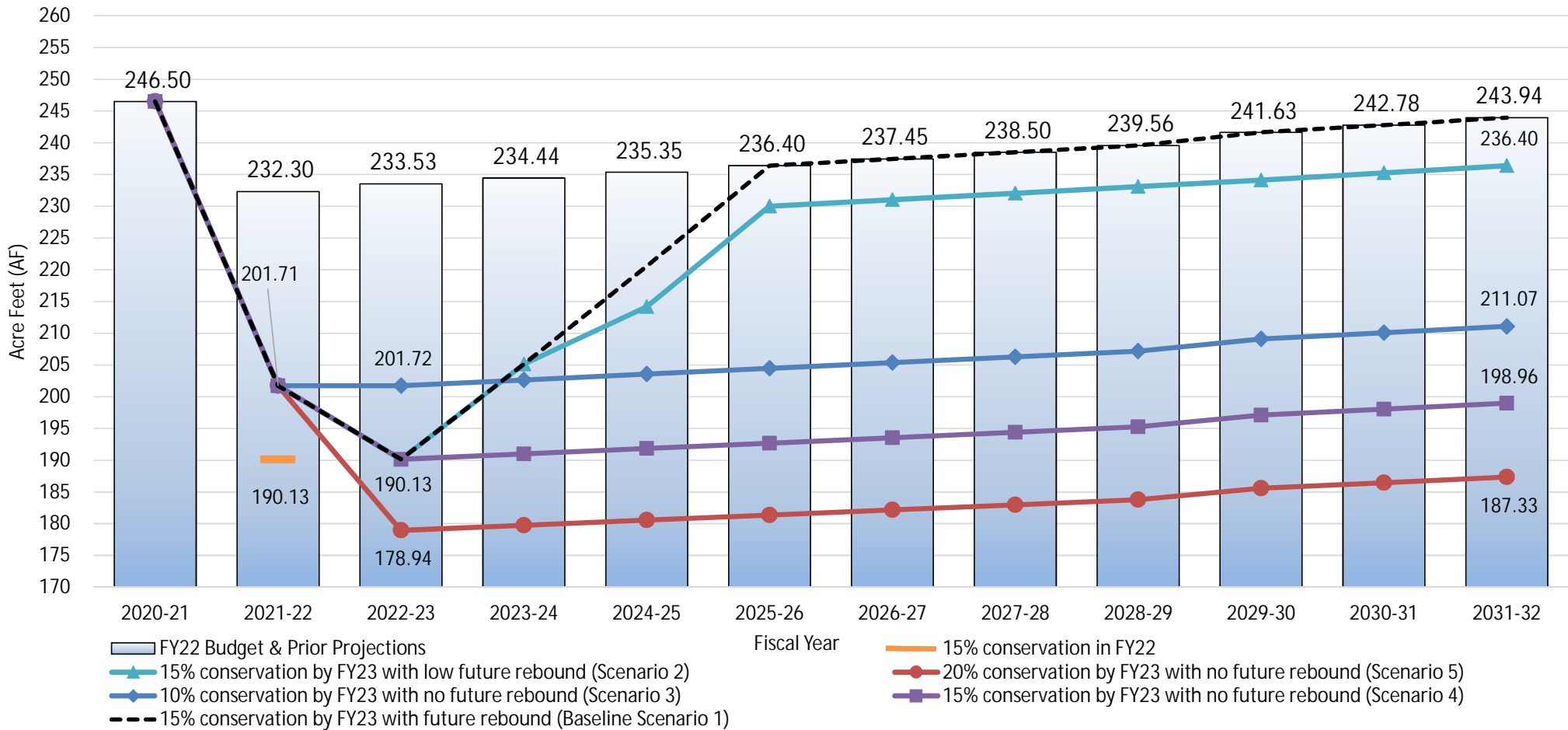


Water Usage (District Managed)

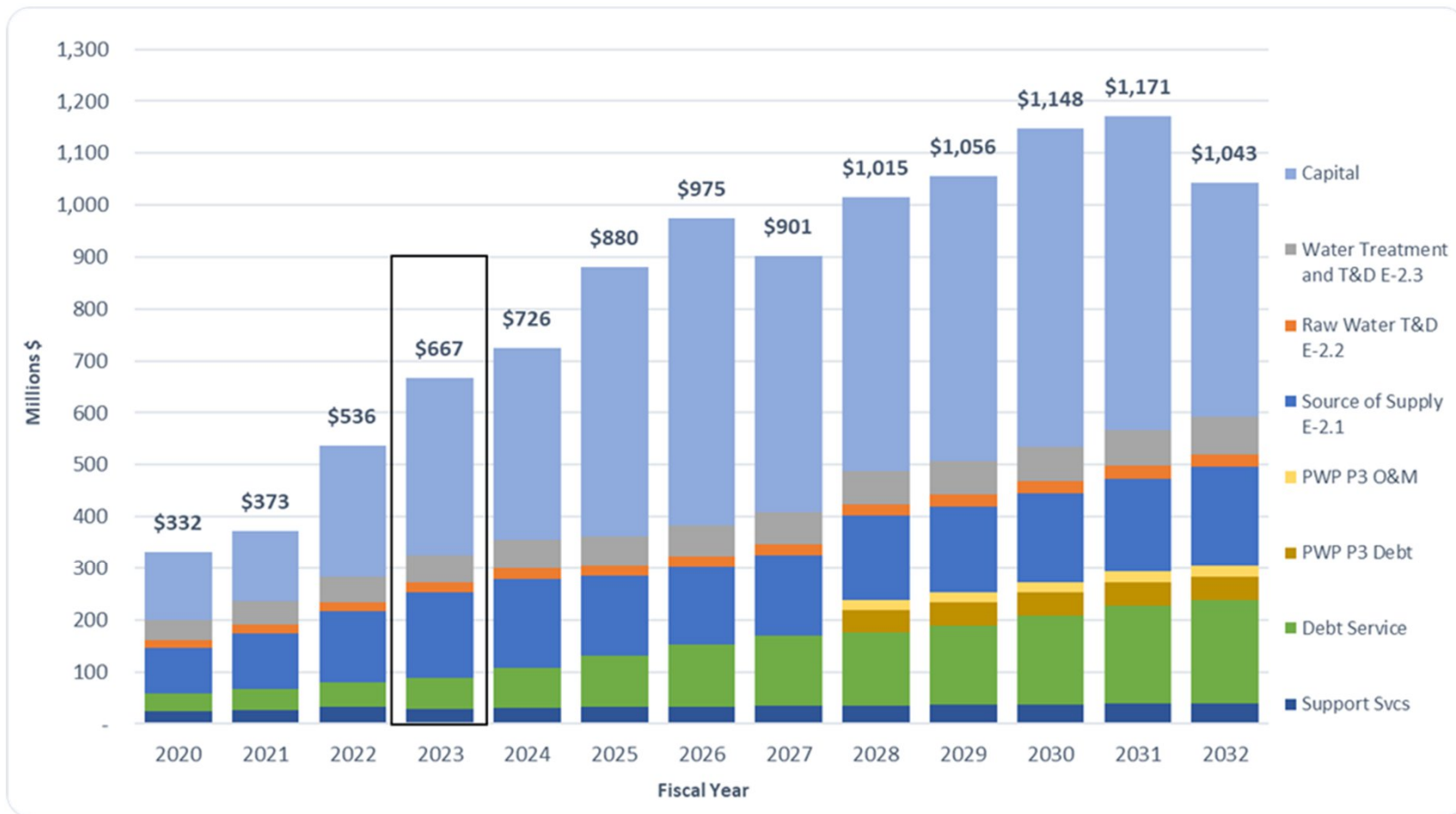


FY23 Water User Scenarios & Water Usage (District Managed)

FY2022-23 Water Use Scenarios (AF) with Various Conservation Levels & Rebounds



Preliminary Cost Projection



Infrastructure Repair and Water Supply Investments Drive Water Rates

Smart infrastructure investments needed today:

- Critical to providing safe, clean water to Santa Clara County
- Investing now is most cost-efficient way to get critical multi-year projects done

Priority infrastructure investments needed include:

- Fixing Anderson Dam
 - Address public health and safety concerns and relieve operational restrictions
- Upgrading Rinconada Water Treatment Plant
 - Extend service life of plant for next 50 years and expand plant capacity
- Building local storage with Pacheco Reservoir Expansion Project
 - Add water storage to help face extended droughts
- Expanding Purified Water Project
 - Provide incremental drought proof water supply



WATER RATE IMPACT MINIMIZATION STRATEGIES:

1. Transfer \$39M unspent funds from PREP to Rate Stabilization Reserve in FY 22; future PREP cost projection adjusted such that Total Project Cost (TPC) is unchanged
2. Leverage available reserves: draw down \$64M total in FY 23 & FY 24 (including \$39M from PREP unspent funds)
3. One-time transfer of \$25M from WSS Fund to Water Utility in FY 23



FY 23 BASELINE CASE ASSUMPTIONS:

- Baseline Projects*
- SWP Tax pays for 100% of SWP costs (excludes SWP portion of Delta Conveyance)
- Delta Conveyance SWP portion at 3.23%
- Los Vaqueros (Transfer Bethany Pipeline)
- Anderson Dam Seismic Retrofit with WIFIA loans (up to 49% of TPC)
- Purified Water Expansion via P3 with operations beginning in FY28
 - Assumes 100% debt financing through P3 entity
- Pacheco Reservoir Expansion Project (PREP) with \$496M Proposition 1 grants, WIFIA loans (up to 49% of TPC) and Partnership Participation at 35% of TPC
- Master Plan Projects Placeholder** : Assumes \$369M from FY23-FY32, mainly after 5 Year CIP

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

** Master Plan Project Placeholder includes anticipated costs for new pipelines, pipeline rehabilitations, treatment plant upgrades & SCADA implementation projects

TPC: Total Project Cost



Preliminary Groundwater Charge Increase Projection Baseline Scenario

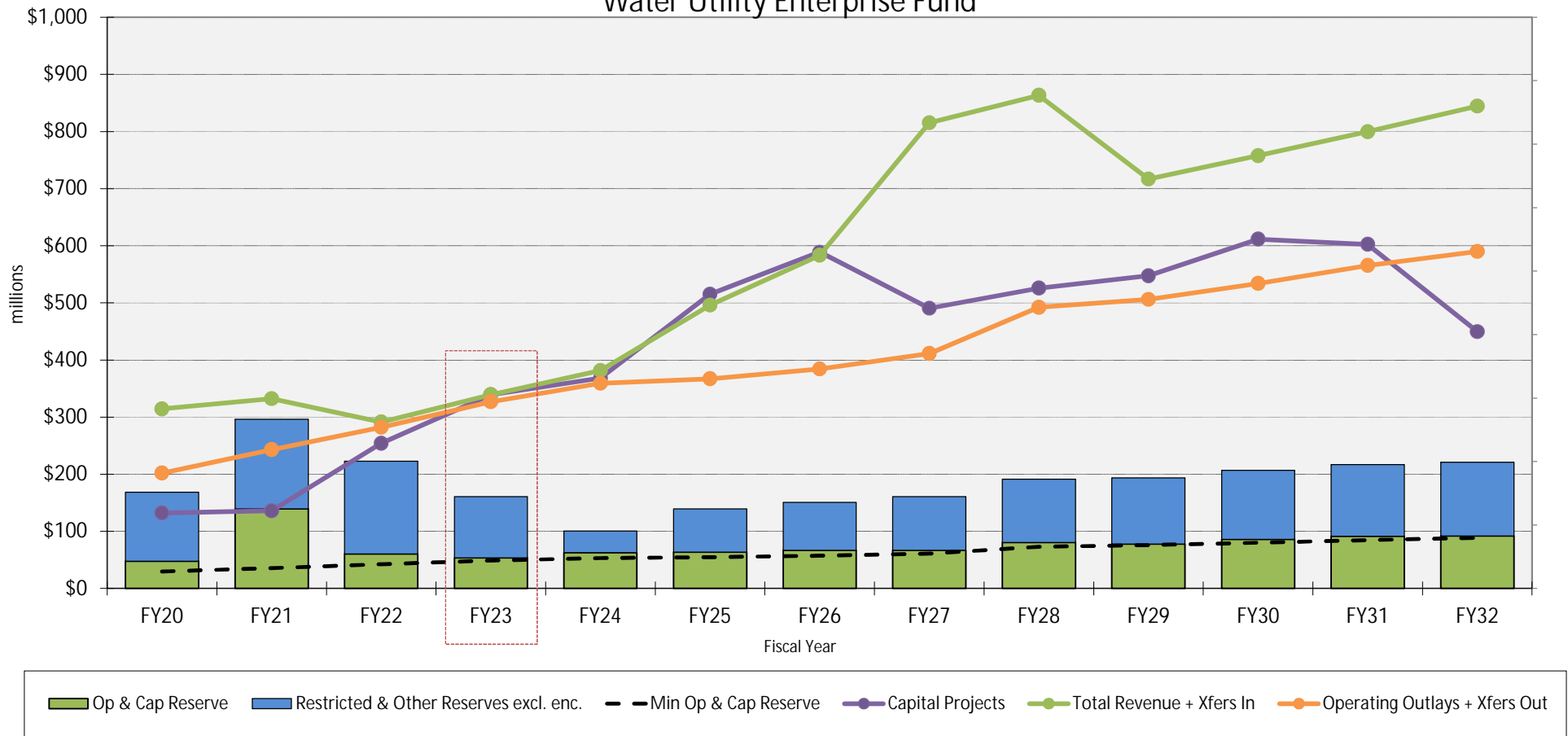
M&I Groundwater Charge Year to Year Growth %

Baseline Scenario 1	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
North County Zone W-2	15%	15%	15%	9.1%	9.1%	9.1%	9.1%	5%	5%	5%
South County Zone W-5	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%
South County Zone W-7	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%
South County Zone W-8	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%



Financial Analysis: Preliminary Financial Forecast Overview

Water Utility Enterprise Fund



Rate setting strategy for FY 2022-23 – additional scenarios

ADDITIONAL FY 23 SCENARIOS:

- Scenario 2 15% conservation achieved (around 190kAF in FY 2022-23) with Lower Future Rebound
Water use projection grows to 236kAF by FY 2031-32

- Scenario 3 10% conservation achieved (around 201kAF in FY 2022-23) and No Future Rebound
Water use projection grows to 211kAF by FY 2031-32

- Scenario 4 15% conservation achieved (around 190kAF in FY 2022-23) and No Future Rebound
Water use projection grows to 199kAF by FY 2031-32

- Scenario 5 20% conservation achieved (around 179kAF in FY 2022-23) and No Future Rebound
Water use projection grows to 187kAF by FY 2031-32

All scenarios assume annual water use growth of ~ 0.5% based on Urban Water Management Plan.
Financial modeling for Scenarios 2 – 5 includes the same projects and assumptions as Baseline Scenario 1.



Preliminary Groundwater Charge Increase Scenarios

M&I Groundwater Charge Year to Year Growth %

North County Zone W-2	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	15%	15%	15%	9.1%	9.1%	9.1%	9.1%	5%	5%	5%
Scenario #2 15% in FY23 with lower future rebound	15%	15%	15%	9.8%	9.8%	9.8%	9.8%	5.6%	5.6%	5.6%
Scenario #3 10% in FY23 and no future rebound	17%	16.3%	15.3%	13%	13%	13%	13%	5.5%	5.5%	5.5%
Scenario #4 15% in FY23 and no future rebound	21%	21%	16%	12%	12%	12%	12%	6%	6%	6%
Scenario #5 20% in FY23 and no future rebound	22.5%	22.5%	18.5%	12%	12%	12%	12%	6.2%	6.2%	6.2%



Preliminary Monthly Impact to Average Household Scenarios

M&I Groundwater Charge – Monthly impact to Average Household

North County Zone W-2	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	\$7.75	\$8.91	\$10.24	\$7.15	\$7.80	\$8.51	\$9.28	\$5.56	\$5.84	\$6.13
Scenario #2 15% in FY23 with lower future rebound	\$7.75	\$8.91	\$10.24	\$7.70	\$8.45	\$9.28	\$10.19	\$6.39	\$6.75	\$7.13
Scenario #3 10% in FY23 and no future rebound	\$8.78	\$9.85	\$10.75	\$10.53	\$11.90	\$13.45	\$15.19	\$7.26	\$7.66	\$8.09
Scenario #4 15% in FY23 and no future rebound	\$10.85	\$13.12	\$12.09	\$10.52	\$11.79	\$13.20	\$14.78	\$8.28	\$8.78	\$9.30
Scenario #5 20% in FY23 and no future rebound	\$11.61	\$14.23	\$14.33	\$11.01	\$12.34	\$13.82	\$15.47	\$8.95	\$9.51	\$10.10

Note: Does not include any increase that a retailer would layer on top



Preliminary Groundwater Charge Increase Scenarios

M&I Groundwater Charge Year to Year Growth %

South County Zone W-5	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%
Scenario #2 15% in FY23 with lower future rebound	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
Scenario #3 10% in FY23 and no future rebound	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Scenario #4 15% in FY23 and no future rebound	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
Scenario #5 20% in FY23 and no future rebound	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%



Preliminary Monthly Impact to Average Household Scenarios

M&I Groundwater Charge – Monthly impact to Average Household

South County Zone W-5	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	\$0.86	\$0.92	\$0.97	\$1.02	\$1.07	\$1.13	\$1.18	\$1.25	\$1.31	\$1.38
Scenario #2 15% in FY23 with lower future rebound	\$0.90	\$0.96	\$1.01	\$1.06	\$1.12	\$1.18	\$1.24	\$1.31	\$1.38	\$1.46
Scenario #3 10% in FY23 and no future rebound	\$1.00	\$1.07	\$1.13	\$1.20	\$1.27	\$1.35	\$1.43	\$1.52	\$1.61	\$1.70
Scenario #4 15% in FY23 and no future rebound	\$1.08	\$1.16	\$1.24	\$1.32	\$1.40	\$1.50	\$1.59	\$1.70	\$1.81	\$1.92
Scenario #5 20% in FY23 and no future rebound	\$1.26	\$1.35	\$1.46	\$1.57	\$1.68	\$1.81	\$1.94	\$2.09	\$2.25	\$2.42

Note: Does not include any increase that a retailer would layer on top



Preliminary Groundwater Charge Increase Scenarios

M&I Groundwater Charge Year to Year Growth %

South County Zone W-7	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%
Scenario #2 15% in FY23 with lower future rebound	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%	10.6%
Scenario #3 10% in FY23 and no future rebound	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%	11.7%
Scenario #4 15% in FY23 and no future rebound	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%	12.6%
Scenario #5 20% in FY23 and no future rebound	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%	14.5%



Preliminary Monthly Impact to Average Household Scenarios

M&I Groundwater Charge – Monthly Impact To Average Household

South County Zone W-7	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	\$1.86	\$2.07	\$2.28	\$2.51	\$2.77	\$3.06	\$3.37	\$3.72	\$4.10	\$4.53
Scenario #2 15% in FY23 with lower future rebound	\$1.93	\$2.13	\$2.36	\$2.61	\$2.89	\$3.19	\$3.53	\$3.91	\$4.32	\$4.78
Scenario #3 10% in FY23 and no future rebound	\$2.12	\$2.38	\$2.66	\$2.97	\$3.31	\$3.70	\$4.13	\$4.62	\$5.16	\$5.76
Scenario #4 15% in FY23 and no future rebound	\$2.29	\$2.58	\$2.91	\$3.27	\$3.69	\$4.15	\$4.67	\$5.26	\$5.93	\$6.67
Scenario #5 20% in FY23 and no future rebound	\$2.63	\$3.02	\$3.46	\$3.96	\$4.54	\$5.19	\$5.95	\$6.81	\$7.80	\$8.93

Note: Does not include any increase that a retailer would layer on top



Preliminary Groundwater Charge Increase Scenarios

M&I Groundwater Charge Year To Year Growth %

South County Zone W-8	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Scenario #2 15% in FY23 with lower future rebound	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Scenario #3 10% in FY23 and no future rebound	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%
Scenario #4 15% in FY23 and no future rebound	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%
Scenario #5 20% in FY23 and no future rebound	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%



Preliminary Monthly Impact to Average Household Scenarios

M&I Groundwater Charge – Monthly Impact To Average Household

South County Zone W-8	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Baseline Scenario #1 15% in FY23 returning to prior projection by FY26	\$0.93	\$1.02	\$1.10	\$1.18	\$1.28	\$1.38	\$1.49	\$1.61	\$1.74	\$1.88
Scenario #2 15% in FY23 with lower future rebound	\$0.93	\$1.02	\$1.10	\$1.18	\$1.28	\$1.38	\$1.49	\$1.61	\$1.74	\$1.88
Scenario #3 10% in FY23 and no future rebound	\$1.05	\$1.15	\$1.26	\$1.37	\$1.49	\$1.63	\$1.77	\$1.93	\$2.11	\$2.30
Scenario #4 15% in FY23 and no future rebound	\$1.07	\$1.17	\$1.27	\$1.39	\$1.52	\$1.65	\$1.80	\$1.97	\$2.15	\$2.34
Scenario #5 20% in FY23 and no future rebound	\$1.14	\$1.26	\$1.39	\$1.52	\$1.67	\$1.84	\$2.02	\$2.21	\$2.43	\$2.67

Note: Does not include any increase that a retailer would layer on top



Other Charges, Taxes, Reserves Information

	FY 2022	FY 2023	FY 2024
<u>Other Charges</u>	<u>Budget</u>	<u>Projection</u>	<u>Projection</u>
Contract TW Surcharge (\$/AF)	\$115.00	\$115.00	\$115.00
Non-contract TW Surcharge (\$/AF)	\$200.00	\$200.00	\$200.00
Surface Water Master Charge (\$/AF)	\$40.90	\$46.70	\$53.30
Agricultural Groundwater Charge (\$/AF)	\$34.15	\$36.85	\$39.80
<u>SWP Tax</u>			
Revenue	\$26M	\$27M	\$28M
Cost per average household	\$40/Yr	\$41/Yr	\$42/Yr
<u>Reserves</u>			
Supplemental Water Reserve	\$7.9M	\$5.3M	\$2.7M
Drought Reserve	\$10.0M	\$0M	\$0M
Rate Stabilization Reserve	\$55.5M	\$42.5M	\$7.5M
Operating and Capital Reserve	\$60.6M	\$53.7M	\$62.7M



2022 Schedule

26

Jan 3	Ag Water Advisory Committee
Jan 11	Board Meeting: Preliminary Groundwater Charge Analysis
Jan 19	Water Retailers Meeting: Preliminary Groundwater Charge Analysis
Jan 26	Water Commission Meeting: Preliminary Groundwater Charge Analysis
Feb 8	Board Meeting: Set time & place of Public Hearing
Feb 25	Mail notice of public hearing and file PAWS report
Mar 8	Board Meeting: Budget development update
Mar 16	Water Retailers Meeting: FY 23 Groundwater Charge Recommendation
Mar TBD	Landscape Committee Meeting
Apr 4	Ag Water Advisory Committee
Apr TBD	Water Commission Meeting
Apr 12	Open Public Hearing
Apr 14	Continue Public Hearing in South County
Apr 26	Conclude Public Hearing
Apr 27-28	Board Meeting: Budget work study session
May 10	Adopt budget & groundwater production and other water charges



Key Drivers for Water Rate Increases:

- Emergency water purchases to ensure water supply for Silicon Valley and preparing for ongoing drought over next 2 years
- Smart infrastructure investments needed today:
 - Investing now is most cost-efficient way to get critical multi-year projects done

Valley Water is leveraging all available tools to minimize rate impacts now

- Continue to reassess drought status & recovery for future year rate impacts

Seeking Board direction on following issues to be incorporated into Report on Protection and Augmentation of Water Supplies (PAWS) scheduled for February 25, 2022

- Rate Impact Minimization Strategies
- Water Use projection scenarios

Backup Information (Presented if Requested)



Anderson Dam Seismic Retrofit Project

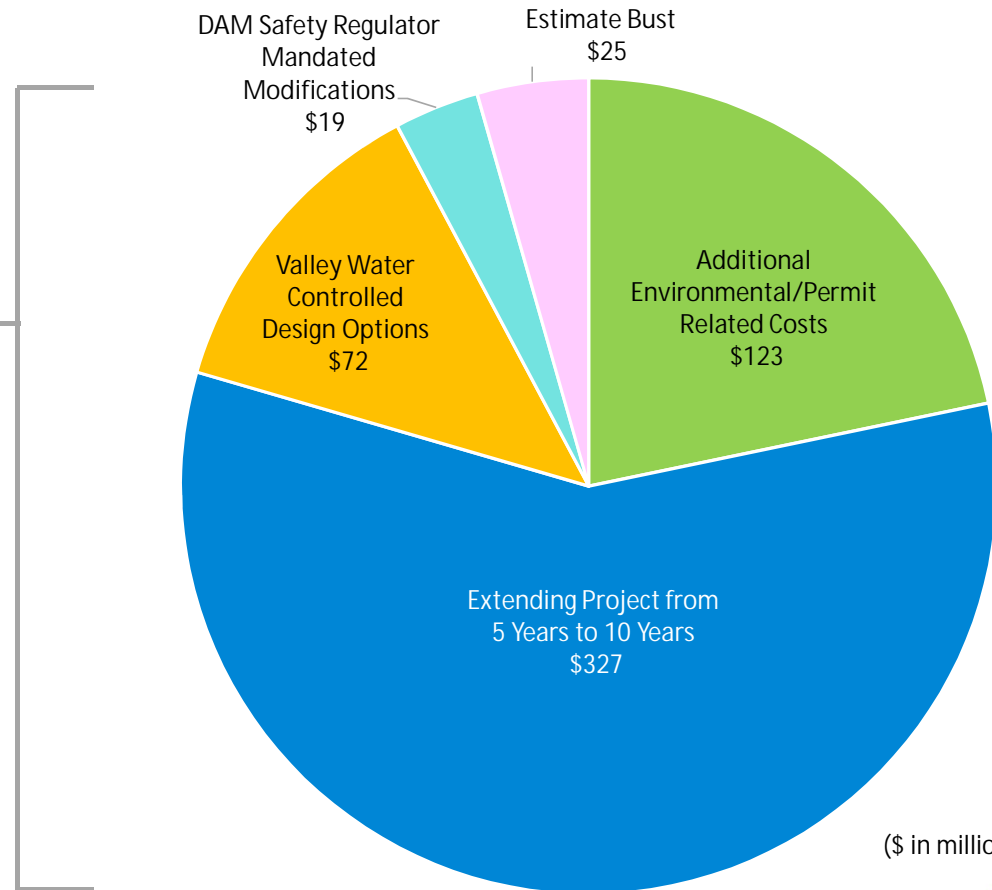
Presented by
Christopher Hakes, Deputy Operating Officer of Dam Safety & Capital Delivery



Anderson Dam Seismic Retrofit Project

COST INCREASE

- FY 21: \$576M (inflated)
 - FY 22: \$647M (inflated)
 - FY 23: \$1.236B (inflated)
- + \$660M



(\$ in millions, uninflated)





Valley Water

Clean Water • Healthy Environment • Flood Protection

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Santa Clara Valley Water District

File No.: 22-0148

Agenda Date: 1/26/2022

Item No.: 4.5.

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 2022 Work Plan

UNCLASSIFIED MANAGER:

File No.: 22-0148

Agenda Date: 1/26/2022
Item No.: 4.5.

Candice Kwok-Smith, 408-630-3193

2022 Work Plan: Santa Clara Valley Water Commission

Update: January 2022

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 2022	January 26	<ul style="list-style-type: none"> Commission Elects Chair and Vice Chair for 2022 (Action) 	
2	Annual Accomplishments Report	January 26	<ul style="list-style-type: none"> Review and approve 2020 Accomplishments Report for presentation to the Board. (Action) Submit requests to the Board, as appropriate. 	
3	Update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts.	January 26	<ul style="list-style-type: none"> Receive Update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts. (Action) 	
4	Review and Comment to the Board on the Fiscal Year 2022 - 2023 Preliminary Groundwater Production Charges.	January 26	<ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2023 Preliminary Groundwater Production Charges. (Action) Submit comments to the Board, as appropriate. 	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 1 of 6

2022 Work Plan: Santa Clara Valley Water Commission

Update: January 2022

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
5	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 26 April 13 July 27 October 26	<ul style="list-style-type: none"> Receive and review the 2022 Board-approved Committee work plan. (Action) Submit requests to the Board, as appropriate. 	
6	Standing Items Reports Fiscal Year 2022:	January 26 April 13	<ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) 	

GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
INTEGRATED WATER RESOURCES MANAGEMENT	<i>Strategy #1</i> Protect and maintain existing assets and infrastructure and advance new infrastructure projects.	<ul style="list-style-type: none"> Be strategic in managing existing flood protection assets consistent with the Safe Clean Water Program. Advance new infrastructure projects identified in the Asset Management Plan and Operations & Maintenance Plan. Increase engagement with cities on flood plain management, Community Rating System (CRS) program, and emergency action plans. 	Board Policy and Planning Committee (BPPC)
	<i>Strategy #2</i> Pursue opportunities to improve internal capacity to acquire regulatory permits.	<ul style="list-style-type: none"> Continue to provide for agency-wide regulatory planning and permitting effort and pursue other efforts at the state and federal level to expedite permit review. Continue to foster better relationships with regulatory agencies and open dialogue with environmental, environmental justice and other stakeholders. Implement memorandum of understanding (MOU) with Regional Water Quality Control Board. 	BPPC
	<i>Strategy #3</i> Engage and educate the community, elected officials and staff on our management of water resources in Santa Clara County	<ul style="list-style-type: none"> Continue to apply strategies for effective outreach, engagement, and education. Continue to develop and refine metrics to understand and improve the return on investment (ROI) of outreach strategies. Continue increasing efforts to educate the public about the mix of different types of water in Valley Water's portfolio, as well as our flood protection and environmental stewardship efforts. Engage directly with local government jurisdictions through joint meetings. 	Board of Directors

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 2 of 6

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
	GOAL		FY22 FOCUS AREAS	MONITORING COMMITTEE
WATER SUPPLY	Strategy #1 Actively Pursue New Water Supply and Storage Opportunities.		<ul style="list-style-type: none"> Explore opportunities to develop new surface and groundwater storage projects that align with Valley Water's mission. Determine level of participation for projects and decisions about partnerships in accordance with the Water Supply Master Plan and water affordability. Make decisions on the Pacheco Reservoir Expansion Project following review of the project's Environmental Impact Report (EIR). 	Water Storage Exploratory Committee (WSEC)
	Strategy #2 Actively Participate in decisions regarding the CA Delta Conveyance.		<ul style="list-style-type: none"> As a voice for Northern California, continue to engage and negotiate, through serving on the Delta Conveyance Design and Construction Authority and Finance Authority and Stakeholder Engagement Committee in adherence to Board approved Guiding Principles, to protect Santa Clara County's interests. 	Board of Directors
	Strategy #3 Lead Recycled and Purified Water Efforts with committed partners.		<ul style="list-style-type: none"> Advance the Expedited Purified Water Program by releasing a Request for Proposal (RFP) for at least one Locally Sponsored Project. Implement the Countywide Water Reuse Master Plan. Continue to monitor Direct Potable Reuse (DPR) guidance and implement actions as needed. Finalize negotiations on term sheet for South County recycled water and agreement on governance. 	Recycled Water Committee (RWC)
	Strategy #4 Advance Anderson Dam Seismic Retrofit Project.		<ul style="list-style-type: none"> Continue construction on the Anderson Dam Tunnel Project (ADTP). Continue to work with appropriate regulatory agencies to advance the ADSRP. Release for review the Draft Environmental Report for the ADSRP. Continue to educate and engage the public, key stakeholders, decision makers, and elected officials of the project progress and construction timeline. Coordinate long term ADSRP operations with the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE). 	Capital Improvement Program (CIP) Stream Planning and Operations Committee (SPOC)
	Strategy #5 Promote Making Water Conservation a California Way of Life in Santa Clara County.		<ul style="list-style-type: none"> Increase communication and education outreach to promote Valley Water's water conservation programs to customers. Increase collaboration with retailers to promote Valley Water's water conservation programs. Implement new water conservation programs and engagement strategies identified within the Water Conservation Strategic Plan. Engage and support private-sector stakeholders, local, state, and federal agencies that promote water conservation. 	Water Conservation and Demand Management Committee (WCaDMC)

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
	GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
NATURAL FLOOD PROTECTION	Strategy #1 Plan, design and maintain flood protection projects with multiple benefits, including protecting ecosystem functions and enhancing habitat.		<ul style="list-style-type: none"> Continue to advance Shoreline EIA 11 levee construction. Finalize the One Water Coyote Creek Watershed plan and make significant progress on the Guadalupe and Pajaro watershed plans. Use a holistic approach to maintaining streams for flow conveyance and habitat enhancement. Complete construction of Phase I of the Upper Llagas Flood Protection Project, a multi-benefit project providing flood protection while restoring habitat and benefiting the environmental ecosystem. 	CIP BPPC
	Strategy #2 Provide flood protection equitably in all regions of the County, prioritizing disadvantaged communities.		<ul style="list-style-type: none"> Advance One Water Countywide Framework in a comprehensive manner that includes diverse community-wide stakeholders and the incorporation of environmental justice policies in all planning efforts. Continue progress on flood protection capital projects consistent with Valley Water’s commitment to the Safe, Clean Water Program and equitably in all regions. 	CIP BPPC

GOAL	STRATEGY	FY22 FOCUS AREAS	MONITORING COMMITTEE
ENVIRONMENTAL STEWARDSHIP	Strategy #1 Attain net positive impact on the environment when implementing flood protection and water supply projects.	<ul style="list-style-type: none"> As part of the One Water Countywide Framework planning process, continue to develop an integrated water resource plan for each watershed, including appropriate metrics to monitor Valley Water’s impacts on and benefit to the environment. Ensure that stewardship efforts are integrated and not focused primarily on mitigation. 	BPPC
	Strategy #2 Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation.	<ul style="list-style-type: none"> Continue efforts to protect the ecosystem and water quality of our water bodies and the integrity of our infrastructure. Such efforts include preventing stormwater pollution, increased implementation of green stormwater infrastructure, addressing mercury pollution, and homeless encampment clean ups. Continue partnerships and investments on a regional scale such as the South Bay Salt Pond Restoration and Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP). 	Homeless Encampment Committee (HEC) SPOC
	Strategy #3 Continue the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE).	<ul style="list-style-type: none"> Continue implementation of feasibility studies, monitoring activities, and planning and construction of various fish passage improvements. Advance the Guadalupe River and Stevens Creek Environmental Impact Report (EIR) consistent with all stakeholder agreements. Develop a programmatic approach to implementing FAHCE settlement. Advance Adaptive Management Plan to encompass all three creeks. 	SPOC

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

2022 Work Plan: Santa Clara Valley Water Commission

Update: January 2022

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
8	Review FY2023 Board Work Plan.	July 27 October 26	<ul style="list-style-type: none"> Review FY2023 Board Work Plan. (Information) 	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 6 of 6



Santa Clara Valley Water District

File No.: 22-0149

Agenda Date: 1/26/2022
Item No.: 5.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Standing Items Report.

RECOMMENDATION:

Standing Items Report

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2022 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 Valley Water's mission, and to identify Board-related issues.

On August 2020, 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:

Candice Kwok-Smith, 408-630-3193

FY2021-2022 BOARD WORK PLAN – STANDING ITEMS REPORT

December 2021

GOAL: INTEGRATED WATER RESOURCES MANAGEMENT	
Strategy 1:	Protect and maintain existing assets and infrastructure and advance new infrastructure projects.
Focus:	<ul style="list-style-type: none"> • Be strategic in managing existing flood protection assets consistent with the Safe Clean Water Program. • Advance new infrastructure projects identified in the Asset Management Plan and Operations and Maintenance Plan. • Increase engagement with cities on flood plain management, Community Rating System (CRS) program, and emergency action plans.
Updates:	<ul style="list-style-type: none"> • Completed Plans and Reports: FY22-26 Water Utility and Watersheds Operations & Maintenance Plans (June); FY22-26 Capital Improvement Program (June); 5-Year Implementation Plan for the Renewed Safe, Clean Water Program (June); and Safe, Clean Water Program FY20-21 Annual Report (Final Report for 2012 Program) (November) • Completed Local Hazard Mitigation Plan Annual Report and new Flood Emergency Action Plan for Lower Peninsula Watershed. • Conducted the following key exercises in 2021: South County EAPs Tabletop Exercise, Earthquake Damage Assessment Reporting Drill, Anderson Dam EAP Tabletop Exercise, Anderson Dam EAP FERC Functional Exercise • Conducted Annual Winter Preparedness Workshop with external agency partners •
Strategy 2:	Pursue opportunities to improve internal capacity to acquire regulatory permits.
Focus:	<ul style="list-style-type: none"> • Continue to provide for agency-wide regulatory planning and permitting effort and pursue other efforts at the state and federal level to expedite permit review. • Continue to foster better relationships with regulatory agencies and open dialogue with environmental, environmental justice and other stakeholders. • Implement memorandum of understanding (MOU) with Regional Water Quality Control Board.
Updates:	<ul style="list-style-type: none"> • As a follow up to an initial meeting in May 2021 with Valley Water and the leaders of several environmentally focused stakeholders, additional meetings were held in August 2021 and November 2021. These meetings include updates on key Valley Water projects and priorities and allow Valley Water to receive valuable feedback on future collaborative efforts with our environmental partners. The meetings included about 20 participants representing more than a dozen organizations from across the region.
Strategy 3:	Engage and educate the community, elected officials and staff on our management of water resources in Santa Clara County.
Focus:	<ul style="list-style-type: none"> • Continue to apply strategies for effective outreach, engagement and education. • Continue to develop and refine metrics to understand and improve the return on investment (ROI) of outreach strategies. • Continue increasing efforts to educate the public about the mix of different types of water in Valley Water’s portfolio, as well as our flood protection and environmental stewardship efforts. • Engage directly with local government jurisdictions through joint meetings

Updates:	<ul style="list-style-type: none"> • Since the Valley Water Board of Directors declared a drought emergency in June 2021, staff have provided regular monthly updates on water conditions and water conservation efforts during Board Meetings. • Valley Water convened a Drought Summit 2021 in October 2021 with elected officials, business leaders, water retailers and environmental advocates to discuss ways to address the drought with partners across Silicon Valley. • The Board led a successful series of Washington D.C. advocacy visits on November 1-3. All seven directors and senior staff met with agency officials, Members of Congress, and key staff to discuss funding and policy needs related to the drought, including securing funding for large-scale water recycling projects, securing drought relief funding in the budget reconciliation package, and securing permission to store additional water in Anderson Reservoir for one year to deal with limited local water supplies. • In November 2021, Valley Water’s annual flood awareness campaign kicked off with multilingual social media ads.
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GOAL: WATER SUPPLY	
Strategy 1:	Actively Pursue New Water Supply and Storage Opportunities.
Focus:	<ul style="list-style-type: none"> • Explore opportunities to develop new surface and groundwater storage projects that align with Valley Water’s mission. • Determine level of participation for projects and decisions about partnerships in accordance with the Water Supply Master Plan and water affordability. • Make decisions on the Pacheco Reservoir Expansion Project following review of the project’s Environmental Impact Report (EIR).
Updates:	<ul style="list-style-type: none"> • In November 2021, Valley Water’s Board of Directors unanimously approved a funding commitment of at least 75% of the non-state funded cost share for the Pacheco Reservoir Expansion Project to remain eligible for up to \$496 million in conditional funding from the state’s Prop 1 Water Storage Investment Program (WISP). • Valley Water released the Draft Environmental Impact Report (EIR) on the Pacheco Reservoir Expansion Project for public review on November 17, 2021, ending on January 21, 2022.
Strategy 2:	Actively Participate in decisions regarding the CA Delta Conveyance.
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 and Stakeholder Engagement Committee in adherence to Board approved Guiding Principles, to protect Santa Clara County’s interests.
Updates:	<ul style="list-style-type: none"> • In November 2021, the Valley Water Board of Directors received an update on the Delta Conveyance Project from the Executive Director of the Delta Conveyance Design and Construction Authority (DCA) as well as the Environmental Program Manager for Delta Conveyance at the California Department of Water Resources (DWR). The presentation included an engineering update as well as information regarding public outreach efforts.

Strategy 3:	Lead Recycled and Purified Water Efforts with committed partners.
Focus:	<ul style="list-style-type: none"> • Advance the Expedited Purified Water Program by releasing a Request for Proposal (RFP) for at least one Locally Sponsored Project. • Implement the Countywide Water Reuse Master Plan. • Continue to monitor Direct Potable Reuse (DPR) guidance and implement actions as needed. • Finalize negotiations on term sheet for South County recycled water and agreement on governance.
Updates:	<ul style="list-style-type: none"> • August 2021 the Board adopted the Countywide Water Reuse (CoRe) Plan, a collaborative strategy to integrate and expand recycled and purified water as a local, reliable, environmentally adaptive, drought-resilient water supply. • In September 2021, Valley Water held a press conference at the Silicon Valley Advanced Purified Water Center to highlight the importance of recycled and purified water as a resilient water supply, especially during periods of drought. • The South County Technical Working Group was established and began meeting in September 2021 to advance water recycling collaboration in South County with Valley Water and the Cities of Gilroy and Morgan Hill. • Major progress has been made on the implementation of the Purified Water P3 project including collaboration with our wastewater partners, record number of submittals in response to the RFQ, the selection of four shortlisted firms, improved regulatory coordination and the recommendation of Palo Alto as the P3 project to move forward as Phase I.
Strategy 4:	Advance Anderson Dam Seismic Retrofit Project.
Focus:	<ul style="list-style-type: none"> • Continue construction on the Anderson Dam Tunnel Project (ADTP). • Continue to work with appropriate regulatory agencies to advance the ADSRP. • Release for review the Draft Environmental Report for the ADSRP. • Continue to educate and engage the public, key stakeholders, decision makers, and elected officials of the project progress and construction timeline. • Coordinate long term ADSRP operations with the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE)
Updates:	<ul style="list-style-type: none"> • In July 2021, Valley Water held a groundbreaking ceremony to mark the start of construction on the new outlet tunnel at Anderson Dam. • July 2021, AB 271 (R. Rivas) Valley Water's sponsored bill to authorize the Anderson Dam Seismic Retrofit Project for best value procurement, was signed by the Governor. • In September 2021, FERC Authorized construction of Phase 2 after receiving necessary environmental permits.
Strategy 5:	Promote Making Water Conservation a California Way of Life in Santa Clara County.
Focus:	<ul style="list-style-type: none"> • Increase communication and educational outreach to promote Valley Water's water conservation programs to customers. • Increase collaboration with retailers to promote Valley Water's water conservation programs. • Implement new water conservation programs and engagement strategies identified within the Water Conservation Strategic Plan. • Engage and support private-sector stakeholders, local, state, and federal agencies that promote water conservation.

Updates:	<ul style="list-style-type: none"> • Ads promoting water conservation and purified water have been developed for radio and television including during the November 15th 49er Game at Levi's Stadium. • Videos on water conservation and the drought have been produced and will be aired during previews at two local AMC theaters in December 2021 and January 2022. • Valley Water's Landscape Rebate Program is still going strong with 268 applications in October and over 180 applications in November. • Water waste complaints remain steady, with 163 reports in October and over 115 reports in November. • Valley Water's shopping cart for free water saving devices (such as aerators, low-flow shower heads, moisture meters, shower timers, and collapsible buckets) has processed over 5,000 orders this year, including 935 orders received in November 2021.
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GOAL: NATURAL FLOOD PROTECTION	
Strategy 1:	Plan, design and maintain flood protection projects with multiple benefits, including protecting ecosystem functions and enhancing habitat.
Focus:	<ul style="list-style-type: none"> • Continue to advance Shoreline EIA 11 levee construction. • Finalize the One Water Coyote Creek Watershed plan and make significant progress on the Guadalupe and Pajaro watershed plans. • Use a holistic approach to maintaining streams for flow conveyance and habitat enhancement. • Complete construction of Phase I of the Upper Llagas Flood Protection Project, a multi-benefit project providing flood protection while restoring habitat and benefiting the environmental ecosystem.
Updates:	<ul style="list-style-type: none"> • The Permanente Creek Rancho San Antonio project has received 2 awards: the 2022 American Council of Engineering Companies of California (ACEC) California Engineering Excellence Merit Award and Project of the Year Award from the American Public Works Association (APWA) Silicon Valley Chapter. • In October 2021, Valley Water completed work on the Santa Clara Conduit's Calaveras Fault Inlet/Outlet Culvert Repair Project. • On December 6, 2021, Valley Water began levee construction on Shoreline Reaches 1-3.
Strategy 2:	Provide flood protection equitably in all regions of the County, prioritizing disadvantaged communities.
Focus:	<ul style="list-style-type: none"> • Advance One Water Countywide Framework in a comprehensive manner that includes diverse community-wide stakeholders and the incorporation of environmental justice policies in all planning efforts. • Continue progress on flood protection capital projects consistent with Valley Water's commitment to the Safe, Clean Water Program and equitability in all regions.
Updates:	<ul style="list-style-type: none"> • In November 2021, Valley Water's Board of Directors adopted a revised Ends Policy E-3: Flood Protection to "reduce risk and improve health and safety for residents, businesses, and visitors, now and into the future."

GOAL: ENVIRONMENTAL STEWARDSHIP	
Strategy 1:	Attain net positive impact on the environment when implementing flood protection and water supply projects.
Focus:	<ul style="list-style-type: none"> As part of the One Water Countywide Framework planning process, continue to develop an integrated water resource plan for each watershed, including appropriate metrics to monitor Valley Water's impacts on and benefit to the environment. Ensure that stewardship efforts are integrated and not focused primarily on mitigation.
Updates:	<ul style="list-style-type: none"> The Singleton Road Fish Passage Project was completed in November 2021 by the City of San Jose. The project was accomplished through multi-agency teamwork and benefits trail users, enhances security access to protect the public, and improves habitat for steelhead. The project replaced the road and low-flow culverts, which are part of the Coyote Creek Trail, with a clear-span bridge, opening up fish passage from San Francisco Bay to 17 miles of Coyote Creek. Valley Water provided \$1M in direct funding for construction of the project, as well as contributing staff time and expertise to hydraulic design and permitting, through Safe Clean Water Project D4.
Strategy 2:	Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation.
Focus:	<ul style="list-style-type: none"> Continue efforts to protect the ecosystem and water quality of our water bodies and the integrity of our infrastructure. Such efforts include preventing stormwater pollution, increased implementation of green stormwater infrastructure, addressing mercury pollution, and homeless encampment clean ups. Continue partnerships and investments on a regional scale such as the South Bay Salt Pond Restoration and Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP).
Updates:	<ul style="list-style-type: none"> In December 2021, the Valley Water Board of Directors adopted a Resolution "Establishing Policy Criteria for Public Trails on Valley Water Lands" and adopted a Resolution "Amending the Water Resources Protection Manual to include Policy Criteria and Guidance for Public Trails on Valley Water Lands." The Policy Criteria and Guidance for Public Trails on Valley Water Lands were developed to guide the development of trails projects that protect water resources and streamside ecosystems, while supporting healthy communities and engaging residents to promote water resources stewardship.
Strategy 3:	Continue the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE)
Focus:	<ul style="list-style-type: none"> Continue implementation of feasibility studies, monitoring activities, and planning and construction of various fish passage improvements. Advance the Guadalupe River and Stevens Creek Environmental Impact Report (EIR) consistent with all stakeholder agreements. Develop a programmatic approach to implementing FAHCE settlement. Advance Adaptive Management Plan to encompass all three creeks.
Updates:	<ul style="list-style-type: none"> The two-year FAHCE Plus Pilot Flows Implementation at Guadalupe Creek and Stevens Creek initiated on October 1, 2020 continues. Due to the extreme drought conditions, neither Guadalupe nor Stevens Creek Reservoirs had enough water stored to trigger adult steelhead pulse flow events. Staff continues to monitor the rainfall events and reservoir storages closely as the rainy season starts. The Draft FAHCE Environmental Impact Report (EIR) was released for public comment and review from June 30, 2021 to October 15, 2021. Valley Water has been categorizing and analyzing the various comment letters from the resource agencies, Initialing Parties, California Department of Transportation, environmental groups and interested members of the public and are proceeding with preparing responses and identifying next steps for finalizing the EIR.

GOAL: BUSINESS MANAGEMENT

Strategy 1:	Advance racial equity, diversity and inclusion.
Focus:	<ul style="list-style-type: none"> • Begin implementation of best practices to address internal and external disparities and build an organizational culture consistent with the Board’s Resolution addressing racial equity, diversity and inclusion. • Remain committed to environmental justice and the fair treatment and meaningful engagement of all people regardless of race, color, gender identity, disability status, national origin, tribe, culture, income, immigration status, or English language proficiency, with respect to the planning, projects, policies, services and operations of Valley Water.
Updates:	<ul style="list-style-type: none"> • In July 2021, the Valley Water Board of Directors recognized Juneteenth as an annual Valley Water observed holiday following recognition of the holiday by the federal government. • The Valley Water Board of Directors passed Resolutions observing the following: Affirm Support for Voting Rights for All (August), Recognize September 15-October 15 as National Hispanic Heritage Month (September), Recognize November as Annual Native American Heritage Month (November), Recognize November 14-20 as United Against Hate Week (November).
Strategy 2:	Maintain appropriate staffing levels and expertise and ensure the safety of our staff.
Focus:	<ul style="list-style-type: none"> • Develop and finalize a long-term staffing strategy that aligns with future capital and operational needs. • Develop classification career ladders to provide understanding of requirements for professional growth. • Advance the development of a skilled trades apprenticeship program. • Maximize the safety of staff working in creeks, homeless encampments and Valley Water facilities, and continue to promote health & safety guidance to protect staff from public health emergencies and environmental impacts.
Updates:	<ul style="list-style-type: none"> • Valley Water continues to coordinate three separate Emergency Operations Center (EOC) Activations for COVID-19, Drought and Potential Flooding. All EOC efforts have been successful in maintaining Valley Water operations. The Covid-19 EOC activation continues to focus on maintaining employee and workplace safety as a priority.
Strategy 3:	Provide affordable and cost-effective level of services.
Focus:	<ul style="list-style-type: none"> • Continue to establish benchmarking with other agencies, particularly water agencies, in order to understand areas for improvement. • Research and identify best practices from other agencies around water affordability, particularly with disadvantaged communities. • Establish Valley Water as a statewide leader in conversations around water affordability.
Updates:	<ul style="list-style-type: none"> • In July 2021, the Valley Water Board of Directors approved a \$1.225 Million Low-Income Water Rate Assistance Program. Sacred Heart Community Services was selected to administer the program and so far, has paid out over \$51,000 in water bills for approximately 150 households. • In November 2021, the Board of Directors approved Fiscal Year 2021-22 Urgent Midyear Central Budget Adjustments to support critical core business functions, provide urgent support for major construction projects, and for drought-related emergency needs. • On November 24, 2021. The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Santa Clara Valley Water District for its annual comprehensive financial report for the fiscal year ending June 30, 2020. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment for Valley Water.

GOAL: CLIMATE CHANGE

Strategy 1:	Address future impacts of climate change to Valley Water’s mission and operations.
Focus:	<ul style="list-style-type: none">• Begin implementation of Climate Change Action Plan.
Updates:	<ul style="list-style-type: none">• Valley Water Ends Policy E-5: Climate Change Mitigation and Adaptation was approved by the Board in July 2021 stating that “Valley Water is carbon neutral and provides equitable, climate-resilient water supply, flood protection, and water resource stewardship to all communities in Santa Clara County.”• Valley Water’s Climate Change Action Plan was approved by the Board in July 2021.

