

January 14, 2021

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 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. Maria Ristow
Hon. Carmen Montano
Hon. Liz Lawler
Hon. Rich Constantine
Hon. Lucas Ramirez
Hon. Greg Tanaka
Hon. Pam Foley

Hon. Rishi Kumar
Hon. Omar Din
Hon. Mike Wasserman

Hon. Jed Cyr

Hon. Mike Flaughner

Alternate

Hon. Sergio Lopez
Hon. Jon R. Willey
Hon. Fred Tovar
Hon. Anita Enander
Hon. Matthew Hudes
Tony Ndah
Hon. Javed Ellahie
Hon. Yvonne Martinez Beltran
Hon. Alison Hicks

Kerrie Romanow
Hon. Kathy Watanabe
Hon. Tina Walia
Hon. Mason Fong
Hon. Cindy Chavez

Hon. Yoriko Kishimoto

Hon. Shay Franco-Claussen

The regular meeting of the Santa Clara Valley Water Commission is scheduled to be held on Wednesday, **January 27, 2021, at 2:00 p.m.**, Join via Zoom Link:

<https://valleywater.zoom.us/j/96251217041>.

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

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



Further, a quorum must be present on the day of the scheduled meeting to call the meeting to order and take action on agenda items. Members with two or more consecutive unexcused absences will be subject to rescinded membership.

Please confirm your attendance **no later than Friday, January 22, 2021; noon** by contacting Glenna Brambill at 1-408-630-2408, or gbrambill@valleywater.org.

Enclosures

Join Zoom Meeting

<https://valleywater.zoom.us/j/96251217041>

Meeting ID: 962 5121 7041

One tap mobile

+16699009128,,96251217041# US (San Jose)

Dial by your location

+1 669 900 9128 US (San Jose)

Meeting ID: 962 5121 7041

Find your local number: <https://valleywater.zoom.us/u/ab>



Santa Clara Valley Water District Santa Clara Valley Water Commission Meeting

Teleconferencing Via Zoom
Join Zoom Meeting: <https://valleywater.zoom.us/j/96251217041>

REGULAR MEETING AGENDA

Wednesday, January 27, 2021

2:00 PM

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

Hon. Rich Constantine, Chair
Hon. Pam Foley, Vice Chair

Director Tony Estremera
Director Nai Hsueh
Director Linda J. LeZotte

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, or through a link in the Zoom Chat Section during the respective meeting. 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.

Mr. Rick Callender
(Staff Liaison)

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 27, 2021

2:00 PM

Teleconferencing Via Zoom

IMPORTANT NOTICES

This meeting is being held in accordance with the Brown Act as currently in effect under the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020 that allows attendance by members of the Committee, staff, and the public to participate and conduct the meeting by teleconference, videoconference, or both.

Members of the public wishing to address the Committee during a video conferenced meeting on an item not listed on the agenda, or any item listed on the agenda, should use the "Raise Hand" or "Chat" tools located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in the order requests are received and granted speaking access to address the Committee.

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/96251217041>

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 Commission on any item not listed on the agenda should access the "Raise Hand" or "Chat" tools located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Commission Chair in order requests are received and granted speaking access to address the Commission. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Commission action on, or extended discussion of, any item not on the agenda except under special circumstances. If Commission action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Commission may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of Minutes.

[21-0038](#)

Recommendation: Approve the October 28, 2020, Meeting Minutes.

Manager: Michele King, 408-630-2711

Attachments: [Attachment 1: 10282020 Water Comm Draft Mins](#)

Est. Staff Time: 5 Minutes

4. ACTION ITEMS:

4.1. Election of Chair and Vice Chair.

[21-0039](#)

Recommendation: Elect 2021 Chair and Vice Chair

Manager: Michele King, 408-630-2711

Est. Staff Time: 5 Minutes

- 4.2. Review and Approve 2020 Annual Accomplishments Report for Presentation to the Board (Commission Chair) [21-0040](#)
- Recommendation: A. Approve the 2020 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 Committee.
- Manager: Michele King, 408-630-2711
- Attachments: [Attachment 1: 2020 Water Comm Accomplishments Report](#)
- Est. Staff Time: 5 Minutes
-
- 4.3. Discuss Preliminary Proposed Fiscal Year 2021-22 Groundwater Production Charges and Receive Board Guidance. [21-0024](#)
- Recommendation: Discuss Preliminary Proposed Fiscal Year 2021-22 Groundwater Production Charges and Receive Board Guidance.
- Manager: Darin Taylor, 408-630-3068
- Attachments: [Attachment 1: PowerPoint](#)
- Est. Staff Time: 20 Minutes
-
- 4.4. Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda. [21-0041](#)
- Recommendation: Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.
- Manager: Michele King, 408-630-2711
- Attachments: [Attachment 1: 2021 Water Comm Work Plan](#)
 [Attachment 2: 04142021 Water Comm Draft Agenda](#)
- Est. Staff Time: 10 Minutes

5. INFORMATION ITEMS:

5.1. Standing Items Report.

[21-0042](#)

Recommendation: **Standing Items Reports**

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2021 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

Manager: Michele King, 408-630-2711

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

Est. Staff Time: 10 Minutes

5.2. 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.

[21-0043](#)

Recommendation: Receive information on Valley Water's Creation of the Office of Racial Equity, Diversity and Inclusion, and the Board of Directors' Adoption of a Resolution Addressing Systemic Racism and Promoting Equity

Manager: Marta Lugo 408-630-2237

Attachments: [Attachment 1: Board-Adopted Resolution](#)

Est. Staff Time: 10 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 Link Report

8. ADJOURN:

8.1. Adjourn to Regular Meeting at 12:00 p.m., on Wednesday, April 14, 2021, to be called to order in compliance with the State Emergency Services Act, the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20.



Santa Clara Valley Water District

File No.: 21-0038

Agenda Date: 1/27/2021
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Approval of Minutes.

RECOMMENDATION:

Approve the October 28, 2020, 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: 10282020 WC Draft Meeting Minutes.

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711



SANTA CLARA VALLEY WATER COMMISSION MEETING

DRAFT MINUTES

**WEDNESDAY, OCTOBER 28, 2020
12:00 PM**

(Paragraph numbers coincide with agenda item numbers)

A regular meeting of the Santa Clara Valley Water Commission (Commission) was held on October 28, 2020, Teleconference via Zoom in San Jose, California.

1. CALL TO ORDER/ROLL CALL

Chair Hon. Rich Constantine called the meeting to order at 12:03 p.m. A quorum of 13 was established.

Members in attendance were:

Municipality

City of Cupertino
City of Gilroy
City of Los Altos
Town of Los Altos Hills
Town of Los Gatos
Town of Monte Sereno
City of Morgan Hill
City of Mountain View
City of San José
City of Saratoga
City of Sunnyvale
County of Santa Clara
Midpeninsula Regional Open Space
District

Representative

Hon. Jon Willey
Hon. Peter Leroe-Muñoz
Hon. Anita Enander
Hon. Courtenay Corrigan
Hon. Barbara Spector
Hon. Liz Lawler
Hon. Rich Constantine
Hon. Lucas Ramirez
Hon. Pam Foley
Hon. Rishi Kumar
Hon. Nancy Smith
Hon. Mike Wasserman
Hon. Jed Cyr

Alternate

Members not in attendance were:

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

*Commission Members arrived at time stated.

Board members in attendance were: Director Tony Estremera and Director Nai Hsueh, Board Representatives.

Staff members in attendance were: Jennifer Abadilla, Aaron Baker, Glenna Brambill, Jerry De La Piedra, Rachael Gibson, Vincent Gin, Andrew Gschwind, Michele King, Stacy Klopfer, Carmen Narayanan, Don Rocha, Darin Taylor, and Kristen Yasukawa.

Guests in attendance were: Mr. Brendan McCarthy (City of Santa Clara) and Mr. Mansour Nasser (City of Sunnyvale), Mr. Christopher Hoem (Santa Clara County Board of Supervisors), Mr. Jeff Provenzano (City of San José), and Mr. Gary Welling (City of Santa Clara).

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

There was no one present who wished to speak.

3. APPROVAL OF MINUTES

It was moved by Hon. Mike Wasserman, seconded by Hon. Courtenay Corrigan, and unanimously carried by roll call vote (13 yes votes), to approve the January 22, 2020, Santa Clara Valley Water Commission meeting minutes as presented.

4. ACTION ITEMS

4.1 FY2020-21 GROUNDWATER PRODUCTION CHARGES AND VALLEY WATER BUDGET UPDATE

Mr. Darin Taylor reviewed the materials as outlined in the agenda item.

The Santa Clara Valley Water Commission (Hon. Rich Constantine and Hon. Mike Wasserman) discussed the following: Anderson Dam and not raising the rates for Agricultural Water users.

The Santa Clara Valley Water Commission took no action.

4.2 REVIEW FY2020-21 BOARD WORK PLAN

Ms. Glenna Brambill and Director Nai Hsueh reviewed the materials as outlined in the agenda item.

The Santa Clara Valley Water Commission (Hon. Lucas Ramirez, Hon. Nancy Smith, and Hon. Anita Enander) discussed the following: Anderson Dam/purchasing water, water supply goal, water agreements with agencies, homeless crises (identifying properties), recycled water partnering, raising wholesale water rates/retailers being engaged early on, census information/impacts from data, building of more housing, capturing water, rechecking State projections for Santa Clara County with respect to overall modeling and Climate Change Action Plan.

Director Tony Estremera, Ms. Melanie Richardson and Mr. Aaron Baker 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 for Board consideration.

6. REPORTS

6.1 Director's Report

Director Nai Hsueh announced new CEO, Mr. Rick Callender.

6.2 Manager's Report

Ms. Rachael Gibson reported on:

- Governor vetoing of AB3005
- Seeking support on upcoming New Bill
- Measure S funding

Ms. Kristen Yasukawa reported on:

- Valley Water's Grant Program

6.3 Commission Member Reports

Chair Constantine reminded the Commissioners not wanting hard copy agenda packets mailed to them, to let Board Committee Liaison Ms. Glenna Brambill know.

6.4 Informational Link Reports

None.

7. ADJOURNMENT

Chair Hon. Rich Constantine adjourned at 12:55 p.m. to the next regular meeting on Wednesday, January 27, 2021, 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.: 21-0039

Agenda Date: 1/27/2021
Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Election of Chair and Vice Chair.

RECOMMENDATION:

Elect 2021 Chair and Vice Chair

SUMMARY:

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

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

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

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

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

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

BACKGROUND:

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

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

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

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

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

ATTACHMENTS:

None

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711



Santa Clara Valley Water District

File No.: 21-0040

Agenda Date: 1/27/2021

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Review and Approve 2020 Annual Accomplishments Report for Presentation to the Board
(Commission Chair)

RECOMMENDATION:

- A. Approve the 2020 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 Committee.

SUMMARY:

The Accomplishments Report summarizes the commission'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.

ATTACHMENTS:

Attachment 1: Water Commission 2020 Accomplishments Report

UNCLASSIFIED MANAGER:

Michele King, 408-630-2711

2020 Annual Accomplishments Report: Santa Clara Valley Water Commission

Update: January 2021

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 2020 | <ul style="list-style-type: none"> Commission Elects Chair and Vice Chair for 2020. (Action) | <p>Accomplished January 22, 2020: The Commission voted for 2020, Hon. Rich Constantine as Chair and Hon. Pam Foley as Vice Chair.</p> |
| 2 | Annual Accomplishments Report | <ul style="list-style-type: none"> Review and approve 2019 Accomplishments Report for presentation to the Board. (Action) Submit requests to the Board, as appropriate. | <p>Accomplished January 22, 2020: The Commission reviewed and approved the 2019 Accomplishments Report for presentation to the Board on March 24, 2020.</p> <p><i>The Board received the Committee's presentation at its March 24, 2020, meeting.</i></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 2020 Board-approved Committee work plan. (Action) Submit requests to the Board, as appropriate. | <p>Accomplished January 22, 2020: The Commission received and reviewed the 2020 work plan and took no action.</p> <p>Accomplished October 28, 2020: The Commission received and reviewed the 2020 work plan and took no action.</p> |

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
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**2020 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2021

| ITEM | WORK PLAN ITEM BOARD POLICY | INTENDED OUTCOME(S) (Action or Information Only) | ACCOMPLISHMENT DATE AND OUTCOME |
|--|--|---|---|
| 4 | Standing Items Reports Fiscal Year 2020: | <ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) | <p>Accomplished January 22, 2020: The Commission received and reviewed the standing items report and took no action.</p> |
| WATER SUPPLY: There is reliable, clean water supply for current and future generations | | | |
| <i>Board Strategy 1</i> | Finalize the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE). <i>(Assigned to FAHCE)</i> | | |
| <i>Board Strategy 2</i> | Actively Pursue Efforts to Increase Water Storage Opportunities. <i>(Assigned to Water Storage Exploratory Committee)</i> | | |
| <i>Board Strategy 3</i> | Actively Participate in Decisions Regarding the California Delta Conveyance. <i>(Assigned to California Delta Conveyance Working Group)</i> | | |
| <i>Board Strategy 4</i> | Lead Recycled and Purified Water Efforts with the City of San Jose and Other Agencies. <i>(Assigned to Recycled Water Committee)</i> | | |
| <i>Board Strategy 5</i> | Engage and educate the community, local elected officials and staff on future water supply strategies in Santa Clara County. <i>(Assigned to Water Conservation and Demand Management Committee)</i> | | |
| <i>Board Strategy 6</i> | Advance Anderson Dam Seismic Retrofit Project. <i>(Assigned to Capital Improvement Program Committee)</i> | | |
| NATURAL FLOOD PROTECTION. There is a healthy and safe environment for residents, businesses and visitors, as well as for future generations. | | | |
| <i>Board Strategy 1</i> | Pursue opportunities to expedite regulatory permit processes and streamline permit reviews. <i>(Assigned to FAHCE)</i> | | |
| ENVIRONMENTAL STEWARDSHIP: There is water resources stewardship to protect and enhance watersheds and natural resources and to improve the quality of life in Santa Clara County. | | | |
| <i>Board Strategy 1</i> | Attain net positive impact on the environment when implementing flood protection and water supply projects. | | |
| <i>Board Strategy 2</i> | Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation (Homeless encampment strategies assigned to Homeless Encampment Ad Hoc Committee) | | |
| BUSINESS MANAGEMENT: Provide Affordable and Effective Cost Level of Services. | | | |
| <i>Board Strategy 1</i> | Advance Diversity and Inclusion Efforts. Carry forward to FY20. <i>(Assigned to Diversity and Inclusion Ad Hoc Committee)</i> | | |

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 2 of 4

**2020 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2021

| ITEM | WORK PLAN ITEM BOARD POLICY | INTENDED OUTCOME(S) (Action or Information Only) | ACCOMPLISHMENT DATE AND OUTCOME |
|----------------------|---|---|---|
| | <i>Board Strategy 2</i> | Maintain Appropriate Staffing Levels and Expertise (Assigned to Diversity and Inclusion Ad Hoc Committee) | |
| | <i>Board Strategy 3</i> | Provide Affordable and Effective Level of Services (Assigned to Financial Sustainability Group) | |
| 5 | Discuss Approach to Keep Safe, Clean Water and Natural Flood Protection by Evaluating a Future Funding Measure | <ul style="list-style-type: none"> Receive information on opportunities to strengthen and update the existing Safe, Clean Water and Natural Flood Protection Program and on the feasibility of developing and placing a future funding measure on the November 2020 ballot. (Action) Provide input on new program development. | <p>Accomplished January 22, 2020: The Commission received information on opportunities to strengthen and update the existing Safe, Clean Water and Natural Flood Protection Program; and on the feasibility of developing and placing a future funding measure on the November 2020 ballot and took no action.</p> |
| 6 | FY 2020-21 Groundwater Production Charges and Valley Water Budget Update | <ul style="list-style-type: none"> Received update on FY 2020-21 Groundwater Production Charges and Valley Water Budget (Information) | <p>Accomplished October 28, 2020: The Commission received an update on FY 2020-21 Groundwater Production Charges and Valley Water Budget and took no action.</p> |
| 7 | FY 2020-21 Board Work Plan | <ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) | <p>Accomplished October 28, 2020: The Commission received an update on the Board's new Work Plan for FY2020-2021 and took no action.</p> |
| WATER SUPPLY: | | | |
| | <i>Board Strategy 1</i> | Actively Pursue Efforts to Increase Water Storage Opportunities. (Assigned to Water Storage Exploratory Committee) | |
| | <i>Board Strategy 2</i> | Actively Participate in Decisions Regarding the California Delta Conveyance. (Assigned to California Delta Conveyance Working Group) | |

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 3 of 4

**2020 Annual Accomplishments Report:
Santa Clara Valley Water Commission**

Update: January 2021

| ITEM | WORK PLAN ITEM BOARD POLICY | INTENDED OUTCOME(S) (Action or Information Only) | ACCOMPLISHMENT DATE AND OUTCOME |
|-----------------------------------|-----------------------------|--|------------------------------------|
| <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> | |
| <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 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> | |

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 4 of 4



Santa Clara Valley Water District

File No.: 21-0024

Agenda Date: 1/27/2021
Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Discuss Preliminary Proposed Fiscal Year 2021-22 Groundwater Production Charges and Receive Board Guidance.

RECOMMENDATION:

Discuss Preliminary Proposed Fiscal Year 2021-22 Groundwater Production Charges and Receive Board Guidance.

SUMMARY:

Summary of Groundwater Production Charge Analysis

Staff has prepared the preliminary FY 2021-22 groundwater production charge analysis, which includes two 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 Valley Water 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 26, 2021. The public hearing on groundwater production charges is scheduled to open on April 13, 2021. It is anticipated that the Board would set the FY 2021-22 groundwater production charges by May 11, 2021, that would become effective on July 1, 2021.

The FY 2021-22 groundwater production charge and surface water charge setting process will be conducted consistent with the District Act, and Board resolutions 99-21 and 12-10.

Water Use Assumptions

Valley Water managed water use for FY 2019-20 is estimated to be approximately 232,000 acre-feet (AF), roughly 7,000 AF lower than budgeted, but 16,000 AF higher than prior year, due to a dry winter and dry spring. If the dry winter and dry spring were to repeat for the current year FY 2020-21, then there would be a 2,000 AF water usage excess versus budget, which would translate to an estimated \$3.2M in revenue. The current projection for FY 2021-22 is 232,000 AF, which is flat compared to the

FY 2019-2020 estimate.

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

Groundwater Production Charge Projection Scenarios

Staff has prepared two preliminary groundwater production charge projection scenarios for Board review. The increase in the North County Zone W-2 Municipal and Industrial (M&I) groundwater production charge ranges from 9.5% to 9.8% for FY 2021-22 depending on the scenario. In the South County, for FY2021-22 and depending on the scenario, increases in the M&I groundwater production charge ranges from 3.8% to 4.6% for Zone W-5; from 8.1% to 10.3% for Zone W-7; and is projected at 4.4% for Zone W-8.

Depending on the scenario, the proposed FY2021-22 North County Zone W-2 M&I groundwater production charge per acre-foot ranges from \$1,505 to \$1,509. In the South County, depending on the scenario for FY2021-22, proposed groundwater production charges per acre-foot range from \$485 to \$488 in Zone W-5; from \$520 to \$531 in Zone W-7; and is projected at \$341 in Zone W-8. The agricultural rate for all 4 zones ranges from \$34.14 to \$85.35 per acre-foot.

The overall impact of the preliminary analysis scenarios for FY 2021-22 to the average household would be an increase ranging from \$4.50 to \$4.64 per month in North County and from \$0.61 to \$0.74 per month in South County Zone W-5, from \$1.34 to \$1.71 in Zone W-7, and by \$0.50 in Zone W-8.

Staff proposes to increase the Contract Treated Water Surcharge from \$100/AF to \$115/AF to be more aligned 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 closer 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:

This scenario includes the following projects and assumptions:

- Baseline Projects according to the WSMP strategy #1 to Secure Existing Supplies and Infrastructure;
- Delta Conveyance (State side only; participation at 3.23%);
- Potable Reuse Phase 1 to produce between 9,000-12,000 AF delivered via Public-Private Partnership (P3) (assume operations start in FY 28);
- Transfer-Bethany Pipeline;
- FY 2021-22 Agricultural Charge at 25% of the Zone W-8 M&I Charge; and,
- Pacheco Reservoir Expansion (assumes \$485M Proposition 1 grant, WIFIA loan for 49% of project cost and 20% Partnerships).
- Master Plan Project Placeholder - Assumes \$346M in anticipated costs from FY 22 to FY 31

for new pipelines, pipeline rehabilitations, treatment plant upgrades and SCADA implementation projects.

Scenario 2) Baseline no Pacheco:

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

- Excludes Pacheco Reservoir Expansion project; and,
- FY 2021-22 Agricultural Charge at 10% of the Zone W-8 M&I Charge

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 2021-22, setting it at \$26M. The SWP Tax for the average household in Santa Clara would increase to about \$40 per year.

A Drought Reserve was established in FY 2015-16 and was budgeted at \$10M for FY 2020-21. No further funding for this reserve is included in the preliminary analysis. The purpose of this reserve would be to help minimize rate impacts during the next drought and would complement the Supplemental Water Supply Reserve. The preliminary analysis does not include unfunded capital projects or additional unfunded operations cost needs identified by staff.

All scenarios assume Water Utility operations cost of \$224.4M in FY 2021-22 versus the FY 2020-21 adopted budget of \$200.6M.

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 26, 2021:

- Agricultural Groundwater Charge for FY 22
- Pacheco Reservoir Expansion
- Treated Water surcharge increase to \$115/AF
- Master Plan Project Placeholder
- Other?

ATTACHMENTS:

Attachment 1: PowerPoint Presentation

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3068



Valley Water

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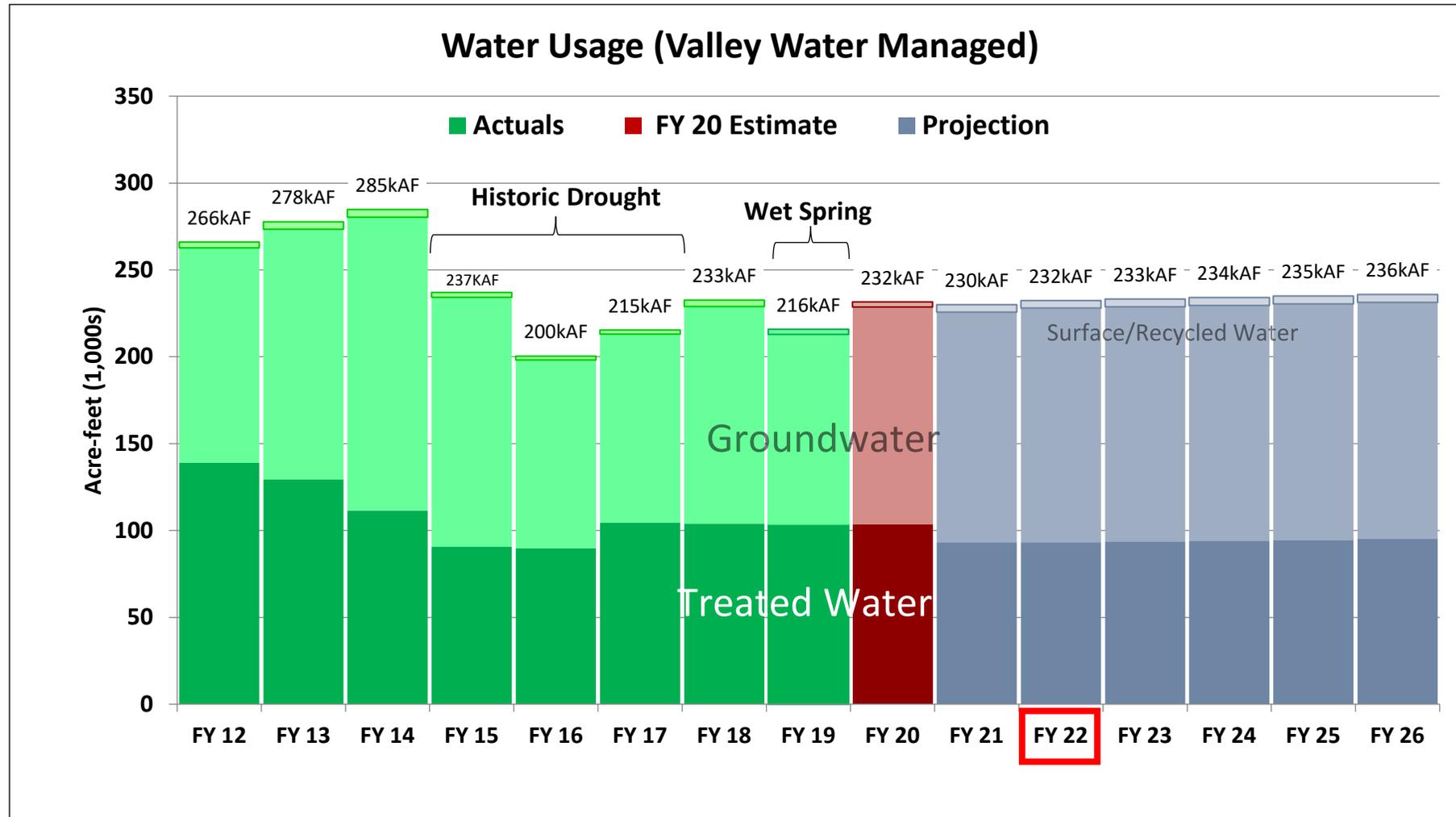
Preliminary Fiscal Year 2022 Groundwater Production Charge Analysis

Presented by Darin Taylor, Chief Financial Officer

Topics

1. Water Usage
2. Cost Projection
3. Scenario Assumptions
4. Preliminary Groundwater Charge Forecast Scenarios
5. Other Information
6. Schedule
7. Summary

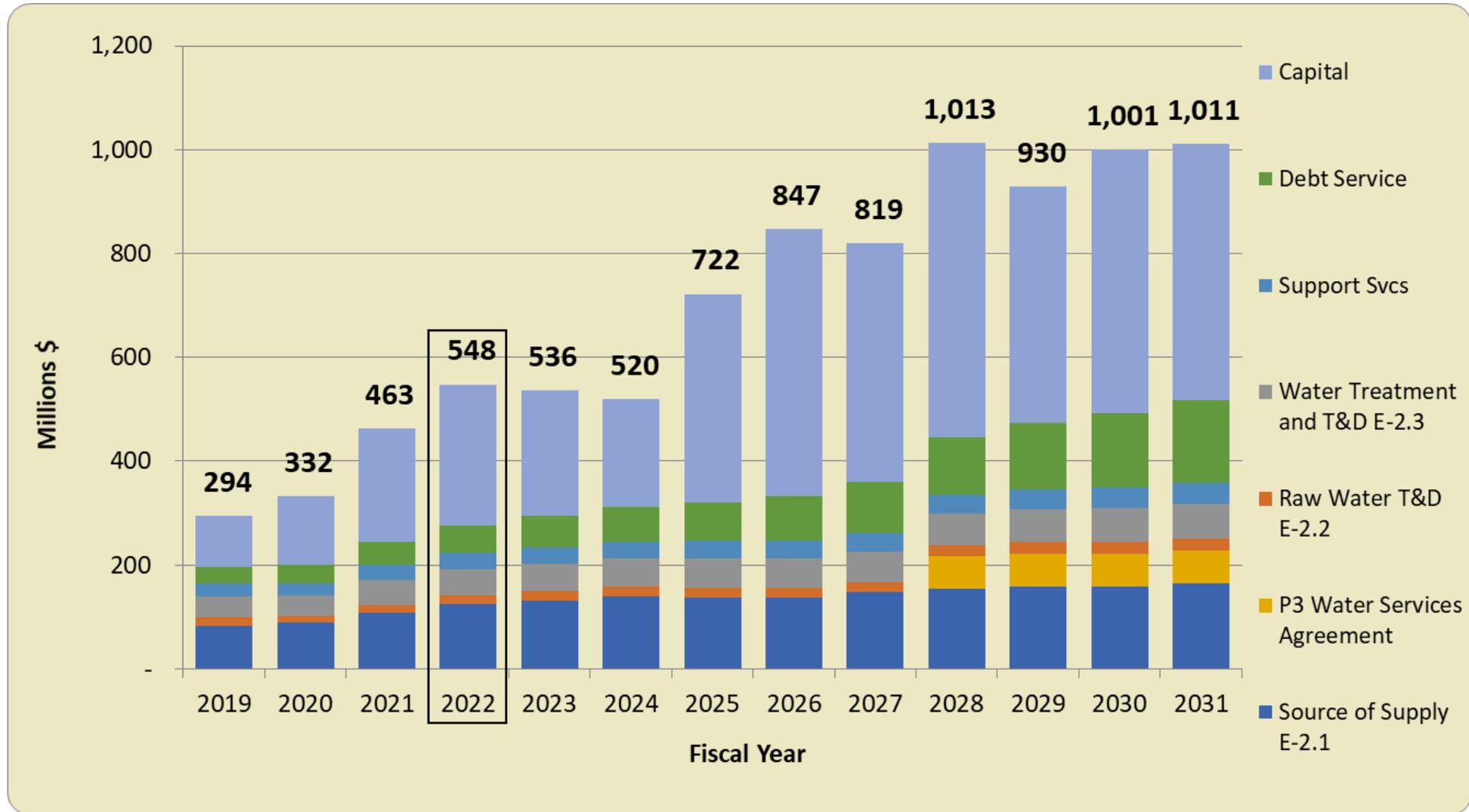
Water Usage (Valley Water Managed)



valleywater.org

As of
12/15/2020

Financial Analysis: Preliminary Cost Projection



valleywater.org

1) Baseline: Pacheco + PWP P3

- ▶ Baseline Projects*
- ▶ Delta Conveyance (State side)
 - ▶ Paid for by water charges, not SWP Tax
 - ▶ Participation at 3.23%
- ▶ Anderson Dam Seismic Retrofit
 - ▶ WIFIA loan for 49%
- ▶ Potable Reuse Phase 1 to produce 9-12KAF by FY 28
 - ▶ Assumes 100% Debt Funding via P3 entity
- ▶ Pacheco Reservoir
 - ▶ \$485M Proposition 1 grant
 - ▶ WIFIA loan for 49%
 - ▶ Partner Agencies pay 20% of project
- ▶ Transfer-Bethany Pipeline
- ▶ Master Plan Projects Placeholder**:
 - ▶ Assumes \$346M from FY22-FY31, mainly after 5 Year CIP
- ▶ Treated Water Surcharge at \$115/AF (vs \$100/AF in FY21)
- ▶ Agricultural Charge at 25% of Zone W-8 M&I (\$85.35/AF in FY 22)

2) Baseline without Pacheco

- ▶ Baseline Projects*
- ▶ Delta Conveyance (State side)
 - ▶ Paid for by water charges, not SWP Tax
 - ▶ Participation at 3.23%
- ▶ Anderson Dam Seismic Retrofit
 - ▶ WIFIA loan for 49%
- ▶ Potable Reuse Phase 1 to produce 9-12KAF by FY 28
 - ▶ Assumes 100% Debt Funding via P3 entity
- ~~▶ Pacheco Reservoir~~
 - ~~▶ \$485M Proposition 1 grant~~
 - ~~▶ WIFIA loan for 49%~~
 - ~~▶ Partner Agencies pay 20% of project~~
- ▶ Transfer-Bethany Pipeline
- ▶ Master Plan Project Placeholder**:
 - ▶ Assumes \$346M from FY22-FY31, mainly after 5 Year CIP
- ▶ Treated Water Surcharge at \$115/AF (vs \$100/AF in FY21)
- ▶ **Agricultural Charge at 10% of Zone W-8 M&I (\$34.14/AF in FY 22)**

Preliminary Groundwater Charge Increase Scenarios

M&I Groundwater Charge Year to Year Growth %

| North County Zone W-2 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|------|------|------|------|------|------|------|------|------|------|
| Scenario #1: Baseline: Pacheco + PWP P3 | 9.8% | 9.8% | 9.8% | 9.8% | 9.3% | 9.3% | 9.3% | 9.3% | 8.7% | 8.7% |
| Scenario #2: Baseline without Pacheco | 9.5% | 8.2% | 8.2% | 8.2% | 8.2% | 8.2% | 8.2% | 8.2% | 5.0% | 5.0% |

| South County Zone W-5 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|------|------|------|------|------|------|------|------|------|------|
| Scenario #1: Baseline: Pacheco + PWP P3 | 4.6% | 4.6% | 4.6% | 4.6% | 4.6% | 4.6% | 4.6% | 4.6% | 4.6% | 4.6% |
| Scenario #2: Baseline without Pacheco | 3.8% | 3.8% | 3.8% | 3.8% | 3.8% | 3.8% | 3.8% | 3.8% | 3.8% | 3.8% |

| South County Zone W-7 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Scenario #1: Baseline: Pacheco + PWP P3 | 10.3% | 10.3% | 10.3% | 10.3% | 10.3% | 10.3% | 10.3% | 10.3% | 10.3% | 10.3% |
| Scenario #2: Baseline without Pacheco | 8.1% | 8.1% | 8.1% | 8.1% | 8.1% | 8.1% | 8.1% | 8.1% | 8.1% | 8.1% |

| South County Zone W-8 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|------|------|------|------|------|------|------|------|------|------|
| Scenario #1: Baseline: Pacheco + PWP P3 | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% |
| Scenario #2: Baseline without Pacheco | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% |

Preliminary Monthly Impact to Average Household Scenarios

M&I Groundwater Charge – Monthly impact to Average Household

| North County Zone W-2 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Scenario #1: Baseline: Pacheco + PWP P3 | \$4.64 | \$5.09 | \$5.59 | \$6.14 | \$6.40 | \$6.99 | \$7.64 | \$8.35 | \$8.54 | \$9.28 |
| Scenario #2: Baseline without Pacheco | \$4.50 | \$4.25 | \$4.60 | \$4.97 | \$5.38 | \$5.82 | \$6.30 | \$6.82 | \$4.50 | \$4.72 |

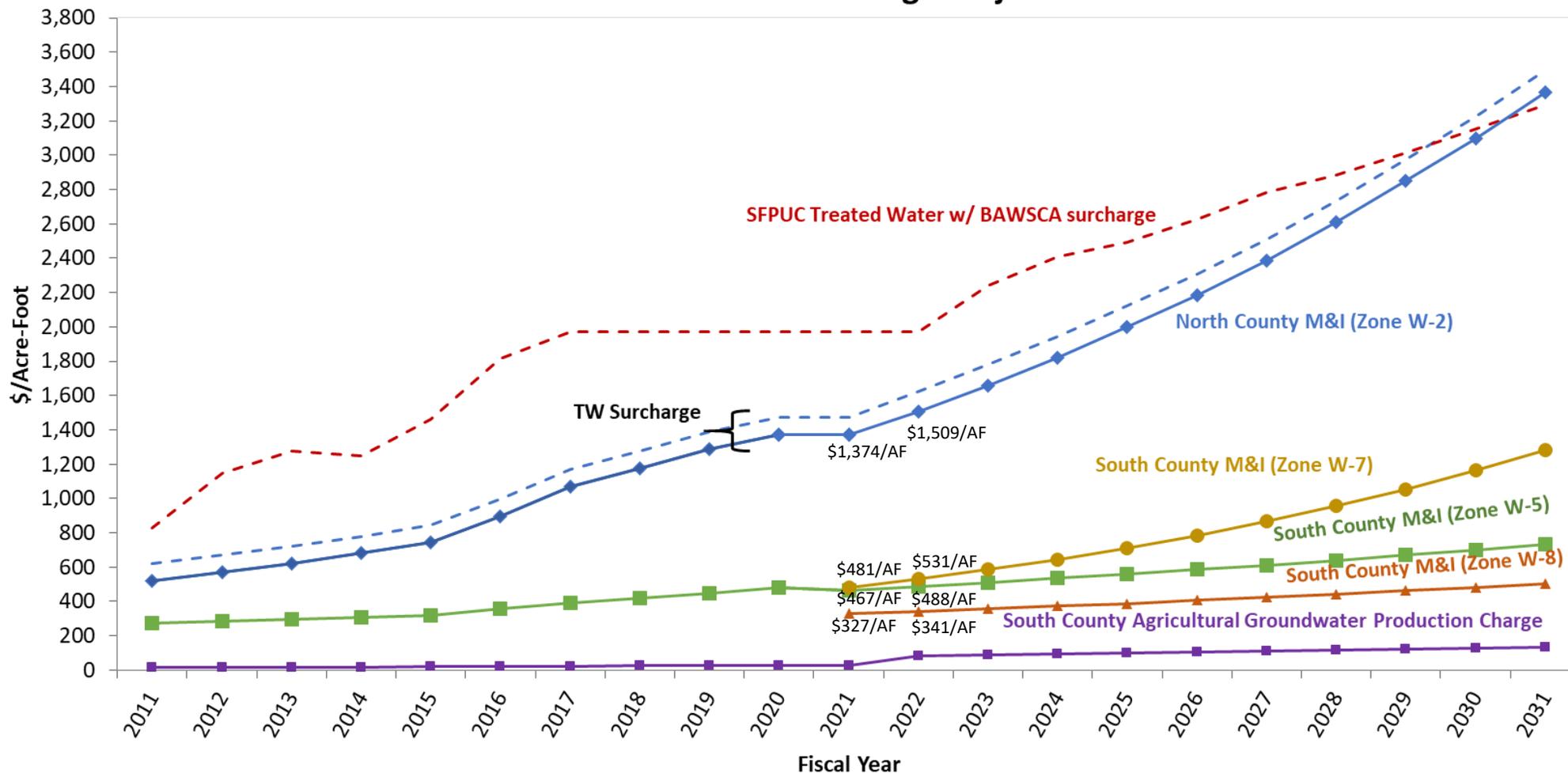
| South County Zone W-5 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Scenario #1: Baseline: Pacheco + PWP P3 | \$0.74 | \$0.77 | \$0.81 | \$0.85 | \$0.89 | \$0.93 | \$0.97 | \$1.01 | \$1.06 | \$1.11 |
| Scenario #2: Baseline without Pacheco | \$0.61 | \$0.63 | \$0.66 | \$0.68 | \$0.71 | \$0.74 | \$0.76 | \$0.79 | \$0.82 | \$0.85 |

| South County Zone W-7 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Scenario #1: Baseline: Pacheco + PWP P3 | \$1.71 | \$1.88 | \$2.08 | \$2.29 | \$2.53 | \$2.79 | \$3.07 | \$3.39 | \$3.74 | \$4.12 |
| Scenario #2: Baseline without Pacheco | \$1.34 | \$1.45 | \$1.57 | \$1.70 | \$1.83 | \$1.98 | \$2.14 | \$2.31 | \$2.50 | \$2.70 |

| South County Zone W-8 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 | FY28 | FY29 | FY30 | FY31 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Scenario #1: Baseline: Pacheco + PWP P3 | \$0.50 | \$0.52 | \$0.54 | \$0.56 | \$0.59 | \$0.61 | \$0.64 | \$0.67 | \$0.70 | \$0.73 |
| Scenario #2: Baseline without Pacheco | \$0.50 | \$0.52 | \$0.54 | \$0.56 | \$0.59 | \$0.61 | \$0.64 | \$0.67 | \$0.70 | \$0.73 |

Preliminary Groundwater Production Charge Projection – Scenario 1

M&I Groundwater Charge Projection



Other Charges, Taxes, Reserves Information

| | FY 2021 | FY 2022 |
|-------------------------------------|---------------|-------------------|
| <u>Other Charges</u> | <u>Budget</u> | <u>Projection</u> |
| Contract TW Surcharge (\$/AF) | \$100.00 | \$115.00 |
| Non-contract TW Surcharge (\$/AF) | \$200.00 | \$200.00 |
| Surface Water Master Charge (\$/AF) | \$37.50 | \$39.15 |
| <u>SWP Tax</u> | | |
| Revenue | \$18M | \$26M |
| Cost per average household | \$27/Yr | \$40/Yr |
| 1% Ad Valorem Taxes | \$8.2M | \$8.5M |
| Drought Reserve | \$10.0M | \$10.0M |
| Cumulative GP 5 Funds | \$9.6M | \$13.6M |

- Jan 12 Board Meeting: Preliminary Groundwater Charge Analysis
- Jan 20 Water Retailers Meeting: Preliminary Groundwater Charge Analysis
- Jan 27 Water Commission Meeting: Prelim Groundwater Charge Analysis

- Feb 9 Board Meeting: Budget development update & Set time & place of Public Hearing
- Feb 26 Mail notice of public hearing and file PAWS report

- Mar 17 Water Retailers Meeting: FY 22 Groundwater Charge Recommendation
- Mar 23 Board Meeting: Budget development update
- Mar 30 Landscape Committee Meeting 

- Apr 5 Ag Water Advisory Committee 
- Apr 7 Water Commission Meeting 
- Apr 13 Open Public Hearing
- Apr 15 Continue Public Hearing in South County
- Apr 27 Conclude Public Hearing
- Apr 28-29 Board Meeting: Budget work study session

- May 11 Adopt budget & groundwater production and other water charges

 Tentative Date
Attachment 1
Page 11 of 13

- Annual Increases to M&I groundwater charge for scenarios range from:
 - 9.5% to 9.8% in North County Zone W-2
 - 3.8% to 4.6% in South County Zone W-5
 - 8.1% to 10.3% in South County Zone W-7
 - 4.4% in South County Zone W-8
- Potential FY 22 per month for the average household increase range from:
 - \$4.50 to \$4.64 in North County Zone W-2
 - \$0.61 to \$0.74 in South County Zone W-5
 - \$1.34 to \$1.71 in South County Zone W-7
 - \$0.50 in South County Zone W-5
- Board direction on following issues to be incorporated into Report on Protection and Augmentation of Water Supplies (PAWS) scheduled for February 26, 2021
 - Agricultural Charge for FY 22
 - Pacheco Reservoir Expansion
 - Treated Water surcharge increase to \$115/AF
 - Master Plan Project Placeholder
 - Other?



Valley Water

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Santa Clara Valley Water District

File No.: 21-0041

Agenda Date: 1/27/2021
Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

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

RECOMMENDATION:

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

SUMMARY:

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

BACKGROUND:

Governance Process Policy-8:

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

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

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

ATTACHMENTS:

Attachment 1: Water Commission 2021 Work Plan

Attachment 2: Water Commission April 14, 2021, Draft Agenda

File No.: 21-0041

Agenda Date: 1/27/2021
Item No.: 4.4.

UNCLASSIFIED MANAGER:
Michele King, 408-630-2711

2021 Work Plan: Santa Clara Valley Water Commission

Update: December 2020

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

| ITEM | WORK PLAN ITEM BOARD POLICY | MEETING DATE | INTENDED OUTCOME(S) (Action or Information Only) | ACCOMPLISHMENT DATE AND OUTCOME |
|------|---|---|--|---------------------------------|
| 1 | Election of Chair and Vice Chair for 2021 | January 27 | <ul style="list-style-type: none"> Commission Elects Chair and Vice Chair for 2021 (Action) | |
| 2 | Annual Accomplishments Report | January 27 | <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 | 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 27 April 14 July 28 October 27 | <ul style="list-style-type: none"> Receive and review the 2021 Board-approved Committee work plan. (Action) Submit requests to the Board, as appropriate. | |
| 4 | Review and Comment to the Board on the Fiscal Year 2021 - 2022 Preliminary Groundwater Production Charges. | January 27 | <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. | |

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1
Page 1 of 3

| ITEM | WORK PLAN ITEM BOARD POLICY | MEETING DATE | INTENDED OUTCOME(S) (Action or Information Only) | ACCOMPLISHMENT DATE AND OUTCOME |
|-----------------------------------|--|------------------------|---|---------------------------------|
| 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. | January 27 | <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. | |
| 6 | Standing Items Reports Fiscal Year 2021: | January 27 April 14 | <ul style="list-style-type: none"> Receive quarterly reports on standing items. (Information) | |
| 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> | | | |
| <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> | | | |

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 |
|-----------------------------|--|--------------|--|---------------------------------|
| <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. | April 14 | <ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2022 Proposed Groundwater Production Charges. (Action) | |

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

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Committee Officers
 , Commission Chair
 , Commission Vice Chair

Board Representative
 Tony Estremera, Board Representative
 Nai Hsueh, Board Representative
 Linda J. LeZotte, Alternate

DRAFT AGENDA

SANTA CLARA VALLEY WATER COMMISSION

WEDNESDAY, April 14, 2021

12:00 p.m. – 2:00 p.m.

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

1. **Call to Order/Roll Call**
2. **Time Open for Public Comment on Any Item Not on Agenda**
Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.
3. **Approval of Minutes**
 3.1 Approval of Minutes – January 27, 2021, meeting
4. **Action Items**
 - 4.1 Review and Comment to the Board on the Fiscal Year 2021-2022 Proposed Groundwater Production Charges (Darin Taylor)
Recommendation: Provide comment to the Board in the implementation of the District’s mission as it applies to staff’s groundwater production charge recommendation for FY 2021-2022.
 - 4.2 Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests and the Commission’s Next Meeting Agenda (Commission Chair)
Recommendation: Review the Commission work plan to guide the committee’s discussions regarding policy alternatives and implications for Board deliberation.
5. **Standing Items Report**
This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2021 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Commission.

| WATER SUPPLY: | |
|-------------------------|--|
| <i>Board Strategy 1</i> | Actively Pursue Efforts to Increase Water Storage Opportunities. (Assigned to Water Storage Exploratory Committee) |
| <i>Board Strategy 2</i> | Actively Participate in Decisions Regarding the California Delta Conveyance. (Assigned to California Delta Conveyance Working Group) |
| <i>Board Strategy 3</i> | Lead Recycled and Purified Water Efforts with the City of San Jose and Other Agencies. (Assigned to Recycled Water Committee) |

| | |
|-----------------------------------|--|
| <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> |

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

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

7. Reports

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

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

8. Adjourn: Adjourn to next regularly scheduled meeting at 12:00 p.m., July 28, 2021.

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 Board Committee Agenda web page, or in the Zoom Chat Section during the respective meeting.

Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to participate in Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600

Santa Clara Valley Water Commission's Purpose and Duties

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

The specific duties are:

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

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



Santa Clara Valley Water District

File No.: 21-0042

Agenda Date: 1/27/2021
Item No.: 5.1.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

Standing Items Report.

RECOMMENDATION:

Standing Items Reports

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2021 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

SUMMARY:

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

On 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:

Michele King, 408-630-2711

FY2020-2021 BOARD WORK PLAN – STANDING ITEMS REPORT
December 2020 Update

| GOAL: WATER SUPPLY | |
|---------------------------|--|
| Strategy 1: | Actively Pursue New Water 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. Additionally, seek water exchange and transfer opportunities. Determine level of participation for projects and decisions about partnerships. |
| Update: | <ul style="list-style-type: none"> On November 17, 2020, the Valley Water Board of Directors approved continued participation in the Sites Reservoir project at 0.2 percent share of the total project, with a \$50K cost share covering planning work through December 31, 2021. On November 17, 2020, the Valley Water Board of Directors authorized Amendment No. 2 to the Los Vaqueros Expansion project Multi-party Agreement. All Local Agency Partners have authorized execution of Amendment No. 2. Valley Water held several workshops with regulatory agencies to define reservoir operations at Pacheco Reservoir. |
| Strategy 2: | Actively participate in decisions regarding the California Delta Conveyance |
| Focus: | <ul style="list-style-type: none"> As a voice for Northern California, continue to engage, negotiate, and increase public education of the project 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. |
| Update: | <ul style="list-style-type: none"> On November 17, 2020, the Valley Water Board of Directors approved participation in Delta Conveyance Design and Construction (DCA) partnering up to 3.23% and gap funding for two years at up to 3.23% share of planning costs. |
| Strategy 3: | Lead Recycled and Purified Water Efforts with committed partners. |
| Focus: | <ul style="list-style-type: none"> Develop a portfolio of advanced purified water and secure treated wastewater as identified in the Water Supply Master Plan. Elevate discussion with San Jose from staff to elected official level and include City of Santa Clara and other wastewater agencies in order to reach a decision point on a project by mid-September 2020. Present a water reuse roadmap that clarifies position on Indirect Potable Reuse (IPR) vs. Direct Potable Reuse (DPR). Develop plan for South County including a governance model. |
| Update: | <ul style="list-style-type: none"> The Cities of Santa Clara and San Jose have approved entering into negotiations with Valley Water to develop a partnership to expand purified water. Valley Water has updated its Countywide Water Reuse Master Plan (CoRe Plan) and is undergoing stakeholder and public review. |

| GOAL: WATER SUPPLY | |
|---------------------------|---|
| Strategy 4: | Engage and educate the community, elected officials and staff on future water supply strategies in Santa Clara County. |
| Focus: | <ul style="list-style-type: none"> • Clarify strategies for outreach and education programs and efforts. • Develop metrics to understand the ROI of outreach strategies, such as the annual favorability survey. • Increase efforts to educate the public about the mix of different types of water in Valley Water’s portfolio, including the Delta Conveyance, and associated current and projected costs. |
| Update: | <ul style="list-style-type: none"> • In September and October 2020, the CEO hosted an “Ask the CEO” series of virtual community meetings held in each of the seven Districts with each respective Director to discuss major projects and answer questions from community members. • In October and November 2020, Valley Water reached 893 members of the community through 30 educational tours of water infrastructure projects and the water reuse/recycled and purified water program. • The Office of Government Relations hosted its annual Fall Washington D.C. advocacy trip November 16-18, 2020 completely virtually with administration officials, members of Congress, and congressional committee staff to advocate for our priority projects and federal funding requests. |
| Strategy 5: | Advance Anderson Dam Seismic Retrofit Project (ADSRP) |
| Focus: | <ul style="list-style-type: none"> • Progress all elements on the Federal Energy Regulatory Commission Order Compliance Project (FOCP) into design/construction. • Begin construction of the Anderson Dam Tunnel Project (ADTP). • Continue to work with appropriate regulatory agencies to review and obtain approval for all project design plans on the ADSRP. • Release for review the Draft Environmental Report for the ADSRP. • Continue to inform the public and neighborhoods of the project progress and construction timeline. • Balance flood protection, water supply, and environmental flow requirements appropriately for annual operations prior to completion of the construction of ADSRP. |
| Update: | <ul style="list-style-type: none"> • Anderson Reservoir has been dewatered to 3% capacity as part of the Federal Energy Regulation Commission (FERC) Ordered Compliance Project. • Valley Water continues to coordinate closely with the many stakeholders and regulatory agencies involved. • In August 2020, a rescue and relocation effort for federally threatened Central California Coast Steelhead occurred in Coyote Creek below Anderson Dam in advance of dewatering. Sixty-seven fish were relocated to Upper Penitencia Creek, an area of the watershed that will remain cooler and more suitable for the steelhead. |

| GOAL: NATURAL FLOOD PROTECTION | |
|---------------------------------------|--|
| Strategy 1: | Protect and maintain existing assets and infrastructure. |
| Focus: | <ul style="list-style-type: none"> Prioritize funding for maintenance activities to ensure the most cost-effective flood protection investment. Develop asset management approach to plan for major asset recapitalization. Develop program to plan for multi-benefit opportunities when major maintenance work is required. |
| Update: | <ul style="list-style-type: none"> On November 17, 2020, the Valley Water Board of Directors approved the execution of the Second Amendment amending Valley Water’s long-term Central Valley Project (CVP) water service contract to add the South Bay Aqueduct as a point of delivery for Valley Water’s Central Valley Project water. This will improve the flexibility and reliability of Valley Water’s imported water operations and protect against limitation on delivery through the San Felipe Division facilities. On November 17, 2020, the Valley Water Board of Directors approved the execution of Amendment No. 25 to Valley Water’s State Water Project Water Supply Contract. This will provide greater flexibility for transfers and exchanges among State Water Project (SWP) contractors and will improve Valley Water’s access to supplemental dry year supplies. |
| Strategy 2: | Pursue opportunities to improve internal capacity to acquire regulatory permits. |
| Focus: | <ul style="list-style-type: none"> Provide for Watershed-Wide regulatory planning and permitting effort and pursue other efforts at the state and federal level to expedite permit review. Centralize permitting efforts amongst Valley Water staff to improve efficiency of applications and build closer relationships with regulatory agencies. Build closer relationships with regulatory agencies and open dialogue with the environmental community. |
| Update: | <ul style="list-style-type: none"> On October 7, 2020, Valley Water hosted a joint meeting with the San Francisco Bay Regional Water Quality Control Board to engage and foster a productive working relationship and specifically discuss Valley Water project and priorities that the Regional Water Quality Control Board may have a regulatory and/or partnership interest. |

| 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 planning process, 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. Seek input from a wide range of communities including tribal voices, disadvantaged communities, regulators, and the environmental community, whenever possible. Revisit Ends Policy 4 in light of climate change, trails, open space, stewardship, etc. |
| Update: | <ul style="list-style-type: none"> Revisions to Board Ends Policy E-4 on Environmental Stewardship have been developed and have been gone through initial review by the Board Policy and Planning Committee (BPPC). |
| 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 waterbodies, the integrity of our infrastructure, and ensure our employees have a safe work environment. Such efforts include preventing stormwater pollution, increased implementation of green stormwater infrastructure, addressing mercury pollution, and homeless encampment clean ups. 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). |
| Update: | <ul style="list-style-type: none"> In August 2020, the Saratoga Creek Hazard Tree Removal and Restoration Project to remove fifty-four non-native, damaged eucalyptus trees that pose a fire and safety hazard. This first phase of the three-year project was completed ahead of schedule. Valley Water has begun engaging with key stakeholders and members of the community regarding the update of its Public Trails on Valley Water Lands Policy Criteria and Guidance. |
| Strategy 3: | Continue the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) |
| Focus: | <ul style="list-style-type: none"> Expedite early implementation of feasibility studies, monitoring activities, and planning and construction of various fish passage improvements. Integrate with Anderson Dam Seismic Retrofit Project, Coyote Creek, and other new projects. Continue FAHCE effort on remaining two creeks: Guadalupe River and Stevens Creek. Develop Adaptive Management Plan to encompass all three creeks. |
| Update: | <ul style="list-style-type: none"> The Valley Water Board of Directors approved converting The FAHCE Ad Hoc Committee to a Standing Board Committee called the Stream Planning and Operations Committee (SPOC). The SPOC has added a third purpose to identify and track progress of Valley Water and non-Valley Water activities that may affect the FAHCE Settlement Agreement and implementation. |

| GOAL: BUSINESS MANAGEMENT | |
|----------------------------------|---|
| Strategy 1: | Advance diversity and inclusion. |
| Focus: | <ul style="list-style-type: none"> Continue research on best practices to understand the changing landscape of diversity and inclusion to identify where continued investment is necessary. Develop Board’s vision for Valley Water as a diverse and inclusive organization. |
| Update: | <ul style="list-style-type: none"> Valley Water created the Office of Racial Equity, Diversity and Inclusion (REDI Office) to provide focused actions to address racial equity, diversity and inclusion within agency operations as well as promoting these issues and environmental justice to all the communities Valley Water serves. On September 22, 2020, the Valley Water Board of Directors adopted a Resolution “Addressing Systemic Racism and Promoting Equity” to establish Valley Water’s response to individual and systemic racism and its commitment to taking meaningful action, internally and externally, to address the impacts of prejudice, abuse of power, racial bias, gender or gender identity bias, racism, and barriers to diversity, equity and inclusion. |
| Strategy 2: | Maintain appropriate staffing levels and expertise. |
| Focus: | <ul style="list-style-type: none"> Finalize a long-term staffing strategy that aligns with Water Supply Master Plan, Capital Improvement Program, Operations & Maintenance plans, etc.. Develop classification career ladders to provide understanding of requirements for professional growth. Consider opportunities to grow the recruitment pipeline from high school and college students, workforce development programs, and the Valley Water intern program. |
| Update: | <ul style="list-style-type: none"> Valley Water continues to advance on the focus areas within this strategy, has reduced the rate of vacancies within the agency, and continues to creatively provide professional development opportunities for staff even with a socially distanced working environment. |
| Strategy 3: | Provide affordable and cost-effective level of services. |
| Focus: | <ul style="list-style-type: none"> Establish benchmarking with other agencies, particularly water agencies, in order to understand areas for improvement. |
| Update: | <ul style="list-style-type: none"> In August 2020, the Valley Water Board of Directors approved the agency moving forward with implementing a two-year budget cycle. Valley Water is preparing for the transition and anticipates implementation to begin in Fiscal Year 2023. |

| 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"> Develop a vision for how Valley Water thinks about and responds to Climate Change throughout the organization. |
| Update: | <ul style="list-style-type: none"> Valley Water is developing a Climate Change Action Plan (CCAP) that outlines Valley Water’s vision for climate change and will address greenhouse gas reductions, adaptations to climate change and expansions to Valley Water’s existing efforts around water conservation, recycled water, flood protection, ecosystem protection and habitat restoration. The plan is under development and expects to be completed in 2021. |



Santa Clara Valley Water District

File No.: 21-0043

Agenda Date: 1/27/2021

Item No.: 5.2.

COMMITTEE AGENDA MEMORANDUM

Santa Clara Valley Water Commission

SUBJECT:

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.

RECOMMENDATION:

Receive information on Valley Water's Creation of the Office of Racial Equity, Diversity and Inclusion, and the Board of Directors' Adoption of a Resolution Addressing Systemic Racism and Promoting Equity

SUMMARY:

In July, Chief Executive Officer Rick Callender announced the creation of a new Office of Racial Equity, Diversity, and Inclusion (REDI) under the External Affairs Division. The new office will encompass the existing Diversity and Inclusion Program, with an expanded charge to break down organizational barriers that enable systemic racism, and instead promote a culture of equity and environmental justice. This office will ensure that racial equity, diversity and inclusion practices are reflected both internally and externally to better serve all communities within Valley Water's service area.

On August 27, 2020, REDI staff presented a resolution "Addressing Systemic Racism and Promoting Equity" to the Board of Directors' Diversity and Inclusion Ad Hoc Committee. The resolution was developed consistent with Valley Water's core values and the principles used in accomplishing Valley Water's mission. Specifically, the purpose and intent of the resolution is to establish Valley Water's response to individual and systemic racism and its commitment to taking meaningful action, internally and externally, to address the impacts of acts of prejudice, abuse of power, racial bias, gender or gender identity bias, racism, and barriers to diversity, equity and inclusion. The Committee recommended the resolution go to the Board of Directors for adoption and recommended that staff present the resolution to other Board Advisory Committees.

During the September 22, 2020 Board Meeting, REDI staff presented the resolution to the Board of Directors for adoption. The Board voted to adopt the resolution and directed staff to present the resolution to all Board Advisory Committees. The resolution is included as Attachment 1.

File No.: 21-0043

Agenda Date: 1/27/2021
Item No.: 5.2.

ATTACHMENTS:

Attachment 1: Board-Adopted Resolution Addressing Systemic Racism and Promoting Equity

UNCLASSIFIED MANAGER:

Marta Lugo 408-630-2237

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 20-

ADDRESSING SYSTEMIC RACISM AND PROMOTING EQUITY

WHEREAS, the Board of Directors of the Santa Clara Valley Water District (Valley Water) has adopted policies upholding its commitment to diversity, inclusion equity, and justice; and has reflected on the current events of the killings of George Floyd, Breonna Taylor, Ahmaud Arbery, and countless others that underscore a history in which Black and African Americans have been unjustly accused, detained, or killed by citizens or police officers as a result of prejudice, abuse of power, racial bias, and racism; and

WHEREAS, in this sobering and heartbreaking moment, our eyes have been opened to the ongoing burden and the resulting inequalities that prejudice, abuse of power, racial bias, and racism in both overt and systemic forms have inflicted on the Black and African American community; and

WHEREAS, Valley Water is committed to the fair treatment of all races, cultures, ethnicities, socio-economic classes, genders, gender identity, sexual orientation, and affirms that diversity, equity, inclusiveness, and respect are core values of the agency; and

WHEREAS, Valley Water is committed to advancing racial justice by centering the agency's programs and resource allocations on racial and social equity, both as a regional employer, as well as a service provider; and

WHEREAS, Valley Water understands that many members of the communities served by Valley Water, as well as members of our own employee community, are hurting deeply because of the events surrounding the unjust killings and abuse of power of George Floyd, Breonna Taylor, Ahmaud Arbery, and countless others; and

WHEREAS, the Governance Policies of the Board GP 7.7 states that the Santa Clara Valley Water District is committed to creating an inclusive work environment, which reflects and supports the diversity of our community and enriches our perspectives; and

WHEREAS, In 2018 the Valley Water Board adopted the Environmental Justice Policy, aligning with the Federal Environmental Protection Agencies' definition of Environmental Justice and adding a value statement that we are committed to upholding Environmental Justice for Disadvantaged Communities in Santa Clara County (including low-income, minority, immigrant, tribal, and Limited English Proficiency residents), and will strive to ensure the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to our projects and programs; and

WHEREAS, Valley Water acknowledges that increasing diversity, representation, inclusion and a sense of belonging at all levels, including the Board, Executive Leadership and Professional and Managerial classes is critical, as it results in better outcomes for individuals as well as for the Agency; and

WHEREAS, On June 22, 2020, the Board of Directors took an emergency legislative position of support on ACA 5 (Weber), an Assembly-proposed constitutional amendment to repeal

Proposition 209 enacted in November 1996, in order to support equity, diversity, inclusion, and justice in state and local government hiring practices; and

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District stands against prejudice, abuse of power, racial bias, gender bias, gender identity bias, sexual orientation bias, and racism in both overt and systematic forms, and does hereby adopt the following guiding principles, at Valley Water we will:

1. Recognize and acknowledge that black lives matter.
2. Stand up against acts of racism, exclusion, and abuse of power in our organization and in our community.
3. Provide leadership in calling out institutionalized racism and broken systems within water resources community and working to fix them.
4. Go beyond diversity and inclusion and build cultural competence and address issues of racial inequity to become an anti-racist, anti-hate organization.
5. Intentionally and proactively change our ways of thinking about racial equity through dialogue, education, training, and engaging all Valley Water employees and contractors.
6. Create a supportive work environment regardless of gender, sexual orientation, or gender identity and create a more equitable and safe work environment for LGBT employees.
7. Combat hate, discrimination, and unfair treatment against all people.
8. Be a resource for education and awareness for Valley Water employees and the communities we serve, relative to Valley Water's mission, by regularly sharing educational resources about ongoing social justice issues in America.
9. Offer consistent, equitable amenities across Valley Water projects regardless of community demographics or affluence.
10. Support First Amendment rights that allow freedom of speech and peaceful non-violence public protests to educate and advocate for justice and stand against injustice.
11. Condemn systematic racism that sanctions police violence against people of color and especially Black and African American people.
12. Ensure that all employees voices be heard, creating a culture of equity, diversity inclusion, and belonging by continuing to support the Employee Resource Groups (ERGs).

BE IT FURTHER RESOLVED that the Valley Water Board further calls upon Valley Water labor union partners to affirmatively address racial, gender, gender identity, sexual orientation, and social inequalities and ensuring equitable benefits, decision-making, and negotiation demands.

BE IT FURTHER RESOLVED that the Valley Water Board acknowledges and calls on all employees to recognize that the responsibility falls on each of us, regardless of the color of our skin to work together to create a "new normal" in which the legacy of bigotry and unequal treatment no longer infects our institutions, systems, and values.

BE IT FURTHER RESOLVED that the Valley Water Board directs the CEO to move beyond acknowledgement of injustice and take concrete actions that are visible in the prioritization of resources and programs to (1) create a culture where employees feel safe, respected, valued, and are invited to participate fully in sharing their unique gifts, talents, and backgrounds; (2) expand access to equity, diversity, and inclusion evidence-based strategies, such as implicit bias trainings, culturally competent education and historical learnings, including through collaboration and support of ERGs; (3) recognize and ensure access to clean and safe drinking water as a human right; (4) recognize and make sure flood protection is provided in an equitable fashion to all communities; and (5) recognize and ensure that environmental restoration and watershed stewardship projects equitably benefit all communities.

BE IT FURTHER RESOLVED that the Valley Water Board directs the CEO to bring forward an Environmental Justice Ends Policy for the Board's adoption, consistent with the Board's Environmental Justice Executive limitation before end of this fiscal year FY2021.

BE IT FURTHER RESOLVED that the Valley Water Board directs the CEO to identify and dismantle structural and institutional racism within Valley Water by (1) affirmatively addressing racial and social inequities and (2) promoting environmental justice consistent with the Board's policies.

BE IT FURTHER RESOLVED that the Valley Water Board directs the CEO to assess, strengthen, and fund outreach and engagement strategies to ensure that communities of color and disadvantaged communities have true access to representation and participation in our agency's processes, as well as equitable access to engage in Valley Water processes and programs.

BE IT FURTHER RESOLVED that the Valley Water Board directs the CEO to assure hiring, retention, and promotion practices ensure personnel decisions are made equitably and justly, and make sure the workforce is diverse and enjoys equal opportunities for promotions and benefits.

BE IT FURTHER RESOLVED that the Valley Water Board directs the CEO to put into place programs that will ensure the greatest diversification of its contractors to strive to aim for inclusion and utilization of all Local Business Enterprises, including Minority and Women Business Enterprises.

BE IT FURTHER RESOLVED that the Board of Directors directs the CEO to identify actions Valley Water will implement to advance racial, and social equity across all enterprises and, including developing performance measures, incorporating a racial, and social equity lens in budgeting, personnel, contracting decisions, and in all strategic long-term planning processes for the express purpose of advancing racially just outcome reporting.

BE IT FURTHER RESOLVED that the Board of Directors directs the CEO, upon the passage of Proposition 16, the numeric designation assigned to ACA 5 (Weber) for the statewide General Election to be held on November 3, 2020, to put in place programs, policies, and procedures to implement the expressed intent of Proposition 16.

BE IT FINALLY RESOLVED, that Valley Water will support and continue to explore additional efforts in the communities which it serves, the State of California, and nationwide to address racial inequalities.

PASSED AND ADOPTED by the Board of Directors of the Santa Clara Valley Water District by the following vote on September 22, 2020:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

NAI HSUEH
Chair, Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk, Board of Directors

