

## Frequently Asked

# FAQ

## Questions

### Groundwater production charges and 2010/2011 charge-setting process

#### What is groundwater?

Groundwater is found in underground geological formations called aquifers. These aquifers are often called the "groundwater basin." About 40 percent of the water used by residents and businesses in Santa Clara County is pumped from the groundwater basin.

#### Who uses it?

Most water retailers pump groundwater from wells and use treated water from drinking water treatment plants to meet customer demand. Nearly all water used in South County is groundwater. About half is pumped by farmers through agricultural wells and the other half is used by residents of Morgan Hill and Gilroy and those living in unincorporated rural areas.

#### What's the water district's role?

As a water wholesaler, the Santa Clara Valley Water District purchases, captures, recharges, treats and delivers water for 13 water retailers. These retailers in turn sell that water directly to business and household customers, factoring in their own costs of service as well. The water district also services private well owners by purchasing, capturing and recharging water to ensure that a safe, reliable supply of groundwater is available for pumping.

The water district charges both its wholesale and direct customers to recover the costs of the programs and services it provides.

#### What would happen to groundwater levels without the water district's programs and services?

Without the water district's actions to augment local supplies, replenish and preserve the groundwater aquifer, groundwater levels will decline, wells will run dry and permanent land subsidence (sinking of the ground) will occur again.

#### What do groundwater production charges pay for? *Replenish the groundwater basin*

- Operate and maintain local reservoirs to capture water and fill recharge ponds
- Purchase imported water

#### Ensure safe drinking water

- Monitor and protect groundwater from pollutants
- Ensure proper construction and destruction of wells

#### Construct, maintain and repair infrastructure

- Plan and construct improvements to infrastructure such as dams, pipelines, ponds and pump stations
- Operate and maintain pipelines and pumping plants to help sustain the groundwater aquifer

#### What are the benefits?

- Reliable, healthy and cleaner drinking water
- Diverse water supply sources for water reliability
- Protected and sustained water resources
- Maximized water conservation and recycling

#### How much do most people pay now for water district services?

In North County about \$22.50 per month of the average \$50 monthly water bill in the county pays for water district services; the rest goes to your water retailer. In South County the monthly average is \$10.

Agricultural water users pay an average of \$2.75 per month for each acre of land.

#### What charge is proposed for next year?

The water district is proposing **no increase** for 2010/2011. This would mean a second straight year with no increases. Instead, we reduced costs as follows to hold the line at 2008/2009 levels.


- Eliminated 57 positions over two years
- Cut temporary staff and overtime
- Reduced fleet by 25 vehicles
- Canceled or delayed lower-priority projects
- Made other agency wide cost reductions

*continued on back...*

## Contact us

If you have questions or concerns contact

**Darin Taylor (408)  
265-2607, ext. 3068.**

Santa Clara Valley  
Water District 

## How does the water district compare with other agencies statewide?

As the chart below shows, double-digit rate increases are the trend in many agencies statewide. The Santa Clara Valley Water District did not raise its rates in 2009/2010.

Wholesale Agencies	FY 2008-09	FY 2009-10	%	
SCVWD North W-2 (Groundwater per AF)	\$520	\$520	0.0%	Adopted
SCVWD North W-2 (Treated Water per AF)	\$620	\$620	0.0%	Adopted
SCVWD South W-5 (Groundwater per AF)	\$275	\$275	0.0%	Adopted
Metropolitan Water District (Treated Water per AF)	\$651	\$787	19.7%	Adopted
Orange County Water District (Groundwater per AF)**	\$249	\$249	0.0%	Per FY 09/10 budget
San Diego County Water Authority (Treated Water per AF)	\$827	\$978	20.0%	Adopted
San Francisco Public Utilities Commission (Treated Water per AF)	\$623	\$719	15.4%	Adopted
Zone 7 Water District (Treated Water per AF)	\$804	\$933	16.0%	Staff projection

\*MWD, SDCWA and Zone 7 rates are based on a calendar year.  
 \*\*Benefiting from one-time unanticipated revenue increase and cost reductions, totaling \$10 million.

## Annual charge-setting process

### How are these charges set and by who?

State law authorizes the water district to charge users for the costs of its programs and services which protect and augment groundwater supplies.

Each spring, the water district staff makes a recommendation based on short and long term analysis of financial conditions and water availability and use projections. The recommended water charges are then presented to the community and the water district board of directors.

### What are the key dates for the 2010/2011 process?

The following are planned dates and subject to change. For updates, please check the water district's website, [valleywater.org](http://valleywater.org).

<b>Feb. 26</b>	Mail annual notices to well owners; file <i>Protection and Augmentation of Water Supplies</i> report
<b>Mar. 11</b>	Informational Open House, Morgan Hill Community Center, El Toro Room, 3 p.m. to 8:30 p.m.
<b>Mar. 15</b>	Informational Open House, Cupertino Community Hall, 3 p.m. to 8:30 p.m.
<b>April 13</b>	Open public hearing at water district headquarters board room (North County)
<b>April 22</b>	Continue public hearing at Morgan Hill community center (South County)
<b>April 27</b>	Close public hearing
<b>April-May</b>	Review and validate protests received

## Is there anything different about this year's process?

The water district has always had an open, public process for setting rates. This year, the notice mailed to well owners identified a protest procedure that conforms to the protest procedure found in Proposition 218.

### What is a protest procedure?

The groundwater production charge-setting process includes a specifically defined protest procedure. Per Santa Clara Valley Water District Resolution No. 10-08, "... the District will provide the required notice to the record owner of the property, on which the water-producing facility is present, as well as the owner or operators of water producing facilities..."

Accordingly, parcel owners in Zone W-5 of Santa Clara County who have a water producing facility on their land, and well owners or operators with active, inactive or standby wells used for water supply or extraction/environmental purposes in Santa Clara County are eligible to protest the proposed groundwater production charge. To protest:

1. Forward, through mail or in person, a written protest sealed in an envelope to the Santa Clara Valley Water District, (ATTN: Clerk of the Board – Groundwater Production Charge Hearing, 5750 Almaden Expressway, San Jose, CA 95118) by the close of the public hearing, which is scheduled for April 27, 2010. No other forms of protest, including e-mail or fax will be accepted.
2. Legibly write your name and sign the protest with an original signature. Photocopied signatures will not be accepted. Include the address(es) or Assessor's Parcel Number(s) of your property(ies) on the outside of the envelope. The well number is also an acceptable form of identification.

Protests are only valid if received between February 26, 2010 and at the close of the public hearing on April 27, 2010. Protests postmarked prior to April 27, but received afterward will not be considered valid. You may change or withdraw your protest prior to the close of the public hearing.