MEETING NOTICE & REQUEST FOR RSVP

TO: AGRICULTURAL WATER ADVISORY COMMITTEE

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The regular meeting of the Agricultural Water Advisory Committee is scheduled to be held on Monday, April 5, 2021, at 1:30 p.m., Join Zoom Meeting https://valleywater.zoom.us/j/98850905996.

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 our new website 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Members with two or more consecutive unexcused absences will be subject to rescinded membership.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 1:00 p.m., Thursday, April 1, 2021, by contacting Ms. Glenna Brambill at 1-408-630-2408, or gbrambill@valleywater.org.

Enclosures
Agricultural Water Advisory Committee Meeting

Join Zoom Meeting Information:
https://valleywater.zoom.us/j/98850905996

Meeting ID: 988 5090 5996
One tap mobile
+16699009128,,98850905996# US (San Jose)

Dial by your location
   +1 669 900 9128 US (San Jose)

Meeting ID: 988 5090 5996
Santa Clara Valley Water District
Agricultural Water Advisory Committee Meeting

Teleconferencing-Via Zoom
Join Zoom Meeting
https://valleywater.zoom.us/j/98850905996

REGULAR MEETING
AGENDA

Monday, April 5, 2021
1:30 PM

Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.
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” tool 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/98850905996

Meeting ID: 988 5090 5996
One tap mobile
+16699009128,,98850905996# US (San Jose)
Dial by your location
+1 669 900 9128 US (San Jose)
Meeting ID: 988 5090 5996

1. CALL TO ORDER:

1.1. Roll Call.

2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA. Notice to the Public: Members of the public who wish to address the Committee on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of Minutes.
Recommendation: Approve the January 4, 2021, Meeting Minutes.
Manager: Michele King, 408-630-2711
Attachments: Attachment 1: 01042021 Aq Wtr DRAFT Mins
Est. Staff Time: 5 Minutes

4. ACTION ITEMS:
4.1. Review and Comment to the Board on the Fiscal Year 2021-22 Maximum Proposed Groundwater Production Charges.

Recommendation: Review the Fiscal Year 2021-22 Maximum Proposed Groundwater Production Charges and provide comment to the Board as necessary

Manager: Darin Taylor, 408-630-3068
Attachments: Attachment 1: PowerPoint Presentation
Est. Staff Time: 30 Minutes


Recommendation: Receive information on stormwater capture requirements

Manager: Kirsten Struve, 408-630-3138
Attachments: Attachment 1: PowerPoint Presentation
Est. Staff Time: 15 Minutes

4.3. Review Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests; and the Committee’s Next Meeting Agenda.

Recommendation: Review the Committee work plan to guide the committee’s discussions regarding policy alternatives and implications for Board deliberation.

Manager: Michele King, 408-630-2711
Attachments: Attachment 1: 2021 Ag Water Work Plan
Est. Staff Time: 5 Minutes

5. INFORMATION ITEMS:


Recommendation: Standing Items Reports
This item allows the Agricultural Water Advisory Committee to receive verbal or written updates and discuss the Board’s Fiscal Year 2021 Work Plan Strategies. These items are generally informational; however, the Committee may request additional information and/or provide collective input to the assigned Board Committee.

Manager: Michele King, 408-630-2711
Attachments: Attachment 1: Standing Items Report
Est. Staff Time: 5 Minutes
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. **ADJOURN:**

   7.1. Adjourn to Regular Meeting at 1:30 p.m., on July 12, 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.
COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:
Approval of Minutes.

RECOMMENDATION:
Approve the January 4, 2021, Meeting Minutes.

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

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

ATTACHMENTS:
Attachment 1: 01042021, Ag Water Draft Meeting Mins.

UNCLASSIFIED MANAGER:
Michele King, 408-630-2711
AGRICULTURAL WATER ADVISORY COMMITTEE MEETING

DRAFT MINUTES

MONDAY, JANUARY 4, 2021
1:30 PM

A regularly scheduled meeting of the Agricultural Water Advisory Committee was held on January 4, 2021, Teleconference via Zoom in San Jose, California.

1. CALL TO ORDER/ROLL CALL
Chair David Vanni called the meeting to order at 1:36 p.m.

Members in attendance were:

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Member not in attendance was:

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</table>

Board members in attendance were: Director Nai Hsueh, Board Alternate, Director Richard P. Santos, and Director John L. Varela, Board Representatives.

Staff members in attendance were: Aaron Baker, Glenna Brambill, Chelsea Busick, Rick Callender, Keila Cisneros, Jerry De La Piedra, Vanessa De La Piedra, Vincent Gin, Samantha Greene, Andrew Gschwind,
Karen Koppett, Devin Mody, Marta Lugo, Carmen Narayanan, Linda Nguyen, Ashley Shannon, Kirsten Struve, Darin Taylor, Elisabeth Wilkinson, Gregory Williams, and Bhavani Yerrapotu.

Guests in attendance were: Dr. Andrew Fisher (UC Santa Cruz).

Public in attendance were: Director Tony Estremera (Valley Water, District 6), Director Linda J. LeZotte (Valley Water, District 4).

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
3.1 APPROVAL OF MINUTES
It was moved by Mr. Jan Garrod, second by Mr. Bill Cilker, and by roll call and majority vote (8 attendees) approved the October 5, 2020, Agricultural Water Advisory Committee meeting minutes, as presented. {Mr. Brent Bonino was on the call, however, audio was not working}. Ms. Sheila Barry abstained.

4. ACTION ITEMS:
4.1 ELECTION OF CHAIR AND VICE CHAIR
Chair David Vanni reviewed the materials as outlined in the agenda.

It was moved by Mr. Mitchell Mariani to nominate Mr. David Vanni as Chair.

The Agricultural Water Advisory Committee by roll call and unanimous vote, elected Mr. David Vanni as Chair.

It was moved by Mr. David Vanni to nominate Mr. Jan Garrod as Vice Chair.

The Agricultural Water Advisory Committee by roll call and unanimous vote, elected Mr. Jan Garrod as Vice Chair.

4.2 REVIEW AND APPROVE 2020 ANNUAL ACCOMPLISHMENTS REPORT FOR PRESENTATION TO THE BOARD (COMMITTEE CHAIR)
Ms. Glenna Brambill reviewed the materials as outlined in the agenda.

It was moved by Mr. Jan Garrod, second by Mr. Mitchell Mariani, and by roll call and unanimous vote, approved the Agricultural Water Advisory Committee’s 2020 Accomplishments Report. Due to COVID 19, the Committee was limited in fully engaging in 2020.
4.3 FY20020-21 GROUNDWATER PRODUCTION CHARGES AND VALLEY WATER BUDGET UPDATE

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

The Agricultural Water Advisory Committee (Mr. David Vanni, Mr. Jan Garrod, Ms. Sheila Barry, Mr. Mitchell Mariani and Mr. Tim Chiala) discussed the following: Zone W-8, M&I charges, Anderson Dam rebuild, North County scenario, rate(s) setting, underground water table, agricultural credit, savings/cost of M&I, 10%-25% cap of agricultural rates.

The Agricultural Water Advisory Committee took no action.

4.4 AGRICULTURAL WATER USE BASELINE STUDY

Ms. Ashley Shannon reviewed the materials as outlined in the agenda.

The Agricultural Water Advisory Committee (Mr. Jan Garrod, Ms. Sheila Barry, and Ms. Sandra Carrico) discussed the following: sufficient water/rainfall, timeline for Study, consider the small farmers and having information translated, urban agriculture paying residential rates, indoor greenhouse/micro/vertical vegetables users, and existing rebates.

Director Joh L. Varela asked that the “Santa Clara Valley Agricultural Plan (2018)” be included as a reference document). Director Richard P. Santos encouraged Committee to re-visit discussion regarding retailers offering agricultural rates for the urban agricultural and small farmers.

The Agricultural Water Advisory Committee took no action.

4.5 COLLABORATION WITH UC WATER ON FLOOD-MANAGED AQUIFER RECHARGE

Ms. Samantha Greene and Dr. Andrew Fisher reviewed the materials as outlined in the agenda.

The Agricultural Water Advisory Committee (Mr. Jan Garrod, Ms. Sheila Barry, Mr. Tim Chiala) discussed the following: flood high flows, water events, landowners-stock ponds-regulators-permits-fees, collection of stormwater, National Resources Conservation Service (NRCS), processing wash water to utilize the re-use of agricultural water to recharge aquifer, single use water, suitability, crops and land use.

Director John L. Varela questioned whether the Central Coast and UC Santa Barbara are part of the study and it would be good to collaborate with them.

The Agricultural Water Advisory Committee took no action.
4.6 UPDATE ON MEASURE S AND CONSIDERATION OF OPEN SPACE CREDIT
Ms. Marta Lugo reviewed the materials as outlined in the agenda.

The Agricultural Water Advisory Committee (Mr. Jan Garrod) congratulated Valley Water for the passing of the Measure!

Director John L. Varela acknowledged the Santa Clara County Farm Bureau for their support and positive endorsement position via a letter to Valley Water in assisting with the passing of Measure S (through Mr. Tim Chiala as the spokesperson). The overwhelming support of the voters, Valley Water can continue to offer services that represents revenue received from the Measure!

Mr. Rick Callender, CEO, noted that this Measure would take the pressure off the Agricultural Community. Thanked the farming community and South County for supporting the Board and with the campaign. Measure S passed with the largest percentage for a tax that passed in Santa Clara County/County-wide and shows that working collectively can make a difference

It was moved by Mr. Tim Chiala, second by Mr. Jan Garrod, and by roll call and unanimous vote, approved Staff’s recommendation to have the Board consider continuing the Open Space Credit.

4.7 REVIEW AGRICULTURAL WATER ADVISORY COMMITTEE WORK PLAN, THE OUTCOMES OF BOARD ACTION OF COMMITTEE REQUESTS; AND THE COMMITTEE’S NEXT MEETING AGENDA
Ms. Glenna Brambill reviewed the materials as outlined in the agenda.

The Agricultural Water Advisory Committee took no action.

5. INFORMATION ITEMS
5.1 STANDING ITEMS REPORT
Ms. Glenna Brambill reviewed the materials as outlined in the agenda.

The Agricultural Water Advisory Committee took no action.

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
Ms. Mara Lugo reviewed the materials as outlined in the agenda.

The Agricultural Water Advisory Committee took no action.

6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS TO THE BOARD
Ms. Glenna Brambill reported there two action items for Board consideration.
Agenda Item 4.2
The Committee by roll call and unanimous vote, approved the Agricultural Water Advisory Committee's 2020 Accomplishments Report. Due to COVID 19, the Committee was limited in fully engaging in 2020.

Agenda Item 4.6.
The Agricultural Water Advisory Committee took the following action:
The Committee by roll call and unanimous vote, approved Staff's recommendation to have the Board consider continuing the Open Space Credit.

7. REPORTS
7.1 Director's Report
Director John L. Varela – looking forward to the new year and positive outcomes for the Committee.

Director Richard P. Santos - thanked everyone for their participation and commitment to the Committee and the farming community supporting Measure S and the continuance with the Open Space Credit.

Director Nai Hsueh - wished everyone a Happy New Year! Reiterated Standing Items Report and having Committee to stay engaged with the Board items and welcomes feedback to improving the report.

7.2 Manager's Report
None.

7.3 Committee Member Reports
Ms. Sheila Barry, new member introduced her background and experience.

7.4 Informational Link Reports
None.

8. ADJOURNMENT
Chair David Vanni adjourned at 3:24 p.m. to the regular meeting on Monday, April 5, 2021, at 1:30 p. m. 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.

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

Approved:
COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:
Review and Comment to the Board on the Fiscal Year 2021-22 Maximum Proposed Groundwater Production Charges.

RECOMMENDATION:
Review the Fiscal Year 2021-22 Maximum Proposed Groundwater Production Charges and provide comment to the Board as necessary

SUMMARY:

Summary of Groundwater Production Charge Analysis:

The proposed groundwater production charges reflects the benefit of District activities to protect and augment groundwater supplies and is applied to water extracted from the groundwater basin in Zones W-2, W-5, W-7, and W-8. Zone W-2 encompasses the Santa Clara groundwater subbasin north of Metcalf Road or the North County. Zone W-5 overlays the Llagas subbasin from northern Morgan Hill south to the Pajaro River. Zone W-7 overlaps the Coyote Valley south of Metcalf Road to northern Morgan Hill, and W-8 encompasses the area below Uvas and Chesbro Reservoirs. The discussion in this memo will focus on the three South County zones given that the agricultural groundwater charge projection is linked to the Municipal and Industrial (M&I) charges in South County.

The groundwater production charge recommendations are detailed in the Annual Report on the Protection and Augmentation of Water Supplies that was 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 and continue on April 15, 2021 with a focus on South County. It is anticipated that the Board would set the FY 2021-22 groundwater production charges by May 11, 2021, with an effective date of 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.

Open Space Credit

The Valley Water Board has historically recognized that agriculture brings value to Santa Clara
County in the form of open space and local produce. According to Section 26.1 of the District Act, agricultural water is “water primarily used in the commercial production of agricultural crops or livestock.” In an effort to help preserve this value, the District Act limits the agricultural charge to be no more than 25% of the M&I charge.

The agricultural community currently benefits from low groundwater charges that are 2% of M&I charges in North County Zone W-2 and 6% of M&I charges in South County Zone W-7. The FY 2020-21 agricultural groundwater production charge is $28.86/AF, or 6% of the Zone W-7 M&I charge of $481.00/AF.

The credit to agricultural water users has become known as an “Open Space Credit.” It is paid for by fungible, non-rate related revenue. To offset lost revenue that results from the difference between the adopted agricultural groundwater production charge and the agricultural charge that would have resulted at the full cost of service, Valley Water redirects a portion of the 1% ad valorem property taxes generated in the Water Utility, General and Watershed Stream Stewardship Funds.

In April 2019, the Board directed staff to eliminate the discretionary portion of the Open Space Credit starting in FY 2021-22, after a two-year period in which a coalition of agricultural industry and other stakeholders would work to pursue an alternative revenue source to replace the discretionary portion of the Open Space Credit. As such the agricultural groundwater charge would increase to the maximum allowed by the District Act at 25% of the M&I charge for FY 2021-22. Doing so will require an update to the Board’s Pricing Policy which currently limits the agricultural groundwater production charge to 10% of the M&I Charge.

In addition, as mentioned at the January 2021 Agricultural Advisory Committee meeting, staff offers an alternative scenario for Board consideration due to the passage of Measure S in November of 2020, which has relieved some financial pressure for Valley Water in the future. This alternative scenario is consistent with the motion passed by the Agricultural Advisory Committee at the January 4, 2021 meeting requesting that the Board consider continuing the discretionary portion of the Open Space Credit. Under this alternative scenario, the Agricultural groundwater charge would be set at 10% of the Zone W-8 M&I groundwater charge. There is roughly a $16 million difference to the Open Space Credit over the next 10 years between setting the Ag charge at 10% of Zone W-8 M&I and 25% of Zone W-8 M&I.

**Groundwater Production Charge Recommendations**

Staff proposes a maximum 9.6% increase in the North County (Zone W-2) Municipal and Industrial (M&I) groundwater production charge from $1,374/AF to $1,506/AF. The proposal equates to a monthly bill increase for the average household of $4.55 or about 15 cents a day.

In the South County Zone W-5, staff proposes a maximum 4.6% increase in the M&I groundwater production charge from $467/AF to $488.50/AF. The proposal equates to a monthly bill increase for the average household of $0.74 or about 2 cents per day.

In the South County Zone W-7, staff proposes a maximum 10.3% increase in the M&I groundwater
production charge from $481/AF to $530.50/AF. The proposal equates to a monthly bill increase for the average household of $1.70 or about 6 cents per day.

In the South County Zone W-8, staff proposes a maximum 4.4% increase in the M&I groundwater production charge from $327/AF to $341.50/AF. The proposal equates to a monthly bill increase for the average household of $0.50 or about 2 cents per day.

Following Board direction, the staff proposed maximum agricultural groundwater production charge is 25% of M&I for Zone W-8, which would be an increase from $28.86/AF in FY2020-21 to $85.38/AF in FY2021-22. The proposed maximum groundwater production charge for FY 2021-22 agricultural rates would translate to an increase of up to $9.41 per month per acre, assuming 2 (two) acre-feet of water usage per acre per year. Under the alternative scenario, the agricultural groundwater production charge would be set at 10% of M&I for Zone W-8, or $34.15/AF in FY2021-22, which would translate to an increase of $0.88 per month per acre, assuming two acre-feet of water usage per acre per year.

The proposed maximum groundwater production charges for FY 2021-22 are necessary to pay for supplemental water purchases in preparation for drought, investments in water supply infrastructure rehabilitation and upgrades, and new water supply reliability investments. The need to purchase supplemental water is driven by the fact that the next drought appears to be on our doorstep, coupled with the recent lowering of water levels at Anderson Reservoir.

A key infrastructure rehabilitation investment includes the Anderson Dam Seismic Retrofit, which is a $650 million project that will help ensure public safety and bolster future water supply reliability. A key water supply reliability investment is the Pacheco Reservoir Expansion project, estimated to cost roughly $2.5 billion, would provide an additional 80,000 acre-feet of water storage capacity.

The Board is seeking input with regard to staff’s groundwater production charge recommendation for FY 2021-22.

ATTACHMENTS:
Attachment 1: PowerPoint Presentation

UNCLASSIFIED MANAGER:
Darin Taylor, 408-630-3068
50th Annual Report Released

Annual Protection and Augmentation of Water Supplies Report provides information & accountability

Filed February 26, 2021

Available online: https://www.valleywater.org/ProposedWaterCharges
**Background on Board Direction Related to Agricultural Rates**

- **Board direction in April 2019 to eliminate discretionary portion of Open Space Credit by FY22**
  - After 2-year period in which coalition would pursue alternative revenue source

- **Would require update to Pricing Policy which currently limits Ag Charge to 10% of M&I Charge**
## Scenario Assumptions

1) Baseline: Pacheco

- **Baseline Projects***
  - Delta Conveyance (3.23% participation)
  - Anderson Dam Seismic Retrofit
  - Potable Reuse Phase 1 to produce 9-12KAF by FY 28
  - Pacheco Reservoir
    - $485M Proposition 1 grant
    - WIFIA loan for 49%
    - Partner Agencies pay 20% of project
  - **Master Plan Projects Placeholder**:
    - Assumes $346M from FY22-FY31, mainly after 5 Year CIP
  - Agricultural Charge at 25% of Zone W-8 M&I ($85.38/AF in FY 22)

2) Baseline without Pacheco

- **Baseline Projects***
  - Delta Conveyance (3.23% participation)
  - Anderson Dam Seismic Retrofit
  - Potable Reuse Phase 1 to produce 9-12KAF by FY 28
  - **Pacheco Reservoir**
    - $485M Proposition 1 grant
    - WIFIA loan for 49%
    - Partner Agencies pay 20% of project
  - **Master Plan Project Placeholder**:
    - Assumes $346M from FY22-FY31, mainly after 5 Year CIP
  - Agricultural Charge at 10% of Zone W-8 M&I ($34.15/AF in FY 22)

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

** Master Plan Project Placeholder includes anticipated costs for new pipelines, pipeline rehabilitations, treatment plant upgrades & SCADA implementation projects
Capital Investments for FY22 through FY31

• Anderson Dam Seismic Retrofit ($648M)
  • $68M (10% of total project) to be reimbursed by Safe Clean Water Measure

• Pipelines and related infrastructure ($143M over next 10 years)
  • Includes the Santa Clara Conduit Inspection and Rehabilitation Project
Funding strategy for $2.52B Project:

- Received $496.6M WSIP Prop 1 funding
  - Including $24.2M early funding
- Pursuing WIFIA loan
- SBCWD will partner up to 10%
- Other agencies may partner
- Pursuing federal funding
- Water Charges
South County Water Usage Trend (Combined Zones W-5, W-7, W-8)
## FY 2022: South County W-5 Proposed Maximum Charges

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<tr>
<th>Zone W-5 (South County) Llagas Subbasin</th>
<th>Dollars Per Acre Foot</th>
<th>FY 2019–20</th>
<th>FY 2020–21</th>
<th>Maximum Proposed FY 2021–22</th>
<th>% Change FY22 vs FY21</th>
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<tr>
<td><strong>Basic User/Groundwater Production Charge</strong></td>
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<tr>
<td>Municipal &amp; Industrial</td>
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<tr>
<td>Agricultural</td>
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### Surface Water Charge

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<td>Total Surface Water, Municipal &amp; Industrial*</td>
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<td>504.50</td>
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<td>5.0%</td>
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<tr>
<td>Total Surface Water, Agricultural*</td>
<td>66.36</td>
<td>66.36</td>
<td>126.48</td>
<td></td>
<td>90.7%</td>
</tr>
</tbody>
</table>

### Recycled Water Charge

| Municipal & Industrial               | 461.00          | 447.00      | 468.50      |                             | 4.8%                 |
| Agricultural                         | 56.26           | 56.26       | 112.78      |                             | 100.5%               |

* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge.

Proposed Maximum Ag Charge at 25% of Zone W-8 M&I; Staff offered alternative at 10% of Zone W-8 M&I or $34.15/AF
### FY 2022: South County W-7 Proposed Maximum Charges

<table>
<thead>
<tr>
<th>Zone W-7 (South County) Coyote Valley</th>
<th>Dollars Per Acre Foot</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
<th>Maximum Proposed FY 2021-22</th>
<th>% Change FY22 vs FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic User/Groundwater Production Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal &amp; Industrial</td>
<td>481.00</td>
<td>481.00</td>
<td>530.50</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>Agricultural</td>
<td>28.86</td>
<td>28.86</td>
<td>85.38</td>
<td>195.9%</td>
<td></td>
</tr>
<tr>
<td><strong>Surface Water Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface Water Master Charge</td>
<td>37.50</td>
<td>37.50</td>
<td>41.10</td>
<td>9.6%</td>
<td></td>
</tr>
<tr>
<td>Total Surface Water, Municipal &amp; Industrial*</td>
<td>518.50</td>
<td>518.50</td>
<td>571.60</td>
<td>10.2%</td>
<td></td>
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<tr>
<td>Total Surface Water, Agricultural*</td>
<td>66.36</td>
<td>66.36</td>
<td>126.48</td>
<td>90.7%</td>
<td></td>
</tr>
</tbody>
</table>

*The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge.

Proposed Maximum Ag Charge at 25% of Zone W-8 M&I; Staff offered alternative at 10% of Zone W-8 M&I or $34.15/AF
## FY 2022: South County W-8 Proposed Maximum Charges

<table>
<thead>
<tr>
<th>Zone W-8 (South County) Uvas / Chesbro</th>
<th>Dollars Per Acre Foot</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2019-20</td>
<td>FY 2020-21</td>
<td>Maximum Proposed FY 2021-22</td>
<td>% Change FY22 vs FY21</td>
<td></td>
</tr>
<tr>
<td><strong>Basic User/Groundwater Production Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal &amp; Industrial</td>
<td>481.00</td>
<td>327.00</td>
<td>341.50</td>
<td>4.5%</td>
<td></td>
</tr>
<tr>
<td>Agricultural</td>
<td>28.86</td>
<td>28.86</td>
<td>85.38</td>
<td>195.9%</td>
<td></td>
</tr>
<tr>
<td><strong>Surface Water Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface Water Master Charge</td>
<td>37.50</td>
<td>37.50</td>
<td>41.10</td>
<td>9.6%</td>
<td></td>
</tr>
<tr>
<td>Total Surface Water, Municipal &amp; Industrial*</td>
<td>518.50</td>
<td>364.50</td>
<td>382.60</td>
<td>5.0%</td>
<td></td>
</tr>
<tr>
<td>Total Surface Water, Agricultural*</td>
<td>66.36</td>
<td>66.36</td>
<td>126.48</td>
<td>90.7%</td>
<td></td>
</tr>
</tbody>
</table>

*The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge*

Proposed Maximum Ag Charge at 25% of Zone W-8 M&I; Staff offered alternative at 10% of Zone W-8 M&I or $34.15/AF
## Agricultural Benchmarks

(As of March 2021)

<table>
<thead>
<tr>
<th>Agency</th>
<th>Ag $/AF</th>
<th>Non-Ag $/AF</th>
<th>Ag as % of Non-AG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>San Benito Groundwater</strong></td>
<td>$13.15</td>
<td>$39.40</td>
<td>33%</td>
</tr>
<tr>
<td>(Quality issues)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Modesto ID Untreated SW</strong></td>
<td>$2.00 to $40.00</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>($2/AF for first 2 AF)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SCVWD South Groundwater</strong></td>
<td>$85.38</td>
<td>$488.50</td>
<td>18%</td>
</tr>
<tr>
<td>Zone W-5</td>
<td></td>
<td>$530.50</td>
<td>16%</td>
</tr>
<tr>
<td>Zone W-7</td>
<td></td>
<td>$341.50</td>
<td>25%</td>
</tr>
<tr>
<td>Zone W-8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SCVWD South Untreated SW</strong></td>
<td>$126.48</td>
<td>$529.60</td>
<td>24%</td>
</tr>
<tr>
<td>Zone W-5</td>
<td></td>
<td>$571.60</td>
<td>22%</td>
</tr>
<tr>
<td>Zone W-7</td>
<td></td>
<td>$382.60</td>
<td>33%</td>
</tr>
<tr>
<td>Zone W-8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Merced ID Untreated SW</strong></td>
<td>$50.00</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td><strong>SCVWD South Untreated SW</strong></td>
<td>$150.00</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Zone W-5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zone W-7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zone W-8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Merced ID Groundwater</strong></td>
<td>$170.16 to $269.29</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td><strong>Lost Hills Untreated SW</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Zone 7 Untreated SW</strong></td>
<td>$182.00</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td><strong>Westlands WD Pressurized</strong></td>
<td>$300.78</td>
<td>$957.13</td>
<td>31%</td>
</tr>
<tr>
<td><strong>San Benito Pressurized</strong></td>
<td>$305.45</td>
<td>$455.45</td>
<td>67%</td>
</tr>
</tbody>
</table>
## Proposed Maximum Groundwater Charge Increases

### M&I Groundwater Charge Year to Year Growth %

**Baseline Scenario: Pacheco**

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
<th>FY29</th>
<th>FY30</th>
<th>FY31</th>
</tr>
</thead>
<tbody>
<tr>
<td>North County Zone W-2</td>
<td>9.6%</td>
<td>9.6%</td>
<td>9.6%</td>
<td>9.6%</td>
<td>9.6%</td>
<td>9.6%</td>
<td>9.6%</td>
<td>8.7%</td>
<td>8.7%</td>
<td></td>
</tr>
<tr>
<td>South County Zone W-5</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td></td>
</tr>
<tr>
<td>South County Zone W-7</td>
<td>10.3%</td>
<td>10.3%</td>
<td>10.3%</td>
<td>10.3%</td>
<td>10.3%</td>
<td>10.3%</td>
<td>10.3%</td>
<td>10.3%</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>South County Zone W-8</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td></td>
</tr>
</tbody>
</table>
# Alternative Groundwater Charge Increases

## M&I Groundwater Charge Year to Year Growth %

**No Pacheco**

<table>
<thead>
<tr>
<th></th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
<th>FY29</th>
<th>FY30</th>
<th>FY31</th>
</tr>
</thead>
<tbody>
<tr>
<td>North County Zone W-2</td>
<td>8.5%</td>
<td>8.5%</td>
<td>8.5%</td>
<td>8.5%</td>
<td>8.5%</td>
<td>8.5%</td>
<td>8.5%</td>
<td>5.0%</td>
<td>5.0%</td>
<td></td>
</tr>
<tr>
<td>South County Zone W-5</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
<td>3.8%</td>
</tr>
<tr>
<td>South County Zone W-7</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
<td>8.1%</td>
</tr>
<tr>
<td>South County Zone W-8</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
<td>4.4%</td>
</tr>
</tbody>
</table>
# 2022 Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 4</td>
<td>Ag Water Advisory Committee</td>
</tr>
<tr>
<td>Jan 12</td>
<td>Board Meeting: Preliminary Groundwater Charge Analysis</td>
</tr>
<tr>
<td>Jan 20</td>
<td>Water Retailers Meeting: Preliminary Groundwater Charge Analysis</td>
</tr>
<tr>
<td>Jan 20</td>
<td>Water Commission Meeting: Preliminary Groundwater Charge Analysis</td>
</tr>
<tr>
<td>Feb 9</td>
<td>Board Meeting: Budget development update &amp; Set time &amp; place of Public Hearing</td>
</tr>
<tr>
<td>Feb 26</td>
<td>Mail notice of public hearing and file PAWS report</td>
</tr>
<tr>
<td>Mar 17</td>
<td>Water Retailers Meeting: FY 22 Groundwater Charge Recommendation</td>
</tr>
<tr>
<td>Mar 23</td>
<td>Board Meeting: Budget development update</td>
</tr>
<tr>
<td>Mar 30</td>
<td>Landscape Committee Meeting</td>
</tr>
<tr>
<td>Apr 5</td>
<td>Ag Water Advisory Committee</td>
</tr>
<tr>
<td>Apr 6</td>
<td>Landscape Committee Meeting</td>
</tr>
<tr>
<td>Apr 13</td>
<td>Open Public Hearing</td>
</tr>
<tr>
<td>Apr 14</td>
<td>Water Commission Meeting</td>
</tr>
<tr>
<td>Apr 15</td>
<td>Continue Public Hearing in South County</td>
</tr>
<tr>
<td>Apr 27</td>
<td>Conclude Public Hearing</td>
</tr>
<tr>
<td>Apr 28-29</td>
<td>Board Meeting: Budget work study session</td>
</tr>
<tr>
<td>May 11</td>
<td>Adopt budget &amp; groundwater production and other water charges</td>
</tr>
</tbody>
</table>
Staff Recommendation

- Groundwater Production Charge projection driven by drought preparation, water supply reliability investments and infrastructure repair & replacement.

- Proposed maximum Ag Charge at 25% of Zone W-8, or $85.38/AF

- Alternative Ag Charge at 10% of Zone W-8 M&I, or $34.15/AF
  - Roughly $16M difference to OSC over next 10 years between setting Ag charge at 10% of Zone W-8 M&I and 25% of Zone W-8 M&I.

- The Board is seeking input with regard to staff’s groundwater production charge recommendation for FY 2021-22.
COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:
Stormwater Capture Report.

RECOMMENDATION:
Receive information on stormwater capture requirements

SUMMARY:
The Agricultural Water Advisory Committee requested additional information on stormwater capture requirements contained in stormwater permits. Jill Bicknell, a water resources engineer and manager at EOA, Inc. and the Assistant Program Manager for the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) will provide this presentation to the committee, which includes the purpose of the new and redevelopment requirements in stormwater permits, an overview of the requirements, and information on low impact development techniques used to meet the requirements.

ATTACHMENTS:
Attachment 1:  PowerPoint Presentation

UNCLASSIFIED MANAGER:
Kirsten Struve, 408-630-3138
Stormwater Management Requirements for Land Development Projects in Santa Clara County

Jill Bicknell, P.E.
Santa Clara Valley Urban Runoff Pollution Prevention Program
Outline of Presentation

- Impacts of land development on stormwater flow and water quality
- Regulatory background
- Types of stormwater control measures
- Requirements by region (North and South County)
What happens during land development?

- Natural landforms changed
- Soil moved and compacted
- Vegetation removed
- Impervious surface created
- Natural drainage patterns are changed
- Land uses generate pollutants
How does land development affect the hydrologic cycle?

Little runoff before development

Lots of runoff after development
How do increases in flow affect creeks?

Yerba Buena Creek – upstream reach
Channel incision on lower Yerba Buena Creek (tributary to Lower Silver Creek and Coyote Creek)
Lower Silver Creek
(Erosion undermining outfall protection structure on left bank)
Land Development Impacts on Water Quality

- Uses of many local water bodies are impaired by numerous pollutants
- Stormwater runoff is the largest pollutant conveyance
- Stormwater discharge regulations require pollutant and flow controls
Regulatory Background: Municipal Stormwater Permits

- Since 1987, the federal Clean Water Act has required municipalities to obtain **permits to discharge stormwater** from municipal storm drain systems.
- California State and Regional Water Boards issue and enforce these permits.
- Santa Clara County is covered by permits issued by the San Francisco Bay and Central Coast Regional Water Boards.
Regional Water Board Boundaries

SF Bay Region

Central Coast Region
Overview of Requirements

- Land development projects must include stormwater control measures, based on the amount of impervious surface created and/or replaced onsite.

- Post-construction controls:
  - Source control measures
  - Site design measures
  - Stormwater treatment measures

- Flow controls where applicable:
  - “Hydromodification management” or “runoff retention” to prevent erosion in creeks.
Source Control Measures

- **Structural Source Controls** are permanent design features that reduce pollutant sources
  - Covered waste enclosures
  - No dumping signs
  - Drought-tolerant native plants

- **Operational Source Controls** are practices to be conducted on an ongoing basis after construction is completed
  - Pavement sweeping
  - Waste management
  - Reduced pesticide use
Site Design Measures

- Permanent design features that:
  - Reduce impervious surfaces
  - “Disconnect” impervious surfaces
  - Preserve/protect natural features

- Examples include:
  - Runoff directed to landscaping
  - Pervious pavement
LID Treatment Measures

- Engineered systems that remove pollutants from stormwater
- Sized to treat stormwater runoff from frequent, small storm events
- LID treatment includes bioretention, infiltration, evapotranspiration and rainwater harvesting/use
- Maintenance agreement required
Bioretention Areas
### R2 (C.3) Requirement Summary

<table>
<thead>
<tr>
<th>Tier</th>
<th>Threshold (new/replaced IS)</th>
<th>Requirement</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>≥ 2,500 SF</td>
<td>Site Design</td>
<td>LID Site Design Measures</td>
</tr>
<tr>
<td>2</td>
<td>≥ 5,000 SF (special land uses) ≥ 10,000 SF (all other land uses)</td>
<td>Water Quality Treatment</td>
<td>Volume: 80% of annual runoff or 85th percentile 24-hr storm Flow: runoff from 0.2 in/hr</td>
</tr>
<tr>
<td>3</td>
<td>≥ 43,560 SF (1 acre) in sensitive area</td>
<td>Hydromodification Management</td>
<td>Match 0.1Q2 to Q10 pre-project flow durations</td>
</tr>
</tbody>
</table>
## R3 (E.12) Requirement Summary

<table>
<thead>
<tr>
<th>Tier</th>
<th>Threshold</th>
<th>Performance Requirement</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>( \geq 2,500 \text{ SF} )</td>
<td>Site Design</td>
<td>LID Site Design Measures</td>
</tr>
<tr>
<td></td>
<td>(new/replaced IS)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>( \geq 5,000 \text{ SF} )</td>
<td>Water Quality Treatment</td>
<td>Volume: 85\textsuperscript{th} percentile 24-hr storm</td>
</tr>
<tr>
<td></td>
<td>(net IS)</td>
<td></td>
<td>Flow: runoff from 0.2 in/hr</td>
</tr>
<tr>
<td>3</td>
<td>( \geq 15,000 \text{ SF} )</td>
<td>Runoff Retention</td>
<td>Retain 85\textsuperscript{th} or 95\textsuperscript{th} percentile 24-hr storm</td>
</tr>
<tr>
<td></td>
<td>(new/replaced IS)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>( \geq 22,500 \text{ SF} )</td>
<td>Peak Management</td>
<td>Match 2- to 10-Yr peak flows</td>
</tr>
<tr>
<td></td>
<td>(new/replaced IS)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
For More Information:

- SCVURPPP C.3 Stormwater Handbook
  https://scvurppp.org/2016/06/20/c-3-stormwater-handbook-june-2016/

- Municipal Regional Stormwater Permit (C.3)

- Central Coast Post-Construction Requirements
  https://www.waterboards.ca.gov/centralcoast/water_issues/programs/stormwater/docs/lid/lid_hydromod_charette_index.html

- Stormwater Guidance Manual for Central Coast
Questions?

Contact Information:
Jill Bicknell, P.E.

cbicknell@eoainc.com
COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:
Review Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests; and the Committee’s Next Meeting Agenda.

RECOMMENDATION:
Review the Committee work plan to guide the committee’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 agendized 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: Agricultural Water Advisory Committee 2021 Work Plan
Attachment 2: Agricultural Water Advisory Committee July 2021 Draft Agenda
UNCLASSIFIED MANAGER:
Michele King, 408-630-2711
2021 Work Plan: Agricultural Water Advisory Committee

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.

<table>
<thead>
<tr>
<th>ITEM</th>
<th>WORK PLAN ITEM BOARD POLICY</th>
<th>MEETING DATE</th>
<th>INTENDED OUTCOME(S) (Action or Information Only)</th>
<th>ACCOMPLISHMENT DATE AND OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Election of Chair and Vice Chair for 2021</td>
<td>January 4</td>
<td>• Committee Elects Chair and Vice Chair for 2021  (Action)</td>
<td>Accomplished January 4, 2021: The Committee elected Mr. David Vanni as Chair and Mr. Jan Garrod as Vice Chair.</td>
</tr>
<tr>
<td>2</td>
<td>Annual Accomplishments Report</td>
<td>January 4</td>
<td>• Review and approve 2020 Accomplishments Report for presentation to the Board. (Action) • Submit requests to the Board, as appropriate.</td>
<td>Accomplished January 4, 2021: The Committee approved the Agricultural Water Advisory Committee’s 2020 Accomplishments Report. Due to COVID 19, the Committee was limited in fully engaging in 2020.</td>
</tr>
<tr>
<td>3</td>
<td>Review of Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests and the Committee’s Next Meeting Agenda</td>
<td>January 4 April 5 July 12 October 4</td>
<td>• Receive and review the 2020 Board-approved Committee work plan. (Action) • Submit requests to the Board, as appropriate.</td>
<td>Accomplished January 4, 2021: The Committee reviewed the 2020 Work Plan and took no action.</td>
</tr>
<tr>
<td>4</td>
<td>Standing Items Reports Fiscal Year 2021</td>
<td>January 4 April 5</td>
<td>• Receive quarterly reports on standing items. (Information)</td>
<td>Accomplished January 4, 2021: The Committee reviewed the quarterly reports and took no action.</td>
</tr>
</tbody>
</table>

Yellow = Update Since Last Meeting  
Blue = Action taken by the Board of Directors
## Work Plan: Agricultural Water Advisory Committee

**Update:** March 2021

### Yellow = Update Since Last Meeting

**Blue = Action taken by the Board of Directors**

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<thead>
<tr>
<th>ITEM</th>
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<tbody>
<tr>
<td><strong>WATER SUPPLY:</strong></td>
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<tr>
<td>Board Strategy 1</td>
<td>Actively Pursue Efforts to Increase Water Storage Opportunities. <em>(Assigned to Water Storage Exploratory Committee)</em></td>
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<tr>
<td>Board Strategy 2</td>
<td>Actively Participate in Decisions Regarding the California Delta Conveyance. <em>(Assigned to California Delta Conveyance Working Group)</em></td>
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<tr>
<td>Board Strategy 3</td>
<td>Lead Recycled and Purified Water Efforts with the City of San Jose and Other Agencies. <em>(Assigned to Recycled Water Committee)</em></td>
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<td>Board Strategy 4</td>
<td>Engage and educate the community, elected officials and staff on future water supply strategies in Santa Clara County. <em>(Assigned to Water Conservation and Demand Management Committee)</em></td>
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<tr>
<td>Board Strategy 5</td>
<td>Advance Anderson Dam Seismic Retrofit Project. <em>(Assigned to Capital Improvement Program Committee)</em></td>
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<td><strong>NATURAL FLOOD PROTECTION:</strong></td>
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<tr>
<td>Board Strategy 1</td>
<td>Protect and maintain existing assets and infrastructure. <em>(Assigned to Board Policy and Planning Committee)</em></td>
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<td>Board Strategy 2</td>
<td>Pursue opportunities to improve internal capacity to acquire regulatory permits. <em>(Assigned to Board Policy and Planning Committee)</em></td>
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<td><strong>ENVIRONMENTAL STEWARDSHIP:</strong></td>
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<tr>
<td>Board Strategy 1</td>
<td>Attain net positive impact on the environment when implementing flood protection and water supply projects. <em>(Assigned to Board Policy and Planning Committee)</em></td>
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<tr>
<td>Board Strategy 2</td>
<td>Promote the protection of creeks, bay, and other aquatic ecosystems from threats of pollution and degradation <em>(Homeless encampment strategies assigned to Homeless Encampment Committee)</em></td>
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<tr>
<td>Board Strategy 3</td>
<td>Continue the Fisheries and Aquatic Habitat Collaborative Effort. <em>(Assigned FAHCE Committee)</em></td>
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<td><strong>BUSINESS MANAGEMENT:</strong></td>
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<tr>
<td>Board Strategy 1</td>
<td>Advance Diversity and Inclusion. <em>(Assigned to Diversity and Inclusion Ad Hoc Committee and the Full Board)</em></td>
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<tr>
<td>Board Strategy 2</td>
<td>Maintain Appropriate Staffing Levels and Expertise <em>(Assigned to Diversity and Inclusion Ad Hoc Committee and the Full Board)</em></td>
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<tr>
<td>Board Strategy 3</td>
<td>Provide Affordable and Cost-Effective Level of Services <em>(Assigned to Financial Sustainability Group)</em></td>
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<td><strong>CLIMATE CHANGE:</strong></td>
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# Work Plan: Agricultural Water Advisory Committee

**Update:** March 2021

## Item

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<tbody>
<tr>
<td>1</td>
<td>Address Future Impacts of Climate Change to Valley Water’s Mission and Operations. <em>(Assigned to Board Policy and Planning Committee and the Full Board)</em></td>
<td>January 4</td>
<td></td>
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<tr>
<td>2</td>
<td>Review and Comment to the Board on the Fiscal Year 2021 - 2022 Preliminary Groundwater Production Charges.</td>
<td>January 4</td>
<td>Review and comment to the Board on the Fiscal Year 2022 Preliminary Groundwater Production Charges. <em>(Action)</em></td>
<td><strong>Accomplished January 4, 2021:</strong> The Committee reviewed the Fiscal Year 2022 Preliminary Groundwater Production Charges and took no action.</td>
</tr>
<tr>
<td>3</td>
<td>Agricultural Water Use Baseline Study</td>
<td>January 4</td>
<td>Receive information on the Agricultural Water Use Baseline Study. <em>(Information)</em></td>
<td><strong>Accomplished January 4, 2021:</strong> The Committee received information on the Agricultural Water Use Baseline Study and took no action.</td>
</tr>
<tr>
<td>4</td>
<td>Collaboration with UC Water on flood Managed Aquifer Recharge</td>
<td>January 4</td>
<td>Receive information on the Collaboration with UC Water on flood Managed Aquifer Recharge. <em>(Information)</em></td>
<td><strong>Accomplished January 4, 2021:</strong> The Committee received information on the Collaboration with UC Water on flood Managed Aquifer Recharge and took no action.</td>
</tr>
<tr>
<td>5</td>
<td>Update on Measure S and Consideration of Open Space Credit.</td>
<td>January 4</td>
<td>Received an update on Measure S and consideration of Open Space Credit. <em>(Action)</em></td>
<td><strong>Accomplished January 4, 2021:</strong> The Committee received an update on Measure S and consideration of Open Space Credit and took the following action: The Committee approved Staff’s recommendation to have the Board consider continuing the Open Space Credit. <em>Board gave staff some direction during the 1/12/2021 Board meeting. The Board provided direction to keep the 25% for the distribution of the PAWS report and during the review and public input process.</em></td>
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</table>

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Attachment 1  
Page 3 of 4
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<tr>
<td>10</td>
<td>Review and Comment to the Board on the Fiscal Year 2021 – 2022 Proposed Groundwater Production Charges.</td>
<td>April 5</td>
<td>Review and comment to the Board on the Fiscal Year 2022 Proposed Groundwater Production Charges. (Action)</td>
<td></td>
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<tr>
<td>11</td>
<td>Stormwater Capture Report</td>
<td>April 5</td>
<td>Receive information on Stormwater capture requirements. (Information)</td>
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COMMITTEE AGENDA MEMORANDUM

Agricultural Water Advisory Committee

SUBJECT:
Standing Items Report.

RECOMMENDATION:
Standing Items Reports
This item allows the Agricultural Water Advisory Committee to receive verbal or written updates and discuss the Board's Fiscal Year 2021 Work Plan Strategies. These items are generally informational; however, the Committee may request additional information and/or provide collective input to the assigned Board Committee.

SUMMARY:
The Agricultural Water Advisory Committee 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
## GOAL: WATER SUPPLY

### Strategy 1: Actively Pursue New Water Storage Opportunities

**Focus:**
- 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:**
- On January 12, 2021, the Valley Water Board of Directors received information regarding the status of the Pacheco Reservoir Expansion Project Preliminary Alternatives Analysis including five different preliminary design alternatives.
- On February 24 and 25, 2021, Valley Water hosted virtual public scoping meetings on the Pacheco Reservoir Expansion project to communicate the project status and seek public input on the project’s environmental impact report.

### Strategy 2: Actively participate in decisions regarding the California Delta Conveyance

**Focus:**
- 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:**
- 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:**
- 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:**
- On March 4, 2021, Valley Water hosted a stakeholder Task Force for the Countywide Water Reuse Master Plan (CoRe Plan) with diverse representatives from area businesses, regional public policy, academia, environmental, recycled/wastewater, water retailers, medicine, diversity, and water rate advocacy groups.
- On March 19, 2021, Valley Water and the City of San Jose held a Joint Meeting and discussed the status of Purified Water Projects.
### GOAL: WATER SUPPLY

<table>
<thead>
<tr>
<th>Strategy 4: Engage and educate the community, elected officials and staff on future water supply strategies in Santa Clara County.</th>
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<tbody>
<tr>
<td><strong>Focus:</strong></td>
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</table>
| • 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:** |
| • In January and February 2021, Valley Water reached 787 members of the community through 25 virtual tours of Valley Water’s water infrastructure projects and water reuse/recycled and purified water program.  
• In February 2021, two focus groups were conducted to better understand the communities’ opinions and reservations towards water reuse for drinking. Feedback focused on the communities of Palo Alto, Mountain View, San Jose, Campbell and Los Gatos. |

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<thead>
<tr>
<th>Strategy 5: Advance Anderson Dam Seismic Retrofit Project (ADSRP)</th>
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<td><strong>Focus:</strong></td>
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</table>
| • 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:** |
| • In January 2021, the Valley Water Board of Directors approved the Construction Management Contract with COWI North America and the Advertising of the Anderson Dam Tunnel Project bid-set.  
• On January 26, 2021, the Valley Water Board of Directors directed staff to take the necessary steps to seek approval from the Federal Energy Regulatory Commission (FERC) to surrender and decommission the hydroelectric facility at Anderson Dam. |
## GOAL: NATURAL FLOOD PROTECTION

| Strategy 1: Protect and maintain existing assets and infrastructure. | Focus:  
• 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:  
• In January 2021, the annual update of the Joint Emergency Action Plan for Severe Storm and Flood Response in the City of San Jose was approved by Valley Water and the City of San Jose and posted to the Valley Water website. |
| --- | --- |
| Strategy 2: Pursue opportunities to improve internal capacity to acquire regulatory permits. | Focus:  
• 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:  
• 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. |
<table>
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<tr>
<th><strong>GOAL: ENVIRONMENTAL STEWARDSHIP</strong></th>
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<tr>
<td><strong>Strategy 1:</strong></td>
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| **Focus:**  | • 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:**  | • On March 1, 2021, a final draft of Board Ends Policy E-4 on Environmental Stewardship was presented to 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:**  | • 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:**  | • Valley Water continues to engage 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:**  | • 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:**  | • An updated FAHCE Program overview video and timeline was posted to the FAHCE page on Valley Water’s website. |
### GOAL: BUSINESS MANAGEMENT

<table>
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<tr>
<th>Strategy 1:</th>
<th>Advance diversity and inclusion.</th>
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</table>
| Focus:     | • 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:    | • In March 2021, Valley Water’s Office of Racial Equity, Diversity and Inclusion launched an organizational assessment, in collaboration with The Justice Collective, to better understand employee opportunities for equity, diversity and inclusion at Valley Water and inform and workplan for creating a more equitable workplace. The assessment includes an all-employee survey, interviews with management, and focus groups with staff throughout the agency. |

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<tr>
<th>Strategy 2:</th>
<th>Maintain appropriate staffing levels and expertise.</th>
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| Focus:     | • 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:    | • Since the start of the fiscal year in July 2020, Valley Water has reduced its vacancy rate from 11% to 6% and has completed 117 recruitments, with 63 new hires, 50 promotions and 4 competitive internal transfers. |

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<th>Strategy 3:</th>
<th>Provide affordable and cost-effective level of services.</th>
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<tr>
<td>Focus:</td>
<td>• Establish benchmarking with other agencies, particularly water agencies, in order to understand areas for improvement.</td>
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<td>Update:</td>
<td>• On January 26, 2021, the Valley Water Board of Directors received and accepted the Fiscal Year 2020 Comprehensive Annual Financial Report.</td>
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### GOAL: CLIMATE CHANGE

<table>
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<tr>
<th>Strategy 1:</th>
<th>Address future impacts of climate change to Valley Water’s mission and operations.</th>
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<tr>
<td>Focus:</td>
<td>• Develop a vision for how Valley Water thinks about and responds to Climate Change throughout the organization.</td>
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<tr>
<td>Update:</td>
<td>• 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.</td>
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</table>
Handouts
April 2, 2021

Valley Water
Agricultural Water Advisory Committee
Sent via email to Glenna Brambill (gbrambill@valleywater.org)

Re: April 5, 2021 Agenda Item 4.1, Proposed Groundwater Production Charges – Support Alternative Ag Charge of maximum 10% M&I across all zones

Dear Members of the Valley Water Agricultural Water Advisory Committee,

On behalf of the Santa Clara Valley Open Space Authority, I strongly support the Alternative Ag Charge staff recommendation that limits the groundwater charge to agricultural customers to no more than 10% of the Municipal and Industrial (M&I) rate, and support this across all zones.

Agricultural operations in Santa Clara Valley provide a raft of services to our communities and the region, some of which are obvious, but many of which are often overlooked. Of course, farmers provide us with food, and local sources of produce make better climate sense than relying on distant sources. As well, our farms provide many ecosystem services that benefit our communities, like absorbing and spreading rainfall during heavy storms, providing places for wildlife to roam along the edges of fields, and stopping sprawl and the associated greenhouse gas emissions when agricultural lands are preserved at our urban edges.

Many agricultural producers are faced with very low profit margins, so even small increases in water rates can make a large difference in the economic viability of an agricultural operation. Many farmers are tenant farmers who would bear the brunt of increased rates, while having no control over whether a property is protected by a Williamson Act contract or conservation easement, so there is an important equity concern to consider here as well.

Increasing water rates for our farmers works against the aim of preventing the further loss of our vital working lands. The Santa Clara Valley Ag Plan hopes to permanently preserve 12,000 acres of our highest priority agricultural lands in the next decade, but this effort will be moot if ag operations increasingly cease to be economically feasible.

The Open Space Authority strongly recommends keeping groundwater rates charged to agricultural users as low as possible, specifically to limit the rates in all zones to no more than 10% of the Municipal and Industrial (M&I) rate.

In addition, the Open Space Authority stands ready to partner with Valley Water and our county’s agricultural community to help identify and bring to bear other opportunities to address the upward pressure on agricultural

Andrea Mackenzie, General Manager
Alex Kennett, District 1
Mike Flaugher, District 2
Helen Chapman, District 3
Dorsey Moore, District 4
Shay Franco-Clausen, District 5
Mike Potter, District 6
Kalvin Gill, District 7
groundwater costs, for instance by assisting with on-farm water conservation measures, perhaps in partnership with voluntary State funding programs like SWEEP.

Thank you for the opportunity to comment on this important issue.

Sincerely,

Andrea Mackenzie
General Manager

Cc: Santa Clara Valley Open Space Authority Board of Directors
April 5, 2021

Board of Directors & Agricultural Water Advisory Committee Members
Valley Water
5750 Almaden Expy
San Jose, CA 95118

Dear Honorable Directors of Valley Water and Members of the Agricultural Water Advisory Committee,

Regarding groundwater production charges, the Santa Clara County Farm Bureau would like to emphasize the following:

1. Our agricultural ground water production charges have doubled over the past ten years
2. These charges bring in revenue to Valley Water that are minuscule relative to the Valley Water's operations and total budget
3. The Santa Clara County Farm Bureau has supported Valley Water's efforts to raise funds from the public
4. Farmers have adopted efficiency enhancing and water use minimizing irrigation techniques such as drip irrigation with great speed over the past few decades
5. Farmers continue to be falsely painted as careless users of water

We ask that you adopt a different strategy with respect to farmers, and specifically with respect to Points 1 and 5 above. We acknowledge and are grateful that Valley Water has historically recognized that farmers provide the public with numerous benefits such as open space, carbon-reduction, local-grown produce, recreational opportunities, bio-filtration of water etc.

That farmers also reduce run-off and engage in aquifer recharge during the rainy season has been less well recognized. As the supply of water has become an increasing concern in our state and in our County, we are pleased to see that there is increasing recognition of the role of farmers and farmland in aquifer recharge statewide.

Accordingly, we respectfully submit the following points for your consideration:

First, we ask that Valley Water affirmatively emphasize the role of farmers in deploying irrigation techniques that make efficient water use and in replenishing our aquifers. The needless and unfounded vilification of farmers as water-wasters must cease. We ask your public affairs unit to emphasize going forward the historical zeal with which farmers have adopted water-efficient irrigation techniques and our historical and continuing role with respect to run-off reduction and aquifer recharge during rainy months.

Second, at our Board meeting on March 2, 2021, we adopted the following resolution that we now bring to your attention: "All customers of Valley Water who are charged ground water production charges for ground water they pump should be credited fully with the ground water recharged on their lands during months of rainfall as determined by application of the Santa Clara County Drainage Manual (adopted August 14, 2007). This amount of
recharge credited to each ground water user as determined by application of the Santa Clara County Drainage Manual should offset the quantity of ground water pumped by the customer for which Valley Water currently applies its ground water charges.” We respectfully ask that Valley Water recognize that the quantification of the aquifer recharges, done by farmers on a farm-by-farm and collective basis, is important to record and credit with fidelity since Valley Water charges all ground water users for the quantities of water that Valley Water itself adds to our aquifers.

In the light of the above, we ask that you reconsider Valley Water’s routine subjection of farmers to the last ten years of agricultural ground water production rate increases. We specifically and respectfully ask: (i) That Valley Water freeze agricultural ground water rates for the next fifteen years; and (ii) That Valley Water work affirmatively and actively with farmers going forward to increase the aquifer recharge done on farmlands over and above what farmlands have done routinely in years past.

Sincerely,

Erin Gil
President