



Pacheco Reservoir Expansion Project

Frequently Asked Questions*

The Santa Clara Valley Water District, the Pacheco Pass Water District, and the San Benito County Water District are working together to secure funding for the Pacheco Reservoir Expansion Project to ensure the availability of clean, reliable water to our region. The project will expand Pacheco Reservoir's storage capacity to provide for improved water supply, increased flood protection and benefit ecosystems throughout our region and the Sacramento-San Joaquin Delta.

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Improving Water Supply Resiliency and Availability During Emergencies

1. How does this project improve our future water supply needs?

The enlarged reservoir will capture more runoff from the North Fork Pacheco Creek watershed than the existing small reservoir does today. It will also provide storage for several months within a year, or for multiple years, of some of the Central Valley Project (CVP) water that is supplied by the Bureau of Reclamation to the San Benito County Water District (SBCWD) and the Santa Clara Valley Water District (SCVWD). That water is fed from the large federal/state San Luis Reservoir that lies at a higher elevation to the east.

The Pacheco Reservoir Expansion Project also enables a lower cost storage for dry years through purchase of waters from the state and federal government during wet years. Such waters are a potentially economical source and currently often go unused due to a lack of storage space.

The Pacheco Pass Water District, which owns and operates the existing small reservoir on North Fork Pacheco Creek, will continue to receive its current amount of runoff and its share of the runoff water will continue to be released to recharge the downstream aquifers along Pacheco Creek.

2. How much more water are we gaining by expanding the reservoir?

The project will increase the reservoir's capacity from 5,500 to 140,000-acre feet, enough water to supply 1.4 million residents for a year. This would almost double SCVWD's current surface storage capacity. By investing in the improvements on the Pacheco Reservoir now, communities will be better prepared with a reliable water supply in the face of extreme weather conditions brought on by the changing climate.

As more than 40 percent of the district's water supplies draw from the Delta, an extended outage due to earthquake or other emergency threatens reliable water supplies for homes and businesses. The project would increase local surface water storage capacity. It could result in more than 80,000 acre-feet of additional water supply being locally available during emergencies.

3. We recently experienced drought and climate change that is becoming an uncertain factor with our water supply needs. How will this reservoir help us better respond to future emergencies?

Climate change is a global reality and the SCVWD is preparing to meet this challenge. Risks to our water supply are linked to rising sea levels, reduced snow pack, and the likelihood of more intense rainfall events. With 40 percent of the district's water supply provided via the Delta, anticipated rising sea levels may increase salinity at facilities that export water to south-of-Delta locations. The Pacheco Reservoir Expansion Project will nearly double the local surface water storage capacity available to the district. This expansion will provide the flexibility to rapidly capture and store water when conditions in the Delta are ideal. It will further provide the district with a significant reservoir to store run-off from large storm events that are expected to continue in the North Fork Pacheco Creek watershed. Collectively, these improvements better position the district to maintain continued delivery of reliable, high-quality water supplies in the face of climate change.

4. What are the benefits to Santa Clara County residents with an expanded Pacheco Reservoir?

The Pacheco Reservoir Expansion Project enhances local control of water supplies, nearly doubling surface water storage capacity owned and operated by SCVWD. Water supply analysis reveals that the project would increase dry year water supply by nearly 20,000 acre-feet and critical year supply by 10,000 acre-feet under 2030 conditions. Further, the district receives more than 40 percent of its supplies from the Delta, a region known to be at-risk to catastrophic failure in the event of an earthquake or other emergency. Once constructed, the project would increase the district's emergency water supply reserve.

Currently, the district has experienced degraded water quality when supplies are drawn from San Luis Reservoir near intake structures in late summer and early fall. Known as the San Luis Low-Point, this degraded water quality occurs when hot summer temperatures warm the lake surface and trigger algae growth above intake structures. The Pacheco Reservoir Expansion Project would enable the district to avoid the low point issue by moving some of its San Luis Reservoir supplies to the expanded facility earlier in the season.

Additionally, the Pacheco Reservoir Expansion Project would reduce risk of flooding along the southern boundary of Santa Clara County adjacent to Pacheco Creek and the Pajaro River.

5. Will other counties benefit from an expanded reservoir and water supply?

Yes, joining SCVWD in this endeavor as key project partners are two local water districts—the Pacheco Pass Water District (PPWD) and the San Benito County Water District (SBCWD). Benefits to these districts are anticipated to include added storage, improved groundwater recharge and reduced flooding.

The Pacheco Reservoir Expansion Project would also provide incidental improvements to communities along the Pajaro River in Santa Cruz and Monterey counties. The project would provide reduced flood risk to the unincorporated communities along the Pajaro River and the city of Watsonville, improving groundwater recharge and the ecosystem. Much of this is realized through establishment of consistent and reliable flows in Pacheco Creek and downstream areas for the migration of threatened steelhead trout.

6. The Water Supply Master Plan is the district's strategy for providing a reliable and sustainable water supply in a cost-effective manner. Besides Pacheco Reservoir expansion, what other projects is the district evaluating in the 2018 update to the master plan?

The SCVWD is considering a broad range of projects to increase the region's water supply portfolio. In addition to Pacheco Reservoir Expansion Project, the district is evaluating participation in the expansion of Los Vaqueros Reservoir, construction of Sites Reservoir in Northern California, the California WaterFix, additional local pipelines to increase flexibility, and additional groundwater recharge capacity.

Also, the district is on-track to achieve a 2025 goal of fulfilling 10 percent of total water demand in the county with recycled water. Plans include the development of up to 24,000 acre-feet per year of additional highly purified water for potable reuse. This amounts to eight billion gallons a

year of a new, drought-proof water supply, enough water to serve 74,000 households annually in the Silicon Valley.

A number of additional water conservation and storm water project plans have been approved by the District Board to maximize water use efficiency.

Restoring Federally Threatened Fish

7. How do fisheries habitat and the environment benefit from this project?

The Pacheco Creek watershed is an ephemeral system, meaning that it swings from boom-and-bust weather cycles that frequently result in a lifeless, dry channel by late summer. The Pacheco Reservoir Expansion Project would enhance conditions for the federally threatened South-Central California Coast (SCCC) Steelhead Trout and other native fish by expanding the existing reservoir with a facility capable of providing year-round flows with improved temperatures, even in multiple dry years. It would also provide flow to improve habitat conditions for in-river rearing and downstream migration of juvenile fish. The Pacheco Reservoir Expansion Project would stabilize the chronic drying of wetlands along the lower reaches of Pacheco Creek and improve water quality conditions.

Storage supply opportunities made possible through the Pacheco Reservoir Expansion Project would enable the Santa Clara Valley Water District (SCVWD) to provide water in below normal water years to South-of-Delta wildlife refuges to support habitat management in the Delta watershed. This supply would enhance the forage quality of up to 1,000 acres of wetlands during those periods that are depended upon by waterfowl on the Pacific Flyway.

8. What is the district's strategy for evaluating potential environmental impacts? How will the district address potential impacts?

The SCVWD is preparing an Environmental Impact Report (EIR), consistent with the California Environmental Quality Act (CEQA) to evaluate potential impacts associated with the project. The district released a Notice of Preparation in August 2017 and has received comments that will be addressed in the draft EIR. The district will utilize all available information, apply the best available science to evaluate potential environmental impacts and identify a range of measures to mitigate those impacts.

9. Is the existing reservoir already providing sufficient water for fish populations such as steelhead trout or Chinook salmon?

No, the existing Pacheco Reservoir dam does not have the capacity, nor was it designed to hold sufficient water to manage fish flows for populations that include the SCCC steelhead trout; Chinook are not known to inhabit the Pajaro River Watershed.

San Joaquin Delta Impact

Will this project reduce reliance on the San Joaquin Delta?

Yes, the Pacheco Reservoir Expansion Project would provide the SCVWD greater flexibility to manage its Delta water supplies, and therefore reduce reliance on this water source. Once constructed, this facility can be integrated with San Luis Reservoir operations, reducing reliance on a facility that experiences impaired water quality in drought years. This integration would improve local self-reliance and enhance system wide operational flexibility for other South-of-Delta water users.

Water Quality and the San Luis Reservoir

10. Algae blooms are a common occurrence in many local reservoirs, which sometimes result in treated water having a slight odor. What is the anticipated quality for captured and/or stored water in this reservoir?

Algae growth is a common occurrence as reservoir levels recede and water temperatures climb, particularly in the hot summer months. This algae growth can lead to taste and odor issues even after water treatment. To manage these issues, the SCVWD closely monitors San Luis Reservoir conditions and stops or reduces diversion from the reservoir when algae blooms occur. The Pacheco Reservoir Expansion Project would allow the district to move its water supply to the expanded Pacheco Reservoir earlier in the season, thus avoiding high algae growth conditions.

11. San Luis Reservoir is not far from the existing Pacheco Reservoir. Why Can't San Luis be modified to increase water supply for our community?

The U.S. Department of the Interior Bureau of Reclamation is currently studying potential expansion of San Luis Reservoir to improve the reliability of other water supplies as part of the San Luis Low Point Improvement Project feasibility study. Factors, such as seismic risks, algae blooms at low water levels, and future climate change, have and will reduce the reliability of water deliveries to the district dependent upon the San Luis Reservoir. The San Luis Reservoir Expansion Draft Appraisal Report, released in 2013, found that additional studies are required to evaluate the feasibility of expanding San Luis Reservoir.

Multiple San Luis Reservoir expansion options are being evaluated, as part of and in addition to the Safety of Dams evaluation by the Bureau of Reclamation.

Reduced Flooding to Disadvantaged Communities

12. Will the expanded reservoir help with flood protection?

Yes, while this project is not designed to provide flood protection, the captured water resulting from large rainfall events could reduce flood flows to areas of unincorporated Santa Clara, San

Benito Counties, Santa Cruz and Monterey Counties. This includes the unincorporated community of Dunneville, as well as the disadvantaged communities of Pajaro and Watsonville

The expanded reservoir is expected to decrease flood flows in 100-year floodplains surrounding Pacheco Creek. Floods have occurred in Pacheco Creek including recent events in January and February 2017 near the City of Hollister. Though this project would not result in operations explicitly for flood control, analysis conducted as part of the Proposition 1 funding application shows that these floods would likely have been eliminated had the project already been in place.

Timeline and Investment Costs

13. The California Water Commission is scheduled to make project funding decisions this July. If granted funds, what will be the next steps and timeline for the district in planning, designing and constructing the reservoir?

Proposition 1 Water Storage Investment Program guidelines require projects to publicly release draft environmental documentation by January 1, 2022 to be eligible for receiving funding. Typically, completion of draft and final Environmental Impact Reports (EIR) developed under the California Environmental Quality Act (CEQA) for a project of this size and nature would take four to five years. Due to the compressed timeline for completing necessary environmental permitting and compliance, the district has proactively initiated the process for selecting consultants to support planning, environmental compliance, design, and project management of the Pacheco Reservoir Expansion Project. Negotiated consultant contracts are expected to go to the Santa Clara Valley Water District Board of Directors for approval in fall 2018.

The next steps for the project include conducting studies, investigations, and surveys to evaluate potential environmental impacts and feasibility. The District anticipates releasing a Draft Environmental Impact Report (EIR) as part of the California Environmental Quality Act compliance process in 2021. The Final EIR will be released in 2022. Construction is anticipated to begin in 2024.

14. How long will construction take to complete the project?

Preliminary estimates indicate construction of the Pacheco Reservoir Expansion Project is expected to take at least five years beginning in early 2024; construction duration will be re-assessed as the project design and environmental considerations are further developed and considered. Prior to construction, the SCVWD and project partners will complete an Environmental Impact Report (EIR) as part of the California Environmental Quality Act compliance process. Proposition 1 Water Storage Investment Program guidelines require projects to publicly release draft environmental documentation by January 1, 2022 to be eligible for receiving funding. The Draft EIR for the Project will be released by the Proposition 1 deadline. The Final EIR will be released in 2022.

15. How will the Pacheco Reservoir Expansion Project be funded?

It is anticipated that the Pacheco Reservoir Expansion Project will be funded through multiple sources. The SCVWD has applied for \$484 million in Proposition 1 funding for approximately \$970 million capital cost of the Project. Funding awards are expected to be announced in late July 2018.

The District is also seeking other regional, state, and federal funding opportunities.

The remaining capital costs would be funded by the District's Water Utility Enterprise Fund with potential project contributions from San Benito County Water District and other potential beneficiaries of the project. The District Water Utility Enterprise Fund is funded by wholesale water rates collected. When the wholesale rates are set, the district calculates both its annual operating costs and the amount needed to build major capital projects.

16. Will my water bill increase if this project is approved for construction?

If this project is approved for construction, increases to water charges will depend on the amount of funding provided by Proposition 1 funds and other funding sources. The SCVWD is committed to communicating the impact of this project and will provide updated information as it becomes available.

17. What are the economic benefits to expanding the reservoir?

The Pacheco Reservoir Expansion Project will provide direct economic benefits to the region through short- and to a limited extent, long-term job creation. The plans support both the growing economy of Silicon Valley and agriculture in unincorporated areas of Santa Clara and San Benito Counties. The project will require the work of numerous planners, engineers, construction workers, and many others. These jobs are expected to be utilized over a 10-year time frame, from project design through completion of construction. The project maintenance and operations may require the addition of other long-term staff.

In 2016, the combined agricultural value from Santa Clara and San Benito Counties was over \$677 million. Silicon Valley, served by the district, continues to be a leading hub for high-tech innovation and development, accounting for one-third of the venture capital investment in the United States. The project would provide urban, industrial, and agricultural water users with increased water supply reliability by boosting regional surface water storage and providing a additional water supply during emergencies or catastrophic events, such as earthquakes or floods.

The Pacheco Reservoir Enlargement Project enhances groundwater recharge opportunities in the Llagas Subbasin, a region that includes several thousand acres of farmland in the cities of Morgan Hill and Gilroy. The project would also provide additional resources for three groundwater recharge facilities operated by the District near the city of Morgan Hill. Water delivered to these facilities replenish this aquifer utilized by Morgan Hill and surrounding agricultural lands.

By reducing downstream flood events, the project may also lower costly flood damage in many low-income and disadvantaged communities in southern Santa Clara County and San Benito County, as well as other downstream communities along Pajaro River.

Cultural Preservation and Community Interest

18. What is being done to protect and preserve Native American history and resources in this area?

While the California Environmental Quality Act. has a specific process for outreach and coordination that the District will follow, the district understands the importance of transparency and inclusion of all stakeholder groups and is proactively reaching out to Native American tribes and tribal organizations to provide proposed project information and site tours.

In the early stages of project planning, the SCVWD coordinated with the California Native American Heritage Commission (NAHC) to identify Native American tribes and tribal organizations that may have a cultural and archeological interest in the project. The project will comply with AB 52 as required by CEQA and project outreach will include tribes identified through coordination with NAHC to protect and preserve Native American history and resources potentially affected by the project.

19. Will the completed reservoir provide recreational opportunities for the public?

While the district did not identify recreation as part of its Water Storage Investment Program application, the SCVWD is open to exploring numerous potential recreational opportunities through the Pacheco Reservoir Expansion Project. These opportunities would be evaluated and discussed during planning meetings held with the public, landowners, non-profit organizations and other agencies. Potential recreational activities to explore could include hiking, biking, bird watching and horseback riding on lands surrounding the enlarged reservoir.

20. How will the public and stakeholder groups be involved throughout the various project phases?

The SCVWD has been conducting outreach since March 2017, partnering with a diverse list of over 100 environmental, community, and non-profit organizations, as well as businesses and elected leaders.

The district will continue to conduct active public and stakeholder participation throughout all phases of the project pursuant to the requirements of the California Environmental Quality Act. This will include multiple opportunities to engage with stakeholders in a collaborative process to collect thoughts and ideas. The district anticipates hosting a range of community and stakeholder meetings to keep interested parties well informed during the planning process and throughout the construction phase.

21. Who supports the expansion of Pacheco Reservoir?

Be part of the 55 environmental, community, non-profit and business organizations, along with elected leaders, who have submitted letters supporting this project and requesting the California Water Commission allocate funding for this project. Individuals and organizations alike recognize the value in investing and building now for continued reliable and local water sources.

Please [join](#) this wide-ranging group of supporters.

This project is widely supported by:

- Businesses
- Agricultural Organizations
- Disadvantaged Community Advocates
- Labor Organizations
- Cities and Counties
- Water Agencies
- Elected Officials
- Natural Resources Groups
- Civil Rights Groups

[The list of supporters](#) is growing as the SCVWD continues to reach out to interested groups and individuals.

22. What can residents do to help ensure our region gets its fair share of the voter approved Proposition 1 Water Storage Investment Program funds necessary to build this project?

Please [join](#) the wide-ranging group of supporters.

Additionally, the Water Storage Investment Program is a competitive selection process and it is important to let the California Water Commission know that you support investment in the Pacheco Reservoir Expansion Project. The SCVWD encourages everyone who supports the project to also submit letters of support. Your letters of support can be mailed to:

The California Water Commission, Attn: Pacheco Reservoir Expansion Project
P.O. Box 942836
Sacramento, California 94236-0001

Contact Us

We are committed to keeping you informed with our progress and to provide opportunities for your input on this project. Please [sign up](#) for progress updates.

Staff is available to provide presentations to civic, neighborhood, and stakeholder groups. To request a presentation, please contact: Theresa Krakov, TKrakov@valleywater.org, or 408-630-3004.

If you have questions about the project, its benefits, or the grant application, please contact Dr. Melih Ozbilgin, Senior Water Resources Specialist, at (408) 630-2725 or by email at mozbilgin@valleywater.org.

Alternately, use our [Access Valley Water customer request and information system](#) to find out the latest information on district projects or to submit questions, complaints or compliments directly to a district staff person.