



SANTA CLARA VALLEY WATER DISTRICT (VALLEY WATER)  
WATER STORAGE EXPLORATORY COMMITTEE

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# MINUTES

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**FRIDAY, FEBRUARY 26, 2021  
9:00 AM**

(Paragraph numbers coincide with agenda item numbers)

A special meeting of the Water Storage Exploratory Committee (Committee) was held on February 26, 2021, via Zoom.

**1. CALL TO ORDER**

The Water Storage Exploratory Committee was called to order by Chair Director Gary Kremen at 9:00 a.m.

**1.1 ROLL CALL**

Valley Water Board Members in attendance were: Director Gary Kremen-District 7, Director Richard P. Santos-District 3, and Director John L. Varela-District 1.

Valley Water Staff in attendance were: Emmanuel Aryee, Aaron Baker, Glenna Brambill, Debra Butler, Keila Cisneros, Melissa Fels, Vincent Gin, Samantha Greene, Andrew Gschwind, Christopher Hakes, Garth Hall, Brian Hopper, Cindy Kao, Jessica Lovering, Michael Martin, Ryan McCarter, Heath McMahan, Carmen Narayanan, Steven Peters, Melanie Richardson, Metra Richert, Donald Rocha, Kirsten Struve, Charlene Sun, Darin Taylor, and Beckie Zisser.

Guests in attendance were: Kurt Arends (Alameda County Water District-ACWD), Mourad Attalla and Bob Green (AECOM), Douglas Brown (Stradling Yocca Carlson & Rauth) Carolyn (Carrie) Buckman (California Department of Water Resources-DWR), Danielle McPherson (BAWSCA), Yuan Liu, Maureen Martin, Ph.D. and Marguerite Patil (Contra Costa Water District {CCWD}), Gavin Tasker (Barnard Construction), and Bill Tuttle (San Jose Water Company),

Public in attendance were: Rock Clapper, Jay Jacobs, Director Linda J. LeZotte (Valley Water, District 4), Doug Muirhead, David Niese, and Hilary Stewart.

**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 Director John L. Varela, second by Director Richard P. Santos, and by roll call and unanimous vote carried to approve the minutes of the December 28, 2020, meeting of the Water Storage Exploratory Committee as presented.

**4. ACTION ITEMS**

**4.1 UPDATE ON DELTA CONVEYANCE PROJECT**

Ms. Carolyn (Carrie) Buckman of the California Department of Water Resources (DWR) reviewed the materials as outlined in the agenda item.

The Water Storage Exploratory Committee took no action.

**4.2 UPDATE ON LOS VAQUEROS RESERVOIR EXPANSION PROJECT: JOINT POWERS AUTHORITY, USAGE FEE LETTER OF INTENT, AND INVESTMENT SCENARIOS**

Mr. Michael Martin and Mr. Brian Hopper reported on the following information:

The Water Storage Exploratory Committee discussed the following items: Veto rights, JPA Agreements, water supply, backing out rights, discussions with political constituents and voting thresh holds,

Chair Director Kremen moved to Agenda Item 4.4.

**4.4 UPDATE ON PACHECHO RESERVOIR FINANCING PARTNERS, AND PUBLIC PRIVATE PARTNERSHIP**

Mr. Christopher Hakes, Mr. Garth Hall gave verbal reports on the Project:

The Water Storage Exploratory Committee discussed the following items: water rates: (\*Baseline Scenario assumes WIFIA loan for Pacheco and 20% partnerships: W-2 North County groundwater charge projection reflects increases of 9.6% per year for FY 22 to FY 29, No Pacheco Scenario: W-2 North County groundwater charge projection reflects increases of 8.5% per year for FY 22 to FY 29, Worst Case Pacheco Scenario assumes no WIFIA loan and only 2.5% partnerships: W-2 North County groundwater charge projection reflects increases of 11.0% per year for FY 22 to FY 29), reliability and emergency storage, private parties public funding risk assessment conducted by auditor, general tax ruling/exemption status, need more information before Committee can submit a recommendation to the full Board.

Mr. Darin Taylor, Ms. Melanie Richardson, and Mr. Douglas Brown were available to answer questions.

The Water Storage Exploratory Committee took no action.

Chair Director Kremen returned to Agenda Item 4.2.

The Water Storage Exploratory Committee continued discussed the following items: guiding principles, Transfer Bethany, pipeline availability, cfs to acre-feet conversion, bringing new water in-drought time, different scenarios, insurance estimate, operational flexibility, water storage, supply, moving water costs (life cycle-capital-operations-usage fees, etc.), Delta conveyance issues (Banks and Jones), emergency usage, availability, CCWD water rights, and priority share(s),

Ms. Carmen Narayanan reviewed the handout on the LVE project estimated water rate impacts from the Table, scenarios, shared storage and dedicated storage.

Ms. Samantha Greene, Mr. Aaron Baker and Ms. Maureen Martin, Ph.D., were available to answer questions.

The Water Storage Exploratory Committee took no action.

#### **4.3 GROUNDWATER BANKING UPDATE**

Ms. Cindy Kao reported on the following information:

The Water Storage Exploratory Committee discussed the following items: 3 high level banks, reverse flow, increasing storage, diversification, investments, and climate change.

Mr. Vincent Gin was available to answer questions.

The Water Storage Exploratory Committee took no action.

Chair Director Kremen moved to Agenda Item 4.5.

#### **4.5 STANDING ITEMS INFORMATION**

Ms. Cindy Kao reported on the following information:

The Water Storage Exploratory Committee received updated information on the following projects:

- Del Puerto: Staff is tracking this project
- Groundwater Banking: See Agenda 4.3.
- Semitropic:
  - ✚ annual operations requesting maximum contractual amount of 31,500 af of water (intend to meet request but are sensitive to the exchange capacity and potential limitations),
  - ✚ staff is working with closely with DWR, contacting other SBA Contractors and met with Semitropic
- Sites: No Report.
- B.F. Sisk Dam:
  - ✚ December 18, 2020, Reclamation released final EIR/Supplemental EIS
  - ✚ December 30, 2020 Feasibility report approved by The Secretary of the Interior
  - ✚ Congress--eligible for funds under the WIIN Act.
  - ✚ Reclamation and The Authority continuing to work on Endangered Species Act compliance, permitting, preconstruction planning and
  - ✚ On target for project to begin in 2025

- Shasta: No Report.

**4.6 REVIEW WATER STORAGE EXPLORATORY COMMITTEE WORK PLAN AND THE COMMITTEE'S NEXT MEETING AGENDA**

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

The Committee took no action.

**5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE ACTIONS**

Ms. Glenna Brambill noted there were no action item for Board consideration.

**6. ADJOURNMENT**

Chair Director Gary Kremen adjourned the meeting at 10:53 a.m.

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

Approved: 04/05/2021