

## About Valley Water

The Santa Clara Valley Water District (Valley Water) is the groundwater management agency and primary wholesale water provider for Santa Clara County. We actively manage the groundwater basins by replenishing them with local and imported water, and by operating surface water treatment plants that provide “in-lieu” recharge. A complex system that includes 10 reservoirs, 142 miles of pipelines, four water treatment plants, and three pump stations, helps ensure that water flows to your tap.

The cost to operate and maintain this system is reimbursed primarily through groundwater and treated water charges paid by water retail customers. Groundwater charges differ depending on the “groundwater benefit zone.” The North County Zone W-2 is defined as the portion of the county north of the Coyote Valley. The South County Zone W-5 is defined as the portion of the county extending from Coyote Valley to Gilroy. Treated water is only provided in the North County.

## What you need to know

- The 10 dams maintained by Valley Water were built in the 1930’s and 1950’s, and are in need of rehabilitation and seismic upgrade as several sit near earthquake faults.
- Valley Water’s three water treatment plants were built in the 1960’s, 70’s and 80’s. Two have been upgraded, and the third plant is undergoing an upgrade that will extend the plant’s service life for the next 50 years.
- Valley Water is preparing for inevitable future droughts by investing in recycled/purified water expansion, and in new water storage projects like the Pacheco Reservoir Expansion.
- The 10-year wholesale rate projection, if implemented by the Board of Directors, would increase the monthly bill for the average residence in North County by \$3.00 to \$5.00 per month each year, and in South County by \$1.00 to \$2.00 per month each year, to pay for the critical infrastructure investments that help keep water flowing to your tap.

## Why are wholesale water rates going up?

While every water utility is different, the need for a new era of investment in water infrastructure is a nationwide theme because infrastructure is aging, water quality standards are becoming more stringent, and our climate is changing. Valley Water’s dams, treatment plants, and pipelines were built decades ago, and many of these assets are due for rehabilitation or upgrades. In addition, as a result of the historic drought of 2012 to 2016, Valley Water is looking to invest in new assets (like expanded recycled and purified water, and additional emergency water supply at Pacheco Reservoir) that would further ensure reliable water supply against future droughts.

These investments are necessary according to our Water Supply Master Plan to address the county’s water needs through 2040, and will cause water rates to continue to rise. However, in the long run, making conservation a way of life will help minimize future water supply investments and keep water rates as low as possible.



## Where does your rate money go?

The pie charts to the right show the breakout of Water Utility program costs (excluding state imported water purchases, which are paid for by a tax). For both the North County and South County groundwater benefit zones, purchasing federal imported water is a significant expense category at 15 percent and 29 percent respectively. Other major cost categories are: Water Service Operations, which includes operating and maintaining local reservoirs, pipelines, pumpstations, and recharge ponds; Purified & Recycled Water operations, maintenance and expansion; Treated Water capital infrastructure, operations and maintenance; Capital infrastructure, which includes improvements to local reservoirs, pipelines, and pump stations; and Administration, which includes support services like human resources and legal.

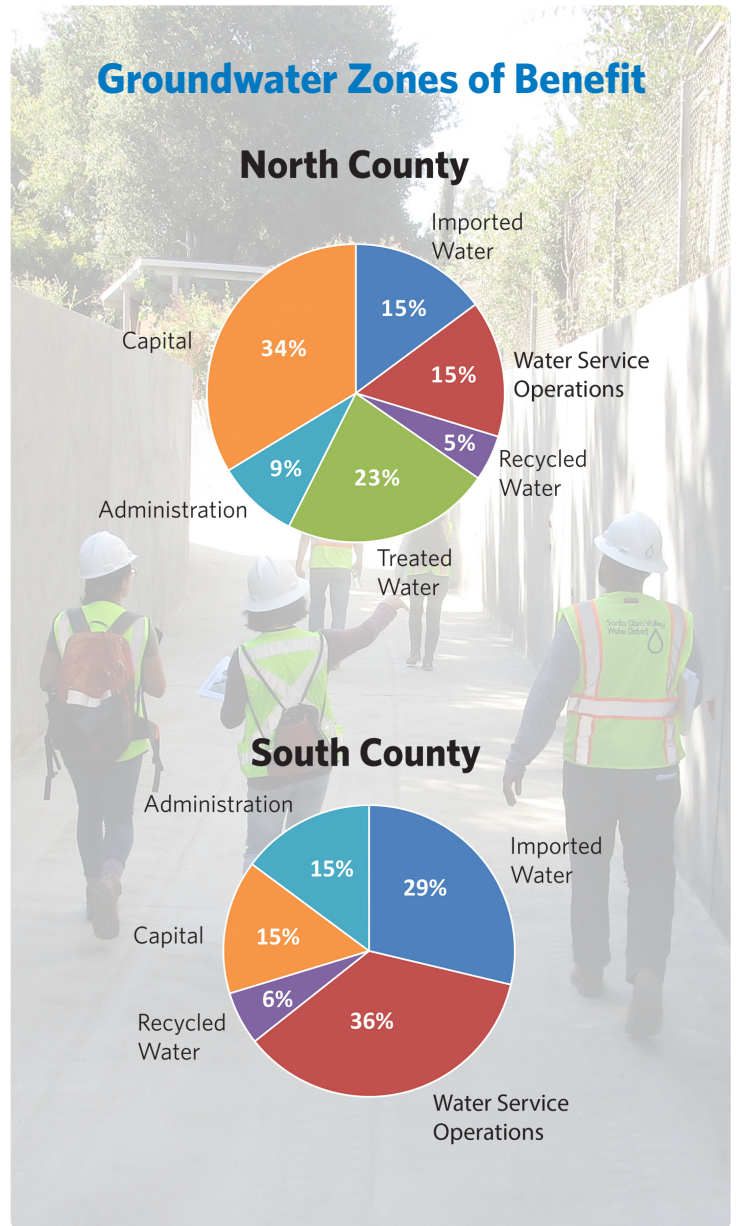
## How do wholesale rates affect my retail bill?

Valley Water's treated water is delivered to some retail providers (such as cities) who, in turn, deliver the water to individual customers such as home owners and businesses. Other retail providers pump groundwater as a supply source. A few retail providers take both treated and groundwater. Valley Water's charges to retail providers range from 35 to 65 percent of their costs to deliver water to individual customers.

## Investing in your future

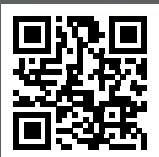
We must continue to invest in our infrastructure rather than wait until the system fails. Previous generations invested in the water system, and it's now our turn to invest for our children and their children.

For more information, please visit our website at [www.valleywater.org](http://www.valleywater.org).

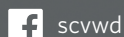


## CONTACT US

For more information, contact Anthony Mendiola at (408) 630-2437 or by email at [amendiola@valleywater.org](mailto:amendiola@valleywater.org). Or use our **Access Valley Water** customer request and information system at <https://delivr.com/2yukx> to find out the latest information on Valley Water projects or to submit questions, complaints or compliments directly to a Valley Water staff person.



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