



# **Santa Clara Valley Water District Agricultural Water Advisory Committee Meeting**

**Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose CA 95118**

**Join Zoom Meeting  
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## **REGULAR MEETING AGENDA**

**Monday, July 1, 2024  
1:30 PM**

**District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.**

**COMMITTEE:**  
Peter Van Dyke, Chairperson  
Trevor Garrod, Vice Chairperson

**BOARD REPRESENTATIVES:**  
Director Jim Beall  
Vice Chairperson Richard P. Santos  
Director John L. Varela

All public records relating to an item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Vincent Gin  
Darin Taylor, (Staff Liaisons)

Nicole Merritt (COB Liaison)  
Assistant Deputy Clerk II  
[nmerritt@valleywater.org](mailto:nmerritt@valleywater.org)  
1-408-630-3262

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

# **Santa Clara Valley Water District Agricultural Water Advisory Committee REGULAR MEETING AGENDA**

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5700 Almaden Expressway,  
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Join Zoom Meeting:  
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## **\*\*\*IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS\*\*\***

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as a “hybrid” meetings, conducted in-person as well as by telecommunication, and is compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while still maintaining transparency and public access, members of the public have an option to participate by teleconference/video conference or attend in-person. To observe and participate in the meeting by teleconference/video conference, please see the meeting link located at the top of the agenda. If attending in-person, you are required to comply with Ordinance 22-03 - AN ORDINANCE OF THE SANTA CLARA VALLEY WATER DISTRICT SPECIFYING RULES OF DECORUM FOR PARTICIPATION IN BOARD AND COMMITTEE MEETINGS located at <https://s3.us-west-2.amazonaws.com/valleywater.org.if-us-west-2/f2-live/s3fs-public/Ord.pdf>

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee during public comment or on any item listed on the agenda, may do so by filling out a Speaker Card and submitting it to the Clerk or using the “Raise Hand” tool located in the Zoom meeting application to identify yourself in order to speak, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

- Members of the Public may test their connection to Zoom Meetings at: <https://zoom.us/test>
- Members of the Public are encouraged to review our overview on joining Valley Water Board Meetings at: <https://www.youtube.com/watch?v=TojJpYCxXm0>

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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

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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.

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**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 Board/Committee on any item not listed on the agenda may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify yourself to speak. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and granted speaking access to address the Board/Committee. Speakers' comments should be limited to three minutes or as set by the Chair. The law does not permit Board/Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board/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 Board/Committee may take action on any item of business appearing on the posted agenda.*

**3. APPROVAL OF MINUTES:**

- 3.1. Approval of April 8, 2024 Agricultural Water Advisory Committee Minutes. [24-0605](#)  
Recommendation: Approve the minutes.  
Manager: Candice Kwok-Smith, 408-630-3193  
Attachments: [Attachment 1: 040824 AWAC Minutes](#)  
Est. Staff Time: 5 Minutes

**4. REGULAR AGENDA:**

- 4.1. Receive an Update and Provide Feedback on Valley Water's Water Supply Master Plan 2050. [24-0604](#)  
Recommendation: A. Provide feedback on portfolio analysis and three water supply strategies for meeting water supply needs; and  
B. Provide feedback on proposed adaptive management framework.  
Manager: Kirsten Struve, 408-630-3138  
Attachments: [Attachment 1: Project Evaluation Summary](#)  
[Attachment 2: 2050 Conservation Goal](#)  
[Attachment 3: Potable Reuse Goal](#)  
[Attachment 4: Additional Portfolios](#)  
[Attachment 5: PowerPoint](#)  
Est. Staff Time: 30 Minutes
- 4.2. Review Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests; and the Committee's Next Meeting Agenda. [24-0606](#)  
Recommendation: Review the Committee work plan to guide the committee's discussions regarding policy alternatives and implications for Board deliberation.  
Manager: Candice Kwok-Smith, 408-630-3193  
Attachments: [Attachment 1: AWAC 2024 Work Plan](#)  
Est. Staff Time: 5 Minutes

**5. 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.*

**6. REPORTS:**

- 6.1. Director's Report  
6.2. Manager's Report

6.3. Committee Member Report

6.4. Information Links:

<https://www.valleywater.org/how-we-operate/committees/board-committees>

- Board Policy and Monitoring Committee (BPMC) - formerly Board Policy and Planning Committee & Diversity

and Inclusion Ad Hoc Committee

- Environmental Creek Cleanup Committee (ECCC) - formerly Homeless Encampment Committee

- Water Supply and Demand Management (WSDM) - formerly Water Storage Exploratory Committee & Water Conservation & Demand Management Committee

<https://www.valleywater.org/your-water/water-supply-planning/monthly-water-tracker>

- Water Tracker

**7. ADJOURN:**

7.1. Adjourn to Regular Meeting at 1:30 p.m., on October 7, 2024.

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# Santa Clara Valley Water District

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**File No.:** 24-0605

**Agenda Date:** 7/1/2024  
**Item No.:** 3.1.

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## **COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee**

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### **SUBJECT:**

Approval of April 8, 2024 Agricultural Water Advisory Committee Minutes.

### **RECOMMENDATION:**

Approve the 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.

### **ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:**

Approval of minutes is not subject to environmental justice analysis.

### **ATTACHMENTS:**

Attachment 1: 040824 AWAC Minutes

### **UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

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AGRICULTURAL WATER ADVISORY COMMITTEE MEETING

# DRAFT MINUTES

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**REGULAR MEETING SESSION**  
**MONDAY, APRIL 8, 2024**  
**1:30 PM**

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(Paragraph numbers coincide with agenda item numbers)

**1. CALL TO ORDER:**

A regular meeting of the Santa Clara Valley Water District (Valley Water) Agricultural Water Advisory Committee (Committee) was called to order in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference, at 1:30 p.m.

**1.1 Roll Call.**

Committee members in attendance were District 1 Erin Gil, District 2 James Provenzano, District 3 Jared Mandrell, District 4 Brent Bonino, District 5 Jan Garrod, District 6 Robert Long, Santa Clara County Farm Bureau Dhruv Khanna, District 5 and Vice Chairperson Trevor Garrod, and Loma Prieta Resource Conservative District and Chairperson presiding, Peter Van Dyke constituting a quorum of the Committee.

District 4 Sheila Barry arrived as noted below.

Committee members not in attendance in person were District 1 Mitchell Mariani and District 6 Tim Chiala.

Staff members in attendance were: Aaron Baker, Luan Buckley, Justin Burks, Vanessa De La Piedra, Walter Gonzalez, Jason Gurdak, Michele King, Candice Kwok-Smith, Emelia Lamas, Nicole Merritt, Carmen Narayanan, Nicholas Simard, Kirsten Struve, Darin Taylor, Sana Wazit and Tina Yoke.

Board Representatives in attendance were: Valley Water Directors Jim Beall (District 4), and Vice Chairperson Richard P. Santos (District 3).

Public in attendance were: Valley Water Directors Rebecca Eisenberg (District 7) and John L. Varela (District 1), Tim Chiala (AWAC, District 6), and Julie Morris (University of California, Agriculture and Natural Resources).

**2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA:**

Chairperson Van Dyke declared time open for public comment on any item not on the agenda. There was no one present who wished to speak.

**3. APPROVAL OF MINUTES:**

**3.1. Approval of January 8, 2024 Agricultural Water Advisory Committee Meeting Minutes.**

Recommendation: Approve the minutes.

The Committee considered the attached minutes of the January 8, 2024 Committee meeting.

Dhruv Khanna noted a request for additional details under Item 7.3 on page 17.

Nicole Merritt confirmed the request would be discussed with the Clerk of the Board and was subsequently directed after the meeting by the Clerk of the Board to add language to the Committee Minutes stating:

For full meeting record, please review meeting videos at:

<http://www.valleywater.org/how-we-operate/committees/board-advisory-committees>.

Public Comments:  
None.

It was moved by Vice Chairperson Garrod and seconded by Erin Gil and carried by majority vote that the minutes be approved. Dhruv Khanna opposed the motion.

**4. REGULAR AGENDA:**

**4.1. Review Proposed Fiscal Year (FY) 2024-25 Groundwater Production Charges and Provide Feedback.**

Recommendation: Review proposed FY 2024-25 groundwater production charges and provide feedback.

Carmen Narayanan reviewed the information on this item, per the attached Committee Agenda Memo, and per the information contained in Attachment 1.

Sheila Barry arrived.

Carmen Narayanan, Darin Taylor, Aaron Baker, Kirsten Struve,

Vanessa De La Piedra, Director Beall and Director Santos were available to answer questions.

Public Comments:  
None.

The Committee discussed the following topics: the maximum proposed agricultural water rate \$39.80 across all four zones, Anderson Dam Seismic Retrofit's operational capacity, water rights, and retrofit of the fish ladder at the Coyote percolation pond, water rates per public safety, ecosystem benefits, and the impact on the low-income community, Delta Conveyance project participation costs, open space credits used solely for maintaining low agriculture rates, Sisk Dam Raise project financial involvement, Pacheco Reservoir Expansion project, and Water Supply Master Plan status updates, cofferdam regulatory restrictions, flood protection permitting processes, wetlands restoration, status of groundwater conditions in South County W-5, Calero Dam Seismic Retrofit project status update, subsidence and groundwater banking, current impacts on small reservoirs, community outreach/education, meeting with elected officials, and time frame of potential consultant report for ecosystem benefits-climate change/carbon sequestration/carbon dioxide cleansing/removal if Board approved.

The Committee received the information and noted the following:

- The Committee noted the legislation outreach potential of the Farm Bureau and the Board Representatives collaborating with Valley Water's Office of Government Relations on an invitation letter to the California State Assembly Speaker Robert Rivas to attend a future Farm Bureau meeting and support for additional information on the Calero Dam Seismic Retrofit Project.

It was moved by Dhruv Khanna and seconded by Erin Gil and unanimously carried to recommend to the Board to suspend any increases to the agriculture groundwater production water charges until the Board approves a consultant to conduct an updated accounting/mathematical study quantifying the ecosystem benefits including climate change, carbon sequestration, and carbon dioxide cleansing/removal of agricultural uses.

The Committee subsequently received after the meeting the Monthly Groundwater Condition Report for April 2024 and were provided the public link to access the future published groundwater updates.

4.2. Receive and Discuss Information on the Urban Heat Islands and Agricultural Carbon Sequestration.

Recommendation: Receive and discuss information on urban heat islands and agricultural carbon sequestration.

Samantha Greene reviewed the information on this item, per the attached Committee Agenda Memo, and Julie Morris reviewed the information contained in Attachment 1.

Samantha Greene and Julie Morris were available to answer questions.

Public Comments:  
None.

The Committee received the information, took no formal action, and discussed the following topics: urban heat island impact, cost sharing versus big and small farms, potential of banning fake grass/turf and encouragement of pro-farming programs in the Palo Alto/Stanford area, and potential federal funding for climate smart practices.

4.3. Discuss the Potential of Forming a Subcommittee for the Agricultural Water Advisory Committee (AWAC).

Recommendation: Discuss the potential of forming an AWAC subcommittee per the Committee's approval at the January 9, 2023 meeting.

The Committee considered this Item without a staff presentation.

Public Comments:  
None.

Director Beall and Director Santos were available to answer questions.

The Committee received the information, took no formal action, and noted support for an AWAC subcommittee to promote productivity and communication. No specific purpose was confirmed for the Subcommittee at this time and support was noted for a Committee survey to confirm potential topics.

4.4. 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.

The Committee considered this Item without a staff presentation.

Public Comments:  
None.

Kirsten Struve, Director Beall, and Director Santos were available to answer questions.

It was moved by Jan Garrod and seconded by Vice Chairperson Trevor Garrod for the review of population growth versus water use and confirm the justification for the project capital costs when the water use is flat or slightly increasing to be addressed by the Water Supply Master Plan Update at a future meeting. The Committee noted support for the agenda item relating to the Unhoused with a County update to also be addressed at a future meeting.

**5. 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.*

Nicole Merritt confirmed the approval of the January 8, 2024 AWAC minutes with the request for additional comments on page 17 under Item 3.1; the Committee support for additional information regarding the Calero Dam, Seismic Retrofit Project and the monthly groundwater condition staff reports noted outreach potential for invitation letter to the California State Assembly Speaker Robert Revas, and confirmed formal approval of recommendation to suspend any increases to the agriculture groundwater production water charges until available updated mathematical study under Item 4.1; received and provided feedback and noted potential for banning fake grass/turf in Palo Alto/Stanford area under Item 4.2; noted support of subcommittees under Item 4.3; and formal approval of the review of population growth, water use, and capital costs for a future agenda and support for the Unhoused agenda item to also be addressed at a future meeting.

**6. REPORTS:**

- 6.1. Director's Report  
Director Beall noted attendance on the Delta Conveyance project tour.
- 6.2. Manager's Report  
Aaron Baker noted the lower imported water allocations for the state.
- 6.3. Committee Member Report  
Dhruv Khanna noted support for Valley Water seeking out public funding and concern regarding expenditures for Valley Water's public relations/advertising and investigations.
- 6.4. Information Links:  
Links noted on agenda.

**7. ADJOURN:**

- 7.1. Adjourn to Regular Meeting at 1:30 p.m. on July 1, 2024.

Chairperson Van Dyke adjourned the meeting at 3:38 p.m., to the regular meeting at 1:30 p.m. on July 1, 2024.

Date approved:

Nicole Merritt  
Assistant Deputy Clerk II

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# Santa Clara Valley Water District

File No.: 24-0604

Agenda Date: 7/1/2024

Item No.: 4.1.

## COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### SUBJECT:

Receive an Update and Provide Feedback on Valley Water's Water Supply Master Plan 2050.

### RECOMMENDATION:

- A. Provide feedback on portfolio analysis and three water supply strategies for meeting water supply needs; and
- B. Provide feedback on proposed adaptive management framework.

### SUMMARY:

The Water Supply Master Plan (WSMP) is Santa Clara Valley Water District's (Valley Water) guiding document for long-term water supply investments to ensure water supply reliability for Santa Clara County. Updated approximately every five years, this long-range plan assesses projected future county-wide demands and evaluates and recommends water supply and infrastructure projects to meet those demands to achieve Valley Water's level of service goal through the planning horizon. Valley Water's level of service goal, as established in Board Ends Policy 2, is to "Meet 100 percent of annual water demand during non-drought years and at least 80 percent of demand in drought years."

Valley Water is working on developing the WSMP 2050. At the January 8, 2024 Agricultural Water Advisory Committee (Committee) meeting, staff presented the first update on the development of the WSMP 2050, including the planning framework and baseline needs assessment. This memorandum summarizes the progress since then and includes project evaluation that details each project's benefits and risks/challenges; cost analysis for individual projects and portfolios; representative portfolios under three themes that present different strategies to address future water shortages; and a proposed adaptive management approach to support making incremental investment decisions as projects develop. In addition, it includes recommended water conservation and potable reuse goals.

### Water Supply Needs and Challenges

Valley Water operates a complex and interconnected water supply system to conjunctively manage supplies from surface water (imported and local) and groundwater to meet county-wide demand, now and in the future. With conjunctive management and continued investment, Valley Water's existing

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system has proven flexible and reliable in meeting demands in most years, but extended droughts continue to be the greatest challenge. According to the WSMP analyses, if relying only on existing supplies and infrastructure, Valley Water will experience water shortages during the later years of an extended drought beginning in 2035, mostly driven by changing demands, regulations, and climate change. In 2050, the average shortage over a six-year drought could be as much as 76,000 acre-feet per year (AFY), depending on the projected demand and imported water supply conditions.

Two demand projections were developed from Valley Water's demand model for developing future conditions. These projections factor in growth based on Association of Bay Area Governments (ABAG) household numbers, climate change, and post drought rebound. The stable demand, representing low end, assumes demands stay flat at 2025 levels through 2050, in part owing to the success in making water conservation a way of life and mitigating the impacts of growth on water use. The high demand assumes significant impacts from growth and severe climate change. The forecasted countywide 2050 stable and high demands are approximately 330,000 AFY and 370,000 AFY, respectively. Both demands assume Valley Water achieves its long-term conservation goals and include forecasted demand for agriculture. Over past two decades, water use in the county has decreased as population has increased due to water conservation and new technology.

In addition to future water shortages, Valley Water's existing water supply system is aging and in need of maintenance and upgrading. At the same time, water infrastructure projects are becoming increasingly complex and expensive, which affects affordability and water rates. Therefore, Valley Water needs to invest in new projects to address those shortages and challenges to ensure long-term water supply reliability for Santa Clara County. Valley Water's WSMP 2050 aims to develop an investment strategy that balances providing safe clean water, reliability, adaptability, and affordability.

### **Project Evaluation**

To address future water supply needs and other challenges, Valley Water evaluated nearly 20 projects. The project types and major projects within each group are listed below.

- Alternative Supply
  - San José Direct Potable Reuse (DPR)
  - Palo Alto Potable Reuse
  - Local Seawater Desalination
  - Refinery Recycled Water Exchange
- Surface Supply
  - Delta Conveyance Project (DCP)
  - Sites Reservoir
- Storage
  - Pacheco Reservoir Expansion (Pacheco)
  - Los Vaqueros Expansion (LVE)
  - B.F. Sisk Dam Raise (Sisk)
  - Out of County Groundwater Banking (GW Bank)
- South County Recharge
  - San Pedro Ponds Improvement
  - Coyote Valley Recharge Pond



- Madrone Channel Expansion

The projects were evaluated both quantitatively (supply benefit and cost) and qualitatively, to provide a comprehensive understanding of their benefits and risks. The evaluation started with a detailed analysis of the water supply benefit and cost of each project, followed by a qualitative assessment of each project's reliability in providing planned benefits, likelihood of success, environmental impacts, jurisdiction and partnership, and public acceptance. The environmental impacts of major projects are based on their published Environmental Impact Reports, which detail their impacts on natural and/or cultural resources and other aspects of the environment. Each project's benefits to Valley Water's water supply reliability as well as associated risks and challenges based on the evaluation criteria are summarized in Attachment 1.

The project evaluation confirms that while all projects are beneficial to Valley Water's long-term water supply reliability, no single project can meet all our future needs and each project has risks and challenges. Some projects provide needed supply during droughts but are costly; others are lower in cost but are high risk or do not contribute significantly to drought reliability; and yet others require agreements with partners and therefore their success remains out of Valley Water's direct control. Furthermore, many projects are in the planning phase and still evolving, adding further uncertainty on their costs, benefits, and risks. Portfolios of projects that complement each other could provide a balanced, diverse, and sustainable water supply to address future needs and challenges.

Valley Water also developed water conservation and reuse goals for inclusion in the plan, as they are important components in our effort to address future shortages.

- **2050 Conservation Goal**

A 2050 water conservation goal of 126,000 AFY was presented to the Board of Directors (Board), which is considered ambitious but implementable and balances benefits with affordability concerns (Attachment 2). This water conservation goal recognizes that Santa Clara County is already very water efficient and complements the State's "Making Water Conservation a Way of Life" regulation. It allows Valley Water to stay at the forefront of conservation with sufficient feasible program expansion options supported by community interest and reduces the need to invest in additional new supplies and/or storage. Meeting long-term conservation goals throughout the planning horizon is factored into baseline assumptions in the analysis. In addition, Valley Water will continue to implement the 'no-regrets' package of conservation and stormwater capture projects identified in the WSMP 2040.

- **Potable Reuse Goal**

Potable reuse is a locally controlled and drought-resilient supply that is effective in mitigating drought risks. The Board was presented a goal of 24,000 AFY of potable reuse by 2035, which can be achieved with a project in collaboration with the Cities of San José and Santa Clara, and a long-term vision to maximize water reuse in the county. This long-term vision includes additional potable and non-potable reuse, desalination, stormwater capture, and other alternative water sources. (Attachment 3). The inclusion of a 2035 goal with the long-term vision promotes a phased approach that accounts for uncertainty with future demand and

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wastewater availability while balancing affordability and risk of overinvestment.

### **Project Cost Analysis**

Cost is one of the most important factors when developing a recommended investment strategy because of its impact on water rates and affordability. Cost analysis for water infrastructure projects typically includes multiple metrics to provide a complete picture of their financial implications. Valley Water's cost analysis was performed at the project and portfolio levels. For each project, the cost analysis includes total lifecycle cost and unit cost estimates. For each portfolio, the cost analysis includes total lifecycle cost, water rate impacts, and the cost of shortage. The cost of shortage is defined as the dollar amount that water users would be willing to pay to avoid water shortage, which is calculated based on the economic theory of demand and relies on price elasticities and forecasted demands (among other variables). The cost metrics are calculated using similar approaches to other agencies and are based on inputs from the WSMP expert panel.

The lifecycle cost includes capital and annual operations and maintenance costs over a project's useful service life with financing. The useful service life is assumed to be the time before a project incurs any significant repair/replacement costs - 30 years for purified water, desalination, and local pipeline projects; and 50 years for storage and other projects. The unit cost calculation is handled separately for supply and storage projects because they function very differently. For supply projects, the unit cost is calculated using present values of lifecycle cost relative to the anticipated average annual supply benefit (Table 1). For storage projects, a "storage capacity cost" or cost per acre-foot of storage capacity is calculated (Table 2) because of the challenges in estimating their annual water supply yields. Therefore, unit costs can be used to compare projects within the same group, but not for comparing supply projects with storage projects. All costs are represented in 2023 dollars. These cost calculations may be updated in future updates. The portfolio cost analysis is discussed in a later section, and cost of shortage analysis will be included in a future Board update.

#### **Table 1 Cost of Major Supply Projects (in 2023 Dollars)**

Project	Average Annual Supply (AF)	Capital Cost (Million)	Annual O&M (Million)	Present Value (PV) Lifecycle Cost (Million)	Lifecycle Cost PV/ Yield PV (\$/AF)	Annualized Unit Cost (\$/AF)
Palo Alto Potable Reuse	8,000	\$780	\$13	\$1,570	\$10,200	\$9,000
San José Direct Potable Reuse	24,000	\$2,140	\$30	\$2,610	\$6,400	\$5,000
Local Seawater Desalination	24,000	\$2,140	\$30	\$2,610	\$6,400	\$5,000
Refinery Recycled Water Exchange	8,000	\$250	\$9	\$430	\$2,800	\$2,500
Delta Conveyance Project	14,000	\$650	\$2	\$720	\$2,700	\$1,800
Sites Reservoir	5,000	\$140	\$0.6	\$130	\$1,200	\$1,000

Table 2 Cost of Major Storage Projects (in 2023 Dollars)

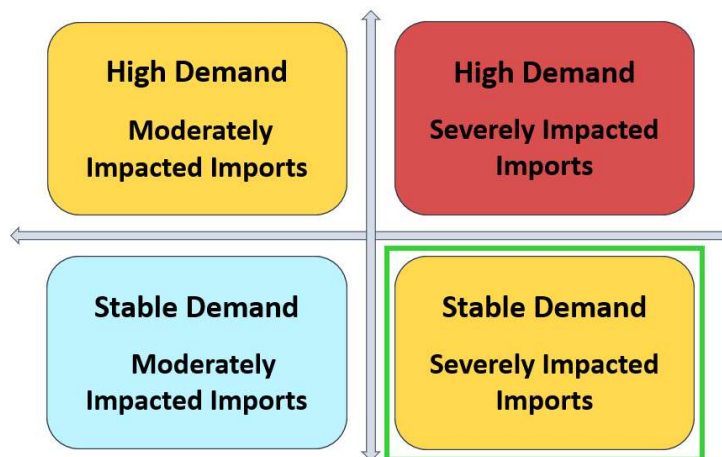
Project	Storage (AF)	Capital Cost (Million)	Annual O&M (Million)	PV Lifecycle Cost (Million)	Lifecycle Cost PV/ Storage Capacity (\$/AF)
Pacheco	140,000	\$2,210	\$2.5	\$1,590	\$11,400
B.F. Sisk Dam Raise	60,000	\$440	\$1.8	\$470	\$7,900
Los Vaqueros Expansion	30,000	\$260	\$3.2	\$350	\$11,700
Groundwater Banking	350,000 <sup>1</sup>	\$280	\$2.8	\$350	\$1,000

<sup>1</sup>Different levels of Groundwater banking were used in the portfolio analysis.

### Overall Water Supply Strategy

As presented in the January Board update, portfolio analyses are used to identify the combinations of projects that may be needed to achieve water supply reliability under four future supply and demand conditions (Figure 1) based on different combinations of imported water supplies (moderately or severely impacted) and demand (stable or high).

Figure 1 Four Future Conditions for Planning



The portfolio analysis for this board update was focused on a future with stable demand and severely reduced imported water supplies. The portfolios evaluated for this condition also work for the best-case condition (stable demand and moderately impacted imports), generally perform similarly to another middle-of-road condition (high demand and moderately impacted imports), and serve as the foundation for developing portfolios for the worst-case condition (high demand and severely reduced imported supply). Given these similarities, this memorandum summarizes water supply portfolios for the stable demand/severely reduced imported water supply condition. Additional projects needed to address the worst-case future condition with high demand and severely reduced imports will be included in a future update.

With the high number of potential projects, there are many combinations and strategies to achieve long-term water supply reliability, depending on different considerations and factors. The development of portfolios involved extensive water supply modeling to ensure that potential portfolios address projected shortages.

To help outline investment options and present tradeoffs, potential investment strategies were developed based on three themes - lower cost, local control, and diversified. Under each strategy, multiple portfolios can meet future water supply needs. Based on the project evaluation and discussions with both internal and external experts, one representative portfolio for each strategy was selected for this presentation and summarized in Table 3, along with the total lifecycle cost. Additional portfolios that would address projected shortages are provided in Attachment 4.

**Table 3 Multiple Strategies for Water Supply Reliability**

Strategies	Projects <sup>1</sup>	Portfolio Cost <sup>2</sup> (Billion)
<b>Lower Cost</b>	San José Direct Potable Reuse, DCP, Sisk, Groundwater Banking (250,000 AF), South County Recharge	<b>\$4.0</b>
<b>Local Control</b>	San José Direct Potable Reuse, Palo Alto Potable Reuse, Pacheco without Partners, Groundwater Banking (150,000 AF), South County Recharge	<b>\$5.9</b>
<b>Diversified</b>	San José Direct Potable Reuse, DCP, Pacheco with Partners, LVE, Sisk, Groundwater Banking (350,000 AF), South County Recharge	<b>\$5.5</b>

<sup>1</sup>Conservation is factored in the baseline condition.

<sup>2</sup>Portfolio cost includes the sum of the present value total cost for each project.

These three potential strategies represent different approaches to water supply reliability, but each comes with tradeoffs:

- **Lower Cost** - Focuses on affordability and minimizing costs, with a mix of supply and storage projects. The strategy provides drought-resilient supply through potable reuse, diversifies existing storage, and secures existing imported supply through DCP. However, it has high risks, as all four major projects require partnership and institutional agreements to be successful.
- **Local Control** - Focuses on projects within Santa Clara County which Valley Water has more control over. The strategy provides drought-resilient supply through potable reuse, diversifies existing storage, provides emergency storage, and reduces reliance on imported supply. However, it has the highest cost, as it includes the three most expensive projects being considered (two potable reuse projects and Pacheco).
- **Diversified** - Focuses on diversifying the existing system with a mix of local and imported supplies as well as storage projects. The diversified strategy, which is most closely aligned with the FY 2024-25 rate-setting portfolio, provides a similar variety of benefits as the other two strategies but builds in more resiliency and redundancy to help reduce the county's exposure to risk and uncertainty, including the risk of any one investment not performing up to expectations. However, it has a relatively high cost and more institutional complexity since it includes more projects.

All three strategies include Direct Potable Reuse in San José, emphasizing the importance of having drought-resilient local supplies in the long-term strategy. This project is also needed in nearly all other portfolios in the Attachment 4. It should also be noted that all strategies require Valley Water to either maintain existing level of storage or further diversify and develop additional storage.

As part of each portfolio evaluation, rate impacts for each portfolio were analyzed. The adopted FY 2024-25 water rates (commonly referred to as groundwater production charges), as presented to the Board in January, April and adopted in May 2024, most closely align with the Diversified portfolio. The Diversified portfolio includes an expanded investment in Groundwater Banking (350,000 AF) and

higher Delta Conveyance Project (DCP) costs than are included in the FY 2024-25 rate-setting portfolio. Results are summarized in Table 4 below.

**Table 4. Water Rate Impact Comparison Between Strategies**

*Translation of portfolio costs to North County Zone W-2 Municipal & Industrial rate (\$/AF), or average monthly impact to an average household*

Strategy	FY 26 to FY 30	FY 31 to FY 35	FY 36 to FY 40	FY 41 to FY 45	FY 46 to FY 50
<i>FY 2024-25 Adopted Rates &amp; PAWS Report<sup>2</sup></i>	\$2,985 / AF or \$102.81 / month	\$4,786 / AF or \$164.82 / month	\$7,385 / AF or \$254.35 / month	\$7,956 / AF or \$273.99 / month	\$7,956 / AF or \$273.99 / month
<b>Lower Cost</b>	\$2,866 / AF or \$98.71 / month	\$4,296 / AF or \$147.96 / month	\$6,581 / AF or \$226.65 / month	\$7,068 / AF or \$243.42 / month	\$7,068 / AF or \$243.42 / month
<b>Local Control</b>	\$3,359 / AF or \$115.70 / month	\$5,627 / AF or \$193.80 / month	\$8,134 / AF or \$280.14 / month	\$8,731 / AF or \$300.69 / month	\$8,835 / AF or \$304.28 / month
<b>Diversified</b>	\$3,100 / AF or \$106.75 / month	\$5,153 / AF or \$177.45 / month	\$7,686 / AF or \$264.71 / month	\$8,344 / AF or \$287.37 / month	\$8,377 / AF or \$288.51 / month

For purposes of this analysis, an average household is assumed to use 15 hundred cubic feet, or 0.413 acre-feet, of water per month.

<sup>2</sup> PAWS Report: Annual Protection and Augmentation of Water Supplies Report, February 2024. Available online at [www.valleywater.org](http://www.valleywater.org).

### South County Strategy

South County residents, businesses, and agriculture rely almost entirely on groundwater for water supply. Valley Water actively manages the groundwater basins to ensure continued sustainable supplies and takes appropriate action to protect groundwater-dependent communities such as prioritizing South County recharge during droughts. Groundwater recharge ponds are essential for long-term reliability and have played a critical role in drought recovery. With "weather whiplash" (frequent shifts between extremely wet and dry years) becoming more common and the high local reliance on groundwater, there is a need for additional recharge capacity in South County.

In this plan, several recharge projects in the South County are being evaluated, including expansion of the Madrone Channel, a new recharge pond in the Coyote Valley, San Pedro Ponds Improvement Project, and Agricultural Land Recharge (FloodMAR). In addition, Valley Water recently worked with the South County partner agencies to complete the 2024 update to the South County Recycled Water Master Plan to identify opportunities for additional water reuse.

### Adaptive Management Framework

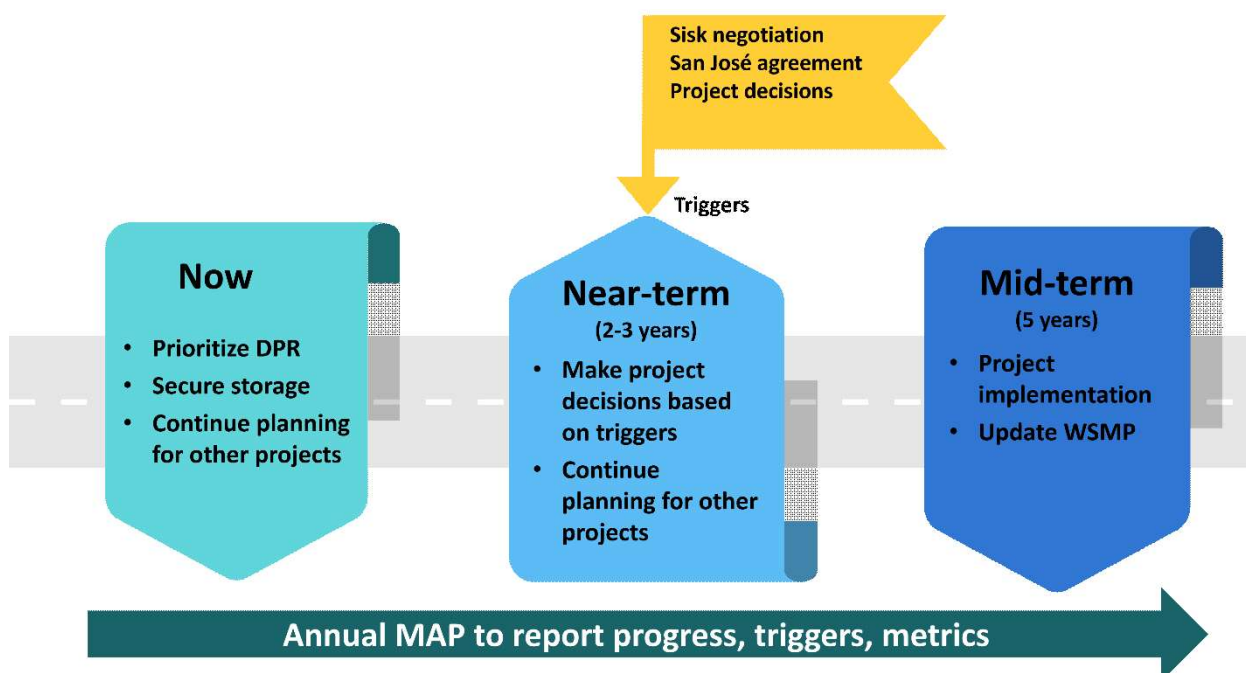
Portfolio analysis suggests that there are different ways to achieve future water supply reliability, each with tradeoffs and risks and challenges. Because many WSMP projects are still in the planning phase and will evolve, it is hard to predict which will ultimately be successful. Uncertainty with forecasted future supply and demand conditions further challenges decision-making. Planning under such deep uncertainty requires an adaptive management approach to provide the Board with flexibility and the ability to make incremental investment decisions and refine them over time, based on evolving information and actual conditions. Incremental decisions based on actual conditions will



help reduce the risk of over- or under-investing.

The adaptive framework is intended to define a consistent, stepwise process of making project and program investment decisions. The framework includes a roadmap and annual reporting. The roadmap outlines near- and mid-term actions and defines triggers and conditions for project decisions, and the annual reporting tracks project progress and provides up-to-date information to help inform decision-making. A preliminary conceptual roadmap is presented in Figure 2.

**Figure 2 Proposed Roadmap for Adaptive Management**



With this adaptive framework, a critical component is reporting through the annual Monitoring and Assessment Program (MAP). A standard MAP report will be devised to include key elements of the WSMP, including progress on projects, conditions of triggers and indicators, and whether any adjustments are recommended. The timing of the MAP will be aligned with the annual CIP Five-Year Plan and Water Rate-Setting Cycle to support related decision-making.

Some example triggers and indicators that will guide as to whether to stay the course or pivot to different pathways include:

- Negotiations and agreements with other agencies (i.e., Sisk Dam Raise Project or direct potable reuse facility with the Cities of San José and Santa Clara)
- Timing of upcoming project decisions
- Groundwater bank negotiations
- Annual water use
- Annual supply
- Conservation measures (water savings, program participation)

- Imported water allocations
- Growth trend/demand

In the next few years, major decisions will come up for several projects. Through this adaptive management framework, the Board will have multiple opportunities along each project's trajectory to make informed decisions on investments. It also allows the WSMP to be closely linked to the annual CIP and rate-setting processes, fulfilling its role as the guiding document for long-term investment strategy.

**Next Steps**

Staff will finalize the analysis and roadmap and return to the Board for another update in the Fall. Staff will also start to draft the plan.

**ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:**

There are no environmental justice and equity impacts associated with this item.

**ATTACHMENTS:**

Attachment 1: Project Evaluation Summary  
Attachment 2: 2050 Conservation Goal  
Attachment 3: Potable Reuse Goal  
Attachment 4: Additional Portfolios  
Attachment 5: PowerPoint

**UNCLASSIFIED MANAGER:**

Kirsten Struve, 408-630-3138



## Attachment 1 – Project Evaluation Summary

Project	Benefits	Risks/Challenges	Expected online date
<b>San José Direct Potable Reuse</b> – Constructs an advanced water purification facility in San José to produce purified water for potable reuse. Purified water may augment treated and/or raw water supplies.	Up to 24,000 acre-feet per year (AFY) of locally controlled, drought resilient supply that is critical in mitigating risks of multi-year droughts. Increase operational flexibility.	Requires agreements with City of San José. Public acceptance remains mixed. High capital and operational costs. Requires reverse osmosis concentrate (ROC) management solutions.	2033
<b>Palo Alto Potable Reuse</b> – Construct an Advanced Water Purification Facility in Palo Alto to produce purified water for potable reuse.	8,400 AFY of locally controlled, drought resilient supply to mitigate risks of multi-year droughts.	Requires agreements with Palo Alto, public acceptance remains mixed, high capital and operational costs. Requires long-term ROC management solutions	Currently on CIP unfunded list
<b>Local Seawater Desalination</b> – A seawater desalination project in Santa Clara County using seawater from the South San Francisco Bay. Desalinated water could augment existing treated and/or raw water supplies.	Up to 24,000 AFY of locally controlled, drought resilient supply that mitigate risks of multi-year droughts and improve water supply reliability. Increase operational flexibility.	Project currently at the pre-feasibility stage. Environmental challenges, including brine management, power needs, and permitting in the sensitive Bay environment. High capital and operational cost. Multiple regulatory permitting steps.	2035
<b>Refinery Recycled Water Exchange</b> – A regional recycled water project between Valley Water, Central Contra Costa Sanitary District (Central San), and Contra Costa Water District (CCWD). The project will allow Central San to provide recycled water to two oil refineries in Contra Costa County in lieu of CCWD's Central Valley Project (CVP) water. CCWD will then	On average 8,500 - 10,000 AFY of imported water supply. Reduces regional reliance on the Delta. Increases regional drought resiliency.	Uncertainty in refinery demands and delivery of CVP supply. CCWD currently evaluating the project in their long-term plan. East Bay Municipal Utility District (EBMUD) also evaluating the project.	2030

provide its freed-up CVP supply to Valley Water.			
<b>Delta Conveyance Project –</b> Modernize the State Water Project (SWP) infrastructure in the Delta by adding new facilities to divert water and upgrading the current conveyance system. The project is intended to restore and protect the reliability of SWP water deliveries and, potentially, CVP water supplies south of the Delta.	At current 3.23% participation level, the project could provide on average 14,000 AFY of water supply benefits to Valley Water. It will help secure existing Delta-conveyed supplies, and improve access to transfer supplies and quality of imported water supplies.	Implementation complexity, long-term operational uncertainty, active public opposition due to environmental concerns, and long-term financing uncertainty.	2045
<b>Sites Reservoir –</b> A proposed off-stream water supply reservoir north of the Delta to provide new water supply by capturing flood flows from the Sacramento River. The project would be operated in coordination with the SWP and CVP.	Valley Water is assuming 2.7% participation level in the portfolio analysis, which could potentially provide dry year yield of around 9,200 AFY and 37,000 AF of storage. It also offers access for transfers and lease/purchase of additional storage.	Public opposition, requires through-delta conveyance, future regulatory changes. Project is currently fully subscribed.	2032
<b>Pacheco Reservoir Expansion –</b> Enlarges Pacheco Reservoir from about 5,500 AF to 140,000 AF and connects the reservoir to the Pacheco Conduit. The reservoir plans to be filled with natural inflow and imported (CVP and/or SWP) supplies. The project is currently moving toward 60% design.	Locally controlled, provides emergency storage with no annual carryover storage limit, downstream benefits for threatened fish, manages water quality impacts from San Luis Reservoir, diversifies Valley Water's storage program, captures and stores CVP Section 215 and SWP Article 21 water when available, and increases operational flexibility. Grant funding.	Public opposition, rising cost, environmental impact on cultural resources, difficulty in securing partners, and increased long-term environmental commitments.	2035
<b>Los Vaqueros Expansion –</b> Expand Los Vaqueros Reservoir storage from 160,000 to 275,000 AF and build the Transfer-Bethany Pipeline to connect the	Currently seeking to purchase at least 30,000 AF of dedicated storage to store imported supplies. The project can help diversify Valley Water's storage program and	Proposed storage currently under negotiation with the project's Joint Power Authority, CCWD maintains priority use, no guaranteed put/take	2033

reservoir to the California Aqueduct.	increase operational flexibility in conveying imported water.	timing and capacity for Valley Water, Operational and institutional complexity.	
<b>B.F. Sisk Dam Raise –</b> Expands the capacity of San Luis Reservoir by 130,000 AF. New capacity would be shared by Reclamation and project participants and may be operationally integrated with the CVP.	Valley Water is currently negotiating for 60,000 AF of storage for imported supplies. If secured, the storage may help diversify Valley Water’s existing storage program, capture and store CVP Section 215 and SWP Article 21 water when available, and increase operational flexibility.	Proposed storage is under negotiation. Requires moving a portion of Route 152.	2032
<b>Out of County Groundwater Banking –</b> Participate in one or more Groundwater Banking Programs located within the Central Valley. Semitropic Groundwater Bank contract expires in 2035 and will need to be renegotiated.	Historically among the most cost-effective options. New programs may help diversify Valley Water’s existing storage program, potentially increasing current put and take capacities.	No identified projects yet. Significant institutional, technical, and political hurdles to overcome, and potential competition with other agencies.	TBD
<b>South County Recharge –</b> Several projects in the South County are being evaluated, including San Pedro Ponds Improvement Project, Coyote Valley Recharge Pond, and Madrone Channel Expansion.	Increase recharge capacity and maximize use of existing infrastructure to help improve water supply reliability for South County. Increase operational flexibility in South County, help South County groundwater levels rebound from drought more efficiently.	May require landowner support. In preliminary planning phase.	2030

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# Santa Clara Valley Water District

File No.: 24-0448

Agenda Date: 5/17/2024

Item No.: 4.1.

## COMMITTEE AGENDA MEMORANDUM Water Supply and Demand Management Committee

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### SUBJECT:

Review Potential Water Conservation Targets for Inclusion in the 2050 Water Supply Master Plan; and Recommend to the Santa Clara Valley Water District Board the 126,000 Acre Feet per Year (AFY) (Option B) Water Conservation Goal by 2050 for Inclusion in the Water Supply Master Plan 2050.

### RECOMMENDATION:

Recommend to Santa Clara Valley Water District Board the 126,000 Acre Feet per Year (Option B) water conservation goal by 2050 for inclusion in the Water Supply Master Plan 2050.

### SUMMARY:

Santa Clara Valley Water District (Valley Water) is the primary water resources agency in Santa Clara County, California, and serves about 2 million residents, primarily through 13 water retailers. Valley Water has been providing water conservation programs to its retail agencies' customers since 1992 and offers over 20 programs to reach all customer sectors to achieve the Valley Water Board of Directors (Board) long-term 2030 and 2040 water conservation goals. The Water Supply and Demand Management Committee (formed by merging the Water Conservation and Demand Management Committee and Water Storage Exploratory Committee (Committee)) and the Board monitor progress on achieving conservation goals. Additionally, the Water Supply Master Plan (Master Plan) which includes the conservation goals is updated every five (5) years and has an annual Monitoring and Assessment Program (MAP) report that presents progress on meeting the conservation goal. Through the Master Plan and MAP updates, the Committee and Board can modify the goals as new technologies, regulations, and trends become available or enacted.

Valley Water is currently developing its Master Plan 2050 and seeks to identify new 2050 conservation goals for inclusion in the Master Plan. Staff are presenting three options to achieve additional savings beyond Valley Water's 2040 conservation goal of 110 thousand acre-feet a year (TAFY). Three (3) potential 2050 Conservation Goals (2050 Goals), the menu of conservation programs, and the cost-effectiveness of achieving the portfolios being considered were presented at the December 2023 and January 2024 Committee meetings. At the January 2024 meeting, the

Committee requested a report back with additional comprehensive rationale presented for Board analysis including further details of comparisons with other similar agencies, current water conservation performance indicators, and the implementation of option strategies. This memorandum includes these additional details.

### **Goal Development Approach**

Valley Water developed three 2050 Goals by evaluating its current program, potential future programs, and peer agency programs. The evaluation of current and potential future program offerings included estimated water savings, estimated community interest, implementability, cost effectiveness, and support for retailers in achieving State regulations. Staff also reviewed peer agency programs to see if there are applicable programs that Valley Water has not yet evaluated. In general, staff found that the number and variety of Valley Water's programs are equal or exceed our peer agency programs, but plan on completing a more detailed benchmarking study of the conservation programs at peer agencies over the next year.

Valley Water offers a comprehensive set of over 20 programs that help all sectors (e.g., residential, agricultural, commercial, industrial, and institutional) reduce their water use and most are cost effective and/or provide important community education about water use and conservation. The current conservation program costs approximately \$600/AF. However, certain programs could be expanded or added in the future if Valley Water increases investment in conservation.

The three 2050 Goals summarized in the next section offer different options for investing in water conservation through 2050. As the conservation goal increases, the cost increases, staffing needs increase, and implementability will likely become more difficult. Implementability may become more difficult because Santa Clara County is relatively efficient, so it may be necessary to engage new customers and install new water-saving technology. Our retail customer average residential gallons per capita per day (GPCD) in the county during non-drought conditions (using years 2018-2020) ranges between approximately 71-74. In comparison, average statewide residential GPCD during the same period was between 85-93. Therefore, Santa Clara County is approximately 20% more efficient than the State of California on average and is in the top 10 of most efficient counties. During drought, additional water use reduction calls may also become more challenging as our community becomes more efficient which could impact meeting Valley Water's Level of Service goal.

Valley Water also considered expected future water use regulations when designing the 2050 Goal options. Per Senate Bill 1157 (SB 1157), the State developed indoor residential water use limits of 42 GPCD starting in 2030. Valley Water estimates that indoor residential water use accounts for approximately 50% of all residential water use. Most of our retailers' customers already achieve the SB 1157 water use limits, although some retailers will need to work with their customers to reduce their water use to meet SB 1157. Each of the three 2050 Goals presented in the next section will help all of Santa Clara County to meet or continue meeting the SB 1157 water use limits.

### **Potential Conservation Savings Goals**

The potential 2050 Goals would be fulfilled by leaning into Valley Water's existing program while still providing flexibility to enhance existing and add new programs. Three (3) potential 2050 Goals and

unit costs have been identified and are described below:

1. **Option A Savings Goal** - 119 TAFY by 2050. This goal increases annual water savings by 10 TAFY above the 2040 goal. To achieve the increased savings, Valley Water would continue to offer the existing suite of programs but expand the reach of the programs to access more customers. This option acknowledges that current Valley Water programs are cost effective and provide water saving options to a wide range of users. This goal will cost the least, at approximately \$1,230/acre-foot in 2023 dollars, while still providing additional conservation. However, this goal will not capitalize on proposed new cost-effective programs or incentives.
2. **Option B Savings Goal** - 126 TAFY by 2050. This goal increases annual water savings by 17 TAFY above the 2040 goal. To achieve the increased savings, Valley Water would need to significantly expand the reach of its current programs and add a leak assistance program. This would require additional conservation investment and increased staffing. To achieve this goal, Valley Water will need to increase annual average active water savings to 14 TAFY from 11 TAFY, which is equivalent to the water savings rate achieved during droughts when messaging and public awareness is at its greatest. Expanding the reach of existing programs and adding new programs will result in a total cost of \$1,338/acre-foot in 2023 dollars. While this goal will require more investment than Option A, it does allow Valley Water to stay at the forefront of conservation by offering new innovative programs and technologies to Santa Clara County residents. With sufficient investment and retail agency outreach support, Valley Water could likely achieve Option B by 2050.
3. **Option C Savings Goal** - 133 TAFY by 2050. This goal increases annual water savings by 24 TAFY above the 2040 goal. To achieve the increased savings, Valley Water would need to do everything proposed in Option B while also reducing outdoor water use by an additional 25% compared to the 2020 estimated outdoor water use, expanding program offerings, and increasing staffing beyond that needed in Option B. While this option is technically feasible, its implementation would require significant expansion of our landscape rebate program and strong support from our retailers to encourage customer participation. Local ordinances that outlaw watering front yard lawns could help support this savings goal option, but Valley Water understands the significant difficulty and uncertainty involved in working with cities to implement such ordinances. Valley Water estimates that the effort involved to achieve Option C would cost \$1,690/acre-foot.

Figure 1 summarizes the: (1) passive savings achieved as of 2020 within the Valley Water service area, (2) the active savings from past implementation as of 2020, (3) projected additional passive savings estimated to occur in the future, and (4) the additional active savings to be achieved from program implementation that would be required to achieve the potential 2050 Goals.

### **Figure 1. Potential 2050 Conservation Savings Goals - Active and Passive Savings**



### Staff Recommendation

Staff recommends the Committee recommend Option B as the 2050 Water Conservation Goal for Board adoption. Option B provides Valley Water an ambitious but implementable goal that will ensure Santa Clara County is a leader in conservation, ensure we use our water supplies wisely, and balances affordability concerns.

While Option A is the lowest cost alternative, based on the committee feedback so far, staff recommends choosing a more aggressive goal. By going with Option A, Valley Water may have to invest in additional expensive supply and storage projects in lieu of the additional savings that could be achieved with Option B. While Option B would require increasing participation by approximately 200%, which in turn will require additional staffing and funding resources, staff are confident that Valley Water can achieve Option B.

Option C would require significant investment to expand staff resources and program offerings. Even with the expanded funding, achieving Option C would still be very difficult and require significant support from our partner agencies. While technically feasible, there is uncertainty as to whether it could be achieved by 2050. If Valley Water chooses Option C, it may risk under-investing in other new supplies and storage if meeting the goal gets delayed and will also affect revenues.

To summarize, selecting Option B:

- 1) Is feasible



- 2) Balances costs with benefits
- 3) Reduces need to invest in additional new supplies and/or storage
- 4) Makes “Conservation a Way of Life” in Santa Clara County
- 5) Allows Valley Water to stay at the forefront of conservation

The long-term water conservation goals (i.e., 2030, 2040, and 2050) are monitored annually by the Committee and the Board as part of the long-term water conservation progress update and the Master Plan Monitoring and Assessment Program (MAP) update. Additionally, the Master Plan, including conservation goals, is updated every five (5) years. Through MAP and the Master Plan updates, the Committee and Board can modify the goals as new technologies, regulations, and trends become available or enacted. Therefore, staff think that Option B is an aggressive, achievable and productive goal, and that Valley Water has processes in place that can allow the Board to increase the goal if new technologies or regulations become available.

**ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:**

Environmental justice and equity impact on EJ population are expected/likely to result from the implementation of the water conservation program to achieve 2050 Goals. The recommendation of Option B was selected to balance cost and benefit; the benefits and the impact/mitigation strategies on disadvantaged communities are discussed in greater detail below.

Water conservation offers a range of environmental justice benefits by promoting equitable access to clean water, reducing pollution, protecting ecosystems, mitigating climate change, saving costs for vulnerable communities, enhancing drought resilience, and empowering residents with knowledge and skills for sustainable water use. Valley Water provides such water conservation information in multiple languages and via various outreach techniques to reach all members of our community. Valley Water acknowledges that during drought, disadvantaged communities may be disproportionately impacted. To address these impacts, Valley Water promotes access to equitable and affordable water supplies (Water Supply Goal 2.6). Valley Water offers specific programs, such as the Lawn Busters program to provide water-efficient landscapes to low-income, elderly, disabled, or veteran homeowners and schools within disadvantaged communities.

**ATTACHMENTS:**

- Attachment 1: PowerPoint
- Attachment 2: 2050 Master Plan Potential Savings Goal Memo.
- Attachment 3: 2050 Mstr. Pln. Conserv. Measure Dtls. & Portfolios
- Attachment 4: Link to 2021 Water Conservation Strategic Plan

**UNCLASSIFIED MANAGER:**

Kirsten Struve, 408-630-3138

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# Santa Clara Valley Water District

File No.: 24-0238

Agenda Date: 3/27/2024

Item No.: 4.4.

## COMMITTEE AGENDA MEMORANDUM Recycled Water Committee

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### SUBJECT:

Receive Update on the Recycled Water Goal for the Water Supply Master Plan 2050; and  
Recommend to Valley Water's Board a Potable Reuse Goal.

### RECOMMENDATION:

- A. Receive information and provide feedback on potential water reuse goal update; and
- B. Recommend to Valley Water's Board a potable reuse goal of 24,000 Acre Feet per Year (AFY) by 2035 as well as a long-term vision to maximize water reuse in the county for inclusion in the Water Supply Master Plan 2050.

### SUMMARY:

Water reuse is a locally controlled and drought resilient supply that will help ensure our county's water supply in the face of climate change. Valley Water's Board of Directors (Board) have set a goal to promote, protect, and expand potable and non-potable reuse within the county. Valley Water's Water Supply Master Plan (WSMP) is a guiding document for long-term water supply investments to ensure water supply reliability for the county. The WSMP is regularly updated to evaluate changing anticipated water supply demands and water supply and infrastructure projects.

Valley Water has consistently included goals to expand potable reuse as a part of a future diversified water supply portfolios. These goals are intended to be clear, measurable, and achievable. As such, the specific goals are included in water supply modeling to support development of the WSMP. While the goals provide guidance to staff and support Board decision making, they do not prevent staff from evaluating projects outside of the goal or prevent the Board from approving a larger project if one becomes feasible. Valley Water's 2012 WSMP included the goal to develop 20,000 acre-feet per year (AFY) of indirect potable reuse (IPR) by 2030 to be used to augment local groundwater supplies. In 2015, the Board directed staff to pursue 45,000 AFY of IPR by 2020 as part of the Expedited Recycled and Purified Water Program. In 2019, the WSMP 2040 included an updated goal to develop 24,000 AFY of potable reuse by 2028. In 2020, the Board directed staff to pursue a first phase project to meet the smaller goal of 11,200 AFY of potable reuse due to declining water supply demands. On

February 27, 2024, the Board directed staff to remove the Palo Alto Purified Water Project from the CIP and place it on the unfunded projects list.

Valley Water staff is currently updating the WSMP 2040 to assess future water supplies and anticipated demands through 2050 (WSMP 2050). Staff is recommending that an updated goal of 24,000 AFY of potable reuse by 2035 is an achievable goal that can be met with a project in collaboration with the Cities of San José and Santa Clara (referred to as the San José Purified Water Project). The San José Purified Water Project can meet this goal while balancing affordability and risk, while also taking into account project partners' plans to expand their non-potable recycled water systems and concerns over regulatory impacts of a larger project, including managing Reverse Osmosis concentrate.

In response to the Committee's previous comments to explore additional potable reuse, staff will include a long-term vision in the WSMP 2050 to maximize water reuse in the county and are committed to reevaluating the goal during future WSMP updates, which occur every five years, to determine if additional water is needed, and if Valley Water has made progress implementing the San José Purified Water Project. There are risks to setting a higher goal now, which include potential uncertainty of future wastewater flows, planning assumptions that conflict with our project partners' water supply planning, and the potential to underestimate the need for other water supply projects that are evaluated as part of portfolios to address future shortage.

The WSMP 2050 update will include modeling the 24,000 AFY San José Purified Water Project as a primary purified water project, with two project alternatives (24,000 AFY of local desalination and an 8,000 AFY DPR project) as potential backup projects. If water supply analysis indicates the need for additional supply to fill gaps under certain demand/supply conditions, the backup projects can be evaluated in conjunction with the 24,000 AFY San José Purified Water Project as part of portfolio analysis, to be compared with other alternative solutions. If the backup projects are found to be better and more cost-effective alternatives, they can be further evaluated and developed in future WSMP updates. Inclusion of the long-term vision promotes a phased approach that accounts for uncertainty with future demand, wastewater availability, and balances affordability and risk of overinvestment.

#### **ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:**

There are no environmental justice and equity impacts associated with this agenda item. This action is unlikely to or will not result in adverse impacts and is not associated with an equity opportunity.

#### **ATTACHMENTS:**

Attachment 1: PowerPoint

#### **UNCLASSIFIED MANAGER:**

Kirsten Struve, 408-630-3138

#### Attachment 4 – Additional Portfolios that Meet Water Supply Needs

	Portfolios						
Project	Lower Cost		Local Control		Diversified		
Palo Alto Potable Reuse					X		
San José Direct Potable Reuse	X		X	X	X	X	X
Local Seawater Desalination				X			
Refinery Recycled Water Exchange	X	X				X	
Delta Conveyance Project		X					X
Sites Reservoir						X	X
Pacheco Reservoir Expansion		With Partners	No Partners			With Partners	
Los Vaqueros Expansion		X					
B.F. Sisk Dam Raise		X			X	X	X
Groundwater Banking (Thousand Acre-Feet)	350	350	350	150	250	150	250
South County Recharge Projects	X	X	X	X	X	X	X
<b>Portfolio Cost (\$Billion)</b>	<b>3.4</b>	<b>3.4</b>	<b>4.6</b>	<b>5.4</b>	<b>4.9</b>	<b>4.8</b>	<b>4.2</b>

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# Water Supply Master Plan 2050 Development Update

Agricultural Water Advisory Committee, July 1, 2024

# WSMP 2050 Updates

2

Goals

Planning horizon

Wider range of values

Portfolio approach

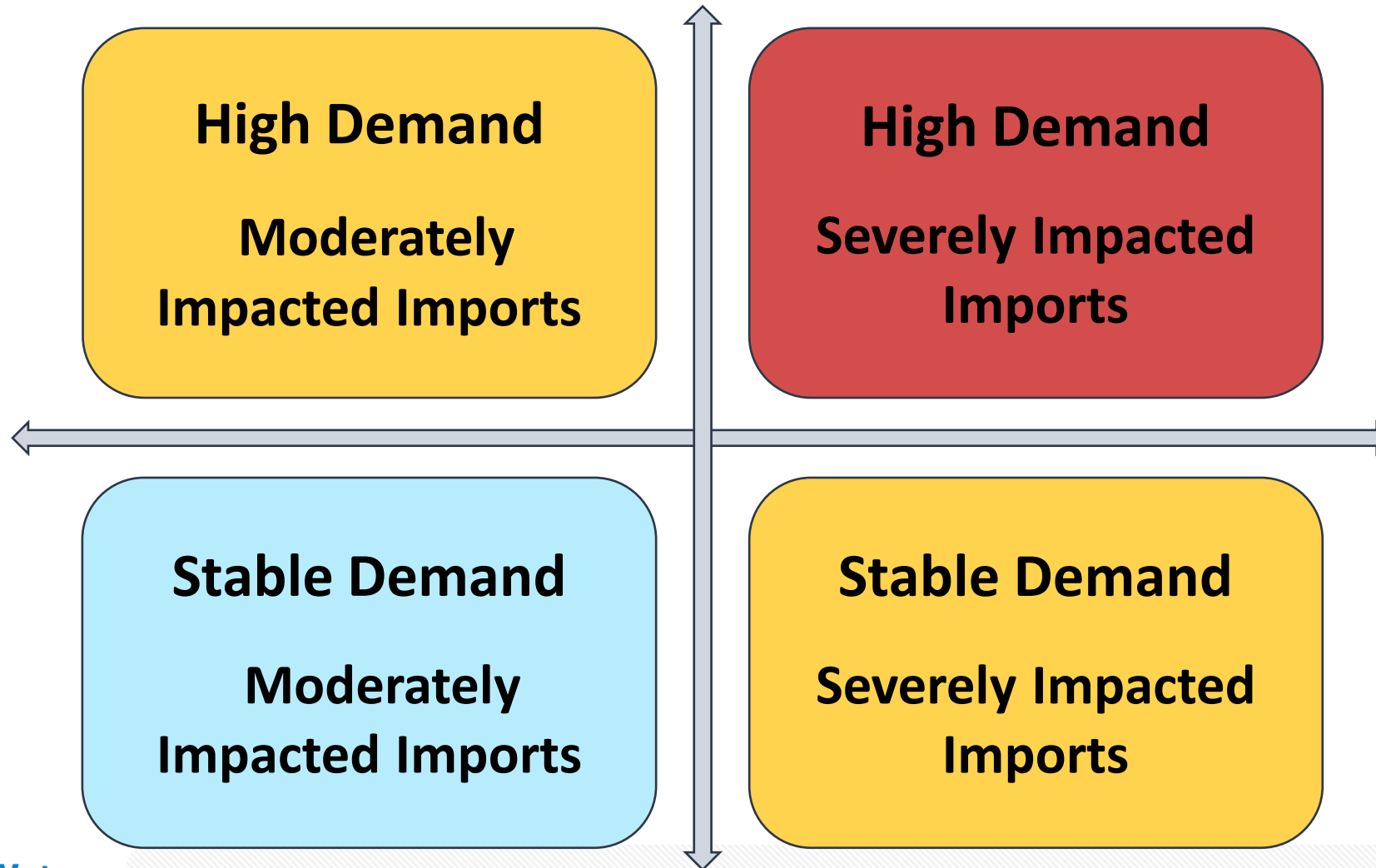
Recognition of uncertainty





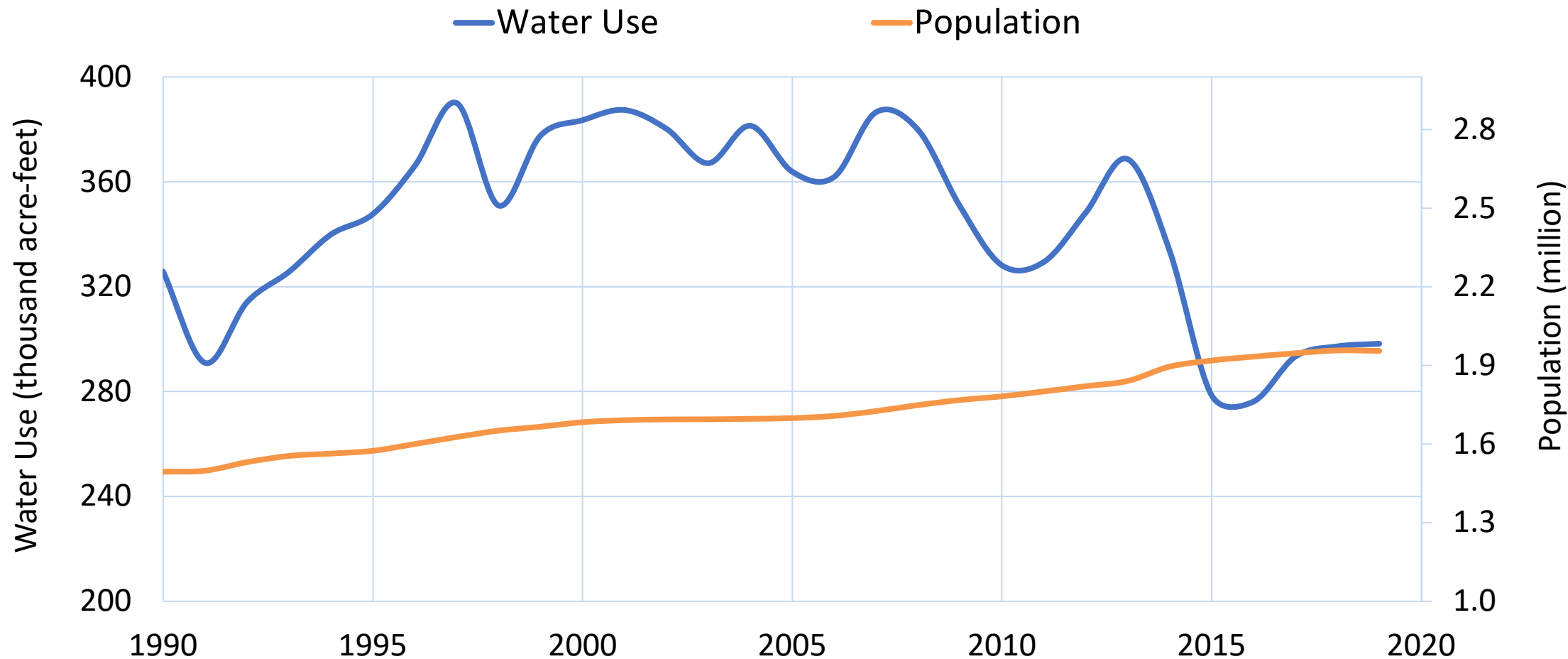
# Planning for Multiple Future Conditions

3

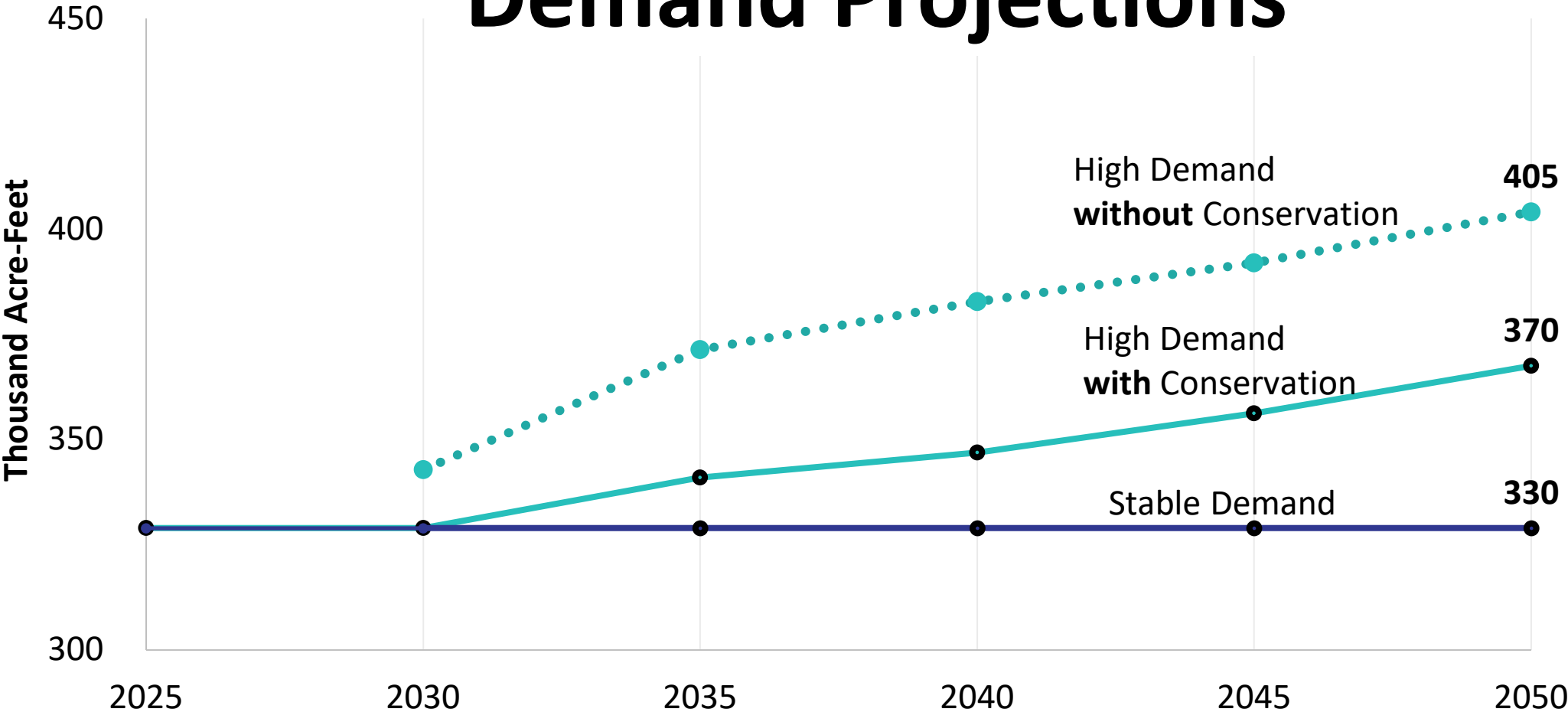


# Historical Water Use and Population

4



# Demand Projections



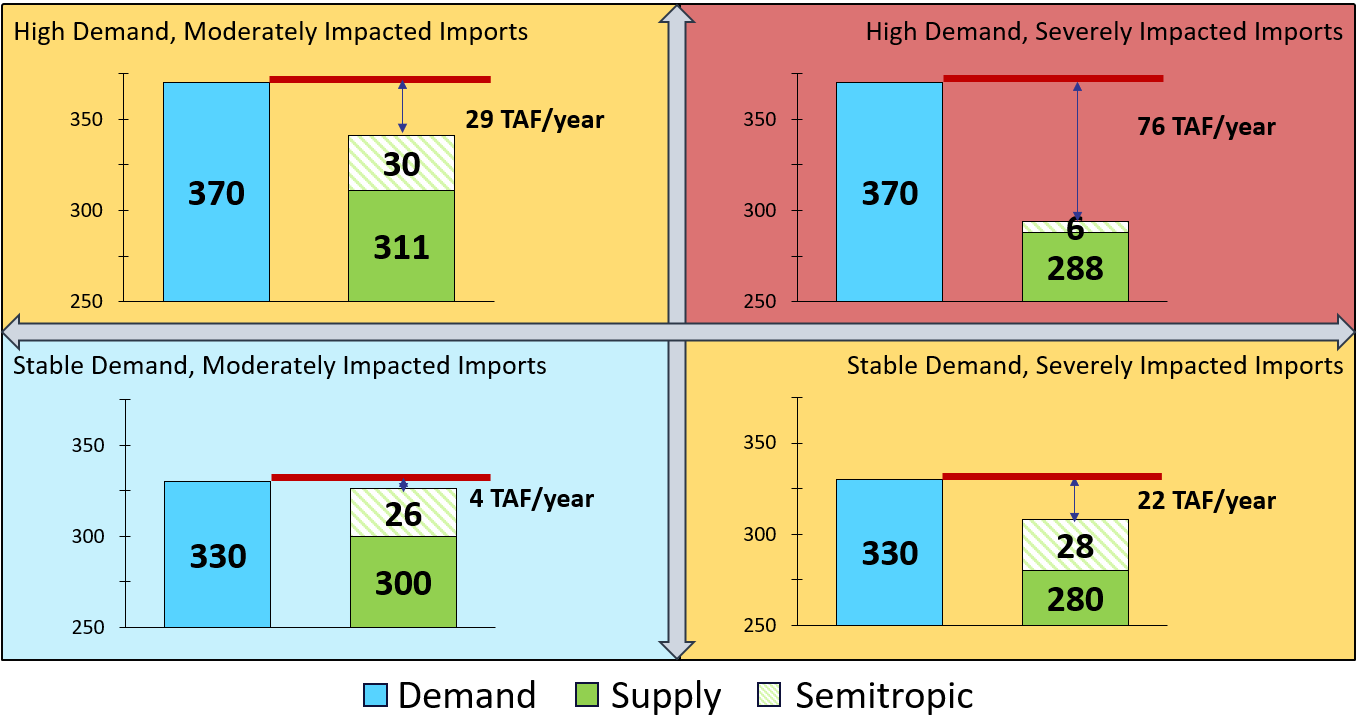
Demand modeling integrates historic water use trends, housing and economic growth, climate change, and post-drought water use rebound.

# Water Supply Needs and Challenges

6

Multi-year droughts  
Climate change impact  
Aging infrastructure  
Affordability

Annual Shortage in Six-year Drought in 2050



# Project List Grouped by Primary Benefits

7

## Alternative Supply

Palo Alto Potable Reuse  
San José Direct Potable Reuse  
Refinery Recycled Water Exchange  
Local Seawater Desalination

## Surface Supply

Delta Conveyance Project  
Sites Reservoir  
Stormwater – Agricultural Land Recharge (FloodMAR)  
Stormwater Capture

## Storage

Pacheco Reservoir Expansion  
Los Vaqueros Expansion  
Groundwater Banking  
B.F. Sisk Dam Raise

## Recharge and Pipelines

Coyote Valley Recharge Pond  
Lexington Pipeline  
Lexington-Montevina Water Treatment Plant Connection  
Butterfield Channel Managed Aquifer Recharge  
Madrone Channel Expansion  
San Pedro Ponds Improvement Project

# Project Evaluation

8

- Water supply benefits
- Cost

- Reliability
- Likelihood of success
- Environmental impacts
- Jurisdiction and partnership
- Public acceptance

# Benefits of Major Projects

- Drought supply
- Storage diversification
- Increased system reliability and flexibility
- Emergency storage
- Ability to capture excess CVP and SWP water
- Environmental benefits

# Project Risks and Challenges

10

- Affordability
- Environmental impacts
- Contingent on agreement with other agencies
- Implementation complexity
- Operational and institutional complexity
- Public acceptance



# Cost Analysis

- Project cost estimates
  - Total lifecycle cost
  - Unit cost
- Cost of portfolios
- Impact on water rate
- Cost of shortage

# Cost of Major Supply Projects

All costs are in 2023 dollars

Project	Average Annual Supply (AF)	Capital Cost (Millions)	Annual O&M (Millions)	Present Value Lifecycle Cost* (Millions)	Lifecycle Cost PV/ Yield PV (\$/AF)	Annualized Unit cost (\$/AF)
Palo Alto Potable Reuse	8,000	\$780	\$13	\$1,570	\$10,200	\$9,000
San José Direct Potable Reuse	24,000	\$2,140	\$30	\$2,610	\$6,400	\$5,000
Local Seawater Desalination	24,000	\$2,140	\$30	\$2,610	\$6,400	\$5,000
Refinery Recycled Water Exchange	8,000	\$250	\$9	\$430	\$2,800	\$2,500
Delta Conveyance Project	14,000	\$650	\$2	\$720	\$2,700	\$1,800
Sites Reservoir	5,000	\$140	\$0.6	\$130	\$1,200	\$1,000

\* Project lifecycles vary

# Cost of Major Storage Projects

All costs are in 2023 dollars

Project	Storage (AF)	Capital Cost (Millions)	Annual O&M (Millions)	Present Value Lifecycle Cost (Millions)	Lifecycle Cost PV /Storage Capacity (\$/AF)
Pacheco	140,000	\$2,210	\$2.5	\$1,590	\$11,400
B.F. Sisk Dam Raise	60,000	\$440	\$1.8	\$470	\$7,900
Los Vaqueros Expansion	30,000	\$260	\$3.2	\$350	\$11,700
Groundwater Banking	350,000	\$280	\$2.8	\$350	\$1,000

# Conservation and Potable Reuse Goals

14



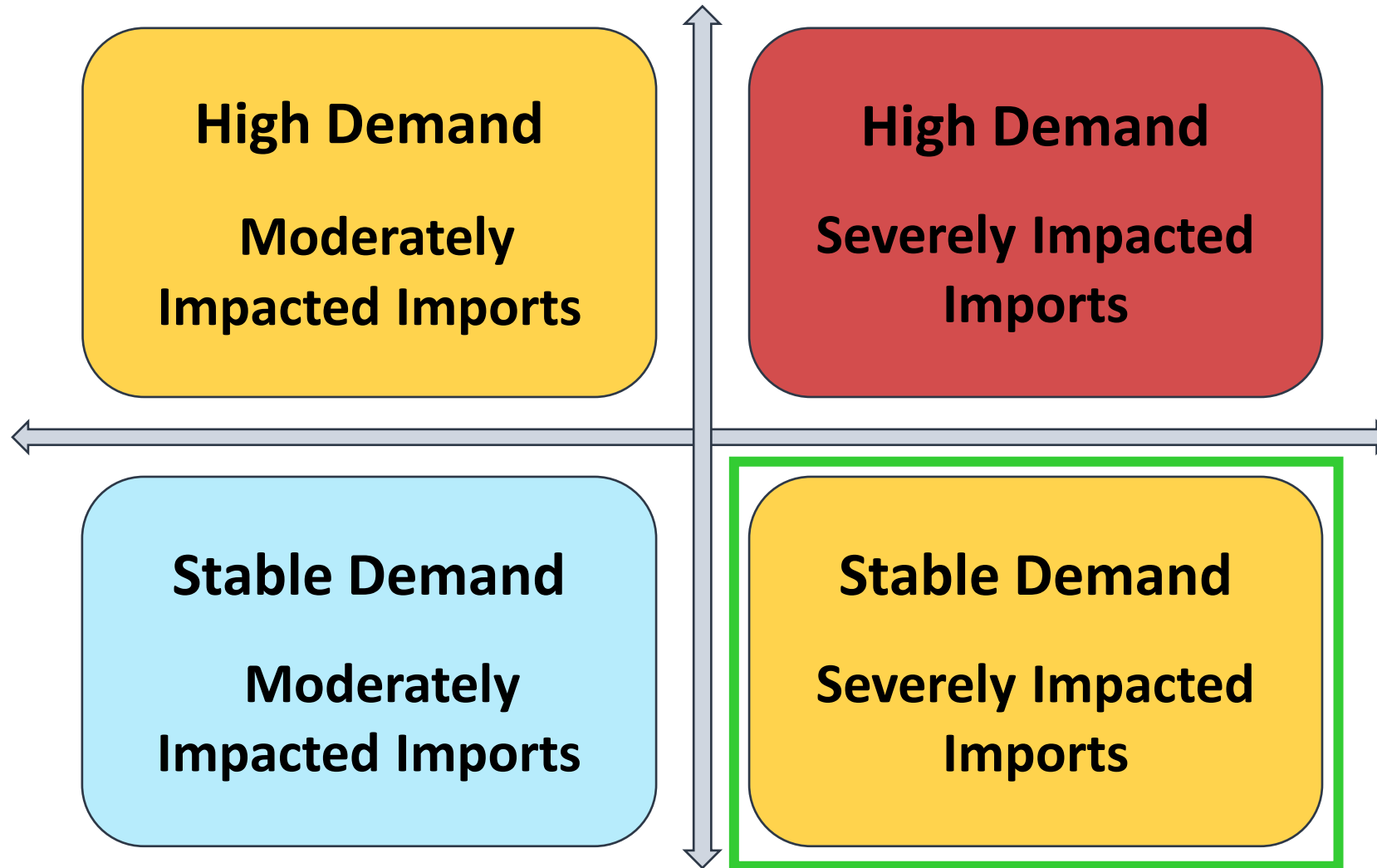
- Water conservation goal
  - 126,000 AFY by 2050



- Potable reuse goal
  - 24,000 AFY by 2035
  - Long-term vision to maximize water reuse in the county

# Focusing on Middle-of-Road Condition

15



# Portfolio Analysis

16

- Developed three themes to outline options and tradeoffs
  - Lower cost
  - Local control
  - Diversified
- Multiple feasible portfolios under each theme

# Strategies for Water Supply Reliability

## Lower Cost (\$4 Billion)



## Local Control (\$5.9 Billion)



## Diversified (\$5.5 Billion)



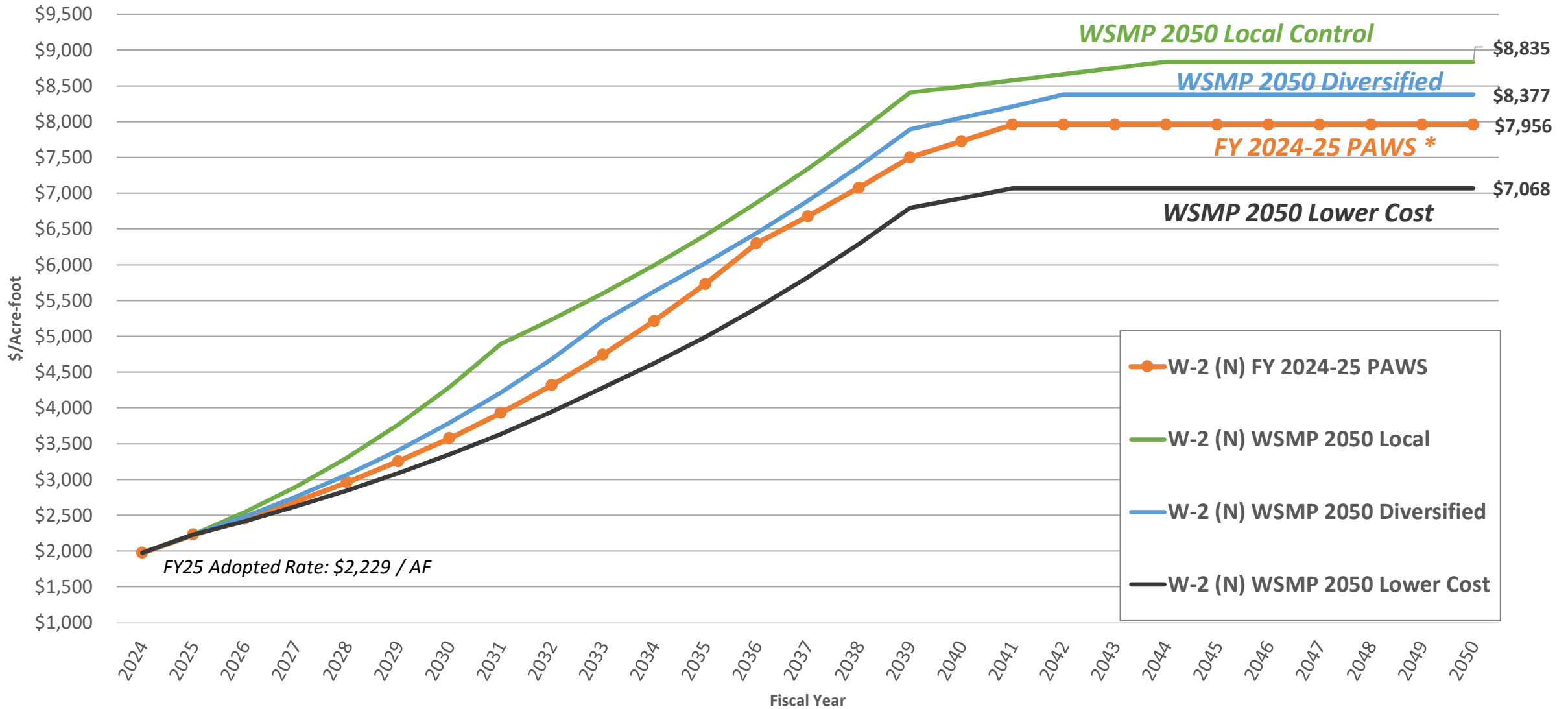
# Rate Impact of Water Supply Strategies

Strategy *	FY 26 to FY 30	FY 31 to FY 35	FY 36 to FY 40	FY 41 to FY 45	FY 46 to FY 50
<i>FY 2024-25 Adopted Rates &amp; PAWS Report</i>	<i>\$2,985 / AF or \$102.81 / month</i>	<i>\$4,786 / AF or \$164.82 / month</i>	<i>\$7,385 / AF or \$254.35 / month</i>	<i>\$7,956 / AF or \$273.99 / month</i>	<i>\$7,956 / AF or \$273.99 / month</i>
<b>Lower Cost</b>	<b>\$2,866 / AF or \$98.71 / month</b>	<b>\$4,296 / AF or \$147.96 / month</b>	<b>\$6,581 / AF or \$226.65 / month</b>	<b>\$7,068 / AF or \$243.42 / month</b>	<b>\$7,068 / AF or \$243.42 / month</b>
<b>Local Control</b>	<b>\$3,359 / AF or \$115.70 / month</b>	<b>\$5,627 / AF or \$193.80 / month</b>	<b>\$8,134 / AF or \$280.14 / month</b>	<b>\$8,731 / AF or \$300.69 / month</b>	<b>\$8,835 / AF or \$304.28 / month</b>
<b>Diversified</b>	<b>\$3,100 / AF or \$106.75 / month</b>	<b>\$5,153 / AF or \$177.45 / month</b>	<b>\$7,686 / AF or \$264.71 / month</b>	<b>\$8,344 / AF or \$287.37 / month</b>	<b>\$8,377 / AF or \$288.51 / month</b>



# WSMP 2050 Strategies

## North County Groundwater Production Charge Projection M&I (\$/Acre-Foot)



FY25 Adopted Rate: \$2,229 / AF



\* FY 2024-25 PAWS represents long-range rate projections as presented to the Board March 26, 2024, and is equivalent to Diversified portfolio excluding Groundwater Banking (350,000 AF) and increased DCP costs.

# Portfolio Evaluation Summary

- No single project can address all future needs
- Different strategies to achieve water supply reliability, with tradeoffs
- Importance of drought resilient supplies and diversifying storage

# Adaptive Management Framework

- Planning under deep uncertainty
  - Projects still evolving
  - Uncertainty with forecasted future supply and demand
- Adaptive management framework to provide flexibility for making incremental investment decisions

Projects	Estimated Decision Points					Project Online Date
	2024	2025	2026	2027	2028	
San José Direct Potable Reuse						2033
Los Vaqueros Expansion		Final Funding Decision				2033
B.F. Sisk Dam Raise	Planning Funding Decision	Final Construction Funding				2032
Pacheco			Final EIR/EIS Certification	Final Partnership Negotiations		2035
Sites Reservoir		Final Funding Decision				2032
Delta Conveyance Project	Funding Decision			Final Contract Decision		2045

Sisk negotiation  
San José agreement  
Project decisions

Triggers

## Now

- Prioritize DPR
- Secure storage
- Continue planning for other projects

## Near-term (2-3 years)

- Make project decisions based on triggers
- Continue planning for other projects

## Mid-term (5 years)

- Project implementation
- Update WSMP

Annual MAP to report progress, triggers, metrics

# Example Triggers and Metrics to Track

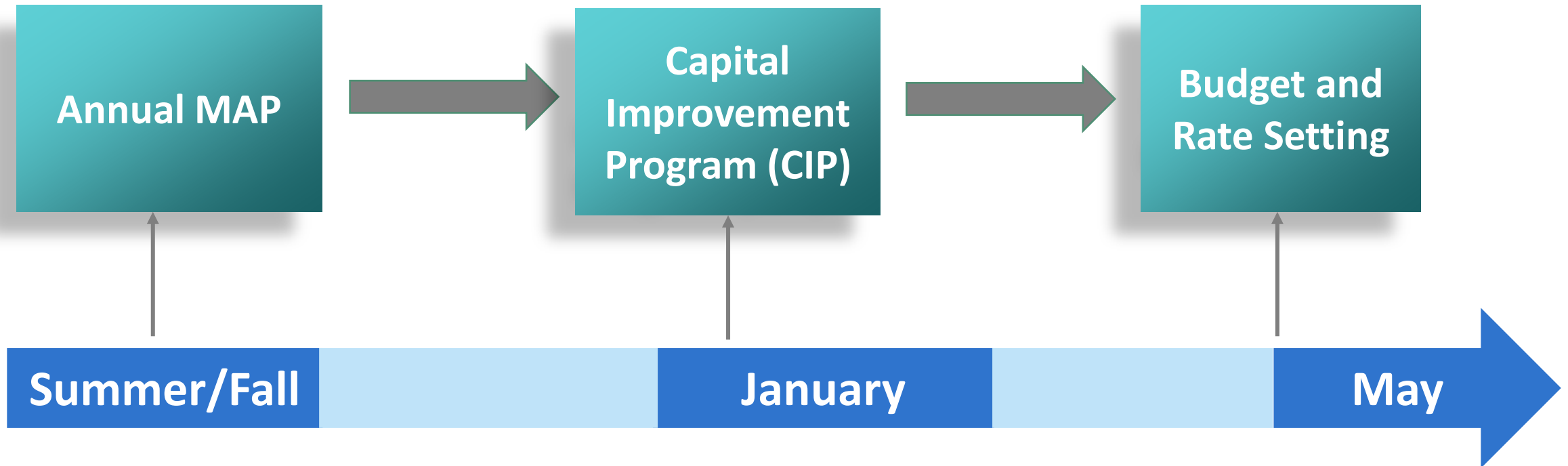
- **Key triggers**

- Sisk negotiation
- San José agreement
- Upcoming project decisions
- Groundwater Bank negotiation

- **Metrics to track**

- Annual supply
- Annual water use
- Conservation progress
- Growth trend/demand

# Annual MAP to Support Decision-Making 25



# Next Steps

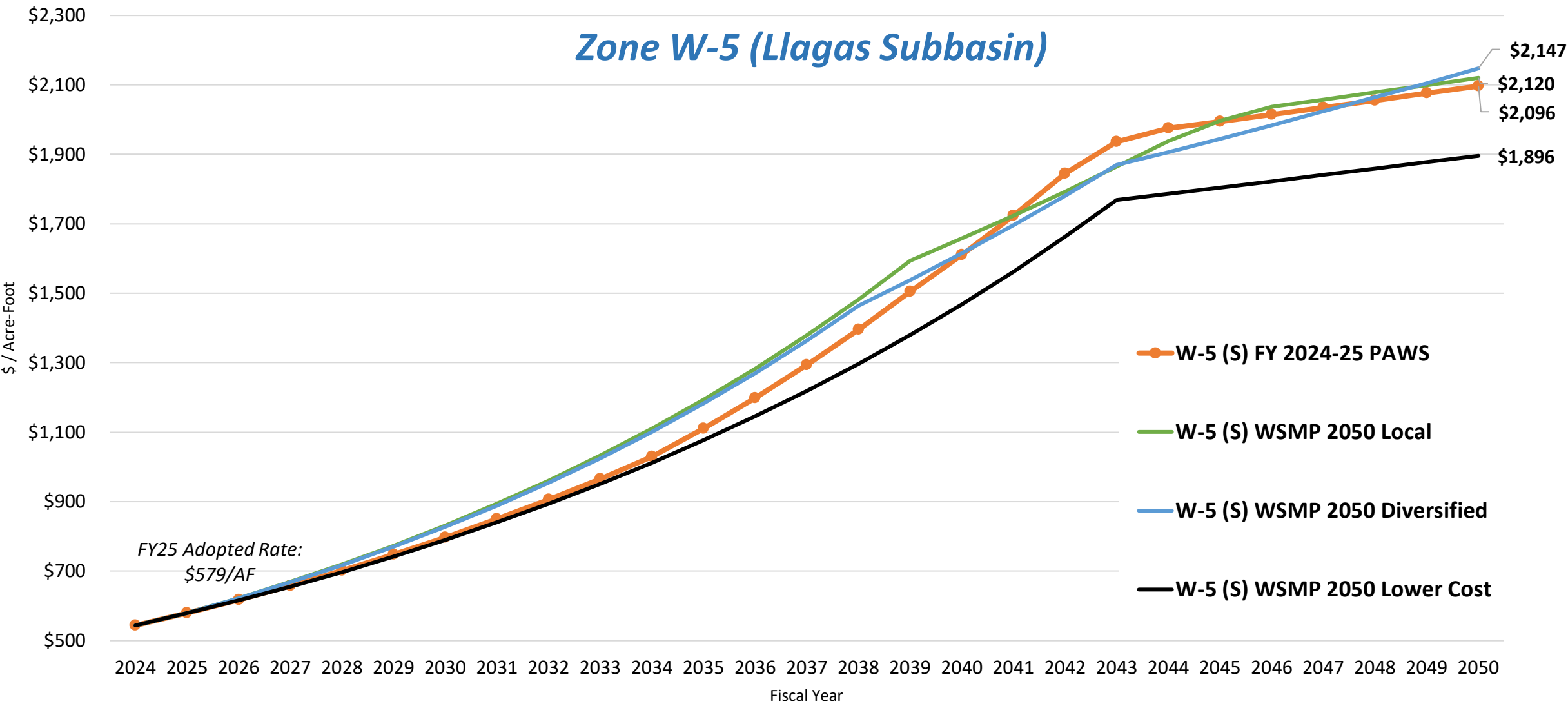
- Roadmap and recommendations
- Plan development
- Stakeholder outreach
- Plan adoption



# Backup

WSMP 2050 Strategies  
South County Groundwater Production Charge Projection M&I (\$/Acre-Foot)

*Zone W-5 (Llagas Subbasin)*

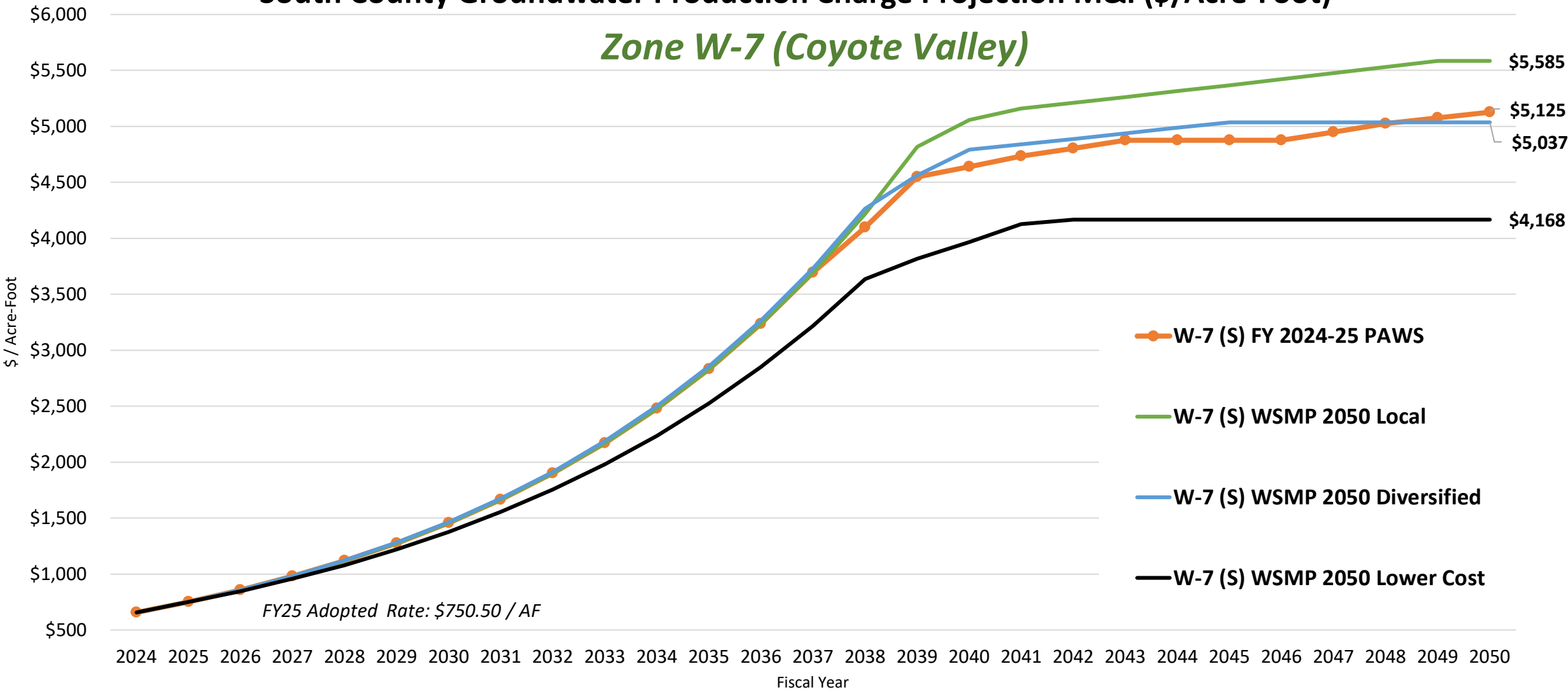


\* FY 2024-25 PAWS represents long-range rate projections as presented to the Board March 26, 2024, and is equivalent to Diversified portfolio excluding Groundwater Banking (350,000 AF) and increased DCP costs.

# WSMP 2050 Strategies

## South County Groundwater Production Charge Projection M&I (\$/Acre-Foot)

*Zone W-7 (Coyote Valley)*

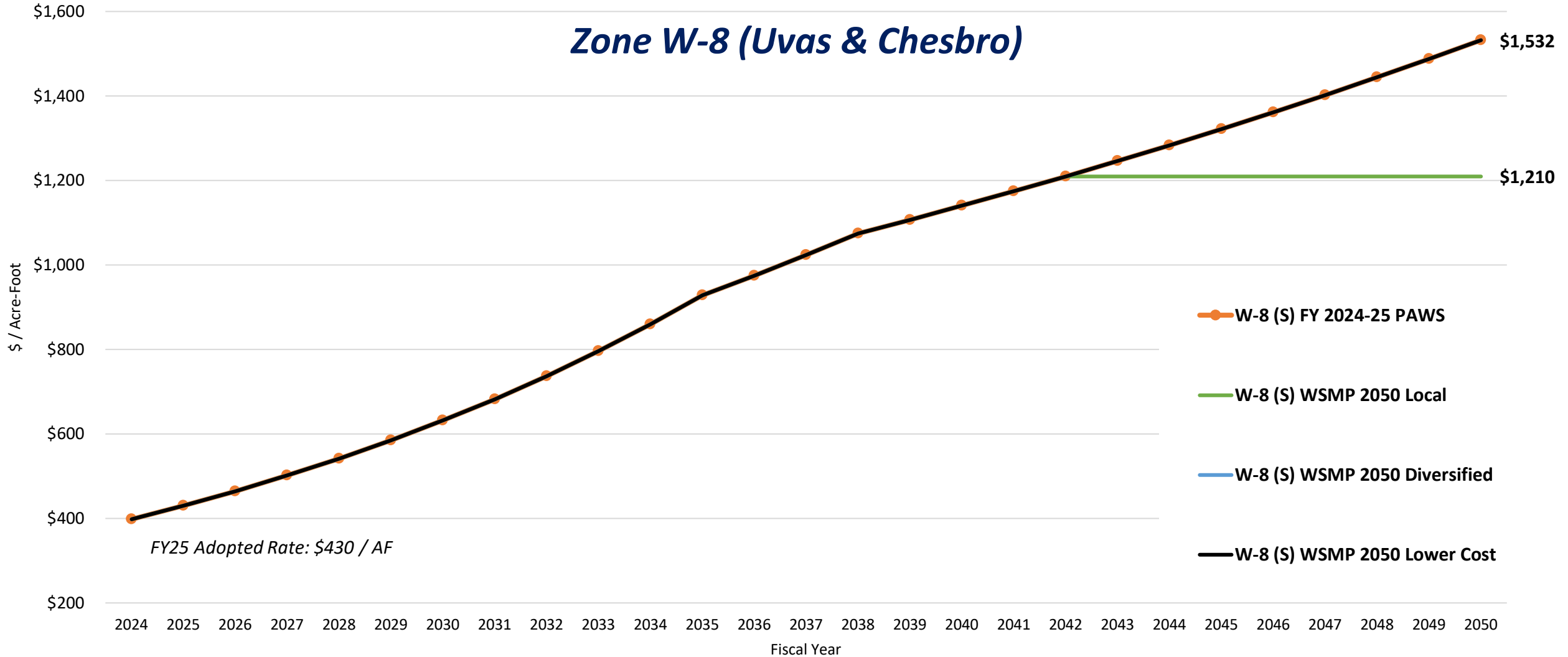


\* FY 2024-25 PAWS represents long-range rate projections as presented to the Board March 26, 2024, and is equivalent to Diversified portfolio excluding Groundwater Banking (350,000 AF) and increased DCP costs.

# WSMP 2050 Strategies

## South County Groundwater Production Charge Projection M&I (\$/Acre-Foot)

### Zone W-8 (Uvas & Chesbro)





# Santa Clara Valley Water District

**File No.:** 24-0606

**Agenda Date:** 7/1/2024

**Item No.:** 4.2.

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## **COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee**

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### **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 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 any 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.

**ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:**

The review of the Committee Work Plan is not subject to environmental justice analysis.

**ATTACHMENTS:**

Attachment 1: AWAC 2024 Work Plan

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

## 2024 Work Plan: Agricultural Water Advisory Committee

Update: June 2024

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.

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
1	Election of Chair and Vice Chair for 2024	January 8	<ul style="list-style-type: none"> <li>Committee Elects Chair and Vice Chair for 2024. <b>(Action)</b></li> </ul>	<b><u>Accomplished January 8, 2024:</u></b> The Committee unanimously approved Peter Van Dyke as the 2024 Agricultural Water Advisory Committee Chairperson and Trevor Garrod as the 2024 Agricultural Water Advisory Committee Vice-Chairperson.
2	Annual Accomplishments Report	January 8	<ul style="list-style-type: none"> <li>Review and approve 2023 Accomplishments Report for presentation to the Board. <b>(Action)</b></li> <li>Submit requests to the Board, as appropriate.</li> </ul>	<b><u>Accomplished January 8, 2024:</u></b> The Committee unanimously approved the 2023 Annual Accomplishments Report. <i>The Board received the Committee's presentation by Chairperson Peter Van Dyke and accepted the 2023 Annual Accomplishments Report at its March 26, 2024 meeting.</i>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1  
Page 1 of 4

## 2024 Work Plan: Agricultural Water Advisory Committee

Update: June 2024

3	<p><b>Review and Comment to the Board on the Fiscal Year 2024 – 2025 Preliminary Groundwater Production Charges</b></p>	<p>January 8 April 8</p>	<ul style="list-style-type: none"> <li>•Review and comment to the Board on the Fiscal Year 2024-2025 Preliminary Groundwater Production Charges. <b>(Action)</b></li> <li>•Submit requests to the Board, as appropriate.</li> </ul>	<p><b><u>Accomplished January 8, 2024:</u></b> The Committee reviewed and commented on the Fiscal Year 2024-2025 Preliminary Groundwater Production Charges and took the following action: The Committee unanimously approved the Committee recommend to the Board to hold the agricultural groundwater rate unchanged at 36.85 per acre foot. The Committee received a motion and a second to include additional information in the presentation, but no vote was taken per staff confirmed this was a preliminary analysis agenda item and will return in April 2024 for further discussion.</p> <p><b><u>Accomplished April 8, 2024:</u></b> The Committee unanimously approved to recommend to the Board to suspend any increases to the agriculture groundwater production water charges until the Board approves a consultant to conduct an updated accounting/mathematical study quantifying the ecosystem benefits including climate change, carbon sequestration, and carbon dioxide cleansing/removal.</p> <p><i>The Board approved the Resolution: DETERMINING SURFACE WATER, TREATED WATER, AND SOUTH COUNTY RECYCLED WATER CHARGES FOR FISCAL YEAR 2024-2025 at the May 14, 2024 meeting.</i></p>
4	<p><b>Receive Information and Provide Feedback on the Development of Valley Water's Water Supply Master Plan 2050</b></p>	<p>January 8 <b>July 1</b></p>	<ul style="list-style-type: none"> <li>•Receive Information and provide feedback on the development of Valley Water's Water Supply Master Plan 2050.</li> </ul>	<p><b><u>Accomplished January 8, 2024:</u></b> The Committee received information and provided feedback on the Water Supply Master Plan 2050 and took no action.</p>

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1  
Page 2 of 4



## 2024 Work Plan: Agricultural Water Advisory Committee

Update: June 2024

5	One Water Plan Upper Pajaro Watershed Plan Priority Actions	January 8	<ul style="list-style-type: none"> <li>•Receive information about development of the One Water Upper Pajaro Watershed Plan.</li> <li>• Review and provide input on One Water Upper Pajaro Watershed Plan Priority Actions</li> </ul>	<p><b><u>Accomplished January 8, 2024:</u></b> The Committee received information and provided feedback on the One Water Plan and took no action. The Committee confirmed staff anticipates incorporating feedback, finalizing the plan, and presenting to the Board in 2 to 3 months.</p>
6	Review of Agricultural Water Advisory Committee Work Plan, the Outcomes of Board Action of Committee Requests and the Committee's Next Meeting Agenda	January 8 April 8 July 1 October 7	<ul style="list-style-type: none"> <li>•Receive and review the 2024 Board-approved Committee work plan. <b>(Action)</b></li> <li>•Submit requests to the Board, as appropriate.</li> </ul>	<p><b><u>Accomplished January 8, 2024:</u></b> The Committee received and reviewed the 2024 Board-approved Committee work plan and noted support for a future update on the One Water Plan and inclusion of water retention of grasslands versus brushlands; and reconfirmed request to discuss climate change and carbon sequestration at the next meeting.</p> <p><b><u>Accomplished April 8, 2024:</u></b> The Committee unanimously approved the review of population growth versus water use and confirm the justification for the project capital costs when water use is flat or slightly increasing to be addressed by the future Water Supply Master Plan Update and noted support for a future Unhoused agenda item with a County update.</p>
7	Standing Items Report Fiscal Year 2024 Goals and Strategies:	January 8 <b>October 7</b>	<ul style="list-style-type: none"> <li>•Receive quarterly reports on standing items, FY2024. <b>(Information)</b></li> </ul>	<p><b><u>Accomplished January 8, 2024:</u></b> The Committee received the quarterly report on standing items for FY 2024 and took no action.</p>

### BOARD WORK PLAN GOALS:

1. **Integrated Water Resources Management** - Goal: Efficiently manage water resources across business areas.
2. **Water Supply** – Goal: Provide a reliable, safe, and affordable water supply for current and future generations in all communities served.
3. **Natural Flood Protection** – Goal: Provide natural flood protection to reduce risk and improve health and safety.
4. **Environmental Stewardship** – Goal: Sustain ecosystem health while managing local water resources for flood protection and water supply.
5. **Addressing Encampment of Unsheltered People** – Goal: Humanely assist in the permanent relocation of unsheltered people on Valley Water lands along waterways and at water supply and flood risk reduction facilities in order to address the human health, public safety, operational, and environmental challenges posed by encampments.
6. **Climate Change** – Goal: Mitigate carbon emissions and adapt Valley Water operations to climate change impacts.

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1  
Page 3 of 4

## 2024 Work Plan: Agricultural Water Advisory Committee

Update: June 2024

<b>7. Business Management</b> – Goal: Promote effective management of water supply, flood protection, and environmental stewardship through responsive and socially responsible business services.				
8	Receive an update of Valley Water's activities of the Unhoused and information on how enforcement of violations of companies are handled within the County	October 7	<ul style="list-style-type: none"> <li>•Receive an update of Valley Water's activities of the Unhoused and information on how the enforcement of violations of companies are handled within the County.</li> <li>•Board is requesting the committee give more detailed information on this item for the Board's consideration.</li> </ul>	
9	Review Climate Change and the benefits of ecosystems on Agriculture in Santa Clara County	April 8	<ul style="list-style-type: none"> <li>•Discuss how climate change impacts the benefits of ecosystems on agriculture within Santa Clara County.</li> </ul>	<b>Accomplished April 8, 2024:</b> The Committee received the information, took no formal action, and noted potential of banning fake grass/turf, pro-farming programs, and federal funding for climate smart practices.
10	Discuss the Potential of Forming a Subcommittee.	April 8	<ul style="list-style-type: none"> <li>•Discuss the potential of forming an AWAC subcommittee per the Committee's approval at the January 9, 2023 meeting.</li> </ul>	<b>Accomplished April 8, 2024:</b> The Committee received the information, took no formal action, and noted support for an AWAC subcommittee to promote productivity and communication. No specific purpose was confirmed for the Subcommittee at this time and support was noted for a Committee survey to confirm potential topics.

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Blue = Action taken by the Board of Directors

Attachment 1  
Page 4 of 4