



SANTA CLARA VALLEY WATER DISTRICT

# NON-AGENDA

August 16, 202

Board Policy EL-7 Communication and Support to the Board  
*The BAOs shall inform and support the Board in its work.*

<b>Page</b>	<b><u>CEO BULLETIN &amp; NEWSLETTERS</u></b>
	CEO Bulletin: None.
	<b><u>BOARD MEMBER REQUESTS &amp; INFORMATIONAL ITEMS</u></b>
<b>3</b>	<b>BMR/IBMR Weekly Reports: 08/14/24</b>
<b>4</b>	Memo from Darin Taylor, Chief Financial Officer, to the board, dated 08/12/24, providing the Summary of Monthly Report of Investments, July 2024.
	<b><u>INCOMING BOARD CORRESPONDENCE</u></b>
<b>20</b>	<b>Board Correspondence Weekly Report: 08/14/24</b>
<b>21</b>	Email from Jan Chargin to Feliciano Aguilar, Field Construction Supervisor-Watersheds Operations and Maintenance, dated 08/07/24, informing them that Valley Water is hosting an interagency summit to address safety concerns with encampments. <b>C-24-0200</b>
<b>25</b>	Emails from Water Oversight Group and various other members of the public to the board, dated 08/07/24-08/14/24, requesting Chair Hsueh withdraw from her 4 <sup>th</sup> term run. <b>C-24-0201</b>
<b>27</b>	Email from Jim Kuhl to the board, dated 08/12/24, providing a Water Affordability White Paper. <b>C-24-0202</b>
<b>54</b>	Email from Alan Rowe to the board, dated 08/12/24, regarding a dead tree behind their property on Curie Court. <b>C-24-0203</b>
<b>55</b>	Email from Nestor De la O Vargas to the board, dated 08/12/24, providing information on Keep Coyote Creek Beautiful September 7 <sup>th</sup> BioBlitz and September 10 <sup>th</sup> and 21 <sup>st</sup> Creek Cleanups. <b>C-24-0204</b>
	<b><u>OUTGOING BOARD CORRESPONDENCE</u></b>
<b>64</b>	Email from Director Keegan to Salli Schille, dated 08/07/24, providing information on a proposal to redirect funding now allocated for the Upper Guadalupe Flood Protection Project to another project during the upcoming board meeting on August 13, 24.
<b>65</b>	Email from Chair Hsueh to Bonnie Sutphin, dated 08/09/24, responding to their report of concerns of potential pollution, fire hazards, and debris accumulating on Saratoga Creek.

# **BOARD MEMBER REQUESTS and Informational Items**

Report Name: Board Member Requests

Request	Request Date	Director	BAO/Chief	Staff	Description	20 Days Due Date	Expected Completion Date	Disposition
I-24-0011	08/06/24	Beall	Callender	Taylor	During 8/6/24 BAC Director Beall requested: 1. Is there any negative effect on VW from yesterday's stock market situation? 2. Please provide a status of VW's accumulated large cash reserves (cash on hand/semi-liquid money/assets).	08/26/24		
I-24-0012	08/09/24	Eisenberg	Orellana	Hopper	Can Valley Water implement a match charitable donation program like many other employers in the Bay Area? If so, how?	08/29/24		

**MEMORANDUM**

FC 14 (02-08-19)

**TO:** Board of Directors**FROM:** Darin Taylor,  
Chief Financial Officer**SUBJECT:** Summary of Monthly Report of Investments,  
July 2024**DATE:** August 12, 2024

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In accordance with the Santa Clara Valley Water District (Valley Water) Board Investment policy, staff provides a detailed investment report to the Board of Directors on a quarterly basis. In addition to the quarterly investment report, Government Code section 53607 requires the Treasurer of the local agency who has been delegated with the authority to invest funds to provide a monthly report of the investment transactions to the legislative body. This report is provided to the Board in compliance with Government Code section 53607 and Executive Limitation-4 Financial Management.

Attached is the report of investments for the month of July 2024. All investments were in compliance with the Investment Policy. The attached report includes a summary of the portfolio holdings, details of each security in the portfolio and an investment activity summary with comparisons to the previous 12 months. The following are highlights of the investment activities for the month:

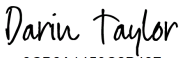
- The book value of Valley Water's portfolio as of July 31, 2024 was \$731 million. This represents a decrease of approximately \$40 million compared to the book value as of June 30, 2024 due to planned expenditures that are partially offset by revenues received during the month. The decrease is primarily due to prepayment of \$29 million for California Public Employees' Retirement System Unfunded Actuarial Liability and payment of \$17 million for Imported Water Utility projects.
- Valley Water's portfolio is invested with a primary goal of safety. To accomplish this goal, we only invest in securities that are permitted by California Government Code and the Board Investment Policy. These securities have high credit ratings and maturities of no more than 5 years. As of July 31, 2024, approximately 59% of the portfolio was held in US Government Treasury/Agency/Municipal Bonds, 38% was held in liquid funds (Local Area Investment Fund, Money Market mutual fund, and short-term deposits), and 3% in supranational/corporate medium-term notes.
- The portfolio had a yield-to-maturity of 2.48% for the month of July 2024. This is 2.0% below Valley Water's benchmark, the 24-month floating average of the 2-year Treasury note, which was 4.49%.
- Valley Water's portfolio is reviewed every month for compliance with the Investment Policy. All investments were in compliance for the reporting period.
- California Government Code requires that a public entity structure its portfolio so that it, at minimum, can meet expenditures for the next six months. The investment portfolio has been structured to ensure that sufficient monies will be available to cover anticipated expenditures in the coming six months.

### Community Bank Investments

Pursuant to Board direction and governance policies (Executive Limitation 4.7.7) regarding investments in small local banks and credit unions located within the nine Bay Area counties with total assets at or below \$10 billion (“community banks”), staff has expanded business with community banks, and limited business with large banks, as summarized below:

- Letters of Credit – Technology Credit Union, based in San Jose, provides three separate standby letters of credit totaling \$841,000 to Valley Water to meet the U.S. Army Corp’s financial assurance requirements for the operations of Upper Penitencia, Coyote Ridge, and Rancho Cañada de Pala Preserve watershed projects.
- Investments – Valley Water’s investment portfolio includes over \$52 million, or 7%, in deposits at community banks.
- Revolving Line of Credit – A syndication of three community banks provides up to \$20 million in loan capacity.
- Underwriting – Eight small investment banks located in California are included in Valley Water’s underwriting pool; four of these firms are veteran, minority or women owned.
- Large Bank Limitation - Valley Water only conducts business with large banks with total assets greater than \$10 billion that have satisfactory Environmental, Social and Governance (ESG) ratings provided by an independent professional rating firm.

If you have any questions regarding the Investment Report, please contact Darin Taylor, Chief Financial Officer, at 408-630-3068.

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Darin Taylor  
Chief Financial Officer

Attachment: Monthly Report of Investments for July 2024



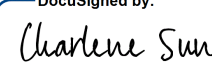
**Santa Clara Valley Water Dist.  
Portfolio Management  
Portfolio Summary  
July 31, 2024**

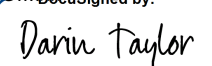
SANTA CLARA VALLEY WATER  
5750 Almaden Expressway  
San Jose, San Jose, Ca 951  
(408)265-2607

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>YTM 365 Equiv.</b>	<b>Term</b>	<b>Days to Maturity</b>
Treasury Securities - Coupon	127,000,000.00	123,784,702.95	125,910,545.00	17.23	3.013	1,068	424
Federal Agency Issues - Coupon	259,548,000.00	251,839,201.23	258,809,848.17	35.42	2.009	1,487	535
Negotiable CD's - Interest Bearing	240,000.00	233,977.64	240,000.00	0.03	1.094	1,826	238
LAIF	73,623,702.67	73,623,702.67	73,623,702.67	10.08	4.550	1	1
Medium Term Notes	13,000,000.00	12,630,867.99	12,723,195.54	1.74	4.167	767	471
Money Market Account	40,170,845.92	40,170,845.92	40,170,845.92	5.50	5.200	1	1
TimeCD_Deposit Account	161,619,561.60	161,619,561.60	161,619,561.60	22.12	1.090	1	1
Supranational	12,000,000.00	11,534,642.78	12,022,436.49	1.65	0.559	1,640	418
Municipal Bonds	46,545,000.00	45,197,389.75	45,606,270.12	6.24	2.922	1,420	537
<b>Investments</b>	<b>733,747,110.19</b>	<b>720,634,892.53</b>	<b>730,726,405.51</b>	<b>100.00%</b>	<b>2.481</b>	<b>841</b>	<b>312</b>

<b>Total Earnings</b>	<b>July 31 Month Ending</b>	<b>Fiscal Year To Date</b>
Current Year	1,600,461.87	1,600,461.87
<b>Average Daily Balance</b>	<b>739,159,655.08</b>	<b>660,283,731.84</b>
<b>Effective Rate of Return</b>	<b>2.55%</b>	<b>0.22%</b>

Current market pricing is updated at the end of each month from data provided by Interactive Data, a securities pricing service.

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 Charlene Sun  
 Treasury/Debt Officer  
 Date 8/12/2024

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 Darin Taylor, Chief Financial Officer  
 Date 8/12/2024

Reporting period 07/01/2024-07/31/2024

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**Santa Clara Valley Water Dist.  
Portfolio Management  
Activity Summary  
July 2023 through July 2024**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
July	2023	148	672,594,485.96	2.160	2.190	3.150	5	0	985	446
August	2023	148	667,599,063.17	2.161	2.191	3.150	0	8	977	428
September	2023	140	655,266,773.99	2.126	2.156	3.150	0	6	960	415
October	2023	137	670,042,766.12	2.213	2.244	3.590	3	0	949	394
November	2023	137	633,940,976.54	2.214	2.245	3.590	0	2	988	395
December	2023	135	612,265,569.80	2.276	2.307	4.000	0	4	987	387
January	2024	136	660,800,655.23	2.345	2.378	4.000	5	1	939	363
February	2024	135	635,327,774.59	2.320	2.352	4.000	0	3	951	358
March	2024	137	638,871,125.94	2.450	2.484	4.000	5	5	923	358
April	2024	139	710,526,445.88	2.517	2.551	4.300	7	1	856	334
May	2024	140	626,097,429.82	2.647	2.684	4.300	2	7	941	362
June	2024	136	770,801,597.05	2.328	2.360	4.550	3	0	771	283
July	2024	143	730,726,405.51	2.447	2.481	4.550	7	4	841	312
<b>Average</b>		<b>139</b>	<b>668,066,236.12</b>	<b>2.323%</b>	<b>2.356%</b>	<b>3.872</b>	<b>3</b>	<b>3</b>	<b>928</b>	<b>372</b>

**Santa Clara Valley Water Dist.**  
**Portfolio Management**  
**Activity By Type**  
**July 1, 2024 through July 31, 2024**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Treasury Securities - Coupon</b>							
91282CJK8	5609	US Treasury Bill	4.625	07/17/2024	3,017,812.50	0.00	
		<b>Subtotal</b>			<b>3,017,812.50</b>	<b>0.00</b>	<b>125,910,545.00</b>
<b>Treasury Discounts -Amortizing</b>							
912797JT5	5604	US Treasury Bill	5.200	07/25/2024	0.00	5,000,000.00	
912797KR7	5605	US Treasury Bill	5.204	07/30/2024	0.00	5,000,000.00	
		<b>Subtotal</b>			<b>0.00</b>	<b>10,000,000.00</b>	<b>0.00</b>
<b>Federal Agency Issues - Coupon</b>							
3133ERKR1	5606	Federal Farm Credit Bank	4.625	07/10/2024	4,997,700.00	0.00	
3133ERKW0	5607	Federal Farm Credit Bank	5.170	07/15/2024	5,000,000.00	0.00	
3133ERMD0	5612	Federal Farm Credit Bank	4.375	07/24/2024	2,997,300.00	0.00	
3130AUPR9	5562	Federal Home Loan Bank	4.560	07/12/2024	0.00	2,545,000.00	
3130AWE22	5573	Federal Home Loan Bank	5.080	07/09/2024	0.00	5,000,000.00	
3130AXQL5	5608	Federal Home Loan Bank	4.875	07/17/2024	2,021,960.00	0.00	
3134H17E7	5610	Federal Home Loan Mortgage Cor	4.000	07/18/2024	4,953,000.00	0.00	
		<b>Subtotal</b>			<b>19,969,960.00</b>	<b>7,545,000.00</b>	<b>258,809,848.17</b>
<b>Negotiable CD's - Interest Bearing</b>							
		<b>Subtotal</b>					<b>240,000.00</b>
<b>LAIF (Monthly Summary)</b>							
		<b>Subtotal</b>					<b>73,623,702.67</b>
<b>Medium Term Notes</b>							
		<b>Subtotal</b>					<b>12,723,195.54</b>
<b>Money Market Account (Monthly Summary)</b>							
23380W523	4102	Daily Income US Gov MMF	5.200		36,825,397.77	42,181,640.48	
		<b>Subtotal</b>			<b>36,825,397.77</b>	<b>42,181,640.48</b>	<b>40,170,845.92</b>
<b>TimeCD_Deposit Account (Monthly Summary)</b>							
SYS5311	5311	Bank of San Francisco	0.880		534.52	0.00	
SYS5583	5583	Bank of San Francisco	2.550		31,302.49	0.00	
SYS5309	5309	Community Bank of the Bay	1.050		164.44	164.44	

**Santa Clara Valley Water Dist.  
Portfolio Management  
Activity By Type  
July 1, 2024 through July 31, 2024**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>TimeCD_Deposit Account (Monthly Summary)</b>							
SYS5371	5371	Community Bank of the Bay	0.500		5,404.46	0.00	
SYS4912	4912	Deposit Account	0.250		17,577,767.13	60,890,000.00	
SYS5398	5398	Meriwest Credit Union	3.150		14,180.72	0.00	
SYS5570	5570	Meriwest Credit Union	3.720		16,159.99	0.00	
SYS5556	5556	Provident Credit Union	2.018		409.81	0.00	
SYS5369	5369	Technology Credit Union	4.530		61,894.57	0.00	
<b>Subtotal</b>					<b>17,707,818.13</b>	<b>60,890,164.44</b>	<b>161,619,561.60</b>
<b>Supranational</b>							
<b>Subtotal</b>							<b>12,022,436.49</b>
<b>Municipal Bonds</b>							
79768HJP4	5611	San Fran CY&Cnty CA PUC WTR	4.655	07/31/2024	2,750,000.00	0.00	
<b>Subtotal</b>					<b>2,750,000.00</b>	<b>0.00</b>	<b>45,606,270.12</b>
<b>Total</b>					<b>80,270,988.40</b>	<b>120,616,804.92</b>	<b>730,726,405.51</b>

**Santa Clara Valley Water Dist.**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Term Maturity	Maturity Date
<b>Treasury Securities - Coupon</b>											
912828ZT0	5496	US Treasury Bill		01/12/2021	5,000,000.00	4,812,070.30	4,993,342.29	0.250	0.412	1,600	05/31/2025
912828ZT0	5499	US Treasury Bill		01/27/2021	5,000,000.00	4,812,070.30	4,996,922.21	0.250	0.325	1,585	05/31/2025
912828ZT0	5500	US Treasury Bill		01/27/2021	5,000,000.00	4,812,070.30	4,997,162.36	0.250	0.319	1,585	05/31/2025
91282CCF6	5521	US Treasury Bill		09/28/2021	5,000,000.00	4,681,054.70	4,983,939.96	0.750	0.930	1,706	05/31/2026
912828ZT0	5522	US Treasury Bill		10/28/2021	3,000,000.00	2,887,242.18	2,983,920.20	0.250	0.908	1,311	05/31/2025
912828ZL7	5523	US Treasury Bill		01/18/2022	5,000,000.00	4,833,906.25	4,967,406.61	0.375	1.271	1,198	04/30/2025
9128284R8	5525	US Treasury Bill		09/28/2021	5,000,000.00	4,918,203.10	5,088,879.85	2.875	0.701	1,341	05/31/2025
91282CCF6	5526	US Treasury Bill		09/29/2021	3,000,000.00	2,808,632.82	2,988,889.12	0.750	0.957	1,705	05/31/2026
912828ZT0	5527	US Treasury Bill		01/25/2022	5,000,000.00	4,812,070.30	4,956,801.73	0.250	1.318	1,222	05/31/2025
912828ZT0	5528	US Treasury Bill		01/25/2022	5,000,000.00	4,812,070.30	4,956,801.73	0.250	1.318	1,222	05/31/2025
91282CBW0	5529	US Treasury Bill		02/02/2022	5,000,000.00	4,693,164.05	4,931,524.04	0.750	1.564	1,548	04/30/2026
91282CCF6	5538	US Treasury Bill		03/29/2022	5,000,000.00	4,681,054.70	4,840,595.28	0.750	2.600	1,524	05/31/2026
91282CEH0	5547	US Treasury Bill		06/22/2022	5,000,000.00	4,919,921.90	4,976,171.88	2.625	3.339	1,028	04/15/2025
91282CEH0	5549	US Treasury Bill		06/22/2022	5,000,000.00	4,919,921.90	4,975,488.28	2.625	3.360	1,028	04/15/2025
912828ZT0	5550	US Treasury Bill		06/22/2022	5,000,000.00	4,812,070.30	4,878,114.09	0.250	3.361	1,074	05/31/2025
91282CFX4	5575	US Treasury Bill		06/21/2023	5,000,000.00	4,987,578.10	4,992,231.25	4.500	4.991	528	11/30/2024
91282CDH1	5577	US Treasury Bill		06/27/2023	5,000,000.00	4,935,390.60	4,940,095.69	0.750	5.093	507	11/15/2024
91282CDZ1	5579	US Treasury Bill		07/10/2023	5,000,000.00	4,904,765.60	4,906,818.36	1.500	5.135	586	02/15/2025
91282CDZ1	5580	US Treasury Bill		07/10/2023	5,000,000.00	4,904,765.60	4,907,081.91	1.500	5.124	586	02/15/2025
91282CFW6	5589	US Treasury Bill		03/04/2024	5,000,000.00	4,991,601.55	4,992,545.82	4.500	4.618	621	11/15/2025
91282CFP1	5590	US Treasury Bill		03/04/2024	3,000,000.00	2,985,468.75	2,986,366.53	4.250	4.643	590	10/15/2025
91282CFW6	5594	US Treasury Bill		04/16/2024	5,000,000.00	4,991,601.55	4,967,532.17	4.500	5.029	578	11/15/2025
91282CJL6	5595	US Treasury Bill		04/16/2024	5,000,000.00	5,016,015.60	4,991,394.60	4.875	5.008	593	11/30/2025
91282CJK8	5596	US Treasury Bill		04/17/2024	5,000,000.00	5,037,500.00	4,976,970.06	4.625	4.840	942	11/15/2026
91282CJK8	5597	US Treasury Bill		04/17/2024	5,000,000.00	5,037,500.00	4,974,693.14	4.625	4.862	942	11/15/2026
91282U24	5603	US Treasury Bill		06/04/2024	5,000,000.00	4,754,492.20	4,717,603.91	2.000	4.693	894	11/15/2026
91282CJK8	5609	US Treasury Bill		07/17/2024	3,000,000.00	3,022,500.00	3,041,251.93	4.625	4.352	851	11/15/2026
<b>Subtotal and Average</b>			<b>124,291,615.10</b>		<b>127,000,000.00</b>	<b>123,784,702.95</b>	<b>125,910,545.00</b>		<b>3.013</b>	<b>1,068</b>	<b>424</b>

<b>Treasury Discounts -Amortizing</b>											
<b>Subtotal and Average</b>			<b>8,532,490.93</b>								

<b>Federal Agency Issues - Coupon</b>											
3133EL3P7	5460	Federal Farm Credit Bank		08/12/2020	5,000,000.00	4,784,835.50	5,000,000.00	0.530	0.530	1,826	08/12/2025
3133EMJS2	5489	Federal Farm Credit Bank		12/09/2020	5,000,000.00	4,908,371.85	5,000,000.00	0.440	0.440	1,461	12/09/2024
3133EMSU7	5510	Federal Farm Credit Bank		03/09/2021	5,000,000.00	4,713,349.45	5,000,000.00	0.800	0.800	1,826	03/09/2026

Portfolio SCVW  
AC  
PM (PRF\_PM2) 7.3.0

**Santa Clara Valley Water Dist.**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**July 31, 2024**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Term Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>											
3133EMYV8	5514	Federal Farm Credit Bank		05/11/2021	5,000,000.00	4,694,084.50	5,001,048.89	0.820	0.808	1,826	648 05/11/2026
3133ENPB0	5533	Federal Farm Credit Bank		02/16/2022	5,000,000.00	4,740,053.60	5,000,000.00	2.180	2.180	1,826	929 02/16/2027
3133EN6C9	5558	Federal Farm Credit Bank		01/18/2023	5,000,000.00	4,979,771.95	5,000,000.00	5.140	5.140	1,826	1,265 01/18/2028
3133ELY32	5565	Federal Farm Credit Bank		03/09/2023	5,000,000.00	4,635,917.55	4,616,364.80	0.550	4.804	1,231	720 07/22/2026
3133EPDC6	5576	Federal Farm Credit Bank		06/27/2023	5,000,000.00	4,994,686.75	5,019,576.06	5.350	5.224	1,721	1,320 03/13/2028
3133EPYK5	5592	Federal Farm Credit Bank		03/06/2024	5,000,000.00	5,027,349.60	5,024,521.76	5.125	4.690	583	435 10/10/2025
3133ERKR1	5606	Federal Farm Credit Bank		07/10/2024	5,000,000.00	5,020,202.55	4,997,767.08	4.625	4.649	730	708 07/10/2026
3133ERKW0	5607	Federal Farm Credit Bank		07/15/2024	5,000,000.00	4,998,894.80	5,000,000.00	5.170	5.170	1,095	1,078 07/15/2027
3133ERMD0	5612	Federal Farm Credit Bank		07/24/2024	3,000,000.00	3,004,692.90	2,997,687.94	4.375	4.420	821	813 10/23/2026
3130A3GE8	5466	Federal Home Loan Bank		08/26/2020	5,000,000.00	4,956,629.35	5,042,859.47	2.750	0.390	1,570	134 12/13/2024
3130AL2G8	5504	Federal Home Loan Bank		02/18/2021	10,000,000.00	9,412,153.00	10,000,000.00	0.600	0.600	1,826	566 02/18/2026
3130ALKL7	5507	Federal Home Loan Bank		03/25/2021	5,000,000.00	4,704,284.75	5,000,000.00	0.850	0.850	1,826	601 03/25/2026
3130ALKL7	5508	Federal Home Loan Bank		03/25/2021	5,000,000.00	4,704,284.75	5,000,000.00	0.850	0.850	1,826	601 03/25/2026
3130AM2K7	5513	Federal Home Loan Bank		04/28/2021	10,000,000.00	9,457,423.70	10,000,000.00	1.250	1.097	1,826	635 04/28/2026
3130AQM8	5524	Federal Home Loan Bank		01/26/2022	5,000,000.00	4,763,283.45	5,000,000.00	0.011	0.457	1,826	908 01/26/2027
3130ARKL4	5537	Federal Home Loan Bank		04/21/2022	5,000,000.00	4,999,199.55	5,000,000.00	4.250	3.650	1,826	993 04/21/2027
3130ARQB0	5539	Federal Home Loan Bank		04/28/2022	5,000,000.00	4,972,410.05	5,000,000.00	4.375	3.353	1,096	270 04/28/2025
3130AVLU4	5567	Federal Home Loan Bank		04/25/2023	5,000,000.00	4,999,908.60	5,000,000.00	4.850	4.850	1,827	1,363 04/25/2028
3130ATUR6	5571	Federal Home Loan Bank		06/07/2023	3,000,000.00	2,993,188.20	2,997,330.99	4.625	4.879	555	134 12/13/2024
3130AQ4B6	5572	Federal Home Loan Bank		06/07/2023	3,000,000.00	2,951,957.34	2,957,400.00	1.200	4.985	565	144 12/23/2024
3130AV5N8	5574	Federal Home Loan Bank		06/21/2023	5,000,000.00	4,995,216.30	4,999,975.19	5.000	5.000	541	134 12/13/2024
3130AYJ31	5584	Federal Home Loan Bank		01/17/2024	5,000,000.00	4,992,506.35	5,000,000.00	4.375	4.375	1,827	1,630 01/17/2029
3130B0KB4	5593	Federal Home Loan Bank		03/20/2024	3,000,000.00	3,019,555.74	3,000,000.00	5.000	5.000	1,826	1,692 03/20/2029
3130AXQL5	5608	Federal Home Loan Bank		07/17/2024	2,000,000.00	2,025,081.24	2,031,354.17	4.875	4.386	877	862 12/11/2026
3134GWND4	5461	Federal Home Loan Mortgage Cor		08/12/2020	5,000,000.00	4,789,996.45	5,000,000.00	0.600	0.600	1,826	376 08/12/2025
3134GWUY0	5476	Federal Home Loan Mortgage Cor		10/19/2020	6,698,000.00	6,561,718.21	6,698,000.00	0.400	0.400	1,533	151 12/30/2024
3134GW3W4	5477	Federal Home Loan Mortgage Cor		10/28/2020	5,000,000.00	4,939,327.55	5,000,000.00	0.410	0.410	1,461	88 10/28/2024
3134GW5Q5	5478	Federal Home Loan Mortgage Cor		10/29/2020	5,000,000.00	4,880,088.10	5,000,000.00	0.450	0.450	1,553	181 01/29/2025
3134GXBM5	5485	Federal Home Loan Mortgage Cor		12/01/2020	5,000,000.00	4,744,769.95	5,000,000.00	0.600	0.600	1,807	468 11/12/2025
3134GXFX7	5486	Federal Home Loan Mortgage Cor		12/16/2020	5,000,000.00	4,967,887.20	5,000,000.00	0.375	0.375	1,370	46 09/16/2024
3134GXHK3	5490	Federal Home Loan Mortgage Cor		12/24/2020	5,000,000.00	4,857,636.40	5,000,000.00	0.410	0.410	1,551	235 03/24/2025
3134GXJB1	5492	Federal Home Loan Mortgage Cor		12/28/2020	5,000,000.00	4,841,152.10	5,000,000.00	0.420	0.447	1,551	239 03/28/2025
3134GYL83	5564	Federal Home Loan Mortgage Cor		03/01/2023	5,000,000.00	4,995,631.10	5,000,000.00	5.450	5.450	730	211 02/28/2025
3134H17E7	5610	Federal Home Loan Mortgage Cor		07/18/2024	5,000,000.00	5,000,916.25	4,953,702.30	4.000	4.416	883	869 12/18/2026
3137EAEX3	5479	Fed Home Loan Mort Corp-CN		10/21/2020	5,000,000.00	4,759,291.15	4,995,195.27	0.375	0.460	1,798	418 09/23/2025
3137EAEU9	5498	Fed Home Loan Mort Corp-CN		01/27/2021	6,900,000.00	6,611,621.68	6,899,551.12	0.375	0.382	1,636	354 07/21/2025

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Term Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>											
3137EAEX3	5501	Fed Home Loan Mort Corp-CN		01/28/2021	1,000,000.00	951,858.23	999,714.67	0.375	0.400	1,699	418 09/23/2025
3136G4T52	5465	Fed Natl Mortgage Assoc		08/26/2020	4,050,000.00	3,940,506.23	4,050,000.00	0.520	0.520	1,644	208 02/25/2025
3135G04Z3	5488	Fed Natl Mortgage Assoc		12/09/2020	5,000,000.00	4,815,331.35	5,003,909.24	0.500	0.410	1,651	320 06/17/2025
3135GA2Z3	5491	Fed Natl Mortgage Assoc		12/10/2020	5,000,000.00	4,742,849.85	5,000,000.00	0.560	0.560	1,803	473 11/17/2025
3135G04Z3	5494	Fed Natl Mortgage Assoc		01/13/2021	5,000,000.00	4,815,331.35	5,000,866.32	0.500	0.480	1,616	320 06/17/2025
3135G05X7	5495	Fed Natl Mortgage Assoc		01/12/2021	5,000,000.00	4,775,964.40	4,994,723.75	0.375	0.475	1,686	389 08/25/2025
3135G06G3	5497	Fed Natl Mortgage Assoc		01/20/2021	4,900,000.00	4,650,554.03	4,902,419.41	0.500	0.461	1,752	463 11/07/2025
3135G04Z3	5502	Fed Natl Mortgage Assoc		02/04/2021	5,000,000.00	4,815,331.35	5,004,564.22	0.500	0.395	1,594	320 06/17/2025
3135G03U5	5506	Fed Natl Mortgage Assoc		02/26/2021	5,000,000.00	4,846,016.20	5,000,531.25	0.625	0.610	1,516	264 04/22/2025
3135G03U5	5511	Fed Natl Mortgage Assoc		03/05/2021	5,000,000.00	4,846,016.20	5,003,036.52	0.625	0.540	1,509	264 04/22/2025
3135G0K36	5520	Fed Natl Mortgage Assoc		08/27/2021	5,000,000.00	4,810,779.45	5,114,062.50	2.125	0.780	1,701	631 04/24/2026
3135G03U5	5548	Fed Natl Mortgage Assoc		06/22/2022	2,000,000.00	1,938,406.48	1,962,410.88	0.625	3.364	1,035	264 04/22/2025
3135G06G3	5585	Fed Natl Mortgage Assoc		01/16/2024	5,000,000.00	4,745,463.30	4,775,712.44	0.500	4.215	661	463 11/07/2025
3135G06G3	5586	Fed Natl Mortgage Assoc		01/26/2024	5,000,000.00	4,745,463.30	4,765,561.93	0.500	4.388	651	463 11/07/2025
<b>Subtotal and Average</b>			<b>251,285,287.69</b>		<b>259,548,000.00</b>	<b>251,839,201.23</b>	<b>258,809,848.17</b>	<b>2.009</b>	<b>1.487</b>	<b>535</b>	
<b>Negotiable CD's - Interest Bearing</b>											
79772FAF3	5445	San Francisco FCU		03/27/2020	240,000.00	233,977.64	240,000.00	1.100	1.094	1,826	238 03/27/2025
<b>Subtotal and Average</b>			<b>240,000.00</b>		<b>240,000.00</b>	<b>233,977.64</b>	<b>240,000.00</b>	<b>1.094</b>	<b>1.826</b>	<b>238</b>	
<b>LAIF</b>											
SYS88-0237LAIF	88-0237LAIF	Local Agency Investment Fund			73,623,702.67	73,623,702.67	73,623,702.67	4.550	4.550	1	1
<b>Subtotal and Average</b>			<b>73,623,702.67</b>		<b>73,623,702.67</b>	<b>73,623,702.67</b>	<b>73,623,702.67</b>	<b>4.550</b>	<b>1</b>	<b>1</b>	
<b>Medium Term Notes</b>											
037833DX5	5505	Apple Inc		02/23/2021	2,000,000.00	1,914,021.22	1,997,637.40	0.550	0.664	1,639	384 08/20/2025
037833BG4	5602	Apple Inc		05/31/2024	3,000,000.00	2,957,212.92	2,958,022.63	3.200	5.265	347	285 05/13/2025
02079KAC1	5601	Alphabet Inc DBA Google		05/10/2024	3,000,000.00	2,855,518.05	2,853,595.63	1.998	4.798	827	744 08/15/2026
594918BJ2	5587	Microsoft Corp		01/29/2024	3,000,000.00	2,942,469.48	2,952,518.61	3.125	4.447	644	459 11/03/2025
594918BJ2	5591	Microsoft Corp		03/05/2024	2,000,000.00	1,961,646.32	1,961,421.27	3.125	4.738	608	459 11/03/2025
<b>Subtotal and Average</b>			<b>12,715,039.27</b>		<b>13,000,000.00</b>	<b>12,630,867.99</b>	<b>12,723,195.54</b>	<b>4.167</b>	<b>767</b>	<b>471</b>	
<b>Money Market Account</b>											
23380W523	4102	Daily Income US Gov MMF			40,170,845.92	40,170,845.92	40,170,845.92	5.200	5.200	1	1
<b>Subtotal and Average</b>			<b>44,989,634.65</b>		<b>40,170,845.92</b>	<b>40,170,845.92</b>	<b>40,170,845.92</b>	<b>5.200</b>	<b>1</b>	<b>1</b>	

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Term Maturity	Maturity Date
<b>TimeCD_Deposit Account</b>											
SYS5317	5317	Excite CU FKA Alliance CU		07/01/2023	0.00	0.00	0.00	2.240	2.240	1	1
SYS5311	5311	Bank of San Francisco			240,830.17	240,830.17	240,830.17	0.880	0.880	1	1
SYS5481	5481	Bank of San Francisco			0.00	0.00	0.00	0.449	0.449	1	1
SYS5540	5540	Bank of San Francisco			4,119,711.41	4,119,711.41	4,119,711.41	2.567	2.567	1	1
SYS5583	5583	Bank of San Francisco		10/26/2023	14,469,628.48	14,469,628.48	14,469,628.48	2.550	2.550	1	1
SYS5309	5309	Community Bank of the Bay			250,000.00	250,000.00	250,000.00	1.050	1.050	1	1
SYS5371	5371	Community Bank of the Bay			5,271,690.77	5,271,690.77	5,271,690.77	0.500	0.500	1	1
SYS4912	4912	Deposit Account			55,496,602.97	55,496,602.97	55,496,602.97	0.250	0.250	1	1
SYS5398	5398	Meriwest Credit Union			5,389,865.43	5,389,865.43	5,389,865.43	3.150	3.150	1	1
SYS5570	5570	Meriwest Credit Union			5,221,244.40	5,221,244.40	5,221,244.40	3.720	3.720	1	1
SYS5556	5556	Provident Credit Union			239,512.57	239,512.57	239,512.57	2.018	2.018	1	1
SYS5310	5310	Technology Credit Union			241,400.69	241,400.69	241,400.69	0.996	0.996	1	1
SYS5369	5369	Technology Credit Union			16,479,074.71	16,479,074.71	16,479,074.71	4.530	4.530	1	1
SYS5553	5553	US Bank (NIB)		07/01/2023	54,200,000.00	54,200,000.00	54,200,000.00		0.000	1	1
<b>Subtotal and Average</b>			<b>168,531,634.78</b>		<b>161,619,561.60</b>	<b>161,619,561.60</b>	<b>161,619,561.60</b>	<b>1.090</b>	<b>1</b>	<b>1</b>	
<b>Supranational</b>											
4581X0DL9	5517	Inter-American Dev't Bank		05/20/2021	2,000,000.00	1,945,656.08	2,003,589.17	0.875	0.604	1,414	245 04/03/2025
4581X0DK1	5503	INTERAMERI DEV		02/05/2021	3,000,000.00	2,938,859.85	3,024,932.58	1.750	0.396	1,498	225 03/14/2025
459058JL8	5518	INTL BK RECON & DEVELOP		05/24/2021	2,000,000.00	1,900,004.60	1,993,914.74	0.500	0.750	1,618	453 10/28/2025
45950VPT7	5509	INTL FINANCE CORP		03/15/2021	5,000,000.00	4,750,122.25	5,000,000.00	0.625	0.563	1,826	591 03/15/2026
<b>Subtotal and Average</b>			<b>12,024,022.46</b>		<b>12,000,000.00</b>	<b>11,534,642.78</b>	<b>12,022,436.49</b>	<b>0.559</b>	<b>1,640</b>	<b>418</b>	
<b>Municipal Bonds</b>											
54438CYK2	5484	Los Angeles Community College		11/10/2020	1,000,000.00	959,000.00	1,000,000.00	0.773	0.773	1,725	365 08/01/2025
010878AS5	5541	County of Alameda		05/26/2022	500,000.00	495,760.00	509,324.12	4.000	3.000	1,528	730 08/01/2026
127109QA7	5402	Cabrillo Comnt		10/08/2019	1,230,000.00	1,230,000.00	1,230,000.00	2.034	2.034	1,759	0 08/01/2024
13067WSW3	5542	CA Department Water Resources		05/26/2022	440,000.00	407,048.40	418,260.70	1.051	3.350	1,650	852 12/01/2026
13067WRC8	5545	CA Department Water Resources		05/27/2022	500,000.00	474,450.00	486,112.66	0.790	3.000	1,284	487 12/01/2025
13063DMB1	5599	State of California		04/24/2024	3,000,000.00	2,850,660.00	2,792,645.60	3.050	4.777	1,803	1,704 04/01/2029
13034AL65	5487	CA Infrastructure & Econ Dev		12/17/2020	1,250,000.00	1,191,525.00	1,250,000.00	0.765	0.765	1,749	426 10/01/2025
79730CJK1	5598	City of San Diego CA Water		04/22/2024	1,640,000.00	1,558,902.00	1,550,928.88	1.903	5.039	831	730 08/01/2026
345102PG6	5582	Foothill - De Anza Cmnty		10/27/2023	5,000,000.00	4,809,350.00	4,799,529.97	0.906	5.150	644	365 08/01/2025
357172B79	5515	Fremont Unified High Sch Dstt		05/26/2021	100,000.00	96,128.00	100,000.00	0.845	0.845	1,528	365 08/01/2025
357172B61	5516	Fremont Unified High Sch Dstt		05/26/2021	750,000.00	750,000.00	750,000.00	0.553	0.553	1,163	0 08/01/2024
368079KC2	5472	Gavilan Joint Community CLG-A1		10/15/2020	600,000.00	600,000.00	600,000.00	0.739	0.739	1,386	0 08/01/2024

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Term Maturity	Maturity Date
<b>Municipal Bonds</b>											
376087FZ0	5415	Gilroy USD		10/31/2019	550,000.00	550,000.00	550,000.00	1.833	1.833	1,736	0 08/01/2024
530319SK9	5468	Liberty Union HSD		10/07/2020	800,000.00	800,000.00	800,000.00	0.650	0.643	1,394	0 08/01/2024
530319SL7	5469	Liberty Union HSD		10/07/2020	825,000.00	791,991.75	825,000.00	0.760	0.760	1,759	365 08/01/2025
542411NJ8	5413	Long Beach Community College		10/23/2019	2,500,000.00	2,500,000.00	2,500,000.00	1.803	1.803	1,744	0 08/01/2024
677765GV5	5401	Ohlone Community College		09/26/2019	2,000,000.00	2,000,000.00	2,000,000.00	1.814	1.814	1,771	0 08/01/2024
677765GW3	5480	Ohlone Community College		10/22/2020	2,865,000.00	2,782,058.25	2,900,856.00	1.975	0.700	1,744	365 08/01/2025
801546QV7	5519	Cnty Santa Clara		07/28/2021	1,770,000.00	1,721,519.70	1,789,968.25	2.000	0.850	1,465	365 08/01/2025
797412DM2	5588	San Diego County Water Authori		01/29/2024	1,500,000.00	1,454,610.00	1,457,080.75	0.743	4.716	458	273 05/01/2025
79773KDC5	5512	SF City and County GO Bonds		03/30/2021	830,000.00	800,344.10	830,000.00	0.728	0.728	1,538	318 06/15/2025
79768HJP4	5611	San Fran CY&Cnty CA PUC WTR		07/31/2024	2,750,000.00	2,763,832.50	2,750,000.00	4.655	4.657	1,157	1,156 10/01/2027
798170AK2	5569	San Jose Redevelopment Ag		05/05/2023	3,000,000.00	2,890,290.00	2,932,482.31	3.226	4.049	1,549	1,095 08/01/2027
798189TM8	5566	San Jose Evergreen		03/15/2023	1,000,000.00	1,013,720.00	1,000,000.00	4.718	4.718	1,631	1,126 09/01/2027
798186N81	5493	San Jose Unified Sch District		01/20/2021	1,000,000.00	958,510.00	1,000,000.00	0.558	0.558	1,654	365 08/01/2025
798186N81	5546	San Jose Unified Sch District		05/31/2022	405,000.00	388,196.55	395,337.55	0.558	3.080	1,158	365 08/01/2025
802498UH6	5412	Santa Monica-Malibu USD		11/06/2019	500,000.00	500,000.00	500,000.00	1.719	1.719	1,730	0 08/01/2024
835569GR9	5416	Sonoma County CA Jnr Clg Dist		11/12/2019	1,000,000.00	1,000,000.00	1,000,000.00	2.061	2.061	1,724	0 08/01/2024
799408Z85	5475	SAN RAMON VALLEY UNIFIED		10/20/2020	1,700,000.00	1,630,861.00	1,700,000.00	0.740	0.740	1,746	365 08/01/2025
799408Z93	5543	SAN RAMON VALLEY UNIFIED		05/26/2022	390,000.00	364,088.40	372,928.11	1.034	3.400	1,528	730 08/01/2026
91412HGF4	5581	University of California		10/19/2023	3,160,000.00	2,916,490.40	2,848,212.87	1.316	5.241	1,304	1,017 05/15/2027
923040GU7	5409	Ventura Cnty Comm College Dist		10/31/2019	1,000,000.00	1,000,000.00	1,000,000.00	1.800	1.800	1,736	0 08/01/2024
923078CV9	5544	Ventura Cnty CA Public Fin		05/26/2022	990,000.00	948,053.70	967,602.35	1.323	3.250	1,255	457 11/01/2025
<b>Subtotal and Average</b>			<b>42,926,227.53</b>		<b>46,545,000.00</b>	<b>45,197,389.75</b>	<b>45,606,270.12</b>		<b>2.922</b>	<b>1,420</b>	<b>537</b>
<b>Total and Average</b>			<b>739,159,655.08</b>		<b>733,747,110.19</b>	<b>720,634,892.53</b>	<b>730,726,405.51</b>		<b>2.481</b>	<b>841</b>	<b>312</b>

**Santa Clara Valley Water Dist.  
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Term	Days to Maturity
Average Balance			0 00							0	0
Total Cash and Investments			739,159,655.08		733,747,110.19	720,634,892.53	730,726,405.51		2.481	841	312



**Santa Clara Valley Water Dist.**  
**Transaction Activity Report**  
**July 1, 2024 - July 31, 2024**  
**Sorted by Transaction Date - Transaction Date**  
**All Funds**

SANTA CLARA VALLEY WATER  
 5750 Almaden Expressway  
 San Jose, San Jose, Ca 951  
 (408)265-2607

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	MaturityDate	RedemptionType	New Principal	Principal Paydowns	Interest	Total Cash
4102	82	23380W523	Money Market Fund	Purchase	07/01/2024			167,258.95			-167,258.95
4102	82	23380W523	Money Market Fund	Interest	07/01/2024					167,258.95	167,258.95
<b>Totals for 07/01/2024</b>								<b>167,258.95</b>		<b>167,258.95</b>	<b>0.00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/09/2024			127,000.00			-127,000.00
4102	82	23380W523	Money Market Fund	Purchase	07/09/2024			5,000,000.00			-5,000,000.00
4102	82	23380W523	Money Market Fund	Purchase	07/09/2024			8,600,000.00			-8,600,000.00
5573	82	3130AWE22	FEDERAL HOME	Redemption	07/09/2024	07/09/2024	Maturity		5,000,000.00		5,000,000.00
5573	82	3130AWE22	FEDERAL HOME	Interest	07/09/2024	07/09/2024				127,000.00	127,000.00
<b>Totals for 07/09/2024</b>								<b>13,727,000.00</b>	<b>5,000,000.00</b>	<b>127,000.00</b>	<b>-8,600,000.00</b>
5606	82	3133ERKR1	FFCB 4.625% MAT	Purchase	07/10/2024	07/10/2026		4,997,700.00			-4,997,700.00
4102	82	23380W523	Money Market Fund	Redemption	07/10/2024				4,997,700.00		4,997,700.00
<b>Totals for 07/10/2024</b>								<b>4,997,700.00</b>	<b>4,997,700.00</b>		<b>0.00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/12/2024			58,026.00			-58,026.00
4102	82	23380W523	Money Market Fund	Purchase	07/12/2024			2,545,000.00			-2,545,000.00
5562	82	3130AUPR9	FHLB 4.56% MAT	Redemption	07/12/2024	07/12/2024	Maturity		2,545,000.00		2,545,000.00
5562	82	3130AUPR9	FHLB 4.56% MAT	Interest	07/12/2024	07/12/2024				58,026.00	58,026.00
<b>Totals for 07/12/2024</b>								<b>2,603,026.00</b>	<b>2,545,000.00</b>	<b>58,026.00</b>	<b>0.00</b>
5607	82	3133ERKW0	FFCB 5.17% MAT	Purchase	07/15/2024	07/15/2027		5,000,000.00			-5,000,000.00
4102	82	23380W523	Money Market Fund	Redemption	07/15/2024				5,000,000.00		5,000,000.00
<b>Totals for 07/15/2024</b>								<b>5,000,000.00</b>	<b>5,000,000.00</b>		<b>0.00</b>
5608	82	3130AXQL5	FEDERAL HOME	Purchase	07/17/2024	12/11/2026		2,031,710.00			-2,031,710.00
5609	82	91282CJK8	UNITED STATES	Purchase	07/17/2024	11/15/2026		3,041,565.90			-3,041,565.90
4102	82	23380W523	Money Market Fund	Purchase	07/17/2024			109,375.00			-109,375.00
4102	82	23380W523	Money Market Fund	Redemption	07/17/2024				9,750.00		9,750.00
4102	82	23380W523	Money Market Fund	Redemption	07/17/2024				23,753.40		23,753.40
4102	82	23380W523	Money Market Fund	Redemption	07/17/2024				3,017,812.50		3,017,812.50
4102	82	23380W523	Money Market Fund	Redemption	07/17/2024				2,021,960.00		2,021,960.00
5584	82	3130AYJ31	FEDERAL HOME	Interest	07/17/2024	01/17/2029				109,375.00	109,375.00
<b>Totals for 07/17/2024</b>								<b>5,182,650.90</b>	<b>5,073,275.90</b>	<b>109,375.00</b>	<b>0.00</b>
5610	82	3134H17E7	FHLMC 4.0% MAT	Purchase	07/18/2024	12/18/2026		4,953,000.00			-4,953,000.00
4102	82	23380W523	Money Market Fund	Purchase	07/18/2024			128,500.00			-128,500.00
4102	82	23380W523	Money Market Fund	Redemption	07/18/2024				4,953,000.00		4,953,000.00

**Santa Clara Valley Water Dist.**  
**Transaction Activity Report**  
 Sorted by Transaction Date - Transaction Date

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	MaturityDate	RedemptionType	New Principal	Principal Paydowns	Interest	Total Cash
4102	82	23380W523	Money Market Fund	Redemption	07/18/2024				12,390,000.00		12,390,000.00
5558	82	3133EN6C9	FEDERAL FARM CR	Interest	07/18/2024	01/18/2028				128,500.00	128,500.00
<b>Totals for 07/18/2024</b>								<b>5,081,500.00</b>	<b>17,343,000.00</b>	<b>128,500.00</b>	<b>12,390,000.00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/19/2024			10,000,000.00			-10,000,000.00
<b>Totals for 07/19/2024</b>								<b>10,000,000.00</b>			<b>-10,000,000.00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/22/2024			13,750.00			-13,750.00
4102	82	23380W523	Money Market Fund	Purchase	07/22/2024			12,937.50			-12,937.50
5498	82	3137EAEU9	FEDERAL HOME LN	Interest	07/22/2024	07/21/2025				12,937.50	12,937.50
5565	82	3133ELY32	FEDERAL FARM CR	Interest	07/22/2024	07/22/2026				13,750.00	13,750.00
<b>Totals for 07/22/2024</b>								<b>26,687.50</b>		<b>26,687.50</b>	<b>0 00</b>
5612	82	3133ERMD0	FEDERAL FARM CR	Purchase	07/24/2024	10/23/2026		2,997,664.58			-2,997,664.58
4102	82	23380W523	Money Market Fund	Redemption	07/24/2024				364.58		364.58
4102	82	23380W523	Money Market Fund	Redemption	07/24/2024				2,997,300.00		2,997,300.00
<b>Totals for 07/24/2024</b>								<b>2,997,664.58</b>	<b>2,997,664.58</b>		<b>0 00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/25/2024			20,944.45			-20,944.45
4102	82	23380W523	Money Market Fund	Purchase	07/25/2024			7,083.33			-7,083.33
4102	82	23380W523	Money Market Fund	Purchase	07/25/2024			4,979,055.55			-4,979,055.55
5604	82	912797JT5	UNITED STATES	Redemption	07/25/2024	07/25/2024	Maturity		5,000,000.00		5,000,000.00
4102	82	23380W523	Money Market Fund	Redemption	07/25/2024				4,020,000.00		4,020,000.00
5507	82	3130ALKL7	FEDERAL HOME	Interest	07/25/2024	03/25/2026				3,541.66	3,541.66
5508	82	3130ALKL7	FEDERAL HOME	Interest	07/25/2024	03/25/2026				3,541.67	3,541.67
<b>Totals for 07/25/2024</b>								<b>5,007,083.33</b>	<b>9,020,000.00</b>	<b>7,083.33</b>	<b>4,020,000.00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/26/2024			56,250.00			-56,250.00
5524	82	3130AQM8	FEDERAL HOME	Interest	07/26/2024	01/26/2027				56,250.00	56,250.00
<b>Totals for 07/26/2024</b>								<b>56,250.00</b>		<b>56,250.00</b>	<b>0 00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/29/2024			216.99			-216.99
5445	82	79772FAF3	SF FCU 1.1% MAT	Interest	07/29/2024	03/27/2025				216.99	216.99
<b>Totals for 07/29/2024</b>								<b>216.99</b>		<b>216.99</b>	<b>0 00</b>
4102	82	23380W523	Money Market Fund	Purchase	07/30/2024			24,574.45			-24,574.45
4102	82	23380W523	Money Market Fund	Purchase	07/30/2024			4,975,425.55			-4,975,425.55
5605	82	912797KR7	UNITED STATES	Redemption	07/30/2024	07/30/2024	Maturity		5,000,000.00		5,000,000.00
<b>Totals for 07/30/2024</b>								<b>5,000,000.00</b>	<b>5,000,000.00</b>		<b>0 00</b>
5611	82	79768HJP4	SFOWTR 4.655%	Purchase	07/31/2024	10/01/2027		2,750,000.00			-2,750,000.00
4102	82	23380W523	Money Market Fund	Redemption	07/31/2024				2,750,000.00		2,750,000.00
<b>Totals for 07/31/2024</b>								<b>2,750,000.00</b>	<b>2,750,000.00</b>		<b>0 00</b>
<b>Grand Total</b>								<b>62,597,038.25</b>	<b>59,726,640.48</b>	<b>680,397.77</b>	<b>-2,190,000.00</b>



**Santa Clara Valley Water Dist.  
Purchases Report  
Sorted by Fund - Fund  
July 1, 2024 - July 31, 2024**

SANTA CLARA VALLEY WATER  
5750 Almaden Expressway  
San Jose, San Jose, Ca 951  
(408)265-2607

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
<b>Treasury Management Fund</b>													
3133ERKR1	5606	82	FAC	FFCB	5,000,000.00	07/10/2024	01/10 - 07/10	4,997,700.00		4.625	07/10/2026	4.649	4,997,767.08
3133ERKW0	5607	82	FAC	FFCB	5,000,000.00	07/15/2024	01/15 - 07/15	5,000,000.00		5.170	07/15/2027	5.170	5,000,000.00
3130AXQL5	5608	82	FAC	FHLB	2,000,000.00	07/17/2024	12/11 - 06/11	2,021,960.00	9,750.00	4.875	12/11/2026	4.386	2,031,354.17
91282CJK8	5609	82	TRC	T-BILL	3,000,000.00	07/17/2024	11/15 - 05/15	3,017,812.50	23,753.40	4.625	11/15/2026	4.352	3,041,251.93
3134H17E7	5610	82	FAC	FHLMC	5,000,000.00	07/18/2024	01/18 - 07/18	4,953,000.00		4.000	12/18/2026	4.416	4,953,702.30
3133ERMD0	5612	82	FAC	FFCB	3,000,000.00	07/24/2024	10/23 - 04/23	2,997,300.00	364.58	4.375	10/23/2026	4.420	2,997,687.94
79768HJP4	5611	82	MUN	SFOWTR	2,750,000.00	07/31/2024	10/01 - 04/01	2,750,000.00		4.655	10/01/2027	4.657	2,750,000.00
				<b>Subtotal</b>	<b>25,750,000.00</b>			<b>25,737,772.50</b>	<b>33,867.98</b>				<b>25,771,763.42</b>
			<b>Total Purchases</b>		<b>25,750,000.00</b>			<b>25,737,772.50</b>	<b>33,867.98</b>				<b>25,771,763.42</b>

# **INCOMING BOARD CORRESPONDENCE**

Board Correspondence (open)

Correspond No	Rec'd By District	Rec'd By COB	Letter To	Letter From	Description	Disposition	BAO/ Chief	Staff	Draft Response Due Date	Draft Response Submitted	Writer Ack. Sent	Final Response Due Date
C-24-0203	08/12/24	08/13/24	All	ALAN ROWE	Email from Alan Rowe to the Board reporting a downed tree behind home and expressing dissatisfaction in ability to find information on web page.	Refer to Staff	Baker	Williams	08/21/24	-	n/a	08/27/24
C-24-0198	08/05/24	08/05/24	Eisenberg	ROBERT LIU	Email from Robert Liu to Director Eisenberg (copied to the board), dated 08/05/24, requesting assistance in mitigating Hale Creek walls.	Refer to Staff	Hakes Bourgeois	Codianne	08/13/24	08/12/24	n/a	08/19/24

**From:** [PitStop Outreach](#)  
**To:** [Feliciano Aguilar](#); [Board of Directors](#)  
**Cc:** [Tim Davis](#); [angelina@thecompassioncenter.org](#); [Sharon Goej](#); [Vanessa Ashford](#); [tim@gilroycompassioncenter.org](#); [Cameron Helms](#); [Brian Dutton](#); [Michelle L Covert](#); [Deyanira Martinez](#); [Christie Thomas](#)  
**Subject:** Re: West Branch Llagas along 101 Safety Concerns  
**Date:** Wednesday, August 7, 2024 11:07:59 AM  
**Attachments:** [image001.png](#)

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**\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\***

Hi Felice,

Valley Water is hosting an interagency summit to address exactly these issues on October 11. It would make sense to delay any action until after the summit.

(The VW Board of Directors has already tabled the question of an anti-camping ordinance until after the summit.

The delay will also provide more time for housing processes to proceed.

Thank you for your consideration.

Jan Chargin

On Wed, Aug 7, 2024 at 10:42 AM Feliciano Aguilar <[FAguilar@valleywater.org](mailto:FAguilar@valleywater.org)> wrote:

Good Morning All,

Thanks Jan and Tim for the kind words for our staff member. This area is a complex issue that effects many unhoused individuals and many staff from all of our agencies servicing this area. It's just not safe.

Unfortunately allowing folks back across the creek would put us in violation for blocking access for emergency vehicles, especially for fire and flood response. So that's not a practical option at this point. I really appreciate the idea. That's unfortunate that we can't find housing for these folks.

Do we know?

-How many clients are willing to take housing and are currently on a list in this area.

-How many clients are close to receiving housing. If so can they make their way closer to your centers?

-If there are any initiatives from local agencies to offer up land. I'll check with Valley

Water.

-Is there space anywhere else in the City, County or neighboring counties?

Sounds like we really need to get creative to meet the needs of these folks.

Take Care,

Felice A.

---

**From:** Tim Davis <[tim@thecompassioncenter.org](mailto:tim@thecompassioncenter.org)>  
**Sent:** Tuesday, August 6, 2024 2:23 PM  
**To:** Feliciano Aguilar <[FAguilar@valleywater.org](mailto:FAguilar@valleywater.org)>  
**Cc:** [angelina@thecompassioncenter.org](mailto:angelina@thecompassioncenter.org); Sharon Goei <[Sharon.Goei@ci.gilroy.ca.us](mailto:Sharon.Goei@ci.gilroy.ca.us)>; Vanessa Ashford <[vanessa@carrythevision.org](mailto:vanessa@carrythevision.org)>; [tim@gilroycompassioncenter.org](mailto:tim@gilroycompassioncenter.org); [PitStopOutreach@gmail.com](mailto:PitStopOutreach@gmail.com); Cameron Helms <[Cameron.Helms@cityofgilroy.org](mailto:Cameron.Helms@cityofgilroy.org)>; Brian Dutton <[Brian.Dutton@cityofgilroy.org](mailto:Brian.Dutton@cityofgilroy.org)>; Michelle L Covert <[Michelle.Covert@hhs.sccgov.org](mailto:Michelle.Covert@hhs.sccgov.org)>; Deyanira Martinez <[DMartinez@valleywater.org](mailto:DMartinez@valleywater.org)>  
**Subject:** Re: West Branch Llagas along 101 Safety Concerns

**\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\***

Hi Felice,

Thank you for your email. I'm very sorry to hear that one of your staff was injured by the wayward vehicle, but glad to hear they are OK.

Regarding your proposed abatement, as Jan had mentioned, none of these folks will likely be housed by 9/18. I also recommend that Valley Water allow them to camp on the opposite side of the creek, if possible, as requiring them to vacate the creek entirely will make it harder to provide services. For those who get called for housing during this time, or shortly thereafter, they will likely forfeit their housing opportunity if we are unable to locate them.

We are in contact with all of these individuals, currently. Happy to chat more, if you like.

Thank you again,

Tim Davis (he/him/his)  
Executive Director



South County Compassion Center  
(408) 763-7120 extension 102

website - facebook - donate

On Aug 6, 2024, at 1:30 PM, Feliciano Aguilar <[FAguilar@valleywater.org](mailto:FAguilar@valleywater.org)> wrote:

Hello All,

I am writing in regards to a huge unhoued and staff safety concern that Valley Water has on West Branch Llagas along Highway 101. Not sure if you all are aware but Valley Water staff dodged a bullet recently while servicing the unhoued on the east bank(101 side) when an out of control vehicle split between our trash compactor truck and another work vehicle striking one of our staff. Luckily he sustained only moderate injuries and has recovered from his injuries. Since this time I instructed staff to no longer work from the freeway side. Staff has been shuttling trash from both directions to Leavesley Road or carrying trash across the channel to a nearby staged garbage truck on opposite bank. As you can imagine this is extremely strenuous and tedious task to accomplish.

I have also been made aware that several pedestrians have been hit by vehicles on 101. Not confirmed but unfortunately I believe to be unhoused folks. Valley Water would like to engineer this pinch point out of the equation and move these individuals out of this unsafe area. Of course we would like to perform this task with as much dignity and humanely as possible so I am requesting some input from the service provider community. Currently I believe there are an estimated 10-12 camps with potentially up to 16 individuals. Is there housing available for these individuals? Do we know who actively works these cases? I look forward to some ideas as we collaborate to remove this risk. We have this tentatively scheduled for the week of 9/18.

<image002.png>

Respectfully,

Felice Aguilar

Field Construction Supervisor

Water Utility and Good Neighbor

<image001.png>

Clean Water • Healthy Environment • Flood Protection

Watersheds O&M

408-717-2375-cell

[faguilar@valleywater.org](mailto:faguilar@valleywater.org)

[5750 Almaden Expressway, San Jose CA 95118](https://www.valleywater.org/5750-Almaden-Expressway-San-Jose-CA-95118)

[www.valleywater.org](http://www.valleywater.org)

**Subject:** We are demanding Director Nai Hsueh withdraw from her 4th term run

**Date:** 08/07/24 through 8/14/24

Dear Valley Water Board Members,

Valley Water Director Nai Hsueh has filed to run for a 4th term. We're asking her to withdraw from the race. The Water Oversight Group will be moving forward with a recall if she fails to withdraw immediately!

Here is a summary of Nai's leadership failures:

**Failure of Fiscal Leadership - Voted against the Audit:** Nai Hsueh rejected the auditor's recommendation to audit Valley Water finances and \$10 billion "capital improvements projects" allocation. Both the auditor and the audit committee urged its necessity, but Chairwoman Hsueh voted against it. It's inexcusable and will lead to water rate increases for our county residents.

**Ethical lapses & Conflict(s) of Interest:** Nai failed to recuse herself from voting on retirement benefits for the management employees of valley water. She personally derived monetary benefits from the results of her vote. Her vote represented a clear conflict of interest and a significant drain on taxpayer dollars. She should have abstained from a vote.

During her three terms, Nai has also shown favoritism towards Valley Water staff, including allowing executives to write as many \$500k checks as they want, without board approval—an unprecedented move.

**Rate Increase Projects:** Nai has failed to show leadership on challenging projects like the Delta tunnel and the \$11B Pacheco Dam Project, which will saddle Santa Clara County residents with decades of higher water rates and tax increases.

**Term Limits:** Nai is running for a 4th term, against the majority voter sentiment in her district against Measure A. Measure A used misleading wording in a deliberate attempt to trick voters into believing they were limiting the water district board members' terms, when it in fact would allow them to serve for an extra 4th term. The Santa Clara Grand Jury called the Measure A ballot measure a "lie."

Like Board member Barbara Keegan, who chose not to run for a 4th term as that was ethically the right thing to do, Nai should retire at the end of this term or face a recall.

The Water Oversight Committee is planning to push for a grand jury investigation based on the issues identified above.

**Director Hsueh, I ask you to do the ethical thing and withdraw from the race by 5pm, Friday, August 9th. Do NOT run for a 4th term!**

**The following members of the public submitted the above email:**

Pranav Kotamraju & Deepika Ummethala,  
Saratoga

Kanaka Sriram, Saratoga

Yogen Kapadia, Monte Sereno

Krishna Saraswat, Saratoga

Lynn Sakamoto, San Jose

Vishwanath Nayak, Saratoga

Jaganathan Jeyapaul, Saratoga

Frank Bracken, Saratoga

Vishwanath Nayak, Saratoga

Joan Stoelker, Saratoga

Linda Cadogan, San Jose

Dimitry and Ludmilla Bobroff, Saratoga

Susan Swensson, Saratoga

Tom Copenhagen, Saratoga

David Scott, Saratoga

Thomas Leipelt, Santa Clara County

Olga Agee, Saratoga

Lance Agee, Saratoga  
Nathan M. Szajnberg, MD, Palo Alto  
Lloyd Bass, San Jose  
Naresh Kapoor, Saratoga  
Frank R. Jensen, Campbell  
Fran Eberhardt, San Jose  
Brian Berkeley, Saratoga  
Marina Pejic, Campbell  
Mihir Mohanty, Saratoga  
Kenneth Wayne, Saratoga  
Carlton Baab, Saratoga  
Christine Masleid, Monte Sereno  
Ron Beebe & Diane Wilson, Saratoga

Stephen Morrow, Saratoga  
Mark Salcedo, Saratoga  
David Leitzell, Saratoga  
Ronald T. Dickson, Saratoga  
Stephen Rothenberg, Los Gatos  
Patricia Juarez, San Jose  
Partha Srinivasan, Saratoga  
Roy & Barbara Worthington, Saratoga,  
Geoff Hough, Saratoga  
Mona Kaur, Saratoga  
Wolfgang Hoeflich, Los Gatos  
Peter & Paula Grassi, Saratoga  
Rajiv Mathur, Saratoga

**Members of the public with undisclosed location:**

Water Oversight Committee

Jean LaMarca  
Janice Morimoto  
Ronghua Zhang  
Brian Cox  
Stephanie Paulson  
Raj Aji  
Ray Froess  
Girish Ramakrishnan  
Kamlesh Raghuvanshi  
Juanita Miyashiro  
Narayan Subbarao  
Carolene & Richard Wong  
Michael Shields  
Anne Bossange  
Sam Hawkins  
Cynthia Midori  
John Chang  
Chi-Mei Wang  
Anthony Chan  
Sweta Teriar  
George Stuckert  
Neeti Soota  
Aishani Mohapatra  
Lufan Chen  
Heidi karkha  
*Claire Boyer*  
Farokhmeh M.  
Eric Meece  
Alok Gupta  
Pankaj Shah  
David Yang  
Vinod Ramakrishnan  
Daniel Onn  
Paul Lovrich  
Rachel Rose  
Sanjog Gad  
Michelle Smith  
Vinod Rai  
Varun Walia  
Bill Yeh  
Lorie Richardson  
Adele Salle  
Jeannette Allen  
Jack Payne

Sima Geller  
Latika Munjal  
Kalar Rajendiran  
Prasenjit Biswas, Ph.D  
Murali Gandluru  
Pat McGuire  
Akash Jain  
Soni Shukla  
Bhavesh Mehta  
Vipul Shah  
Wayne Phillips  
Kai Wong  
Michele Stefan  
Sreen Kosireddy  
Jim Su  
John Chang  
Susan Calderon  
Julie Stallman  
Steve Machado  
Deepak Gupta  
Michael Shirley  
Sonya Dsa  
Hao-Kun Chuang  
Raam T. Kumar  
Vivitha  
Karthik Dwarakanath  
Heidi Magner  
Vinod Nagarajan  
D. Pokras  
Sima Geler  
Becky Olmos  
Claudio S Contreras  
Deborah Nunez Camacho  
Lorie Richardson  
Virginia Bambrick  
Sharon Lesko Baab  
Judy Bambrick  
Dennis Dougherty  
Ravikumar Chandrasekaran  
TJ Desai  
Neel Phadnis  
James Dargin  
Jagdish Pamnan

## Board of Directors

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**From:** [REDACTED]  
**Sent:** Monday, August 12, 2024 11:12 AM  
**To:** Candice Kwok-Smith; Nai Hsueh  
**Cc:** Clerk of the Board; Board of Directors; John Varela; Barbara Keegan; Richard Santos; Jim Beall; Tony Estremera; Rebecca Eisenberg; Rachael Gibson; Aaron Baker; Kirsten Struve; Darin Taylor  
**Subject:** Recommend a Roughcut Affordability Report be prepared by Valley Water's CFO Office in September to Facilitate Better Decision Making  
**Attachments:** WaterAfordWhitePaper PDF R1 8-8-24.pdf

\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\*

To Chair Nai Hsueh and Candice Kwok Smith:

Thank you for your reply. After reviewing the response, I decided to create a [Water Affordability White Paper](#) (attached) to demonstrate that a roughcut analysis can be quickly implemented. Based on the White Paper's analysis, between 2023 and 2044 Valley Water's north county groundwater 'Charge' will increase  $\approx 624\%$  to retail utilities serving the San Jose Metropolitan Area. For a multiunit 1-bedroom apartment, this increased groundwater 'Charge' will cause San Jose Water Company's tenant water 'Bill' to increase  $\approx 202\%$ , in constant economics. More insightful information is contained in the document's Conclusions and Recommendations. This significant increase in water utility 'Billing' will add fuel to the area's 'Cost-of-Living' crisis.

The Bay Area's is in a 'Cost-of Living' crisis. The area's population is in decline. This situation has dire future implications for the economic health of our community. If population declines or is flat over the next 20 years, it will also have significant implications regarding water supply demand requirements. Reduced projected water demand will change requirements driving the immense \$29B infrastructure investment program Valley Water has been incorporating into the [2050 Water Supply Master Plan](#).

Waiting almost a year until June 25, 2025 for an expert report on water *affordability* by Raftelis Financial Consultant, Inc and Hazen and Sawyer is not being sufficiently responsive considering the seriousness of this issue. The issue has been known to exist at least since 2021. Again, I suggest that an interim roughcut water *affordability* report be quickly created to accelerate understanding, identify issues and project implications. This interim report would enable more expeditious knowledgeable Valley Water Board and Staff decision-making on strategic direction and project set selections. Rational reasons would surface to terminate ineffective projects.

If Valley Water Board and Staff members have interest and time, please read the first 3 pages in the attached document containing its conclusions and recommendations. I believe you will find the information illuminating. The entire document is a tome - 19 pages long inclusive of the appendix. It is a difficult read. Extensive math was required to perform the *affordability* analysis and answer the postulated questions. The author only had access to Valley Water and San Jose Water Company website based limited public information; thus, some assumptions had to be made to perform the analysis. These assumptions shouldn't invalidate the *affordability* analysis's ballpark results and conclusions.

The goal of a water *affordability* analysis is to trigger more expeditious, all-encompassing, fiscally sound project selection decisions based on each project's capabilities and their need to assure water supply resiliency. I hope this input stimulates in-depth discussion amongst Valley Water Board and Staff members on the topic of water *affordability* importance and its implications in project plans and establishing priorities.

If there are questions don't hesitate to contact me. Feedback and critique is always appreciated.

Best regards,

*Jim*

Jim Kuhl, Civic Issue Activist and Environmental Advocate.

---

**From:** Candice Kwok-Smith <ckwok-smith@valleywater.org> **On Behalf Of** Board of Directors

**Sent:** Thursday, August 1, 2024 8:05 AM

**To:** [REDACTED]

**Subject:** Re: Questions, Issues and Concerns to be Addressed in Water Affordability Study

**Sent on Behalf of Chair Hsueh:**

Dear Jim Kuhl,

Thank you for your follow up email in which you requested that the Water Rate Affordability Study consultant perform “a scoping estimate of San Jose Water Company’s residential billing increase” as it relates to the “Local Control” portfolio and Valley Water’s associated M&I groundwater charge projection for Zone W-2.

While your suggestion is appreciated, it is not necessary to inform the development of the Water Supply Master Plan 2050 (WSMP). Both Staff and the Board are already very aware, and very concerned about the impact of the future wholesale water rate projection under any WSMP scenario. Please note that the projects being considered under the WSMP are evaluated both quantitatively (supply benefit and cost) and qualitatively, to provide a comprehensive understanding of their benefits and risks. The qualitative assessment includes each project’s reliability in providing planned benefits, likelihood of success, environmental impacts, jurisdiction and partnership, and public acceptance. 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 may not be reliable during droughts; and yet others require agreements with partners and therefore their success remains out of Valley Water’s direct control. Portfolios of projects that complement each other could provide a balanced, diverse, and sustainable water supply to address future needs and challenges. With that said, the Board values your opinion on which projects to pursue and which to discontinue, and any future decisions the Board makes will consider your input.

Thank you again for your interest in this effort.

Sincerely,



Nai Hsueh  
Chair, District 5

C-24-0188

**From:** Candice Kwok-Smith

**From:** [REDACTED]

**Sent:** Tuesday, July 23, 2024 11:05 AM

**To:** Board of Directors <[board@valleywater.org](mailto:board@valleywater.org)>

**Cc:** Darin Taylor <[DTaylor@valleywater.org](mailto:DTaylor@valleywater.org)>

**Subject:** RE: Questions, Issues and Concerns to be Addressed in Water Affordability Study

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**Candice,**

Thank you for the reply.

Per your input, I now understand the completion date for the consultant's 'Water Affordability Report' will be June 25, 2025, almost a year later. I apologize for miss-understanding the expected project completion date input I obtained from Darin Taylor.

Without the important information from the 'Water Affordability Report' by Raftelis Financial Consultants, I'm very concerned that Valley Water Board and Staff will continue making major project infrastructure investment direction decisions in developing the 2050 Water Supply Master Plan. As one arguable example, continuation of \$2.7B PERP's planning funding, at a rate of \$80,000,000/year. In my assessment PREP money would be better spent on wastewater to potable water recovery expansion to the maximum available of 44,000 AF/Yr. by 2035 and then desalination. Perhaps a scoping estimate of San Jose Water Company's residential billing increase for the San Jose metropolitan area could be quickly (i.e., one month) estimated by Raftelis Financial Consultants based on the projected WSMP 2050 Strategy of 'Local Control' for year 2045 using Valley Water's projected Wholesale ground water M&I (Zone W2) charge of \$8,835/ AF in 2023 constant economics.

**Is there any possibility that such an roughcut analysis could be performed and if so when?**

**Best regards,**

*Jim*

**Jim, Kuhl**, Civic Issue Activist and Environmental Advocate

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**From:** Candice Kwok-Smith <[ckwok-smith@valleywater.org](mailto:ckwok-smith@valleywater.org)> **On Behalf**

**Of Board of Directors**

**Sent:** Friday, July 19, 2024 10:00 AM

**To:** [REDACTED]

**Subject:** Re: Questions, Issues and Concerns to be Addressed in Water Affordability Study

**Sent on Behalf of Chair Hsueh:**

Dear Jim Kuhl,

Thank you for your email in which you expressed your thoughts about what should be addressed in the Water Affordability Study that is being conducted for Valley Water by Raftelis Financial Consultants, Inc. and Hazen and Sawyer. The study has just begun, and the final report is scheduled to be published in June of 2025 as reported by Mr. Darin Taylor at the July 9, 2024 Board meeting, not July 25th as mentioned in your email. Your inputs have been communicated to the consultants and will be addressed to the extent possible. However, it should be noted that the consultants' ability to address some of the questions you raise will likely be impacted by challenges such as: 1) funding limitations, in other words there is only so much money in the consultant contract, which requires careful balancing and prioritization of tasks to get the most out of the effort; 2) time limitations; 3) the availability and reliability of data which includes the willingness of retail partners to participate in the study.

Also, Valley Water's costs are just one component of a retailer's total costs, which means that the other components of the overall water rates charged by a retailer to the end customer as well as the retailer's rate structure itself are out of our control.

Valley Water is a regional wholesale provider, and while San Jose Water Company is significant, they are not the only retailer that we may want to consider to achieve a comprehensive view of affordability.

Finally, your comment that Valley Water must consider the full implications of planned infrastructure programs in the wider context of population growth or lack thereof has been noted, and is most appropriately addressed as part of the Water Supply Master Plan 2050 development.

Thank you for your interest and thoughtful input into this effort.

Sincerely,

<image003.png>

Nai Hsueh  
Chair, District 5

C-24-0168

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**From:** [REDACTED]  
**Sent:** Thursday, July 11, 2024 9:06 AM  
**To:** Clerk of the Board <[clerkoftheboard@valleywater.org](mailto:clerkoftheboard@valleywater.org)>; Board of Directors <[board@valleywater.org](mailto:board@valleywater.org)>; John Varela

<[jvarela@valleywater.org](mailto:jvarela@valleywater.org)>; Barbara Keegan  
<[BKeegan@valleywater.org](mailto:BKeegan@valleywater.org)>; Richard Santos  
<[rsantos@valleywater.org](mailto:rsantos@valleywater.org)>; Jim Beall <[JBeall@valleywater.org](mailto:JBeall@valleywater.org)>; Nai  
Hsueh <[NHsueh@valleywater.org](mailto:NHsueh@valleywater.org)>; Tony Estremera  
<[TEstremera@valleywater.org](mailto:TEstremera@valleywater.org)>; Rebecca Eisenberg  
<[Reisenberg@valleywater.org](mailto:Reisenberg@valleywater.org)>  
**Cc:** Rachael Gibson <[rgibson@valleywater.org](mailto:rgibson@valleywater.org)>; Matt Keller  
<[MKeller@valleywater.org](mailto:MKeller@valleywater.org)>; Michael Potter  
<[MPotter@valleywater.org](mailto:MPotter@valleywater.org)>; Aaron Baker <[ABaker@valleywater.org](mailto:ABaker@valleywater.org)>;  
Vincent Gin <[VGin@valleywater.org](mailto:VGin@valleywater.org)>; Kirsten Struve  
<[KStruve@valleywater.org](mailto:KStruve@valleywater.org)>  
**Subject:** Questions, Issues and Concerns to be Addressed in Water  
Affordability Study

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open attachments unless you recognize the sender and know the content is  
safe. \*\*\***

**To: Valley Water Board Members**  
**Date: Thursday, July 11, 2024**

**Subject: Questions, Issues and Concerns to be Addressed in Water  
Affordability Study**

### **San Francisco Public Utilities Commission Water Affordability**

Attached is an 'Opinion' article by Peter Drekmeier, former mayor of Palo Alto and Policy Director for Tuolumne River Trust, published in the "SF Chronicle." You might find it informative. I have highlighted in yellow the common significant concern areas Valley Water (VW) has with San Francisco Public Utility Commission's water supply project investment plans and consequences on water billing rates and water supply demand.

### **Water Affordability in North County**

To answer the question of future water *affordability*, the change in the consumer's retail price must be predicted. San Jose Water Company (SJWC) should be selected as the water retailer to assess the impact of Valley Waters projected wholesale groundwater price increases because they serve over a million consumers and are a price leader.

**The following essential questions need to be addressed in Valley  
Water's expert water *affordability* report:**

1. **How will residents water bills from SJWC be impacted?**
2. **For 'Essential Workers', what will the projected increase in water cost impact be on multi-unit rental housing and single-family housing with minimal or no landscaping?**
3. **What will be the impact on *affordable* housing rentals?**
4. **What will be the consequences to single-family property home owners with landscaped irrigated yards?**

5. **What will the consequences to San Jose metropolitan area's economy and cost-of-living?**

**The three items (i.e., A, B, & C) identified below also need to be addressed within the report.**

1. **End Consumer North County Water Cost Projection Encompass Planned plus All Anticipated Projects**

A roughcut water *affordability* analysis projects a 136% increase in San Jose Water Company's water rates caused by Valley Water's projected North County M&I (Zone W2) groundwater wholesale price after 2040. **In the *affordability* study all anticipated programs fully loaded costs, such as the Delta Tunnel (\$1,800/AF) and the proposed Plan B Water Conservation Program (\$1,338/AF), must be included in order to fully comprehend the potential water *affordability* impact.** Major decisional programs, such as PREP and SF Bay Desalinization, must be analyzed in a manner that they can be easily unlayered to identify their specific fiscal impact on San Jose Water Company water billing rates to facilitate future project selection decision making.

1. **San Jose Water Company Water Conservation Billing Structure Impact on Water Supply Demand**

San Jose Water Company (SJWC) has an aggressive water conservation program built into their current water billing rate structure. The billing rate is designed to economically drive down high household water consumption by significantly charging more per unit of water consumed above a threshold of 85 g/d/p (i.e., 21 Ccf over a two-month billing period for an average household size of 3.1 adults). SJWC's billing structure goal has been designed to achieve SB1157's urban water rationing goal of reducing water consumption from the current average usage of 47 to 42 gallons per capita per day (g/p/d) by 2030. For SJWC, this 2030 goal translates to 11 Ccf over 2-months applicable for an average household of 3.1 individuals. SJWC's progressive socioeconomic billing methodology will likely be made more progressive over time. To offset VW's actual increased groundwater costs burden will most likely be placed on high-end, not low-end water users, to achieve the SB1157 legislated goal.

1. This progressive water conservation billing strategy could have potential significant unintended consequences. 40% to 50% of San Jose Metropolitan Area residential water usage is due to irrigation, a commonly accept number. It is reasonable to assume high water consumptions users are primarily property owners who are irrigating yards. Now assume SJWC's progressive water conservation billing program is very successful making irrigation of yards so expensive that all landscaping water usage ceases. The impacted set of high consumption water customers

generate a higher portion of SJWC's revenue because of the characteristics of the billing structure. As a logical analytical test, assume this 50% of SJWC's revenue is lost from those high-end water users. That lost revenue must be recovered by SJWC to remain solvent and profitable. As the revenue ends for these highly profitable customers, SJWC must increase all their customer's water bills to compensate. This in turn drives down water consumption even more into a 'death-spiral'. This possible phenomena change will, of course, be gradual in the 'real-world' but its specter must be understood and managed long-term by both SJWC and VW. **Preventing the possible 'death-spiral' phenomena must be satisfactorily addressed in the affordability study. For financial health of SJWC and VW, overall North County water consumption levels must stay relatively stable in total water volume requirements across the geographic area long-term unless VW's ability to supply the required amount ceases to be sufficient.**

## 2. San Jose Metropolitan Area Population Growth Uncertainty and Projected Water Supply Requirements

VW and SJWC have been assuming the population they serve will grow 26% between 2020 and 2040 in their Water Management Utility Plans per the Association Of Bay Area Governments (ABAG) planning assumption guidelines. However, San Jose's population declined 4.3% since 2020 according to the US Census Bureau. Independent researcher, Gaeton Lion, predicts it will be flat till 2060 (R7). The California Department Demographic Research Unit (DRU) official population forecast for California is flat after 2036.

The very high cost-of-living has been causing a migration of people out of the Bay Area. San Jose Metropolitan Area population is falling, not rising. All the prior ABAG population and housing growth predictions and planning assumptions are no longer valid. Mayor Matt Mahany calls ABAG's RHNA a fantasy. Valley Water must consider the full implications of their planned infrastructure programs in this wider context of non-population growth. **An initially declining through 2035 and then and flat population growth through 2060 should be assessed as an alternative planning assumption in the water *affordability* study and consequences predicted.**

## Conclusion

Valley Water's water *affordability* report is scheduled to be published on July 25<sup>th</sup> under Darin Taylor's leadership. The report has the potential to provide very significant information. The information yielded will enable VW Board and Staff to make better project selection decision by accurately projecting end consumer water rates and the consequences in the San Jose Metropolitan Area. I hope you find this

input on water *affordability* report informational requirements of some value.

**Best regards,**

*Jim*

**Jim Kuhl**, Civic Issue Activist and Environmental Advocate

## Water Affordability White Paper

### 2023 to 2044 Valley Water Projected Wholesale M&I (Zone W-2) Groundwater 'Charge' Impact on San Jose Water Co. North 'Billing' in the San Jose Metropolitan Area

Revision 1 dated 8-8-24

## Introduction

California has had a long history of droughts. Climatologists predict longer deeper droughts and wet periods caused by climate change. However, climatologists are unable to provide creditable forecasts of weather patterns for the future. The lack of dependable Northern California and Sierra Nevada Mountain future precipitation and snowfall predictions plus unrealistic projected population growth from the Association of Bay Area Governments has led to significant arguable speculative planning assumptions regarding water supply requirements for the future. The axiom "Plan for the worst and hope for the best" has been followed by Valley Water (VW). VW has developed an ambitious program of repairing and investing in infrastructure projects to store fresh water from the wet season and developing alternative water supply sources. The resultant infrastructure projects' costs required to assure water supply reliability have exploded. The projects' investment in their totality is ≈\$29 billion (R1). As a result, VW's planned projects' amortized investment and operating costs are projected to increase the wholesale groundwater 'Charge' 624% to retail utilities serving the San Jose Metropolitan Area between 2023 and 2044 (Page 6).

### As a consequence of the VW's planned infrastructure investments, will water remain *affordable* to San Jose Metropolitan Area residents in the future?

To answer the question of future water *affordability*, the change in the consumer's retail price for water must be predicted. San Jose Water Company (SJWC) has been selected as the water retailer to assess the impact of VW's projected wholesale water price increase because they serve over a million consumers (R3) and are the area's price leader (R4).

Assessing water *affordability* caused by VW's projected wholesale groundwater price increases has been postulated into answering these following questions:

1. How will residents water 'Bills' from SJWC be impacted?
2. For 'Essential Workers', what will the projected increase in water cost impact be on multi-unit rental housing and single-family rental housing with minimal or no landscaping?
3. What will be the consequences to single-family property home owners with landscaped irrigated yards?
4. What will the consequences to San Jose metropolitan area's economy and Cost-of-Living?

All assessments made are in 2023 constant economics.

## Conclusions

- Due to the VW's projected 624% wholesale groundwater for North County (Zone W-2) 'Charge' between 2023 and 2044, the SJWC's water 'Bill' will increase due to all factors (Page 18 item 3) is shown below:  

Multiunit rental apartment consuming 21 Ccf/2m	Water 'Bill' increases ≈202% from ≈\$305/2m to ≈\$616/2m
--	--

  - Significant investment projects exist under serious consideration by VW for inclusion in the 2050 Water Supply Master Plan, such as the SF Bay Desalinization Project, where insufficient definition exists that will further increase VW's 2044 groundwater 'Charge' but haven't been captured in this *affordability* assessment.
  - The main reason that VW's 664% wholesale groundwater 'Charge' decreases to 202% for retail water is due to the volume conversion from VW's acre feet (AF) to SJWC's retail 'Billing' measurement standard of 100 centum cubic feet (CcF) – a mathematical dilution effect.
- Changing WSMP 2050 Strategies to make water more *affordable* between the most intensive investment 'Local Control' set and the least investment intensive 'Lower Cost' set (Page 5 Exhibit 2) reduces the 2023-44 North County wholesale groundwater cost from 624% to 521% (Page 13 item 1). However, the totality of planned multiproject infrastructure investment planned by VW is so emense, this projected improvement in water *affordability* is relatively minor. The 2044 estimated muliunit tenant's SJWC bimonthly water 'Bill' would reduce from ≈\$616 to \$516.

## Water Affordability White Paper

- Using the 2-bedroom *affordable* housing apartment allowance of \$79/month as the upper limit that a landlord can charge in computing a tenant's allowable rent (Page 9), the 2044 water cost increase impact due to VW's higher wholesale groundwater cost will retail to be 4.7X higher (i.e., \$372/m) than what is currently allowed (i.e., \$79/m). This increased water cost is an economic problem Santa Clara County CC taxpayers will have to cover.
- **A cost-of-living crisis already exists in the San Jose metropolitan area.** Recently utilities costs have surged adding fuel to the crisis: PG&E's 12.8% for 2024 and SJWC's requested for a 22% hike over the 2025:27 period.
  - **'Essential Workers' such as nurses, teachers and police officers already can't afford purchasing median priced single-family homes, row houses or townhomes because they lack sufficient income** (Page10).
  - **The projected 2044 water cost increase will cause a 10% adder of \$218/m to an already *unaffordable* market-rate studio apartment's \$2,187/m rental (Page 8 & R11) in 2024 economics.**
- **People are leaving California due to its high cost of living, housing and taxes. The housing crisis, characterized by high costs and a lack of *affordable* options, is the reason.** SJWC's Urban Management Water Plan (R5) and VW's Urban Water Management Plan (R14) planning assumption is the population served will grow 26% between 2020 and 2040 (R5). However, San Jose's population declined 4.3% since 2020 according to the US Census Bureau (R6). Independent researcher, Gaeton Lion, predicts population will be flat till 2060 (R7). The California Department Demographic Research Unit (DRU) official population forecast for California is to be flat after 2036. **The population growth demographic assumption analytic that is employed to predict future water supply requirements needs to be reassessed by VW.**
- **The analysis determined (Pages 11 through 14) that VW's 2044 projected wholesale groundwater North County M&I ( ZoneS W-2) will increase SJWC's consumer retail water cost from 2023 ≈85% (\$240→\$443/2m) for interior usage (i.e., at 11 CcF/2m) and ≈144% (\$305→\$743/2m) for multiunit family rental apartment (i.e., at 21 CcF/2m). For single-family property high water volume users (i.e., 56 CcF/2m) with landscaped yards, SJWC's projected 2044 annual water 'Bill' grows ≈171% from (\$677→\$1,838/2m). The high water expense will drive high (i.e., > 21 CcF/2m) water using property owners to relandscape to water miserly plantings and remove pools.**
  - There is a potential significant unintended consequence from SJWC's progressive 'Billing' structure designed to drive urban water consumption down using economics that needs to be comprehended (Pages 13 through 14 & page 14's items 3 through 5). When a significant number of high volume water consuming (i.e., >21 CcF/2m) thirsty landscaped residential property owners relandscape to reduce water costs, that revenue to SJWC will be lost. That lost revenue must be recovered by SJWC to remain profitable. That lost SJWC revenue income burden will be placed on the lower water consumption users (≤ 21 CcF/2m). **By 2044, this lost revenue financial spiral downward phenonimum** (Page 14 item 3) **is projected to cause another 40% increase in water cost on lower volume water users.**
  - As an offset to water consumption reduction derived from SJWC's 'Billing' methodology (Pages 12-13) and VW's urban water conservation plans, is South Bay's Association of Bay Area Governments (ABAG) 26% projected population growth embodied in SJWC's and VW's Urban Water Management Plans (R5 & R14). Achieving City of San Jose's 2023-2031 Regional Housing Needs Assessment (RHNA) 62,200 housing expansion goal established by ABAG (R18) will also cause water growth demand. **Whether ABAG's projected population and housing growth water demand needs are realistic and will offset SJWC's and VW's urban water conservation driving water consumption down is a highly arguable judgment call.**

## Recommendations

1. Concerns regarding long-term water *affordability* concerns were raised in 2021, 3-years ago, by numerous individuals based on the projected upward trajectory of north county groundwater wholesale 'Charges'. VW's expert water *affordability* report VW by Raftelis Financial Consultants, Inc. and Hazen and Sawyer due 6/25/25 is too late. Investment in expensive and inefficient infrastructure projects continue unabated, such as the \$5.6B Pacheco Reservoir Expansion Project (PREP) at \$80M/Y and \$700M Palo Alto Reuse Project planning and development. VW Staff must become more responsive addressing the consumer water *affordability* concern. **The South Bay area is emersed in a Cost-of-Living Crisis. The rapidly growing cost of all utilities are contributing to that crisis. VW needs to demonstrate that they are expeditiously and comprehensively addressing their future contribution to the crisis. A water *affordability* report needs to be quickly published even if the retail water cost projections are approximate. 'Ballpark' retail water cost projections for 2044 would enable the decision-making process to move**

ahead more confidentially in developing the 2050 Water Supply Master Plan. Project set trimming options and tradeoffs can't be properly financially assessed and their pros/cons weighted relative to increasing water supply reliability without knowing their individual and collectively as sets adverse impact on consumer water *affordability*.

2. VW must complete their planned comprehensive expert water *affordability* study and publishes the results prior to making a final Go/No Go decisions on marginal projects such as continued funding beyond 2024 of Pacheco Reservoir Expansion Project (PREP) and the Palo Alto Reuse Project. Continued investment in ineffective projects must cease.
3. For the 2050 Water Supply Master Plan, VW needs to identify Santa Clara County (SCC) population growth planning assumptions and publish the results for review. Experts now predict SCC population to be flat through 2060. A flat population projection would reduce VW's water supply infrastructure investment requirements and improve future water *affordability*. If this issue isn't satisfactorily resolved, the 2050 Water Supply Master Plan must contain and assess two population scenarios - growth and no growth.
4. VW and water retailers in SCC required to produce Urban Water Management Plans (UWMP) need to provide meaningful information on the water consumption characteristics regarding their customers. Common standard terminology for water consumer usage classifications, such as residential multi-unit, residential single-family, industrial, commercial, agriculture, must be established. Information on the customer classifications' actual water consumption performance must be captured annually by water retailers over consumption CcF/2m range segments: 1-10, 11-20, 21:30;31-40 & >41. Within each of the water consumption range segments, data is required - number of customers, type of customers, amount or retailer's revenue generated, and the amount of water consumed. This data is essential to monitor customer water pattern usage changes over time. As an example, it's projected that exterior landscaping water requirements will significantly decline due to SJWC's 'Billing' structure using economics to drive urban water conservation. It is hypothesized, a significant number of high-volume residential water users ( $\leq 21$  CcF/2m) generate 50% of SJWC's revenue (Page 13 item3). Its projected that over time this set of users will cease irrigating their landscaping. For SJWC to remain profitable, they will have to be reallocate the lost revenue to the lower volume users. This shift in revenue allocation will increasing water prices for all retail customers making it less *affordable*. This significant phenomenon must be recognized, monitored and appropriately managed by VW and the water retailers.
5. In the last 5 years, VW has avoided attracting public attention, except for a few missteps. The prior 'Golden Spigot' image has faded. However, this image will reappear and gain strength because of VW's cost increases in groundwater costs between now and 2044 due to the expensive project investments needed to ensure water supply reliability. The year after year unrelenting groundwater cost increases will be reflected in the consumer's water retail costs. VW will become scrutinized and put under a media microscope. VW Board and Staff must take several important steps now to ensure the public they are following a logical path, investing prudently in projects required to increase water supply reliability. The steps should be taken as sound policy independent of media threat concerns.
  - a. Establish an independent public auditor to scrutinize all major investments verifying their fiscal justification for performance levels achieved.
  - b. Establish 'Best-In-Class' comparative benchmarking analysis for all major projects and publish the results. Several planned projects, compared to benchmarks, have extremely high investment requirements, extraordinary high operating cost (\$/AF) and very low functionality performance levels (i.e., AF of water stored or AF of potable water produced).
  - c. Eliminate all marginal projects failing rational benchmarking unless they are demonstrated as being essential.
  - d. Clarify the current nebulous value on 'Local Control' in terms ordinary people can understand and accept as rational.
  - e. The 2024 cost of importing Delta water has been officially identified as \$510/AF and is being used for fiscal comparative project benchmarking (i.e., reservoir water storage versus wastewater reuse versus desalination). The number is believed to be too low because it doesn't as yet capture all the necessary future required costs that should be allocated into it for valid comparative benchmarking. As one example, the Delta Convey Project's annualized unit costs \$1,800/AF have not been captured (Page 6 Exhibit 3).

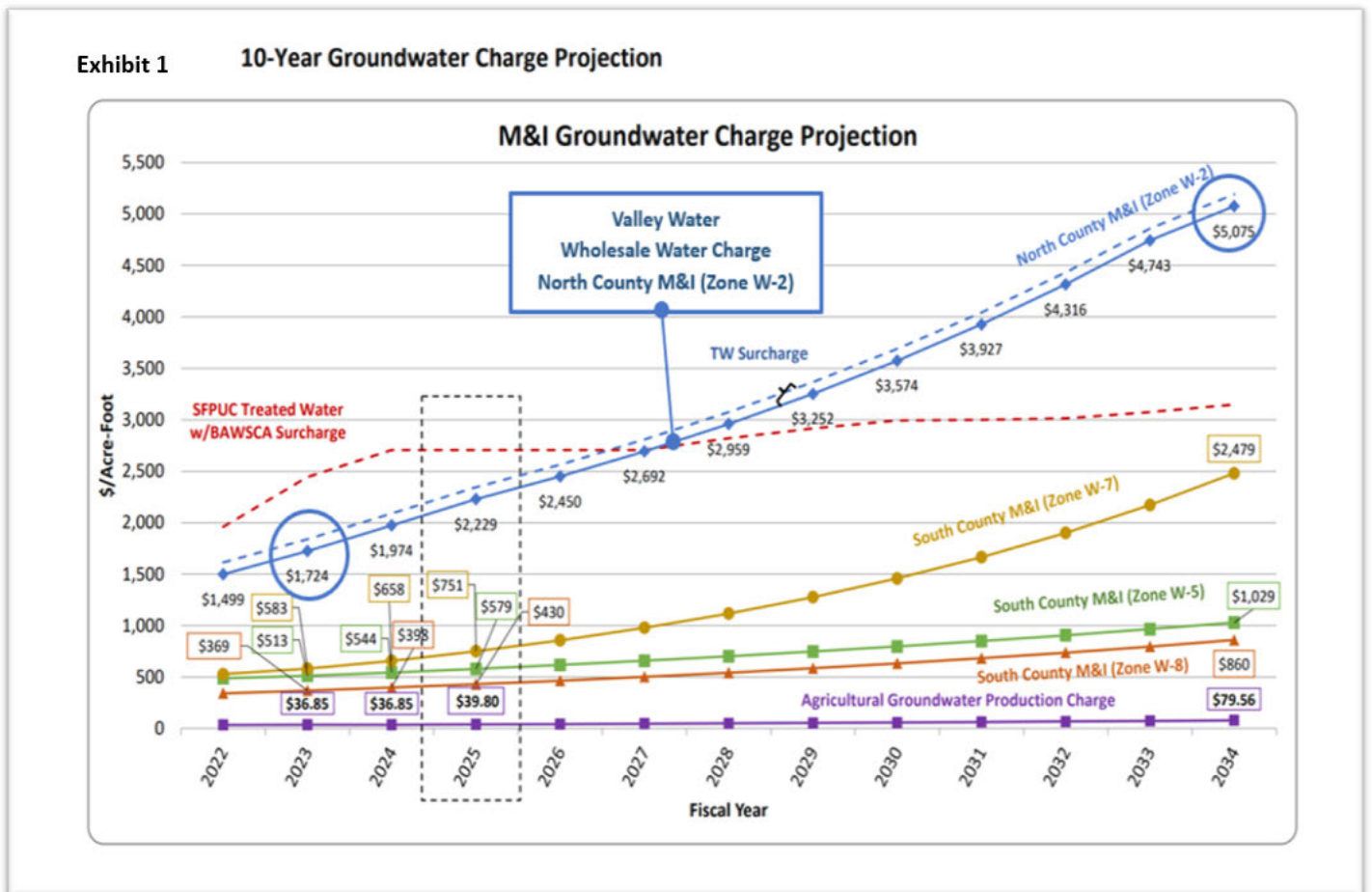
**Question 1: How will residents' water 'Bills' from SJWC be impacted?**

**Valley Water's North Santa Clara Wholesale Groundwater Projected Price Increase**

Exhibit 1 through 4 shown in the ensuing text were obtained from Valley Water Staff presentations from the first half of 2024. The Exhibits are the major sources of VW's financial projection information employed in this document's water affordability analysis. The supporting detailed project financial data for Exhibits 1 and 2 not been publically disclosed, to the author's knowledge. Though speculative, it has been assumed some projects under consideration (e.g., Delta Coneyance & SF Bay Desalinization) are not captured in the Exhibits because their financial projections were not as yet available and/or they were new project options being considered for inclusion in the 2050 Water Supply Master Plan and not contained in the 2040 Plan.

The *affordability* financial assessment is being made in terms of 'Loaded Unit Cost' (e.g., \$/AF) of potable water supplied without making a distinction between groundwater or surface water sourcing. 'Loaded Unit Cost' (\$/AF) is to be inclusive of all unpaid off existing and planned water supply project(s), allocated capital cost plus interest and operating cost in 2023 economics required to supply fresh water to North County. It is assumed a loan/bond repayment period of 30-years, a 50-year useful life for osmosis technology based projects and 100-year useful life for reservoirs and pipeline projects. VW has not precisely defined the financial term 'Annualized Unit Cost' in their presentation material. It is assumed VW's 'Annualized Unit Cost' definition matches 'Loaded Unit Cost'. Finally, Proposition 218 dictates are followed in allocating project costs between North and South County.

Exhibit 1's blue graph line shows VW's North County M&I Groundwater (Zone W-2) projected wholesale cost, 'Charge' between 2023 at \$1,724 and 2034 at \$5,075. The 248% increase in North County groundwater 'Charge' between 2023 and 2034 is very concerning. VW supplies wholesale water to retail water utility suppliers.



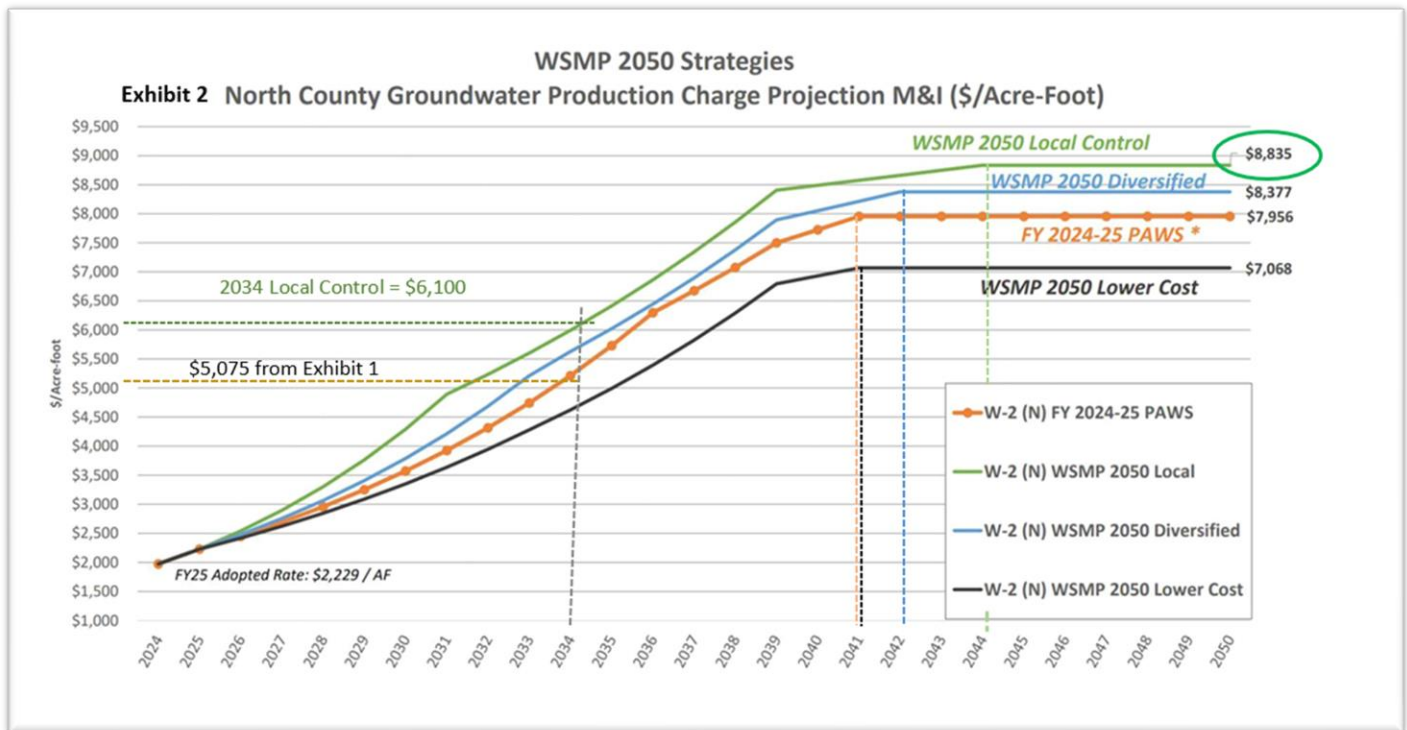
See link: <file:///C:/Users/jim%20Kuhl/Documents/AVCA/Water/Water%20Rationing%20Cost%20Policy/VWGrdWaterZoneW2-2024-25Charge%20%204-8-24.pdf>

## Water Affordability White Paper

**Exhibit 2**, titled: ‘WSMP 2050 Strategies -North County Groundwater Production ‘Charge’ Projection M&I (\$/Acre-Foot)’, identifies charges for four (4) different water supply reliability improvement infrastructure project set options under consideration by VW. One project set will be selected for implementation in the 2050 Water Supply Master Plan. All the optional strategies annualized groundwater cost have peaked and flattened by 2044. The graph lines displayed are non-linear polynomials requiring multiple assessment points. From the 2023 base point, years 2034 and 2044 have been selected for this comparative financial *affordability* study.

The ‘**Local Control**’ **green line** VW project selection set has been selected for analysis because it the project set most favored by VW Staff. It also has maximum adverse impact on water *affordability*. From Exhibit 2, the 2034 ‘Local Control’ 10-year outlook has been extrapolated from the graph to be \$6,100 and the 20-year 2044 projection is \$8,835.

Several additions must be added to 2034’s \$6,100 and 2044’s \$8,835 WSMP 2050 ‘Local Control’ financial numbers in order to correctly project the groundwater charges.



Note: Why at least one graph line on Exhibit 2 didn’t correlate to Exhibit 1’s 2034 year point of \$5,075/AF is unknown. This lack of precise alignment between Exhibits 1 and 1 should not be significant issue relative to performing a roughcut water *affordability* projection assessment.

**Exhibit 3’s** Delta Convey Project capital investment cost and annualized unit cost has recently been established, post dating Exhibit 2’s creation. The Delta Conveyance Project’s (see **red square**) capital investment and resultant annualized Unit Cost (see **red oval**) \$1,800/AF have not been captured in ‘**WSMP 2050 Local Control**’ projects’ groundwater cost. On the average 40% of the water supply is projected to be imported from the Delta (R15). \$720/AF must be added (i.e., \$1,800/AF x 40% = \$720/AF).

**Exhibit 3 Major Infrastructure Project Average Water Supply, Capital Cost and Annualized Unit Cost**

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

Attachment 5  
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Note: It is analytically perplexing and concerning that the Delta Conveyance Project group identified \$1,325/AF as the projected operating expense for supplying Delta water. It's assumed the Annualized Unit Cost shown in Exhibit 3 contains VW's capital funding ammortization, operating expense plus importing water transportation (e.g., pumping) cost.

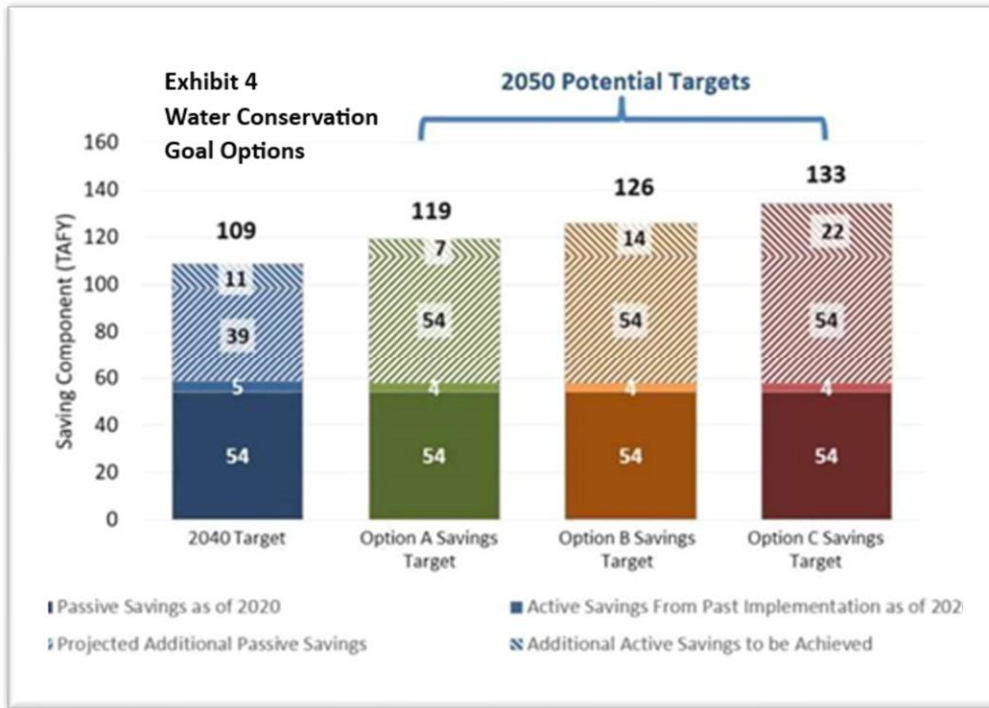


Exhibit 4 shows three (3) water conservation goal options: A, B and C for incorporation into the 2050 Water Supply Master Plan. Option B's projected target of \$126,000 AF/Y has been recommended by VW Staff. The cost to implement Option B was estimated by VW Staff to be \$1,338/AF. The allocation of the between North and South County is based on population residing in each area with ≈90% of SCC's population resides in North County (R16). The allocation is (i.e., \$1,338/AF x 90%) \$1,200/AF.

For 2034, the Annulized Unit Cost for North County Groundwater Production 'Charge' of \$8,020/AF is the sum of Exhibit 2's 'WSMP 2050 Local Control's \$6,100/AF plus Exhibit 3's Delta Conveyance Annualized Unit Cost of \$720/AF plus Exhibit 4's Option B Water Conservation Target. The projected 'Charge' is 465% higher than 2023's North County groundwater wholesale price.

**For 2044, North County groundwater 'Annualized Unit Cost' or "Loaded Cost' is projected to be \$10,755/AF. The amount is 624% higher than Exhibit 1's actual cost of \$1,724/AF in 2023 in constant economics. The ≈624% projected growth raises significant concerns regarding long-term water affordability.**

# Water Affordability White Paper

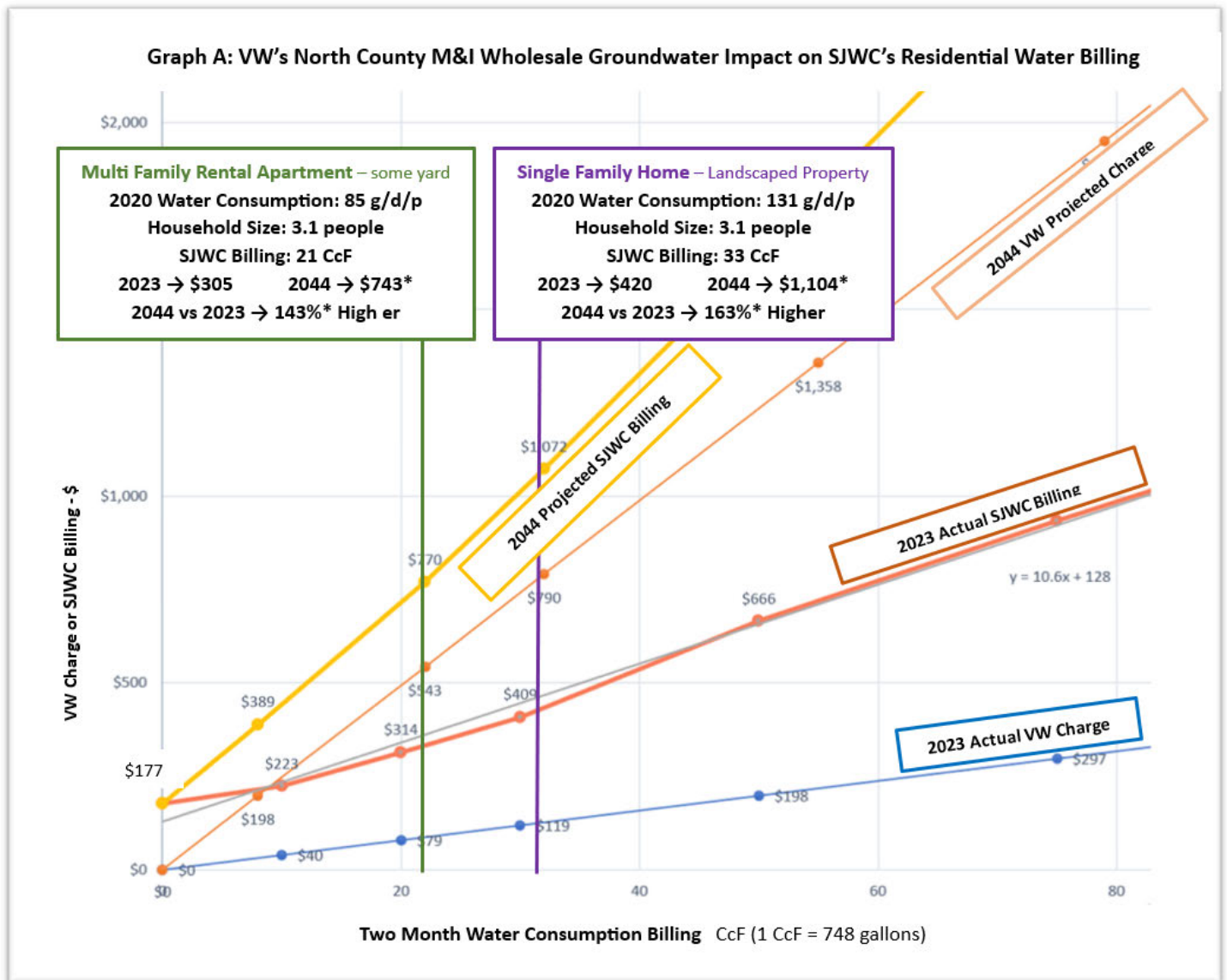
Note: The \$10,755/AF wholesale North County water cost does not incorporate the potential San Francisco Bay Desalinization Project capital and operating cost. The desalinization project has not as yet been approved as a funded project. If approved, which is highly likely, it would be a future adder. Other yet to be identified infrastructure projects should be expected to surface that will become adders increasing long-term North County groundwater charges.

## Projected San Jose Water Company 2023 to 2034 Residential Water ‘Bill’ Increase

Graph A titled: “VW’s North County M&I (Zone W-2) Wholesale Grounwater Impact on SJWC’s Residential Water ‘Billing’;” identfys the expected impact on SJWC’s water ‘Bill’ from VW’s projected price increase between 2023 and 2044. Water consumption benchmarks reference points on the graph have been established for two basic important household types’ average water consumption amounts. The benchmarks shown facilitate assessing the projected increased groundwater ‘Charge” impact on water *affordability*.

1. A family renting a multi-unit market rate apartment building where some landscaping and irrigation exist.
2. A family owning a single-family home with a landsaped irrigated yard.

The data needed for water consumption (i.e., interior and exterior water consumption) with type of household (multi-family and multiunit rental) needed for the San Jose metropolitan *affordability* analysis benchmarking could not be found in SJWC’s 2020 Urban Water Management Plan (R5). Instead, Oceanside, a suburb of San Diego, has been employed for typical residential water consumption usage as a substitute (R8).



\*SJWC ‘Billing’ numbers shown are interpolations between data points obtained from one customer’s water statement residential home 1 inch service.

Wholesale groundwater [i.e., North County M&I (Zone W-2)] **2023 Actual VW Charge** is identified and then the **2044 VW Projection Charge**. The graph displays **2023 Actual SSJWC 'Billing'** obtained from a City of Almaden Valley single-family home over a range of water consumption amounts covering both wet and dry seasons (R9) then the **2044 Projected SJWC Billing**.

SJWC's 2044 Projected 'Billing' is the calculated difference between their 2023 'Billing' and VW's 2023 Actual 'Charge' where the water source is entirely VW wholesale groundwater. 2023 'Billing' minus 'Charge' was added to VW's projected 2044 ground water charge to yield the 2044's 'Billing'. Actuals and projections results are shown graphically for different water consumption rates.

**Due to the VW's projected 624% wholesale ground water between 2023 and 2044, the retail cost of water provided by SJWC's for over 1 million residents is projected to increase in their bimonthly 'Bill' in constant economics per the table below:**

<b>For a Multi-Family Rental Apartment (21 CcF/2m)</b>	<b>From \$305/2m to ≈\$743/2m for an ≈143% increase</b>
<b>For a Single-Family Home (33 CcF/2m)</b>	<b>From \$420/2m to ≈\$1,104/2m for an ≈163% increase</b>

The table results shown above assumes SJWC doesn't change their 'Billing' rate with volume consumption structure between 2023 and 2044.

The projected 2044 water cost increase will cause a 10% adder of \$218 to a 2024 market rate studio apartment's \$2,187/m rental (R11) that is already highly *unaffordability* (R12).

The question arises: Why didn't the 624% increase in VW's wholesale groundwater 'Charge' between 2023 and 2044 cause an identical percent change in SJWC's 2044 'Billing'?

- Only ≈20% of SJWC's 2023 'Bill' is recovery of VW's wholesale groundwater 'Charge'. ≈80% of the SJWC's 'Bill' is capturing their water delivery infrastructure investment recovery, recoping operational costs and satisfying profit requirements.
- The difference between VW's acre feet 'Charge' (i.e., 1 AF = 325,829 gallons) and SJWC's CcF 'Billing' measurement (1 CcF = 748 gallons) systems mathmatically dilutes the increased cost of groundwater reducing its impact.

Note: In addition to VW supplied groundwater, SJWC supplied potable water is derived from a blend of sources including surface water plus SJWC owned reservoirs and private wells. These other water source percentage contributions are small, seasonal and estimated to be ≈5 to 15% maximum by the WRates organization ( R16). Blending cause minimal inaccuracy in the *affordability* analysis results.

- The precise relationship of VW's projected 'Charge' to SJWC's projected 'Billing' information is not publicly available; thus, beyond the scope of this document.

**Question 2: For 'Essential Workers', what will the projected increase in water cost impact be on multi-unit rental housing and single-family rental housing with minimal or no landscaping?**

**Affordable Housing Water Utility Rent Allowance**

The US Department of Housing and Urban Affairs states: If household is paying over 30% of their income, they are considered *housing 'cost-burdened'* and if ≥50%, *'severly cost-burdened'* (R10). In the Bay Area, for those who are sheltered, 38% are paying more than 30% of their household income. This 38% then breakdown into 20% are paying between 30:50% and 18% are paying 50% or more of their income. Housing costs include rent or monthly mortgage, utilities (e.g., water gas, and electricity) and property taxes.

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California Department of Housing and Community Development (HCD) has established income limits and allowable rents for 'affordable housing'. The amount that an 'affordable housing' landlord can include in the rent for water comes from a HCD table (R11). That allowable water utility amount for a affordable Multi Family Apartment compared to Graph A's SJWC's impacted 2023 and 2044 estimated 'Billing' is shown in Table A below.

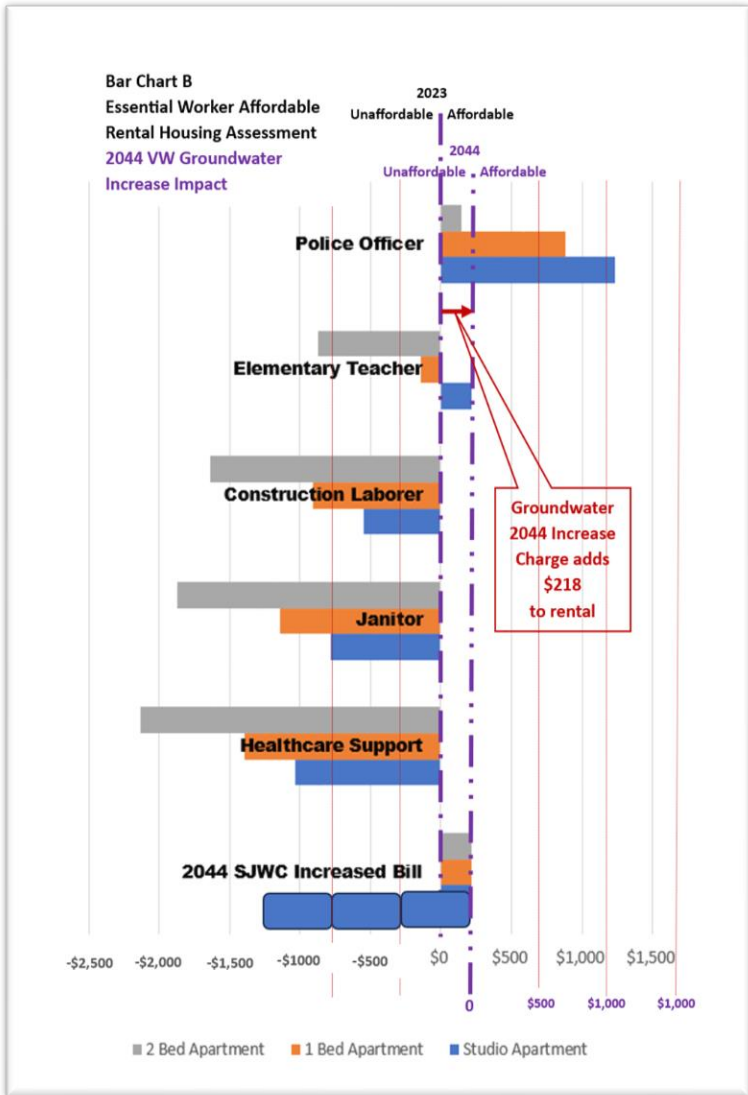
**Table A: HCD Affordable Housing Water Utility Allowance** (Assumes household size 3.1 people water consumption of 21 CcF/2m)

Unit Type	Bedrooms	1	2	2023 SJWC 'Bill'	2044 SJWC 'Bill'
• Semi-detached, Rowhouse & Townhouse		\$64/m	\$79/m	\$152/m	\$372/m
• Low-Rise & High Rise (5 or more units)				(\$305/2m)	(\$743/2m)

Using the current 2-bedroom *affordable* housing allowance of \$79/month as the current upper limit that a landlord can charge in computing a tenant's allowable rent, the water utility increase impact due to VW's higher wholesale groundwater is 1.9 higher in 2023 and 4.7X higher in 2044 than what is allowed when translated into SJWC's 'Billing'. Whom is going to pay for the significant increase in the water utility 'Billing' impacting *affordable* housing - California taxpayers! VW's 2044 projected increase in wholesale water cost will have a significant adverse economic Impact on publicly supported *affordable* housing.

### 'Essential Workers' and Projected Increased Water 'Bills'

As another *affordability* assessment check, 'Essential Workers' income have been assessed relative to the 2023 market-rate rental housing costs (R12). See Bar Chart B titled: "Essential Worker Affordable Rental Housing Assessment." The 'Essential Workers', median annual incomes, selected to illustrate the housing *affordability* are Healthcare Support Workers (\$45,700/Y), Janitors (\$45,900/Y), Construction Laborers ( \$65,200/Y), Elementary Teachers (\$95,800/Y) and Police Officers (\$136,000/Y). **A maximum of 30% of the worker's income has been allocated as being allowable for housing per HDC guidelines.**



On examining Chart B for 2023, for the five essential workers identified, only Elementary Teachers and Police Officers can *afford* a market-rate Bay Area studio Apartment (\$2,187/m). Police Officers can also *afford* renting a more expensive 1-bedroom apartment (\$2,516/m) and a 2-bedroom apartment (\$3,250) minimally needed for a 3.1 average family size.

In market-rate rentals, inclusion of utilities varies. It has been assumed, in the competitive real estate market, 2023 average market-rate rentals include water. The projected increase in wholesale groundwater from 2023 to 2044 is projected to be \$218 from SJWC on a monthly basis. Landlords will increase monthly rental rates inclusive of utilities to recover that higher cost. As a consequence in 2044, the studio Apartment becomes *unaffordable* for the school teacher but remains *affordable* for the police officer. The 2-bedroom apartment becomes *unaffordable* for the police officer.

Purchasing a market-rate home is not projected (i.e., 2023 through 2044) to be *affordable* for the ‘Essential Workers’ because their earnings are insufficient.

- An income of ≈\$187,000/Y is required to *afford* a 2023 median-priced condominium price of \$871,000.
- An income of ≈\$389,218/Y is required to *afford* a 2023 median-priced \$1,808,000 single-family home, rowhouse or townhouse.

When the 2023 to 2044 VW projected retail water price monthly increment of \$218/m is added to the market-rate rental, the San Jose Metropolitan *affordability* situation remains relatively unchanged due to the increase. However, VW’s projected cost increase in groundwater between 2023 and 2044 contributes to the ongoing high cost of living problem for the Bay Area.

People are leaving California due to its high Cost-of-Living, including expensive housing and high taxes. The housing crisis, characterized by high costs and a lack of *affordable* options, is a major factor (R13).

**Question 3: What will be the consequences to single-family property home owners with landscaped irrigated yards?**

Water conservation has been identified as the most inexpensive way to align urban water demand to the scarce water supply in California. This section focuses on SJWC’s ‘Billing’ rate methodology to achieve urban conservation goals with and without VW’s projected 2044 Wholesale groundwater ‘Charge’ impact. The analysis translates this information into consumer water *affordability* consequences relevant to residential property owners with irrigated landscaping.

Every five years, urban water suppliers in California, such as SJWC and VW, are required by State law to prepare an Urban Water Management Plan (UWMP). The UWMP documents current and projected water supplies, water demand over the next 25 years, conducts water reliability analysis and identifies conservation efforts to reduce water consumption.

- Water Conservation Act (2009 WCA or SB X7-7) legislated urban water rationing using economics with the goal to reduce water consumption (e.g., 20% by 2020).

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- More recent SB1157’s urban water rationing legislation identifies an interior household water consumption reduction goal from the current average of 47 to 42 gallons per capita per day (g/p/d) by 2030. This goal translates to 11 CcF over 2-months for an average household of 3.1 individuals. For retail water utilities, such as SJWC, there are issues regarding how to achieve the goal and measure progress without separate interior exterior water meters. Other issues exist involve a vast range of dwelling water consumption influencing characteristics, such as household size, work/educated away or at home, degree the dwelling employs water saving appliances, etc.

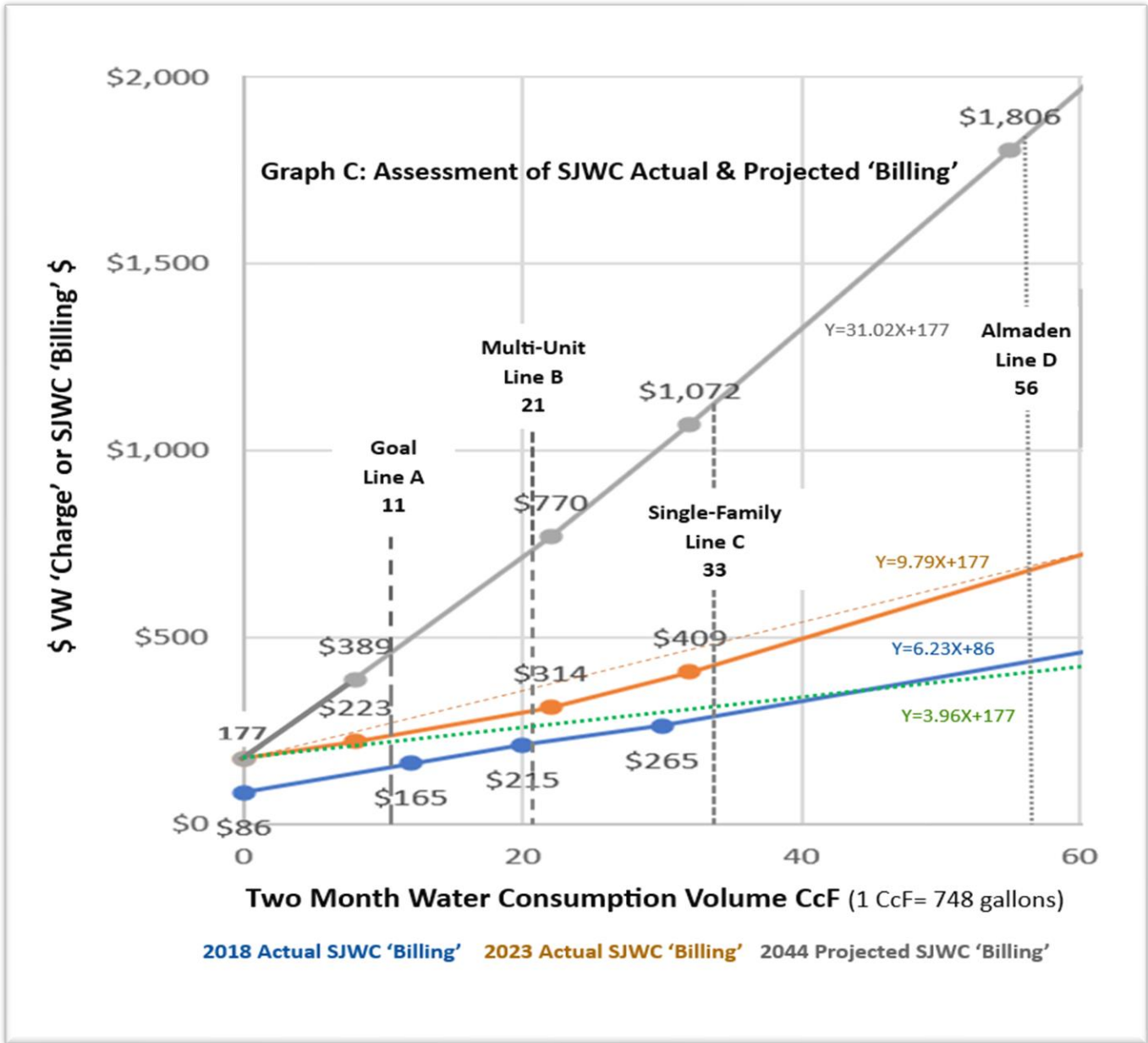
**Table E: “Residential Water Consumption – Actual versus Goals”** - displays water usage data from VW’s, SJWC’s and Oceanside’s, California, Urban Water Management Plans (R12). Oceanside’s information has been employed for Multi-Family and Single-Family Housing water consumption because no similar information required for the analysis was found in VW’s or SJWC’s Urban Water Management Plans (UWMP). SB1157’s goal is shown within the **red** border and actual consumptions within the **green** border.

Table E: Residential Water Consumption - Actual versus Goals											
Residential Classifications Household Size: 3.1 people	Actual Consumption						Interior Consumption Goal				
	2020				2023		2030		2040		
	San Jose Metropolitan Area				Oceanside, CA		Almaden	Household		Household	
	g/d/p	2m CcF	AF/Y	% Total	g/d/p	2m CcF	2m CcF	g/d/p	2m CcF	g/d/p	2m CcF
<b>VW UWMP Residential Water Usage</b>	<b>74</b>	19									
<b>SJWC UWMP Entire Population Usage</b>	<b>108</b>	27									
Multi-Family Interior Usage				49	12		<b>42</b>	<b>11</b>	<b>20</b>	<b>5</b>	
Multi-Family Exterior Usage				36	9						
<b>Multi-Family Uses Total</b>			24,744	20%	<b>85</b>	<b>21</b>					
Single-Family Interior Usage				45	<u>11</u>	15	<b>42</b>	<b>11</b>	<b>20</b>	<b>5</b>	
Single-Family Exterior Usage				86	<u>22</u>	41					
<b>Single-Family Uses Total</b>			59,497	49%	<b>131</b>	<b>33</b>	<b>56</b>				
<b>Other Usages AF/Y</b>			37,262	31%							
<b>Total SJWC Usage</b>			121,503	100%							

From Table E’s water consumption data (CcF), SJWC’s ‘Billing’ costs have been analytically determined for 2018, 2023 and 2044. This information is shown in the following table and is then displayed on Graph C.

Graph C Lines	A	B	C	D
<b>Classification</b>	<b>Interior Goal</b>	<b>Multi-Unit</b>	<b>Single-Family</b>	<b>Almaden</b>
<b>Exterior Landscaping</b>	<b>None</b>	<b>Some</b>	<b>Yes</b>	<b>Extensive</b>
<b>CcF</b>	<b>11</b>	<b>21</b>	<b>33</b>	<b>56</b>
<b>2018 Actual SJWC ‘Billing’</b>	\$158	\$220	\$285	\$435
<b>2023 Actual SJWC ‘Billing’</b>	\$240	\$305	\$420	\$677
<b>2044 Projected SJWC ‘Bill’</b>	\$443	\$743	\$1,104	\$1,838

**Graph C: Assessment of SJWC’s Actual & Projected ‘Billings’** shows SJWC’s actual ‘Billing’ structure with water volume consumption (CcF) for 2018, 2023 and projected 2044 ‘Billing’. Vertical Reference Lines A, B, C and D have been inserted into the graph to facilitate analytical communications and understanding from the above table.



**Graph B (21 CcF) and Line C (56 CcF)**

Using Oceanside’s information on water consumption shown by lines B and C, between 2018 and 2023 the SJWC ‘Billing’ for water increased for multi-units 39% (\$220→\$305) at 21 CcF, and for single-family units 47% (\$285→\$420) at 33 CcF. **Between 2023’s actual and 2044 SJWC projected ‘Billing’, the water cost growth is estimated to be 144% for multi-unit and 163% for single-family dwellings.** SJWC, a for profit utility, has the reputation of being aggressive and very successful in pursuing water price increases through California Public Utilities Commission (CPUC). This year (i.e., 2024) SJWC is seeking a 20% water ‘Billing’ rate increase over 2024, 2025, 2026 and 2027. Though disputed by the organization WRATES, the rate increase is expected to be approved by the CPUC as have prior requests. **VW’s actual groundwater ‘Charge’ increases will always be recaptured by SJWC in their ‘Billing’.**

SJWC has made the consumption of water per unit consumed more expensive beyond 11 CcF than below. The slope for **2023 Actual SJWC ‘Billing’** trendline (i.e.,  $Y = 9.79X + 177$ ) was 48% steeper than the **2018 Actual SJWC ‘Billing’** trendline (i.e.,  $Y = 6.23X + 86$ ). This slope change identifies how SJWC’s implemented SB1157’s legislative objectives through changing their ‘Billing’ structure. The green dotted trendline (i.e.,  $Y = 3.96X + 177$ ), offset upward by SJWC’s fixed \$177 charges, identifies SJWC’s increased cost with volume consumption of VW’s groundwater. The slope for **2023 Actual SJWC**

'Billing' trendline (i.e.,  $Y=9.79X+177$ ) was **247%** steeper than the **2023 Actual VW 'Charges'** (i.e.,  $Y=3.96X+177$ ). Normally, price per unit decreases as the total volume purchased increases. Volume discounting is common manufacturers (e.g., Coke) and retailers (e.g., Costco) because they usually can process more product with the same infrastructure investment overhead, reduce operational cost per unit produced and increase profitability

SJWC's objective has been to drive achievement of the 11CcF urban conservation legislative goal economically by discouraging higher volume water usage. Drive exterior irrigation reduction and conversion to interior water saving appliances and personal practices.

On Graph C, notice the downward dip in the solid 2023 Actual SJWC 'Billing' line versus its dotted regression analysis line. **The downward dip demonstrates SJWC is pursuing progressive socioeconomic practices in its water pricing 'Billing' structure by making the cost per gallon consumed cheaper for lower volume (i.e.,  $\leq 21$  CcF/2m) usages and higher for high volume (i.e.,  $\geq 21$  CcF/2m) usage.** It is assumed in this *affordability* analysis that SJWC will continue their progressive socioeconomic 'Billing' methodology practice through 2044. **SJWC's progressive socioeconomic 'Billing' methodology can be made more progressive to offset increased VW groundwater cost by shifting more revenue requirements to high volume users but increases potential unintended significant consequences long-term.**

### Graph C Line D (56 CC)

Graph C line D, at 56 CcF, displays analysis results for an Almaden Valley single-family home located on a large 1/3 acre lot (R9). The water thirsty landscaped property contains a pool and copious plantings: lawn, fruit trees, and vegetable garden. Over the wet and dry season, the Almaden property exhibits a wide range of water consumption levels and SJWC 'Billing' data results.

Between 2018 and 2023, SJWC's bimonthly 'Billing', for 56 CcF usage, the property went from \$435 to \$677 for an increase **56%**. Between 2023's actual and 2044, the projected 'Billing' is estimated to grow from \$677 to \$1,838 for an **174%** increase. **The projected 2044 annual water 'Bill' of  $\approx \$11,028$  will be economically intolerable for most of this classification of property owners, excepting the wealthy.** The higher expense will stimulate these high water use property owners to relandscape to water miserly plantings not requiring irrigation and remove pools significantly reducing their water demand between 2023 and 2044. This demand reduction in high water use property owners over 20-years will lead inturn to a unintended significant reduction in water demand leading to an increase retail cost in water for all in San Jose Metropolitan Area served by SJWC – See item 3 in the following Summary.

## Summary of Valley Water 2044 Projected Groundwater Cost Increase Consequences

1. Per Exhibit 2's WSMP 2050 Strategies, the 'Local Control' versus 'Lower Cost' projected North County for San Jose Metropolitan Area wholesale groundwater 'Charge' upward trajectory between 2023 and 2044 could be reduced from 624% to 521%. However, because of the totality of planned multiproject infrastructure investment planned by VW is so emense, the projected improvement in water *affordability* is relatively minor. As an example, the 2044 multiunit retail water cost increase would be reduced from  $\approx 143\%$  to  $\approx 120\%$  (see page 8). If a multiunit tenant's rent excludes utilities, the estimated change in the SJWC bimonthly water 'Bill' for 2044 would decrease from  $\approx \$740$  to  $\approx \$618$ . The tenant's original 2023 water 'Bill' was \$305.
2. Compared to 2023, the analysis determined that VW's 2044 projected wholesale groundwater North County M&I ( ZoneS W-2) will to increase SJWC's consumer retail water cost  $\approx 144\%$  for interior usage and  $\approx 163\%$  for multiunit single-family rental dwelling with some landscaping and 174% for a high water use copiously Indscaped Almaden Valley single family home.
3. SJWC has established a progressive 'Billing' rate structure using economics to drive urban water conservation directed at high (i.e.,  $>21$  CcF/2m) consumption water using households. This progressive SJWC 'Billing' structure incorporating the impact of VW's 2044 significantly higher groundwater 'Charge' will long-term drive urban water conservation accelerating conversion to residential water miserly relandscaping not requiring irrigation and residential property pool removals. SJWC's progressive water conservation 'Billing' strategy will have potential significant unintended consequences  $\approx 50\%$  of San Jose Metropolitan Area residential water

usage is due to irrigation, a commonly accept number among water experts. The high water consumptions users<sup>®</sup> are primarily property owners who are irrigating yards such as Graph C’s Almaden Line D property owner average consumption of 56 CcF/2m. It is reasonable to assume that between 2023 and 2044 that SJWC’s progressive water conservation ‘Billing’ structure coupled with VW’s urban water conservation program will be successful. Irrigation of yards will become too expensive and irrigationless planting options so popular that residential landscaping water usage will vertially cease. Because of the characteristics of SJWC’s ‘Billing’ structure, it is estimated that the 2023 set of high consumption water property owners generate ≈40%<sup>®</sup> of SJWC’s revenue. Given 40% of SJWC’s revenue is gradually lost from those high-end water users, that lost revenue must be recovered by SJWC to remain solvent and profitable. As SJWC’s revenue ceases from these residential customers, SJWC will justifiably stepwise increases their customers’ water ‘Bills’ to compensate following the progressive ‘Billing’ rate structure through the CPUC’s approval process. The ‘Billing’ rate increase will in turn drive down water consumption even more within the high voume water user set. A slow moving ‘financial downward spiral’ driven by SJWC’s progressive ‘Billing’ structure and required compensating ‘Billing” rate hikes to water users will evolve. This phenomena will, of course, be a slow moving 20-year dance between 2023 and 2044 . Constantly triggered by VW’s ongoing increasing groundwater charges, ultimately growing 624% as shown in Exhibit 2. This financial spiral impact phenomenon is projected to increase SJWC retail ‘Billing’ another ≈40% for rental multiunit, from ≈144% to ≈202%, and for single family dwellings, from ≈163% to ≈228%.

<sup>®</sup> SJWC’s revenue distribution versus customer volume cosumption data is not publically available so a logical estimate has been made.

4. As an offset to urban water conservation progress in reducing water supply demand is Association of Bay Area Government’s (ABAG) projected population growth and Regional Housing Needs Assessment (RHNA) 8-year (2023-31) expansion goal based on projected population growth and housing needs. Projected Population and housing growth will increase water demand. Whether this increased demand will be realized and be sufficient to offset that urban water conservation program driven by SJWC’s progressive socioeconmic water pricing is an arguable speculative judgment call. As an example of a respected community leader’s evaluation of ABAG’s RHNA goal for San Jose’s future planning, Mayor Matt Mahan states the goal of an additional 25,000 units of *affordable* housing uints by 2031 is a fantasy!
5. Assessing and preventing the ‘financial downward spiral’ phenomena must be satisfactorily addressed in VW’s planned expert *affordability* study by Raftelis Financial Consultants, Inc. and Hazen and Sawyer. For financial health of SJWC and VW, it is highly desirable that overall North County consumption levels stay relatively *stable or grow* long-term unless VW’s ability to supply the required water amount ceases to be sufficient.

◇ A simple analogy helps explain the financial need for *stability in water consumption and supply*. Assume acceptable SJWC and VW finacial results occurs when \$1 revenue is obtained by SJWC supplying 1 cup of water to customers. If only ½ cup of water consumption need exists or water supply is available, SJWC ‘Billing’ must double and be spread across that ½ cup of water consuming customers for SJWC to achive acceptable financial results. VW groundwater ‘Charge’ must also double for their acceptatble financial results.
6. VW and SJWC have been assuming the population they serve will grow 26% between 2020 and 2040 in their Water Management Utility Plans per the Association of Bay Area Governments (ABAG) planning assumption guidelines. However, San Jose’s population declined 4.3% since 2020 according to the US Census Bureau. Independent researcher, Gaeton Lion, predicts it will be flat till 2060 (R7). The California Department Demographic Research Unit (DRU) official population forecast for California is flat after 2036.

#### Question 4: What will the consequences to San Jose metropolitan area’s economy and cost-of-living?

As reported in this document’s section on ‘Essential Workers’ and Projected Increased Water ‘Bills’: People are leaving The Bay Area and California due to its very high Cost-of-Living, including expensive housing and high taxes. The housing crisis, characterized by high costs and a lack of *affordable* options, is a major factor (R13). The increasing cost of water driven by VW’s 624% increase in wholesale groundwater for North County M&I (Zone W-2) exacerbates the existing problem. **The SJWC retail water ‘Bill’ is projected to grow between 2023 and 2044 by 143% for a multiunit rental and 163% for a single-family dwelling (Page 7 Graph A).**

All factors considered, water supply requirements are expected to decline between 2023 and 2044 because of a leveling of population a growth, impact of water conservation programs and the increased cost of utilities (e.g., water) plus other economic factors beyond the scope of this document.

### Appendix of References and Research Notes

**Acronyms.**

- AF: Acre Foot
- AF/Y: Acre Foot/Year
- ABAG: Association of Bay Area Governments
- B: Billion
- CcF: 100 cubic feet
- CPUC: California Public Utilities Commission
- DRU: California Department Demographic Research Unit
- g/d/f: gallons/day/family or household
- g/d/p: gallons/day/person
- m: month
- MG: million gallons
- PREP: Pacheco Reservoir Expansion Project.
- RHNA: Regional Housing Need Assessment
- SCC: Santa Clara County
- SJWC: San Jose Water Company
- UWMP: Urban Water Management Plan
- VW: Valley Water
- Y: Year

**R1.** VW’s 2040 Water Supply Master Plan’s greater than 1 billion dollars planned investment infrastructure projects are shown in the table below. In most cases, project costs will be shared with other water districts in partnerships but the shared percentage is unknown. Project costs keep increasing. The amount shown in the table is the result of 6/14/24 web searches.

Infrastructure Projects	Loans: Bonds +Loans + Grants Billions	30 Year Loans with 3% Interest (1.52 x Loan or Grant)
Anderson Dam Sesmic Retrofit	\$2.3	\$3.45B
Pacheco Reservoir Expansion -shared	\$2.8 – shared	\$4.26B
San Luis Reservoir B.F. Sisk Dam – shared	\$1.0 – shared	\$1.52B
Vaqueros Reservoir Expansion – shared	\$1.25 – shared	\$1.90B
Delta Tunnel – shared	\$20.1- shared	\$30.55B
Potable Reuse	\$1.2	\$1.82B
<b>Total</b>	<b>\$28.65</b>	<b>\$43.5B</b>

See Link: [https://www.valleywater.org/sites/default/files/Water%20Supply%20Master%20Plan%202040\\_11.01.2019\\_v2.pdf](https://www.valleywater.org/sites/default/files/Water%20Supply%20Master%20Plan%202040_11.01.2019_v2.pdf)

**R2.** From Exhibit 1 (Page 5), the wholesale North County M&I (Zone W-2) groundwater price for was \$1,499/AF in 2023 and is projected to be \$5,075/AF in 2034. VW’s planned project’s investment will increase the wholesale price of groundwater to retail utilities in the San Jose metropolitan area 248% or 12% per year between 2023 and 2034. For Exhibit 3 below from a VW presentation, between 2023 and 2034, the groundwater ‘Charge’ predicted increase was 138% or 12%/year.

Base Case	Adopted Budget						
	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30
No. County (W-2) M&I GWP charge (\$/AF)	\$1,974	\$2,229	\$2,450	\$2,692	\$2,959	\$3,252	\$3,574
Y-Y Growth %	14.5%	12.9%	9.9%	9.9%	9.9%	9.9%	9.9%

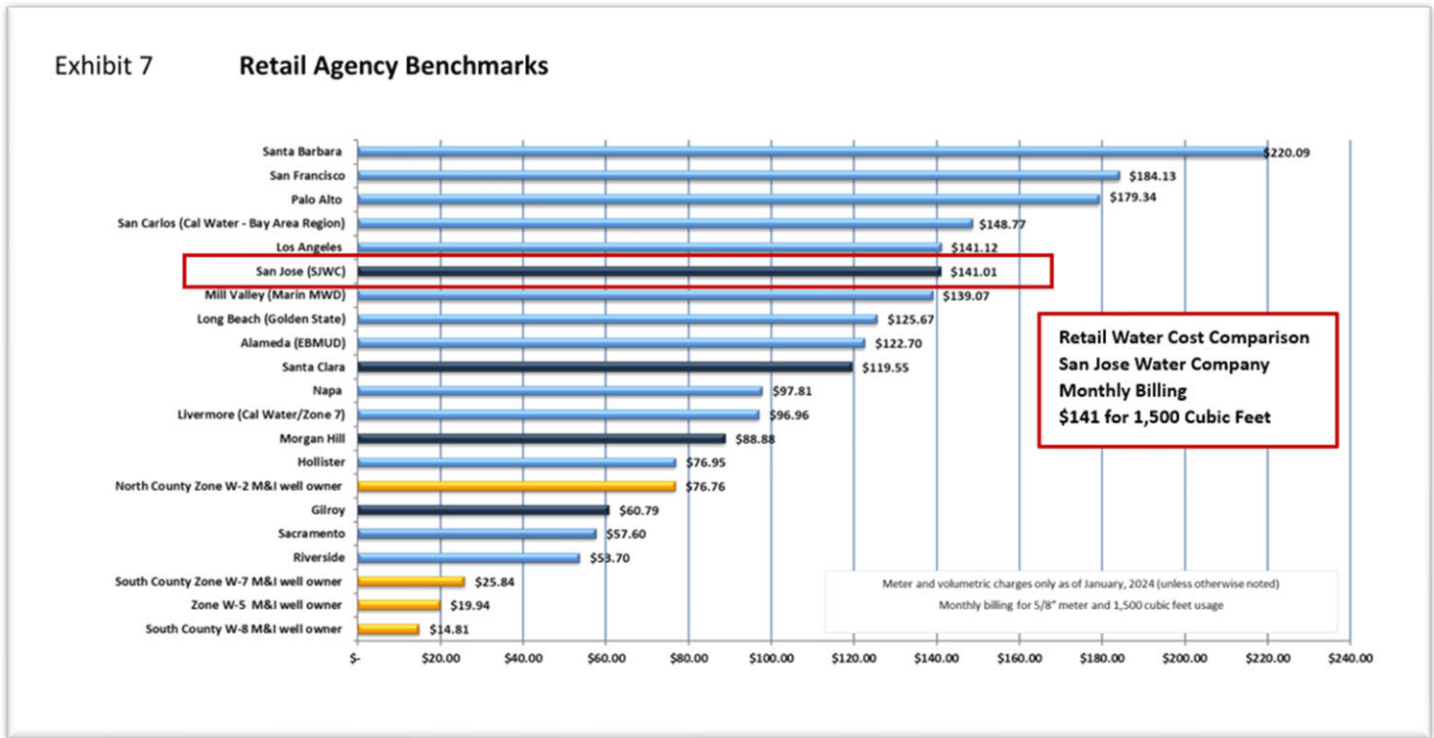
See link: <file:///C:/Users/Jim%20Kuhl/Documents/AVCA/Water/Water%20Rationing%20Cost%20Policy/VWGrdWaterZoneW2-2024-25Charge%20204-8-24.pdf>

See link: <VWGrdWaterZoneW2-2024-25Charge 4-8-24.pdf>

## Water Affordability White Paper

**R3.** Over one million customers served. See SJWC website link: <https://www.sjwater.com/our-company>

**R4.** See Exhibit 7 below from a VW presentation.



See link: [VWGrdWaterZoneW2-2024-25Charge 4-8-24.pdf](#)

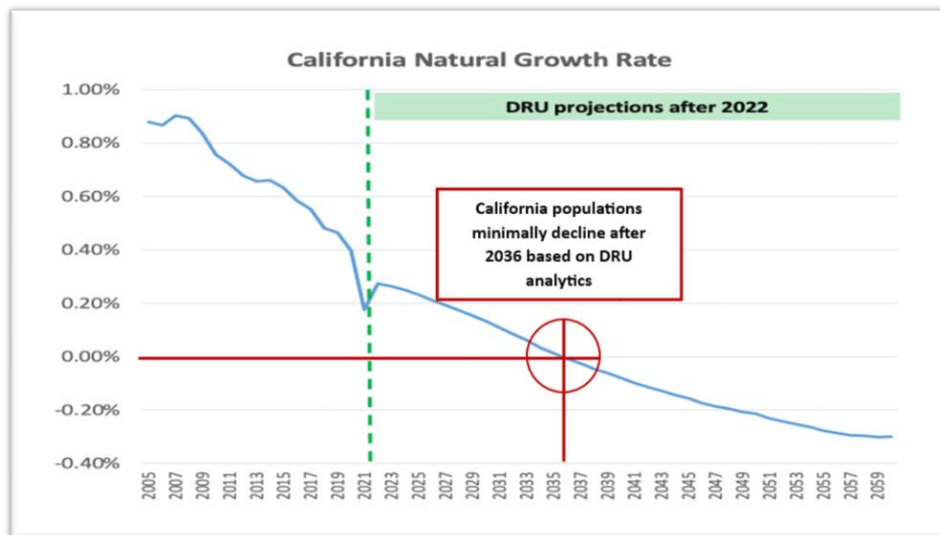
**R5.** Served Population Growth: 26% (i.e., 2020 = 998,000 people to 2040 = 1,261,000 people)

See SJWC’s “2020 Urban Water Management Plan” (UWMP) link: <https://www.sjwater.com/sites/default/files/2021-06/2020%20UWMP%20FINAL%20with%20Appendices.pdf>

**R6.** US Census Breau estimates show San Jose population declining 4.3% between 2020 (1,013,241) and 2023 (969,655).

See link: <https://www.census.gov/data/tables/time-series/demo/popest/2020s-total-cities-and-towns.html>

**R7.** While California Department Demographic Research Unit (DRU) expects the Bay Area population would grow by 10.8% by 2060, Gaetan Lion expects that it will contract by - 4.2%. T. The DRU official population forecast for California is flat after 2036. This population growth forecast information has been included to show that this key planning parameter governing water supply projections is highly judgmental and speculative.

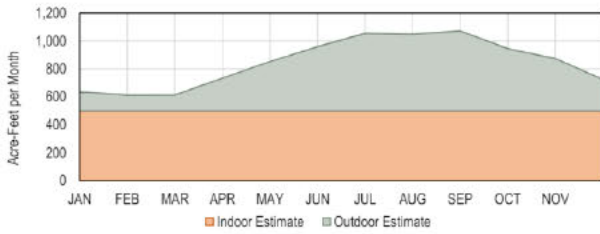


## Water Affordability White Paper

See link: [https://marinpost.org/blog/2023/8/22/sacramentos-projections-for-the-bay-area-are-still-too-high#:~:text=Economy%20%26%20Jobs%20%7C-,Sacramento%20\(DRU\)%20projections%20for%20the%20Bay%20Area,are%20still%20much%20too%20high&text=The%20Department%20of%20Finance%20Demographic,will%20remain%20flat%20till%202060.](https://marinpost.org/blog/2023/8/22/sacramentos-projections-for-the-bay-area-are-still-too-high#:~:text=Economy%20%26%20Jobs%20%7C-,Sacramento%20(DRU)%20projections%20for%20the%20Bay%20Area,are%20still%20much%20too%20high&text=The%20Department%20of%20Finance%20Demographic,will%20remain%20flat%20till%202060.)

**R8.** A breakout was not found for the metropolitan San Jose area regarding residential dwelling indoor and outdoor water usage characteristics in either VW's or SJWC's UWMPs. As a substitute, published information on residential water usage was found for Oceanside California, a suburb of metropolitan San Diego. Household size is 3.1 people.

Figure 2-1. Single Family Residential Water Use: Indoor vs. Outdoor



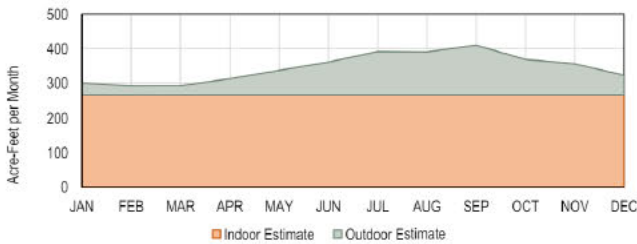
\* Average 2016-2020 monthly Single Family indoor and outdoor water use.

Table 3-3. Baseline Units Factor for Indoor Uses

Sector	Unit Factor Description	Unit Factor
Single-family	Gallons per Person Per Day (Single-Family)	45
Multi-family	Gallons per Persons Per Day (Multi-Family)	49
Landscape	Gallons per Housing Unit Per Day (Total)	0
Commercial	Gallons per Employee Per Day	30
Industrial	Gallons per Employee Per Day	17

Oceanside's single-family indoor water usage is 62% and outdoor usage is 38%.

Figure 2-4. Multi-Family Residential Water Use: Indoor vs. Outdoor



\* Average 2016-2020 monthly Multi-Family indoor and outdoor water use.

Table 3-4. Baseline Unit Factor for Outdoor Uses

Sector	Unit Factor Description	Unit Factor
Single-family	Gallons per Housing Unit Per Day (Single-Family)	86
Multi-family	Gallons per Housing Unit Per Day (Multi-Family)	36
Landscape	Gallons per Housing Unit Per Day (Total)	57
Commercial	Gallons per Employee Per Day	11
Industrial	Gallons per Employee Per Day	2

Multi Family Total Water consumption per day = 85 g

Single Family Total Water Consumption per Day = 131 g

Oceanside's multi-family indoor usage is 80% and outdoor usage 20%. The 20% outdoor usage judgmentally seems too high for multi-unit apartment buildings.

See Oceanside's, California, 2020 Water Conservation Master Plan link:

<https://www.ci.oceanside.ca.us/home/showpublisheddocument/5836/637963564193870000>

**R9.** Actual Almaden Valley single-family home SJWC bimonthly, every two months, 'Billing' versus water consumption.

Service Size: 1 Inch	Billing Period	Season	2018		2023	
			CcF/2mo	'Bill' \$/2mo	CcF/2mo	'Bill' \$/2mo
	Nov.-Dec.	Wet	30	\$265	22	\$314
	Jan.-Feb.		20	\$215	8	\$223
	March-April		12	\$165	32	\$409
	May -June		66	\$500	79	\$934
	July-Aug.	Dry	96	\$695	111	\$1,310
	Sept.-Oct.		77	\$575	83	\$1,000
	<b>Total</b>		<b>301</b>	<b>\$2,415</b>	<b>335</b>	<b>\$4,190</b>
	<b>Bimonthly Average</b>		<b>50</b>	<b>\$402</b>	<b>56</b>	<b>\$698</b>

## Water Affordability White Paper

**R10.** US Department of Housing and Urban Affairs state that if household is paying over 30% of their income they are considered housing ‘cost-burdened’ and 50% ‘severely cost-burdened.’ 38% of households are minimally ‘cost-burdened’.

- 20% of households are paying 30-50% of their income for shelter.
- 18% of households are paying more than 50% of their income for shelter.

See link: <https://calbudgetcenter.org/resources/throughout-the-state-californians-pay-more-than-they-can-afford-for-housing/>

See link: <https://www.sanjoseca.gov/home/showpublisheddocument/104359/638282157012130000>

**R11.** California Department of Housing and Community Development (HCD) has established income limits and rent standards for *affordable* housing. *Affordable* housing applies to people below 80% of the Area Median Income (AMI). For *affordable* housing, the rent is limited to 30% of income.

	Extremely Low (30% AMI)	Very Low (50% AMI)	Low (80% AMI)	Median (100% AMI)
Income limits for a one-person household	\$ 27,450	\$ 45,700	\$ 73,100	\$ 83,450
Affordable monthly rent at 30% of income	\$ 686	\$ 1,143	\$ 1,828	\$ 2,086
Income limits for a four-person household	\$ 39,150	\$ 65,250	\$ 104,400	\$ 119,200
Affordable monthly rent at 30% of income	\$ 979	\$ 1,631	\$ 2,610	\$ 2,980

See link: <https://ebho.org/study-room/what-is-affordable-housing/>

The amount in rent that the *affordable* housing landlord can charge for utilities comes from a table using the rent plus a utility base (e.g., electricity, gas and water) adders. The amount for water that can be included in the rent has been extracted from the table is shown below.

<b>Water utility allowance based on unit type</b>	<b>SRO</b>	<b>OBR</b>	<b>1BR</b>	<b>2BR</b>
• Semi-detached, Rowhouse & Townhouse	\$47/M	\$63/M	\$64/M	\$79/M
• Low-Rise & High Rise (5 or more units)	\$47/M	\$63/M	\$64/M	\$79/M
• Single-Family Detached & Manufacture Home	\$47/M	\$63/M	\$64/M	\$79/M

Ref #1.1 See link: <https://www.sanjoseca.gov/home/showpublisheddocument/104359/638282157012130000>

Ref #1.2 See link: <https://calbudgetcenter.org/resources/throughout-the-state-californians-pay-more-than-they-can-afford-for-housing/>

**R12.** 2024 San Jose average rents are shown in the table below:

<b>San Jose 6-11-24</b>	<b>All Types</b>	<b>Studio</b>	<b>1-Bedroom</b>	<b>2-Bedrooms</b>
<b>Average Apartment Rental/Month</b>	\$2,516	\$2,187	\$2,516	\$3,250
<b>Required Annual Income</b> Housing no greater than 30% Income	\$100,600	\$87,500	\$100,600	\$130,000
Above \$2,000/m	47%			
\$1,501 - \$2,000/m	24%			
\$1,001- \$1,500/m	24%			
Below \$1,000/m	5%			

See link: <https://www.apartments.com/rent-market-trends/san-jose-ca/>

<b>‘Essential Worker’ Classifications</b>	<b>Annual Income</b>
Healthcare Support Occupations	\$45,700
Janitor	\$45,900
Construction Labor	\$65,200
Elementary Teacher	\$95,000
Police Officer	\$136,600

See link: <https://www.bls.gov/oes/current/oes310000.htm>

**R13.** “The costs of housing, healthcare and everyday living expenses dominated the reasons.”

UC Berkeley Assistant Political Professor Omar Wasow said these are not just numbers on paper.

See link: <https://www.abc10.com/article/news/politics/californians-consider-moving/103-e330daf7-cad0-4c6f-aa16-a3599dd56b6e#:~:text=The%20costs%20of%20housing%2C%20healthcare,not%20just%20numbers%20on%20paper.>

See link: <https://www.movingapt.com/top-reasons-why-people-are-moving-out-of-california/>

**R14.** VW’s 2020 Urban Water Management Plan

See link: [VW UWMP see link: https://www.valleywater.org/dl/pggls1SeCr](https://www.valleywater.org/dl/pggls1SeCr)

SJWC’s 2020 Urban Water Management Plan

See link: <https://www.sjwater.com/sites/default/files/2021-07/2020%20UWMP%20FINAL%20with%20Appendices.pdf>

Oceanside’s, California, Urban Water Management Plan, called: “2020 Water Conservation Master Plan”

See link: <https://www.ci.oceanside.ca.us/home/showpublisheddocument/5836/637963564193870000>

**R15.** Per the 2040 Water Supply Master Plan, 40% SCC’s water is imported from the Delta.

See page 5 Figure 5 titled: SCC Historic Water Sources from link:

[https://www.valleywater.org/sites/default/files/Water%20Supply%20Master%20Plan%202040\\_11.01.2019\\_v2.pdf](https://www.valleywater.org/sites/default/files/Water%20Supply%20Master%20Plan%202040_11.01.2019_v2.pdf)

**R16.** Per US Census Breau in 2023 the population was 58,250 for Gilroy, 44,487 for Morgan Hill and 1,877,592 for SCC. For SCC, the population distribution conservatively employed in this document was 10% for South County and 90% for North County.

See link: <https://www.census.gov/quickfation distribution acts/fact/table/santaclaracountycalifornia/SBO050217>

**R17.** WRATES – The WRATES organization advocates for transparency, equity and sustainability. WRATES is creating awareness to bring about change to California’s broken government entity, the CPUC, the profiteering, monopolistic, investor owned, San Jose Water Group, and the unchallenged SCVWD.

The author is very grateful receiving advice, and guidance plus VW and SJWC historical information from an WRATES emeritus member.

See link: <https://sjwfacts.weebly.com/>

**R18.** 2023-2031 Housing Element Update

See link: <https://www.sanjoseca.gov/your-government/departments-offices/planning-building-code-enforcement/planning-division/environmental-planning/environmental-review/active-eirs/2023-2031-housing-element-update-er21-032>

## Board of Directors

---

**From:** Alan Rowe [REDACTED]  
**Sent:** Monday, August 12, 2024 5:20 PM  
**To:** Board of Directors  
**Subject:** various

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\*

hi,  
I would like to report various issues when dealing with SCVWD.

1. I reported a dead tree (case [AVW-015564](#)) about 3 weeks ago. So far, not a thing has happened on that case. But that's not the problem here.
2. There is a web page on which you can report dead trees. it asks you to locate it on a map. When you do so (on the canal behind curie ct), it unflinchingly says **This location may not be property that is maintained by Valley Water. Check with your city, water retailer, or the County of Santa Clara if your concern is located outside of Valley Water property.** This is not true of course, but despite the MAY in the wording, it then refuses to go further. (It does the same on your page which asks for complaints and or compliments).
3. So I said, fine, I'll send email. And could I find out who to send it to? No, I could not. On your main page (or anywhere else I looked) is there a list of email addresses. There is not. I found only one - this one, and I suggest you should arrange that you are not the primary point of contact for customers.
4. Ok, I'll call you. Is there a phone number on your web page? [You might like to try to find it yourself before proceeding]. Not on the main page. Is there a Contacts tab? No. If you put Contacts into the search bar, can you find them? No. Now it is there, under How We Operate->About, which I suggest is more hidden than it needs to be.
5. So yes, I called you about all this, and the person was out, and I left a message asking for a callback, and never got one.

Not impressed.

alan

**Board of Directors**

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**From:** Néstor De la O Vargas <nestor@keepcoyotecreekbeautiful.org>  
**Sent:** Monday, August 12, 2024 9:20 PM  
**To:** Linh Hoang; Meghan Azralon; Board of Directors  
**Cc:** Aja Yee  
**Subject:** KCCB BioBlitz on 9/7 and 2 Cleanups on 9/10 and 9/21  
**Attachments:** #3 Trashy Tuesday Collection-Cleanup-Flyer.jpg; 240907-BioBlitz-Flyer.jpg; 240921-Cleanup-Flyer.jpg; 240907-BioBlitz-IG Post.png; 240910-Cleanup-IG Post.png; 240921-Cleanup-IG Post.png

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

**\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\***

Hello,

Keep Coyote Creek Beautiful has Scheduled a BioBlitz on September 7th and 2 Creek Cleanups on September 10th and on 21st respectively

\*\*\*\*\*

**Shady Oaks BioBlitz for CA Biodiversity Day**  
**Location: Shady Oaks Park, Coyote Road and Broderick Dr, San Jose, CA 95111**  
**Sat Sept 7th**  
**9AM-11:30AM**

It's 30x30 for California Biodiversity week! 30x30 is an international effort to preserve 30 percent of the Earth's lands and waters by 2030. California's 30x30 plan conserves a minimum of 30 percent of our lands and waters, and protects biodiversity!

Located in the southern part of San Jose, we will explore the Coyote Creek Trail starting at Shady Oaks Park. Join Keep Coyote Creek Beautiful and partners in cataloging and documenting all of the living things that reside there. We will have experts in various fields to help guide participants through all the cool plants and wildlife.

The best part? All you need to participate is a smart phone with the iNaturalist app! Bring your family and prepare for an in-depth tour of this great park.

Community service hours available.

*Hosted by Keep Coyote Creek Beautiful, BioBlitz Club, Santa Clara Valley Audubon Society, and Peninsula Open Space Trust*

RSVP: <https://240907-bioblitz.eventbrite.com/?aff=vw>

\*\*\*\*\*

**Trashy Tuesdays Cleanup!**  
**Location: Tully Ballfields, 880 Tully Road, San Jose, CA 95111**

**Tue Sep 10th**  
**5PM to 7PM**

Come join us for Trashy Tuesdays 5-7pm once per month for a fun Creek and Trail Cleanup!

Spend a few hours and help us work together for a healthy creek while we beautify the Coyote Creek trail and the creek through a community cleanup.

Free litter kits!

Community service hours available.

Groups Welcome

RSVP: <https://240910-cleanup.eventbrite.com/?aff=vw>

\*\*\*\*\*

**Coastal Cleanup Day - Creek and Park Beautification**

**Location: Roosevelt Park, 901 East Santa Clara Street San Jose, CA 95116**

**Sat Sep 21st**

**9AM to 12PM**

Join Keep Coyote Creek Beautiful and City of San Jose - Volunteer Management Unit for a community cleanup event. Meet new people; improve a neighborhood park; build community around a shared sense of service.

Free litter kits!

Groups Welcome

Community service hours available.

*Hosted by Keep Coyote Creek Beautiful and City of San Jose - Parks, Recreation & Neighborhood Services*

*Sponsored by Creek Connections Action Group and California Coastal Commission*

RSVP: <https://240921-cleanup.eventbrite.com/?aff=vw>

Sincerely,  
Néstor De la O Vargas  
Event Assistant  
Keep Coyote Creek Beautiful  
408.660.3339  
[KeepCoyoteCreekBeautiful.org](http://KeepCoyoteCreekBeautiful.org)

CLEANUP LOCATION PROVIDED UPON REGISTRATION



TRASHY TUESDAYS!!

At Tully Ballfields



5PM-7PM

Sept 10th  
& Oct 8th

RSVP  
AT



KEEP COYOTE CREEK BEAUTIFUL

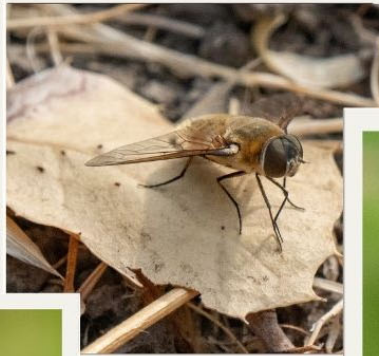


WWW.KEEPCOYOTECREEKBEAUTIFUL.ORG

Become a Community Scientist

# Shady Oaks

# BioBlitz



SEPT 7TH



9AM-1130AM



Join experts to explore nature  
& document what lives in this park!



# CALIFORNIA COASTAL CLEANUP DAY

4<sup>TH</sup>  
ANNIVERSARY

YOU  
ARE  
BIGGER  
THAN  
YOU  
THINK

Saturday, 9.21.24

9AM-12PM

ROOSEVELT PARK - 901 EAST SANTA CLARA STREET, SAN JOSE, CA 95116



SAN JOSE  
PARKS, RECREATION &  
NEIGHBORHOOD SERVICES



Building Community Through Fun



CALIFORNIA  
COASTAL  
COMMISSION



# SHADY OAKS BIOBLITZ

60 SEPTEMBER 7: 9AM-1130AM



*TRASHY TUESDAY*

**COYOTE CREEK CLEANUP**

**AT TULLY BALLFIELDS**





# COASTAL CLEANUP DAY AT ROOSEVELT PARK

# **OUTGOING BOARD CORRESPONDENCE**

**From:** [Michele King](#)  
**To:** [Board of Directors](#)  
**Subject:** FW: Funding for Upper Guadalupe project  
**Date:** Thursday, August 8, 2024 9:37:21 AM

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Please include in non-agenda as outgoing correspondence from Director Keegan.

---

**From:** Barbara Keegan <[BKeegan@valleywater.org](mailto:BKeegan@valleywater.org)>  
**Sent:** Wednesday, August 07, 2024 9:54 PM  
**To:** [REDACTED]  
**Cc:** Board Correspondence <[boardcorrespondence@valleywater.org](mailto:boardcorrespondence@valleywater.org)>  
**Subject:** Funding for Upper Guadalupe project

Dear Ms. Schille,

You had previously contacted me to express your concern about a proposal to move funds currently budgeted for the Upper Guadalupe Flood protection project to another project.

Next Tuesday the Board will consider this action. I share your concern about reallocating these voter approved funds from our community and directing them to a project in South County.

Below you can see the link to Item 3.4 which would allow the funding to be moved. This item is the first order of business for the board meeting and will start at approximately 1 pm.

Interested community members can write to the Board on this item. They can also address the Board via Zoom or in person. I appreciate your interest in this matter.

[Santa Clara Valley Water District - File #:](#)  
[24-0688](#)  
[scvwd.legistar.com](http://scvwd.legistar.com)

Best regards,  
Director Barbara Keegan  
District 2

Sent from my iPad



## Board of Directors

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**From:** Board of Directors  
**Sent:** Friday, August 09, 2024 3:44 PM  
**To:** 'Bonnie Sutphin'; Nai Hsueh; Rick Callender; Michele King  
**Cc:** Ray Bramer  
**Subject:** RE: Saratoga Creek Conditons: POLLUTION AND FIRE HAZARD  
**Attachments:** Fuel Abatement Brochure.pdf

### Sent on Behalf of Chair Hsueh

Dear Bonnie Sutphin,

Thank you for reaching out to Santa Clara Valley Water District (Valley Water) to report concerns with potential pollution, fire hazards, and debris accumulation on Saratoga Creek.

Your initial report of a downed tree was helpful to us, because downed tree had the potential to catch debris and constrict flow in the main channel, which could lead to water flowing over the creek banks if not properly addressed. To alleviate this potential concern, after assessing the site conditions, Valley Water staff determined the best remediation approach was to cut the tree into smaller sections and to leave the tree in place. This is a common practice for Valley Water on more natural riparian corridors like the one near your residence on Saratoga Creek. The sectioned trees are less likely to constrict flow, and can benefit habitat in riparian areas. Valley Water staff typically leave sectioned tree remnants behind in creek channels in attempt to strike a balance between flood protection and environmental stewardship.

To address your concerns regarding fire hazards, mowing does not typically take place on inboard slopes of natural channels. Valley Water does comply with California Government code section 51182 by maintaining firebreaks within 30 feet of occupied structures on its property by removing flammable vegetation or combustible growth. However, the rules are different for land or water acquired or managed in a mostly natural state as habitat for wildlife, plant, or animal communities under California Government code 51184. Lands managed in a natural state are exempt from California Government code section 51182. Please see our attached brochure on fuel abatement which explains more about our responsibility for fuel abatement on lands owned by Valley Water.

Lastly, the green color that is seen in the wet part of the channel is not pollution but rather algae growth can occur this time of year as the weather warms up and the water in the creek gets shallow. The algae are not harmful and will dry out as the channel dries out.

If you would like to report other concerns to Valley Water in the future, you may also use our online system at <https://access.valleywater.org/s/>.

Please contact Deputy Operating Officer Jen Codianne at [jcodianne@valleywater.org](mailto:jcodianne@valleywater.org) for follow up information.

Thanks again for contacting us.

Sincerely,



Nai Hsueh,  
Chair, District 5

---

**From:** Bonnie Sutphin [REDACTED]  
**Sent:** Wednesday, July 31, 2024 3:35 PM  
**To:** Board of Directors <board@valleywater.org>; Nai Hsueh <NHsueh@valleywater.org>; Rick Callender <rcallender@valleywater.org>  
**Cc:** Ray Bramer <rbramer@valleywater.org>  
**Subject:** Saratoga Creek Conditons: POLLUTION AND FIRE HAZARD

**\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\***

To: Valley Water Board of Directors  
Attention: Nai Hsueh, COB, District 5  
Attention: Rick Callender, CEO  
cc: Ray Bramer

Re: **Access Valley Water - Case #AVW-010403**

Dear Ms. Hsueh and Mr. Callender:

I beg you to investigate what's going on with Saratoga Creek in my area between Cox and Prospect. Debris has not been cleaned up since it crashed in February 2023. It is a FIRE HAZARD. Now there is POLLUTION in this area which affects not only the esthetics of the creek but also wildlife.

As you can see from the email trail below, I have tried working with Ray Bramer and he is no longer responding. No action has been taken since I first reported this condition. The case number is shown above.

Attached are two photos, one taken a year ago showing the DEBRIS and one taken a few days ago showing the POLLUTION & FIRE HAZARD.

What's your schedule for cleaning up this mess?

/s/  
Bonnie Sutphin  
[REDACTED]



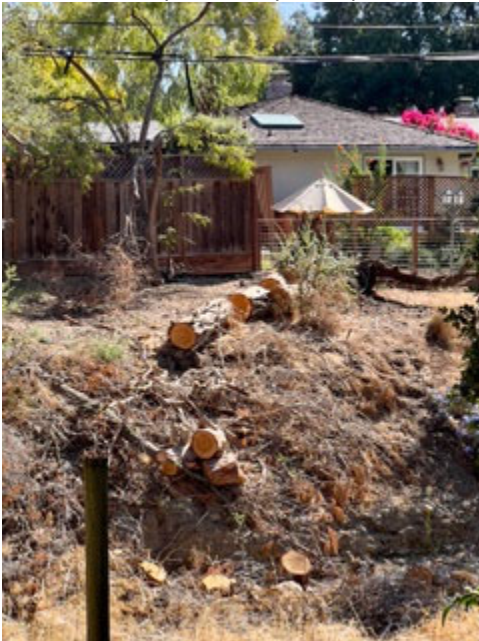
On Jul 23, 2024, at 11:32 AM, Bonnie Sutphin [REDACTED] wrote:

Ray — It's been almost a year since I've heard from you, but nothing has been resolved since last year. The case is still OPEN. I remain disappointed in lack of action on the part of Valley Water in removing the FIRE-PRONE debris from this area. Read on....

Now you have a NEW PROBLEM. I am enclosing a picture taken this week of the slime and POLLUTION in the creek water directly behind my home. What's going on? There is no evidence of this filth at the bridge over Cox Avenue.



And here is a previously sent photo of the debris under the dry brush. FIRE HAZARDS!!



Please advise as to what actions you plan to take, and when.

Thanks,  
Bonnie Sutphin (408-255-3263)

On Oct 21, 2023, at 11:43 AM, Bonnie Sutphin [REDACTED] wrote:

Aaaannndddd your group did not get out here on Thursday. What's your next plan?

On Sep 6, 2023, at 7:02 AM, Ray Bramer <[rbramer@valleywater.org](mailto:rbramer@valleywater.org)> wrote:

Good morning, Bonnie,

Appreciate you reaching back....with all the tree removal work this past winter storm season this tree was apparently missed. But with GOOD neighbors like yourself to remind us we are encouraged to continue moving forward with the proposed work on said tree. We will be out to check the reach from the school and incorporate any other wood that may need adjusting for this up-coming winter flows.

Thanks, and Be Well, Ray

---

**From:** Bonnie Sutphin [REDACTED]  
**Sent:** Tuesday, September 5, 2023 6:46 PM  
**To:** Ray Bramer <[rbramer@valleywater.org](mailto:rbramer@valleywater.org)>  
**Subject:** Re: Access Valley Water - Case #AVW-010403

**\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\***

Still wondering what your plans are....

On May 13, 2023, at 10:15 AM, Bonnie Sutphin  
[REDACTED] wrote:

It's been a couple of months since i first reported these  
downed trees. What are your plans for cleaning them  
up/removing them?

On Apr 11, 2023, at 7:30 AM, Ray  
Bramer <[rbramer@valleywater.org](mailto:rbramer@valleywater.org)>  
wrote:

We did locate one.....we'll take another  
look and add the second tree as we  
need to allow flows to pass through  
reach.

Thanks Bonnie

---

**From:** Bonnie Sutphin  
[REDACTED]  
**Sent:** Tuesday, April 11, 2023 7:15 AM  
**To:** Ray Bramer  
<[rbramer@valleywater.org](mailto:rbramer@valleywater.org)>

**Subject:** Re: Access Valley Water - Case #AVW-010403

**\*\*\* This email originated from outside of Valley Water. Do not click links or open attachments unless you recognize the sender and know the content is safe. \*\*\***

There are 2 downed trees diverting the creek in this location.

On Apr 11, 2023, at 7:10 AM, Ray Bramer <[rbramer@valleywater.org](mailto:rbramer@valleywater.org)> wrote:



Clean Water

Good morning, Bonnie,

Appreciate the report, we have many fallen trees across the county. We are currently working on this down tree as time and resources allow.

Thanks, Ray

Santa Clara Valley Water District | 5750 Almaden Expressway, San Jose, CA 95111



----- Original Message -----  
**From:** Ray Bramer  
[\[rbramer@valleywater.org\]](mailto:rbramer@valleywater.org)  
**Sent:** 3/15/2023, 6:02 AM  
**To:** [REDACTED]  
**Subject:** Access Valley Water - Case #AVW-010403



Clean Water

Good morning, Ms. Sutphin,

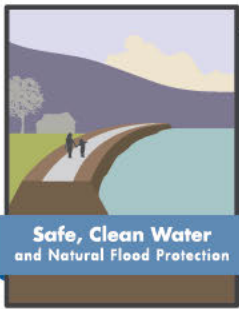
Appreciate the report back to Valley Water, we'll be out to check on the tree and

Thanks and Be Safe, Ray

[Santa Clara Valley Water District | 5750 Almaden Expressway, San Jose, CA 95111](#)



ref:\_00D4W1WXWw.\_5  
004W2HXozS:ref



# Weed Abatement for Fire Code Compliance



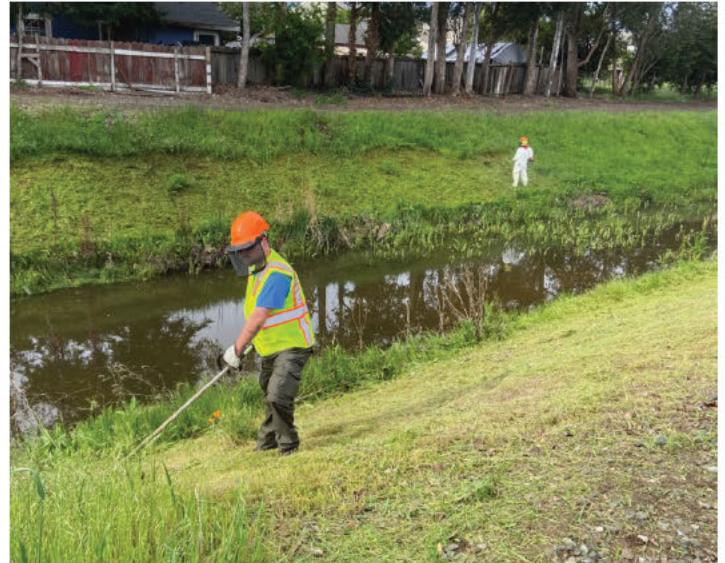
Priority E: Provide flood protection to homes, business, schools and highways.

## Mowing for Fuel Breaks

As stewards of Santa Clara County’s watersheds and hundreds of miles of streams, Santa Clara Valley Water District (Valley Water) maintains fuel breaks for public safety and for avoidance of property damage caused by fire. There are 800 miles of creeks in Santa Clara County, Valley Water owns 278 miles of streams in the county and performs various maintenance activities in these areas.

Valley Water complies with California Government code section 51182 by maintaining firebreaks within 30 feet of occupied structures on its property by removing flammable vegetation or combustible growth. However, the rules are different for land or water acquired or managed in a mostly natural state as habitat for wildlife, plant, or animal communities under California Government code 51184.

Valley Water also follows guidance recommended by the County Agricultural Commissioner’s Office by clearing flammable vegetation on its property located within 30 feet of structures on neighboring properties.



A worker uses a hand weed eater to mow area on West Little Llagas Creek, Gilroy.

- Property where Valley Water has an easement for flood protection, storm drainage or water conservation purposes.



Boom mowing on Thompson Creek, San Jose.

## Valley Water Right-of-Way Defined

Valley Water performs various maintenance tasks on the approximate 278 miles of streams it is responsible and entrusted by the public to maintain. Valley Water either owns the property or is granted an easement. The right of way property examples are:

- Property owned by Valley Water is typically referred to “in fee title,” which is managed with available resources consistent with federal, state and local laws and ordinances;
- Properties where an exclusive easement is held, the property owner is effectively excluded from actively using the property; and

## Managing Weeds on Valley Water Property

Valley Water routinely mows along property fence-lines, creek and levee slopes, flood plains, vacant parcels, percolation ponds, pipelines, dams and reservoirs, canals, and other water utility facilities on its property. Most trails are maintained by the city within whose jurisdiction they fall. Mowing typically begins in March, continuing through spring and summer.

Valley Water considers several criteria when scheduling mowing throughout the County:

- Localized weather conditions; generally, the hotter, drier areas are mowed first.
- Inspection requirements for U. S. Army Corps of Engineers (USACE) levees, which must occur by end of June.
- Resident concerns and maintenance requests for areas in need of service.
- Availability of Valley Water crews and contractors to mow over 3,000 acres of upland vegetation each year for fire suppression and creek maintenance access.

[continued on the back >](#)

## Mowing Tools

Valley Water uses a combination of equipment to eliminate dry grasses, weeds, and woody growth:

- Mechanical boom mowers; typically used on larger parcels or longer creeks
- Walk-behind mowers
- Hand weed eaters
- Goats to graze parcels

## Mowing Requirements for Fire Suppression

- Grasses and weeds are mowed when greater than 6 inches in height.
- Flammable vegetation is removed within 30 feet of an occupied structure such as house or garage.
- Parcels less than 1 acre are mowed entirely; the perimeter is mowed if the parcel is larger than an acre; if the parcel is larger than 5 acres, the perimeter and cross-breaks are mowed.



Mechanical mowing along the top of the bank on Berryessa Creek in Milpitas.

## Pollution Hotline

To report illegal dumping of hazardous materials in, or around reservoirs and creeks, please call **1-888-510-5151**.

## Responsibility for Fuel Abatement where Valley Water has an Easement

Easements typically provide Valley Water with rights to conduct activities for flood protection purposes, which generally do not include an obligation to provide fuel breaks.

At its discretion, Valley Water may provide weed abatement on easements for access purposes. Valley Water will not perform weed abatement on easements or on private property for concerns such as:

- Nuisances such as vegetation harboring unwanted wildlife.
- Aesthetic considerations, such as vegetation blocking views or appearing "unsightly" in a creek channel.

## Responsibility for Weeds on Private Property

Private property owners are responsible for weed abatement and for maintaining a fuel break on their property, even if Valley Water has an easement.



Goats grazing on Coyote Creek, San Jose.

## CONTACT US

To find out the latest information on Valley Water projects or to submit questions or comments, email [FGonzalez@ValleyWater.org](mailto:FGonzalez@ValleyWater.org) or use our Access Valley Water customer request system at <https://deliver.com/2yukx>.



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