



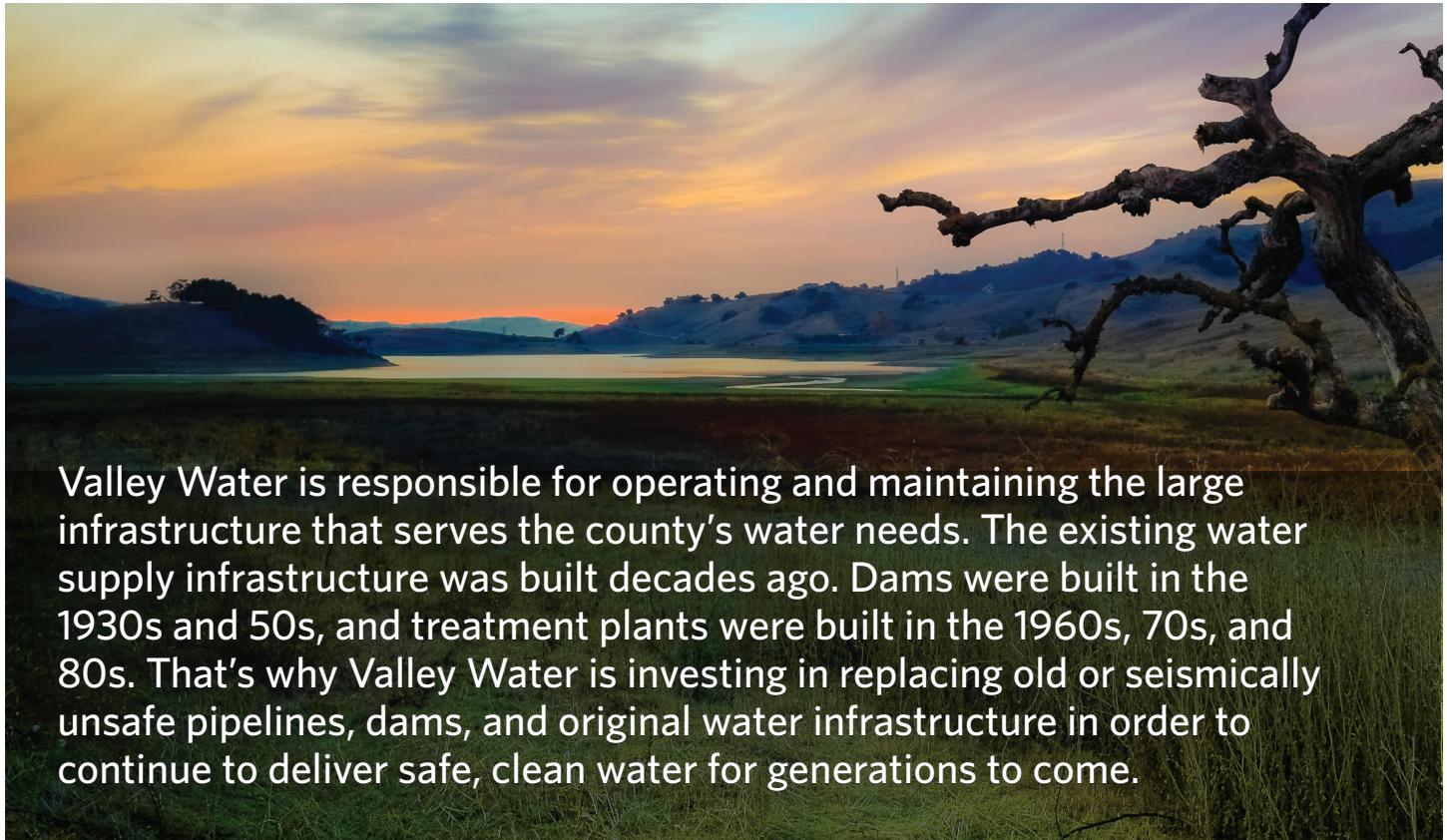
Budget in Brief

**FY 2024-25 & FY 2025-26
Operating and Capital
Rolling Biennial Budget**

Budget in Brief



Valley Water

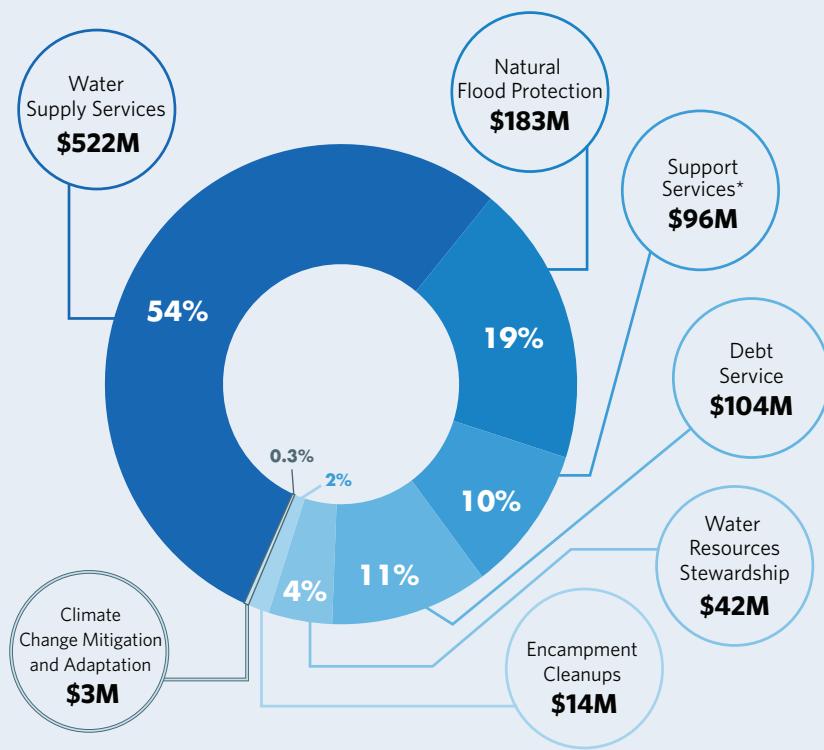


Valley Water is responsible for operating and maintaining the large infrastructure that serves the county's water needs. The existing water supply infrastructure was built decades ago. Dams were built in the 1930s and 50s, and treatment plants were built in the 1960s, 70s, and 80s. That's why Valley Water is investing in replacing old or seismically unsafe pipelines, dams, and original water infrastructure in order to continue to deliver safe, clean water for generations to come.

FY 2024-25 Adopted Budget of **\$964 million**

Valley Water manages an integrated water resources system that provides a reliable supply of safe, clean water, flood protection and environmental stewardship on behalf of Santa Clara County's 2 million residents.

In May 2024, the Valley Water Board of Directors adopted a budget for Fiscal Year 2024-25 of \$964 million to provide these critical services.



*Support Services total is net of intra-district reimbursements. (e.g. overhead costs charged to projects for administrative support services such as human resources and information technology, etc.)

Valley Water Budget

As part of the annual budgeting process, the Board conducts planning sessions to develop strategies to accomplish Valley Water's long-term goals and objectives. Valley Water utilizes a rolling biennial budget, which provides a budget for FY 24-25 and plan for FY 25-26. This fiscally responsible and balanced budget meets the community's expectations and invests in water infrastructure to ensure a reliable water supply for future generations to come.



Rinconada Water Treatment Plant Reliability Improvement Project Phases 3-6.



Balancing Act

This online budget simulation tool allows the public to explore Valley Water's anticipated sources of revenue and planned spending. Most importantly, the tool provides an opportunity for the public to provide direct input to the Board of Directors on the agency's spending priorities. Balancing Act can be found at ValleyWater.abalancingact.com.

Valley Water relies on multiple types of funding sources

Valley Water receives funding from a variety of sources including: charges for treated water, surface/recycled water, and groundwater production; proceeds from property taxes, the Safe, Clean Water and Natural Flood Protection Program special parcel tax, benefit assessments, interest earnings from cash investments, cost-sharing agreements with other agencies, grants, and debt proceeds.

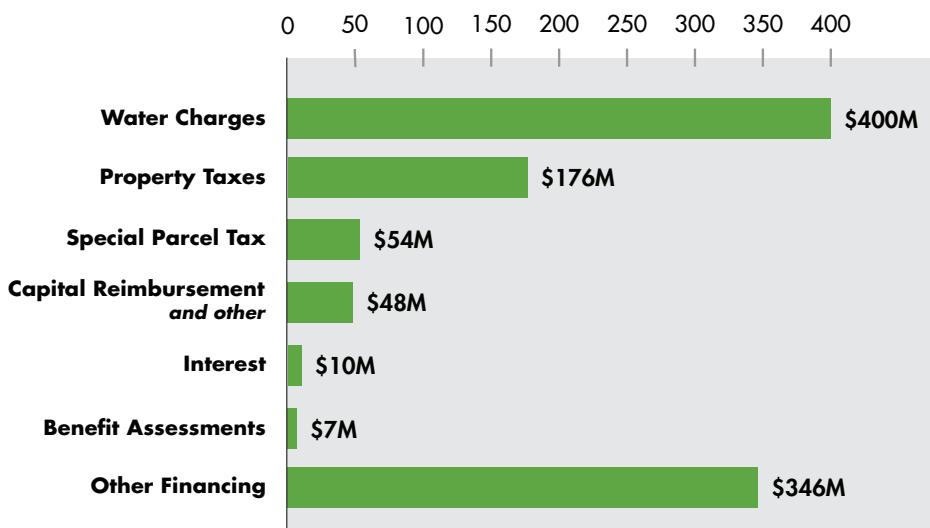
FY 2024-25

Adopted Revenue and Debt Financing of \$1.041 billion

Water Charges include charges for groundwater production, which is water produced by pumping from the underground basins; treated water, which has been processed through a water treatment plant; surface water, which has been diverted from streams, creeks, reservoirs, or raw water distribution lines; and recycled water, which is treated wastewater used in crop irrigation, landscaping and industrial uses.

Property Taxes are comprised of an allocated share of countywide 1% property tax receipts and a voter-approved levy for State Water Project contract obligations.

Special Parcel Tax provides funding for the Safe, Clean Water and Natural Flood Protection Program passed by voters in 2020.



Subtotal of individual categories shown above may be slightly off due to rounding.

Capital Reimbursements and other is primarily comprised of reimbursements from other agencies and grants.

Benefit Assessments pay for debt service associated with flood protection projects and will continue through February 2030.

Other Financing includes debt proceeds that provide upfront funding for the Capital Improvement Program (CIP).

Environmental and Watershed Projects

Valley Water is dedicated to keeping residents and businesses safe through its flood protection programs and projects, protecting our environment and restoring habitat along creeks and San Francisco Bay. Here are a few priority watershed projects included in the Fiscal Year 2024-25 budget to achieve these goals.

South San Francisco Bay Shoreline Project Phase I

The South San Francisco Bay Shoreline Project will protect some of our most vulnerable communities along the southern end of the San Francisco Bay from sea-level rise and coastal flooding. The project will also restore and enhance tidal marsh and related habitats and provide recreational and public access opportunities.

Key deliverables: Complete construction of the first three reaches from the Alviso Marina County Park to Artesian Slough in summer 2025.



Aerial view of the South San Francisco Bay Shoreline.

Coyote Creek Flood Protection Project

The Coyote Creek Flood Protection Project will build flood protection along approximately nine miles of Coyote Creek between Montague Expressway and Tully Road in San José. The primary objective is to provide protection from floods up to the level that occurred in February 2017.

Key deliverables: Complete construction of Phase 1 (Coyote Creek Flood Management Measures Project) by October 2024. Begin Phase 2 (Coyote Creek Flood Protection Project) construction by spring 2025.



A rendering of a flood wall at Watson Park designed to protect homes from flood water for the Coyote Creek Flood Protection Project.

Ogier Ponds Separation from Coyote Creek

The Ogier Ponds Coyote Creek Separation Project will improve steelhead habitat while maintaining or enhancing existing recreational uses. The project will construct a channel to separate Coyote Creek from Ogier Ponds.

Key deliverables: Complete planning study and initiate design phase in 2025.



Ogier Ponds includes six large, artificial water bodies in southern San José.

Good Neighbor Program

Valley Water is committed to humanely assisting in the permanent relocation of unsheltered people living on lands along waterways and at water supply and flood risk reduction facilities. The Good Neighbor Program aims to enhance Valley Water's participation in countywide collaboration efforts to address the human health, public safety, operational and environmental challenges posed by encampments.

Key deliverables: Collaborate with Santa Clara County, cities and other service providers to address the challenges posed by encampments of unsheltered people. Our efforts include working with the City of San José on encampment relocations to meet MS4 Storm Water Permit requirements and the needs of Valley Water's Coyote Creek Flood Protection Project.



Encampment cleanup at Los Gatos Creek, upstream of Auzerais Ave. in San José.

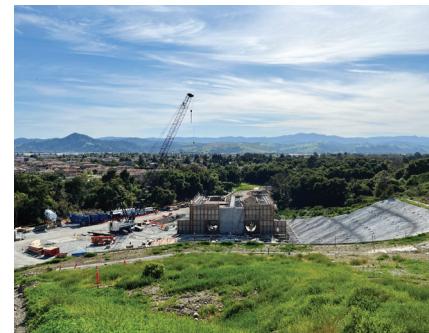
Safe, Clean, Drinking Water Projects

The Water Utility Enterprise is primarily responsible for providing communities in Santa Clara County with a safe, reliable and affordable water supply. The Fiscal Year 2024-25 budget includes critical investments in infrastructure and technology to help ensure water continues to flow from your tap now and into the future.

Anderson Dam Seismic Retrofit and Tunnel Projects

Valley Water's highest priority is retrofitting and strengthening Anderson Dam in Morgan Hill so it can safely withstand a large earthquake. This critical work will ensure public safety and allow us to fill Anderson Reservoir to capacity. The Federal Energy Regulatory Commission ordered Valley Water to drain the reservoir to about 3% capacity as we build a new, higher-capacity outlet tunnel that will allow us to release water more quickly during major storms or emergencies. Valley Water is building the tunnel first and will then begin retrofitting the existing dam.

Key deliverables: Complete construction of the outlet tunnel, complete 100% design level package, and certify the final Environmental Impact Report.



Anderson Tunnel construction site.

Rinconada Water Treatment Plant Reliability Improvement Project

The Rinconada Reliability Improvement Project will upgrade, retrofit and replace aging equipment to increase the water treatment plant capacity from 80 million gallons per day to 100 million gallons per day. The upcoming work includes the construction of new facilities for raw water ozonation, dual media filtration and chlorine contact. This project will allow Valley Water to continue to provide safe, clean, drinking water to the west side of Santa Clara County.

Key deliverables: Complete demolition of existing clarifiers. Begin construction on the chlorine contact building and ozone generation building.



Rendering of the completed Rinconada Reliability Improvement Project.

Coyote Pumping Plant Adjustable Speed Drive Replacement Project

The Coyote Pumping Plant Adjustable Speed Drive Replacement Project will replace key equipment and rehabilitate existing pump motors at the Coyote Pumping Plant in Morgan Hill. This facility, an important part of Valley Water's infrastructure, allows the delivery of imported water supplies to treatment plants and percolation ponds in Santa Clara County. The plant receives water from San Luis Reservoir and has six pumps that allow for its distribution through our vast infrastructure system.

Key deliverables: Complete 100% of plans and specifications. Complete negotiations for the Phase 2 construction contract.



Existing Pump Control Panels (left) which will be replaced, and Pump Control Motors (right) which will be rehabilitated as part of the Coyote Pumping Plant Adjustable Speed Drive Replacement Project.

CONTACT US

To find out the latest information on Valley Water projects or to submit questions or comments, use our **Access Valley Water** customer request system at access.valleywater.org.



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