



Santa Clara Valley Water District Santa Clara Valley Water Commission Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: <https://valleywater.zoom.us/j/91095453959>

REGULAR MEETING AGENDA

**Wednesday, October 22, 2025
12:00 PM**

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

COMMISSION:
Hon. Pete Daily, Chairperson
Hon. Karen Hardy, Vice Chairperson

BOARD REPRESENTATIVES:
Chairperson Tony Estremera
Vice Chairperson Richard Santos
Director Nai Hsueh

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

Staff Liaisons:
Rita Chan
Rachael Gibson

Stephanie Simunic
(COB Liaison)
Assistant Deputy Clerk II
ssimunic@valleywater.org
1-408-630-2408

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

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Santa Clara Valley Water District
Santa Clara Valley Water Commission
REGULAR MEETING
AGENDA

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12:00 PM

HQ. Bldg. Boardroom
5700 Almaden Expressway, San Jose, California
Join Zoom Meeting:
<https://valleywater.zoom.us/j/91095453959>

*****IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS*****

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

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

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

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

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This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has

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Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

Join Zoom Meeting:
<https://valleywater.zoom.us/j/91095453959>
Meeting ID: 910 9545 3959
Join by Phone:
1 (669) 900-9128, 91095453959#

1. CALL TO ORDER:

1.1. Roll Call.

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

Notice to the public: Members of the public who wish to address the Board/Committee on any item not listed on the agenda may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify yourself to speak. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and granted speaking access to address the Board/Committee. Speakers' comments should be limited to three minutes or as set by the Chair. The law does not permit Board/Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board/Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board/Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

3.1. Approval of August 27, 2025 Santa Clara Valley Water Commission Minutes.

[25-0814](#)

Recommendation: Approve the minutes.
Manager: Candice Kwok-Smith, 408-630-3193
Attachments: [Attachment 1: 08272025 SCVWD Water Commission Mins.](#)
Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

- 4.1. Receive Information on Consultant Study Regarding Santa Clara Valley Water District's Water Use Projections, Water Demand Elasticity, and Customer Affordability Study; and Provide Comments to the Board. [25-0812](#)

Recommendation: Receive information on consultant study regarding Santa Clara Valley Water District's water use projections, water demand elasticity, and customer affordability, including study scope, objectives, and status update; provide comments to Valley Water's Board.

Manager: Darin Taylor, 408-630-3041

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 45 Minutes

- 4.2. Review 2025 Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda and Date. [25-0815](#)

Recommendation: Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: Water Commission 2025 Work Plan](#)

Est. Staff Time: 5 Minutes

5. INFORMATIONAL ITEM:

- 5.1. Standing Items Report. [25-0894](#)

Recommendation: Standing Items Report

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2024-2025 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: Board Work Plan Standing Items Report](#)

Est. Staff Time: 5 Minutes

6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.

7. REPORTS:

7.1. Directors Report

7.2. Managers Report

7.3. Commission Member Report

7.4. Informational Links:

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

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

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

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

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

- Water Tracker

8. ADJOURN:

8.1. Adjourn. The Next Regular Meeting is Scheduled at 12:00 p.m., on Wednesday, January 28, 2026.



Santa Clara Valley Water District

File No.: 25-0814

Agenda Date: 10/22/2025
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission

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

SUBJECT:

Approval of August 27, 2025 Santa Clara Valley Water Commission Minutes.

RECOMMENDATION:

Approve the minutes.

SUMMARY:

A summary of Committee discussions, and details of all actions taken by the Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Committee's meetings.

ENVIRONMENTAL JUSTICE IMPACT:

The approval of minutes is not subject to environmental justice impact.

ATTACHMENTS:

Attachment 1: 08272025 SCVWD Water Commission Mins.

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

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SANTA CLARA VALLEY WATER COMMISSION MEETING

DRAFT MINUTES

**SPECIAL MEETING AND SITE VISIT
(IN-PERSON ONLY)
WEDNESDAY, AUGUST 27, 2025
12:00 PM**

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A special meeting and site visit (in-person only) of the Santa Clara Valley Water District (Valley Water) Santa Clara Valley Water Commission (Commission) was called to order by Hon. Chairperson Dailey in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference, at 12:18 p.m.

A quorum of 11 was established of Commission members present in person. Hon. Member Vega arrived as noted below.

1.1 Roll Call.

Members in attendance were:

<u>Municipality</u>	<u>Representative</u>	<u>Alternate</u>
City of Campbell	Hon. Member Terry Hines	
City of Cupertino		Hon. Member Kitty Moore
City of Los Altos	Hon. Member Pete Daily	
Town of Los Altos Hills	Hon. Member Rajiv Bhateja	
Town of Los Gatos	Hon. Member Rob Rennie	
City of Milpitas	Hon. Member Carmen Montano	
City of Monte Sereno	Hon. Member Lisa Shannon	
City of Morgan Hill		Hon. Member Miriam Vega (Late)
City of Mountain View		
City of Palo Alto	Hon. Member Keith Reckdahl	
City of Saratoga	Hon. Member Chuck Page	
City of Sunnyvale		Hon. Member Murali Srinivasan
Open Space Auth. SCV		Hon. Member Calvin Gill

Members not in attendance were:

<u>Municipality</u>	<u>Representative</u>	<u>Alternate</u>
City of Campbell		Hon. Member Elliot Scozzola
City of Cupertino	Hon. Member Liang Chao	
City of Gilroy	Hon. Member Dion Bracco	Hon. Member Terence Fugazzi
City of Los Altos		Hon. Member Larry Lang
Town of Los Altos Hills	Hon. Member Rajiv Bhateja	
Town of Los Gatos		Hon. Member Maria Ristow
City of Milpitas		Hon. Member Gary Barbadillo
City of Monte Sereno		Hon. Member Bryan Mekechuk
City of Morgan Hill	Hon. Member Yvonne Martinez-Beltran	
City of Mountain View	Hon. Member Lucas Ramirez	Hon. Member Pat Showalter
City of Palo Alto		Hon. Member Vicki Veenker
City of San José	Hon. Member Domingo Candelas	Hon. Member Jeff Provanzano
City of Santa Clara	Hon. Member Karen Hardy	Hon. Member Suds Jain
City of Saratoga		Hon. Member Tina Walia
City of Sunnyvale	Hon. Member Alysa Cisneros	
County of Santa Clara	Hon. Member Sylvia Arenas	Hon. Member Betty Duong
Midpen. Regional OSD	Hon. Member Jed Cyr	Hon. Member Yoriko Kishimoto

Valley Water Board Representative in attendance was Vice Chairperson Richard Santos (District 3).

Staff members in attendance were: Jennifer Abadilla, Aaron Baker, Roseryn Bhudsabourg, Rita Chan, Rachael Gibson, Susana Inda, Dave Leon, Ryan McCarter, Nicole Merritt, Stephanie Simunic, Kirsten Struve, and Metra Ulloa.

Public in attendance were: None.

- 2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA:**
Chairperson Page declared time open for public comment on any item not on the agenda. There was no one who wished to speak.

3. APPROVAL OF MINUTES:

3.1. Approval of April 9, 2025 Santa Clara Valley Water Commission Meeting Minutes.

Recommendation: Approve the minutes.

The Commission considered the attached minutes of the April 9, 2025 meeting.

Public Comments: None.

It was moved by Hon. Member Reckdahl, seconded by Hon. Member Rennie, and carried by a vote of 11-0 to approve the April 9, 2025 Santa

Clara Valley Water Commission Meeting Minutes be approved as submitted.

4. REGULAR AGENDA:

4.1 Review the 2025 Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda.

Recommendation: Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.

Stephanie Simunic noted the materials as outlined in the agenda attachment and was available to answer questions.

Public Comments: None

The Commission received the information and without further discussion took no formal action.

4.2 Tour the Anderson Dam Seismic Retrofit Project Site.

Recommendation: The tour of the Anderson Dam Seismic Retrofit Project Site is for informational purposes only and no staff recommendation or action is requested to be taken by the Committee at this time.

Stephanie Simunic noted the materials as outlined in the agenda attachment, and announced that all tour attendees must adhere to the following: risk waivers must be signed, attendees must sign-in, and personal protective equipment must be worn during the tour, which Valley Water will provide.

Public Comments: None

Hon. Member Page left the meeting at 12:30 p.m.

The Commission left Valley Water Headquarters at 12:40 p.m.

The Commission arrived at Anderson Lake Park "Live Oak Picnic Area" at 1:05 p.m. Members in attendance were: Hon. Member Bhateja, Daily, Gill, Hines, Montano, Moore, Reckdahl, Rennie, Shannon, and Srinivasan. Hon. Member Vega arrived.

Valley Water Board Representative in attendance was Vice Chairperson Richard Santos (District 3).

Staff in attendance were: Aaron Baker, Rita Chan, Rachael Gibson, Susana Inda, Ryan McCarter, Stephanie Simunic, and Kirsten Struve.

Public in attendance were: None.

The Commission and staff toured the Anderson Dam Seismic Retrofit Project Site (Site). Ryan McCarter provided information relating to the Site, including history, budget, and schedule.

The Commission received the information and took no formal action.

5. CLERK REVIEW AND CLARIFICATION OF COMMISSION REQUESTS:

None.

6. ADJOURN

6.1 Adjourn. The next Regular Meeting is scheduled at 12 p.m. on Wednesday, October 22, 2025.

Chairperson Daily adjourned the meeting at 2:36 p.m.

Stephanie Simunic,
Assistant Deputy Clerk II

Date approved:



Santa Clara Valley Water District

File No.: 25-0812

Agenda Date: 10/22/2025

Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission

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

SUBJECT:

Receive Information on Consultant Study Regarding Santa Clara Valley Water District's Water Use Projections, Water Demand Elasticity, and Customer Affordability Study; and Provide Comments to the Board.

RECOMMENDATION:

Receive information on consultant study regarding Santa Clara Valley Water District's water use projections, water demand elasticity, and customer affordability, including study scope, objectives, and status update; provide comments to Valley Water's Board.

SUMMARY:

Santa Clara Valley Water District (Valley Water) has engaged two consultants to perform a study to validate or suggest refinements to Valley Water's current water use projections for Valley Water-managed water use, analyze water demand elasticity, and determine or address the affordability of water to residents and businesses within Santa Clara County (the Study). The majority of County residents and businesses receive water service from a retailer, while Valley Water acts as the water wholesaler. Study results may impact future Valley Water groundwater charges.

Background:

The Financial Planning and Revenue Collection office manages long-term forecast models and the annual rate setting process for the Water Utility. Water charges are adopted annually. Based upon feedback received from the Board during previous long-term forecasting cycles, staff pursued a study to inform future rate setting cycles.

The consultants - Raftelis Financial Consultants, Inc. and Hazen and Sawyer - have been tasked to provide analyses for the following Study scope and objectives:

1. Analyze water use projections in Santa Clara County, for retailers, their direct customers, and private well owners to better determine Valley Water-managed water use projections. Valley Water-managed water use translates to revenue for the Water Utility.

-
2. Prepare a water demand elasticity analysis to better understand how rates impact water demand.
 3. Determine the affordability of water provided by Valley Water to Santa Clara County residents and businesses now and based on future rate projections.

Valley Water staff and Valley Water's consultants both recognize that the scope of this Study presents unique challenges, one of which is obtaining detailed water usage data from non-Valley Water sources.

Staff anticipates technical memorandums for each of the three (3) analyses to be completed, followed by a final report documenting the study.

Study Updates:

Task 1: Water Use Projections key takeaways are:

- Valley Water's approach to projecting water use is consistent with peers
- Forecast-to-actual water use has been largely accurate, with reduced variance in recent years
- High level statistical analyses demonstrate that the current approach yields reasonable ranges for near-term demand
- Water use overall continues to trend downward
- Tools exist to refine the forecasting method, if desired

A technical memorandum for Task 1 has been drafted and will be included as part of the final Study report.

Task 2: Water Demand Elasticity Analysis objectives are to assess Retailer's water demand sensitivity to Valley Water's wholesale rates, and understand the effect on Retailer's customers.

Some preliminary takeaways are:

- Water use in Santa Clara County is generally inelastic with respect to price
- There is a high correlation and common trend between Valley Water and Retailer's *volumetric* rates

Task 3: Water Affordability Analysis objectives include identifying water utility affordability metrics for Santa Clara County. Some preliminary takeaways are:

- Based on multiple affordability indicators residential water bills are generally below threshold levels
- Based on both the Poverty Prevalence Indicator and Household Burden Indicator, nearly all Retailer water providers fall within the *Low Burden* category
- An estimated 38,500 households - *equivalent to 6.2% of Santa Clara County households* - could have water bills that are unaffordable (defined as annual water bills that total more than 2% of reported household income)

Staff plans to bring a final Study update to the Commission and to the Board as appropriate.

ENVIRONMENTAL JUSTICE IMPACT:

Further analysis is necessary to determine the environmental justice impacts associated with results of the Study. Updated environmental justice determinations will be included in future Study updates.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-3041

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Santa Clara Valley Water District

**Water Use Projections, Water Demand Elasticity, and Customer
Affordability Study**

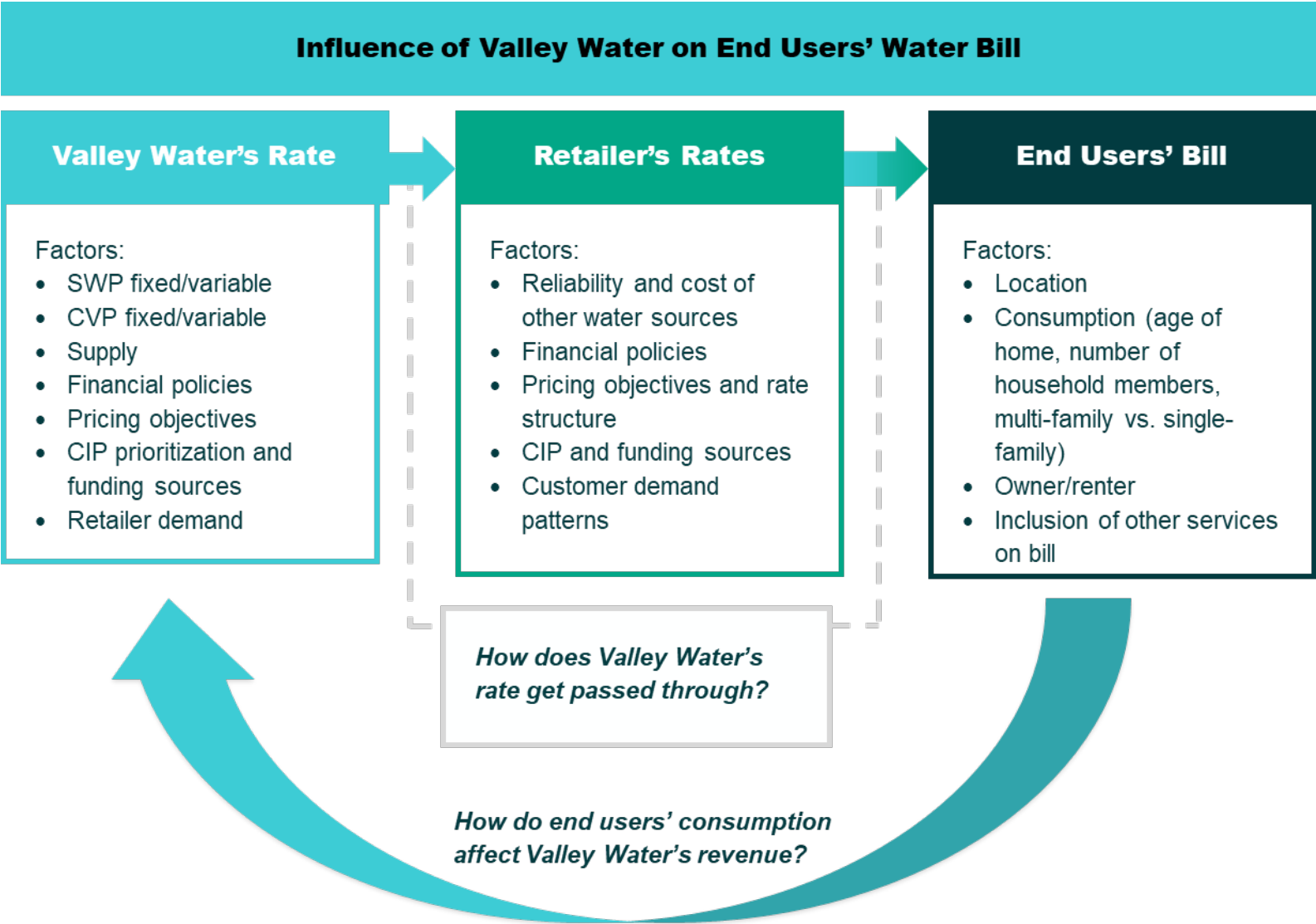
Water Commission Meeting

October 22, 2025



Project Goals

- Identify how Valley Water's rates impact water demand (elasticity) and affordability of water service in Santa Clara County
- Validate and/or refine water demand forecasting for purposes of annual rate setting and long-term capital planning



Project Tasks

- **Task 1:** Review and Make Recommendations for Water Use Projections
- **Task 2:** Demand Elasticity Analysis
- **Task 3:** Affordability Analysis

Task 1:

Water Use Projections



Task 1: Objectives

- Review the existing District-managed water demand forecast (water use projections) which informs Valley Water's ***rate setting process***
- Evaluate the performance of prior water use projections
- Analyze alternative approaches against the current approach
- Identify potential improvements to Valley Water's demand forecasting
- Consider other quantitative and qualitative tools to help inform annual demand forecasting

Task 1: Key Findings

- Valley Water's Approach is consistent with peers
- Forecast-to-Actual water sales have been largely accurate, with reduced variance in recent years
- High level statistical analyses demonstrate that the current approach yields reasonable ranges for near-term demand
- Water sales overall continue to trend downward
- Tools exist to refine the forecasting method, if desired

Task 2:

Elasticity Analysis



Task 2: Objectives

- Assess Retailer's sensitivity (water demand) to Valley Water's rates
- Understand relationship between Valley Water's rates, Retailer rates, and the effect on retail customers

Task 2: Approach

- Use available data
 - › Valley Water sales (water supplied by source) to Retailers
 - › Valley Water (wholesale) and Retailer rates
 - › Non-Valley Water volumes supplied by source, as available
- Find the relationship on total water use using
 - › Retailer price to end customer
 - › Valley Water price (consumption-weighted)
 - › Valley Water price (consumption-weighted) and SFPUC price

Task 2: Preliminary Findings

- Price elasticity estimates vary
- Preliminary findings suggest
 - Water use is inelastic with respect to price
 - Elasticity range in ballpark of -0.12 to -0.34, with convergence around -0.2
 - Elasticity results are reasonable compared to other similar industry studies and align with prior Valley Water elasticity study for long-term water supply planning
- High correlation between Valley Water and Retailer prices
 - Share a general common trend **volumetrically**
 - Valley Water (weighted) prices explain about 83% of variability in Retailer volumetric rates

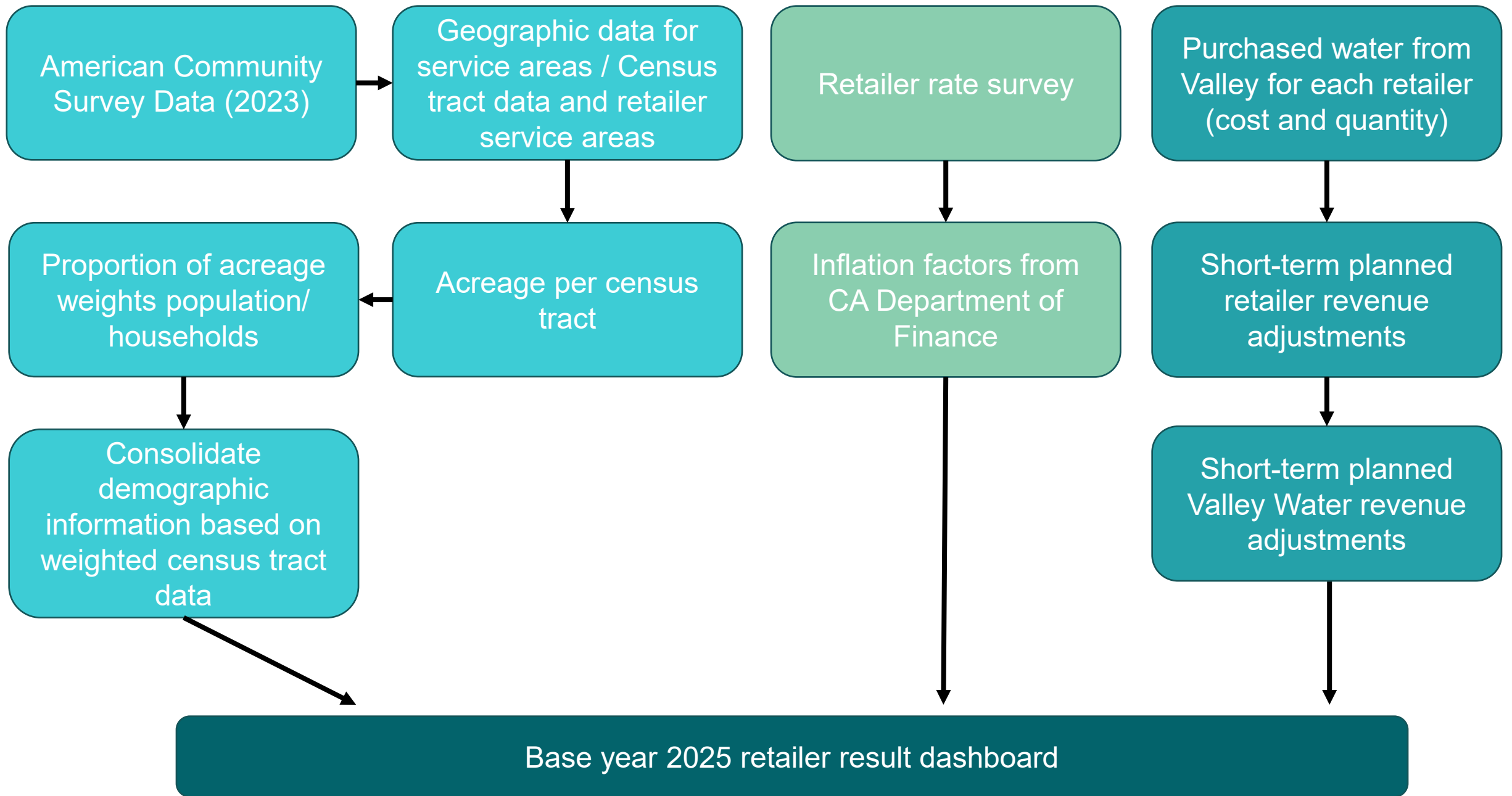
Task 3:

Affordability Analysis



Task 3: Objectives

- Identify affordability metrics for Valley Water
- Provide point-in-time affordability of water for Valley Water's service area
- Develop a baseline of affordability for Valley Water to inform future decision-making



Retailer Affordability Characteristics*



Characteristics	North Zone	South Zones	Total Valley Water Service Area
% of Total Service Area Population	4% - 52%	3% - 5%	100%
Average Household Size	2.3 – 3.5	3.1 – 3.4	3.0
Minimum Hourly Wage	\$18.20 - \$19.00	\$18.20	\$18.30
Median Household Income (MHI)	\$120k - \$236k	\$142k - \$169k	\$169k
Lowest Quintile Income (LQI)	\$68k - \$80k	\$69k - \$112k	\$76k
Monthly Water Bill @ Essential Use (~6 HCF)	\$54 - \$98	\$45 - \$64	\$83
Monthly Water Bill @ Average Use (~8 HCF)	\$65 - \$118	\$52 - \$71	\$96







14 *All figures are rounded

Residential Affordability Indicators

Measurement Approaches (Metrics):		Used By
MHI RI: Median Household (Income) Residential Indicator	<i>Average</i> Water Bill / 50 th Percentile Household Income	California Urban Water Agencies (CUWA), California Water Association (CWA), EPA, SFPUC
LQI RI: Lowest Quintile Income	<i>Essential</i> Water Bill / 20 th Percentile Household Income	EPA, SFPUC
HMW: Hours at Minimum Wage	<i>Essential</i> Water Bill / Minimum Wage Rate	California PUC, EPA
AR₂₀: Affordability Ratio	<i>Essential</i> Water Use Bill / (Total Income - Non-Discretionary Expenses ¹)	California PUC ²
HBI: Household Burden Index (HBI)	<i>Average</i> Water Bill / LQI	AWWA/NACWA “New Framework”
PPI: Poverty Prevalence Indicator	Population at or below 200% FPL/ Total population	AWWA/NACWA “New Framework”
Essential Water Use Bill	Bill at 47 gallons per capita per day	California PUC, CWA
Average Water Use Bill	Bill at 64 gallons per capita per day	CUWA, EPA, SFPUC





Example Calculation: AR₂₀

AFFORDABILITY =  Customer water bill (essential use) ÷  Customer Household Income

=  Customer water demand ×   Retailer's rates ÷  Customer Household Income (HI) [-  Housing Costs -  Other Utilities costs]

Essential (approximately 6 HCF) *CPUC Discretionary Income Definition at 20th Percentile of Income*

Resulting Retailer Metrics – AR20, HMW, LQRI, MHRI¹

Retail Metrics	North Zone	South Zones	Total Valley Water Service Area	Metric Thresholds
 AR20	1.4% - 3.8%	1.7% - 1.9%	2.8%	5%
 HMW	3.7 – 6.2	2.7 – 3.8	5.3	4
 LQI RI	0.8% - 1.7%	0.8% - 1.0%	1.3%	2%
 MHI RI	0.4% - 0.7%	0.4% - 0.5%	0.6%	2%

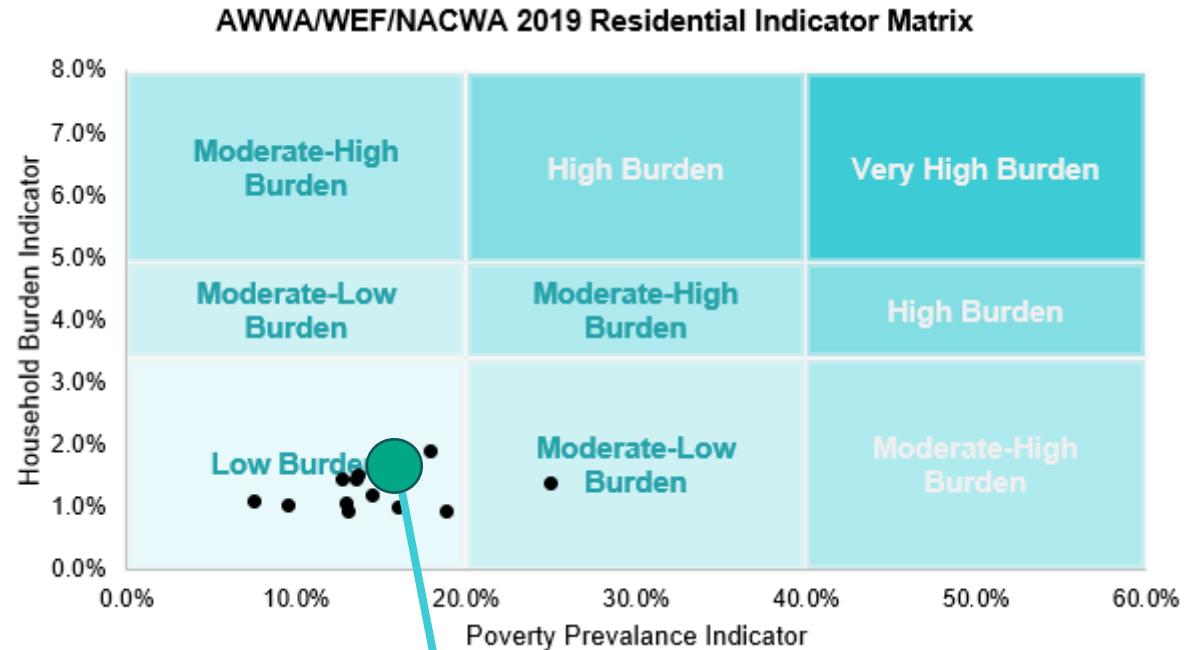
¹All results shown at essential water use of 6 HCF

- AR20, LQI, and MHI are all below thresholds across the service area
- HMW is modestly above the threshold value across the service area
- Results are generally lower (water bill is less burdensome) in the South Zones

Resulting Retailer Metrics – HBI/PPI Matrix

Retail Metrics	North Zone	South Zones	Total VW Service Area	Metric Threshold Low Burden
HBI	0.8% - 1.7%	0.8% - 1.0%	1.3%	3.5%
PPI	7.5% - 25%	13% - 19%	15.7%	20%

- HBI and PPI are both within the low burden category
 - › All but one retailer are in the Low Burden category
- Both metrics have a wider range in the North Zone than in the South Zones



Valley Water Service Area
Result (Weighted Average)

Resulting Retailer Metrics – Estimate of Affordability Impact¹

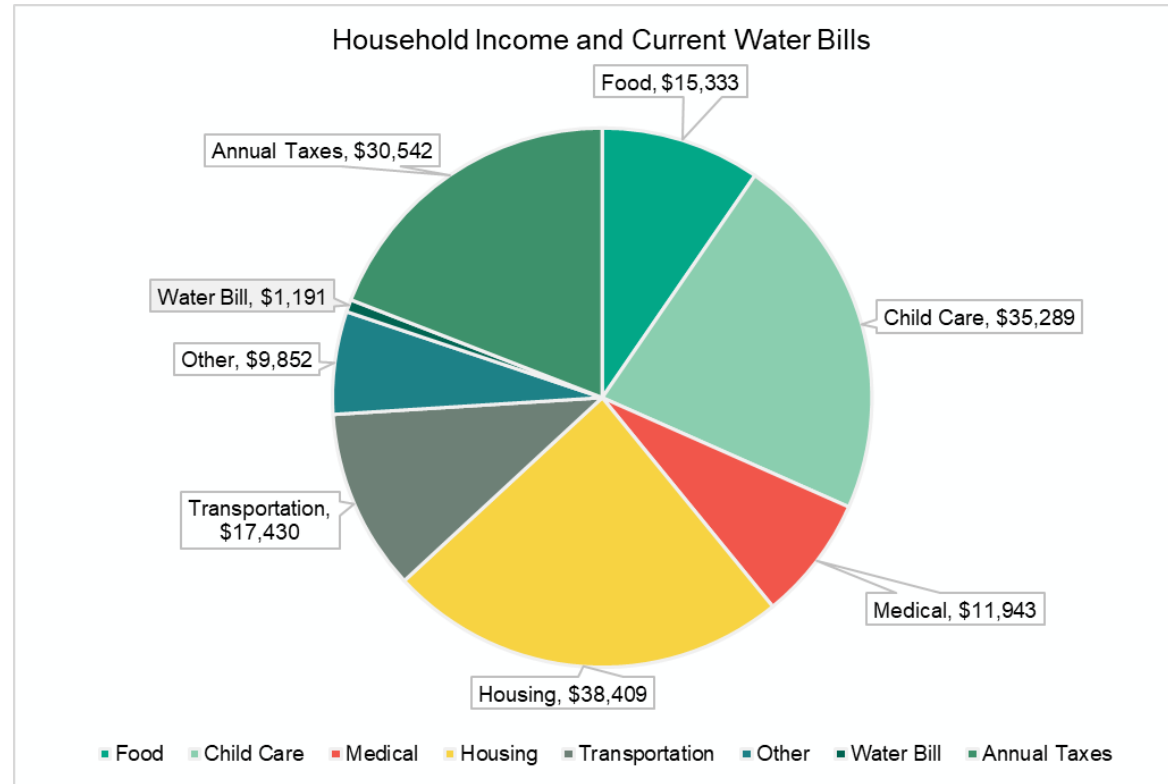
Retail Metrics	North Zone (per Retailer)	South Zones (per Retailer)	Estimated Households Valley Water Service Area ²
Estimated Number of Customers with Unaffordable Water Bills	200 – 24,000	1,000 - 1,200	38,500

¹ Estimate of customers that could be have bills considered unaffordable

² Out of approximately 625,000 households

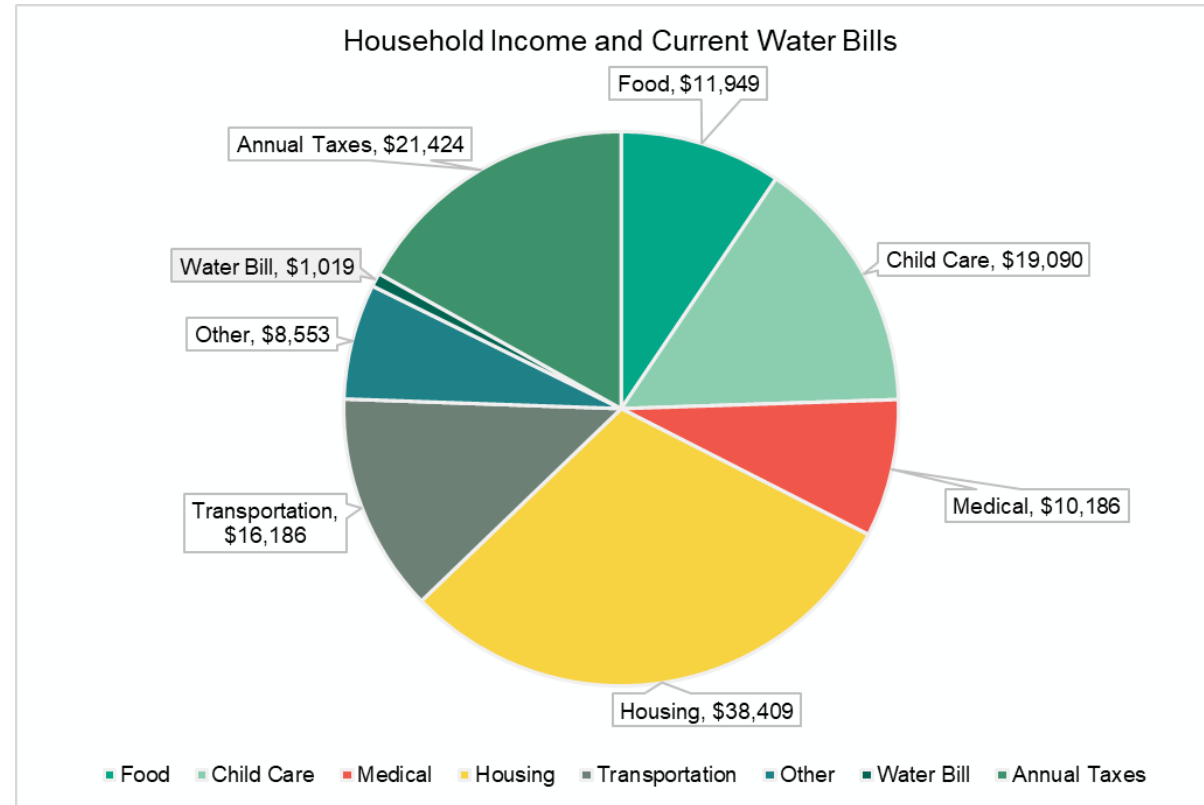
- Estimates extrapolated based on public use micro statistics (PUMS) household survey data including self reported income, water use, household size, and/or payment of a water bill
- Then, calculate bills over 2% of reported household income *and* estimated essential water use at each retailers' service area rates
- **Household water bills estimated as unaffordable across the Valley Water service area is 6.2%**

Cost of Living and Water Affordability: 2 Adults and 2 Children



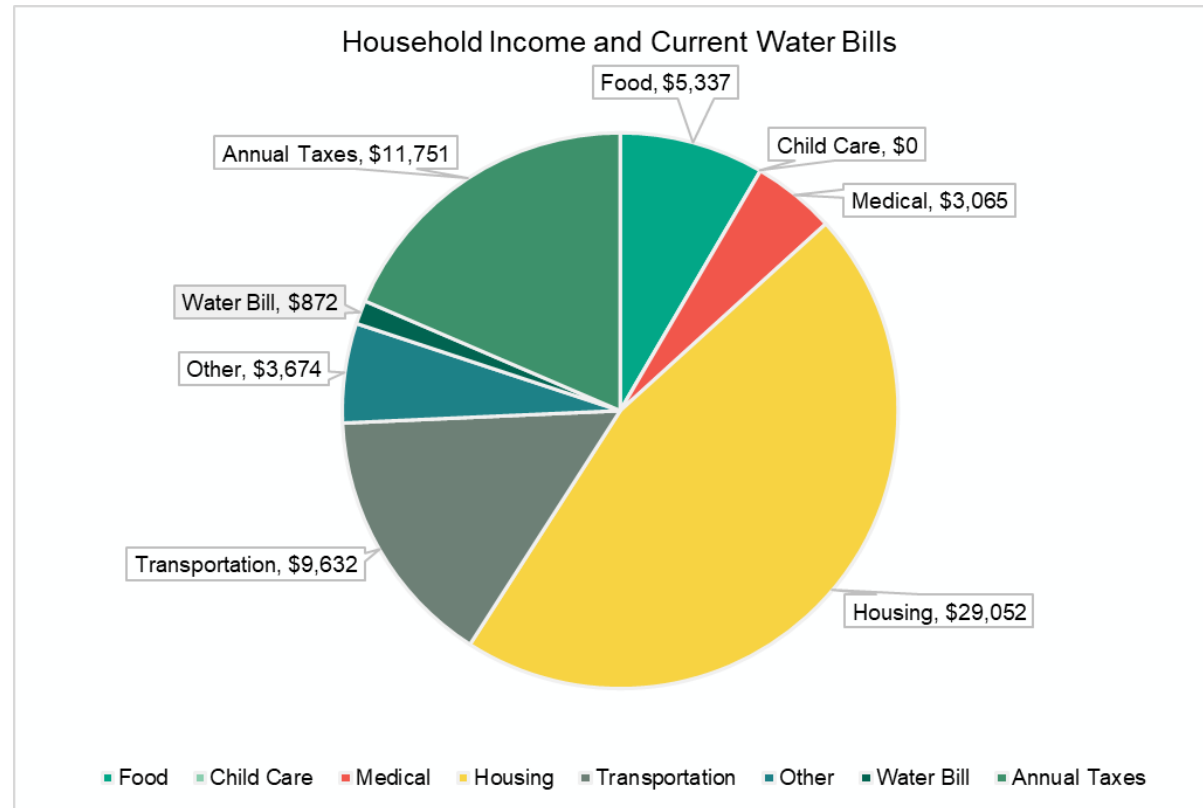
- Based on household income requirement for a two-working adult, two child household in Santa Clara County
 - Data from *MIT Living Wage Calculator* and the *United Way Real Cost Measure*
 - Household income requirement = **\$159,988**

Cost of Living and Water Affordability: 2 Adults and 1 Children



- Based on household income requirement for a two-working adult, two child household in Santa Clara County
 - Data from *MIT Living Wage Calculator* and the *United Way Real Cost Measure*
 - Household income requirement = **\$126,816** **37**

Cost of Living and Water Affordability: 1 Adult



- Based on household income requirement for a two-working adult, two child household in Santa Clara County
 - Data from *MIT Living Wage Calculator* and the *United Way Real Cost Measure*
 - Household income requirement = **\$63,383**

Key Takeaways

- There is a wide range in the affordability of water service throughout Valley Water's service area, though all indicators show a relatively low burden
- The North Zone has higher results on average and a wider range of results compared to the South Zones
- Estimate of unaffordable water bills using extrapolated household survey data is estimated at 6.2% of households (38,500)
- Cost of living issues are centered around housing, childcare, healthcare, and food costs
- This analysis provides a baseline which decision makers can use to assess affordability in the future

Next Steps

- Additional public meetings with Valley Water in Fall 2025
- Finalize elasticity analysis
 - › Additional information for Valley Water demand projections
 - › Identify any impact on affordability
- Prepare technical memorandums to document elasticity and affordability tasks and a final study report



Santa Clara Valley Water District

File No.: 25-0815

Agenda Date: 10/22/2025

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission

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

SUBJECT:

Review 2025 Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda and Date.

RECOMMENDATION:

Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.

SUMMARY:

The attached Work Plan outlines the Board-approved topics for discussion to be able to prepare policy alternatives and implications for Board deliberation. The work plan is agendaized at each meeting as accomplishments are updated and to review additional work plan assignments by the Board.

BACKGROUND:

Governance Process Policy-8:

The District Act provides for the creation of advisory boards, committees, or commissions by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Advisory Committees or Commissions, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the

Advisory Committees or Commissions may help the Board produce the link between the District and the public through information sharing to the communities they represent.

ENVIRONMENTAL JUSTICE IMPACT:

The review of the Commission's Work Plan is not subject to an environmental justice impact.

ATTACHMENTS:

Attachment 1: Water Commission 2025 Work Plan

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

2025 Work Plan: Santa Clara Valley Water Commission

Update: October 2025

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The Committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion. Subsequently, an annual committee accomplishments report is developed based on the work plan and presented to the District Board of Directors.

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
1	Election of Chair and Vice Chair for 2025	January 22	<ul style="list-style-type: none"> Commission Elects Chair and Vice Chair for 2025. (Action) 	<p><u>Accomplished January 22, 2025</u></p> <ul style="list-style-type: none"> Motion by Hon. Member Page, seconded by Hon. Member Ramirez, for Hon. Member Daily as Chairperson. Motion by Hon. Member Candelas, seconded by Hon. Member Chao for Hon. Member Hardy as Vice Chairperson. <p>Both motions carried on a majority roll call vote.</p>
2	2024 Accomplishments Report	January 22	<ul style="list-style-type: none"> Review and approve 2024 Accomplishments Report for presentation to the Board. (Action) Submit requests to the Board, as appropriate. (Action) 	<p><u>Accomplished January 22, 2025</u></p> <p>Motion by Hon. Member Ramirez, seconded by Hon. Member Candelas, and unanimously approved for the Commission to approve 2024 Annual Accomplishments Report for Presentation to the Board on the Consent Calendar under one motion and by roll call vote.</p> <p><i>Approved at March 11, 2025 BOD meeting</i></p>
3	2025 Work Plan: Review of Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests and the Commission's Next Meeting Agenda, and Recommend the Proposed 2025 Water Commission Work Plan to the Board	January 22 April 9 July 23 October 22	<ul style="list-style-type: none"> Receive and review the FY2024-2025 Board-approved Committee work plan. (Information) Submit requests to the Board, as appropriate. (Action) 	<p><u>Accomplished January 22, 2025</u></p> <p>Motion by Hon. Member Hardy, seconded by Hon. Member Ramirez, with several additions requested, and unanimously approved as amended the 2025 Commission Work Plan under one motion and by roll call vote.</p> <p><i>Approved at March 11, 2025 BOD meeting</i></p>

Blue = Action taken by the Board of Directors

2025 Work Plan: Santa Clara Valley Water Commission

Update: October 2025

4	Approve 2025 Meeting Schedule	January 22	<ul style="list-style-type: none"> Discuss and approve 2025 meeting schedule. (Action) January 22 April 9 July 23 (may be changed to Aug.) Oct. 22 	<u>Accomplished January 22, 2025</u> The Commission received and approved the 2025 meeting schedule, which was included in the 2025 Work Plan.
5	Review and Comment to the Board on the Fiscal Year 2024-2025 Preliminary Groundwater Production Charges	January 22 April 9	<ul style="list-style-type: none"> Review and comment to the Board on the Fiscal Year 2025-2026 Preliminary Groundwater Production Charges. (Action) Receive/discuss community outreach/messaging of groundwater rates. (Information) Submit requests to the Board, as appropriate. (Action) 	<u>Accomplished January 22, 2025</u> The Commission received information and provided feedback to staff on the Fiscal year 2024-2025 Preliminary Groundwater Production Charges and took no action. <i>Approved at May 27, 2025 BOD meeting</i>
6	Standing Items Report Fiscal Year 2025	January 22 October 22	<ul style="list-style-type: none"> Receive reports on FY24-25 Valley Water Board Work Plan standing items (Information) 	<u>Accomplished January 22, 2025</u> The Commission received the Standing Items Report Fiscal Year 2025 information and took no action.
7	Information and Feedback on the Development of Valley Water's Water Supply Master Plan 2050	January 22 TBD	<ul style="list-style-type: none"> Receive Information and Provide Feedback on the Development of Valley Water's Water Supply Master Plan 2050. (Action) Receive information relating to possible desalination projects in the WSMP 2050 (Information) 	<u>Accomplished January 22, 2025</u> The Commission received information and provided feedback to staff on the Water Supply Master Plan 2050 and took no action.
8	Overview of Valley Water's Role in Emergency Preparedness and Response	April 9	<ul style="list-style-type: none"> Receive overview of Valley Water's Role in Emergency Preparedness and Response. (Information) 	<u>Accomplished April 9, 2025</u> The Commission received information and provided feedback to staff on Valley Water's Role in Emergency Preparedness and Response and took no action.
9	Overview of Valley Water's Water Conservation Programs	April 9	<ul style="list-style-type: none"> Receive information from Valley Water relating to water conservation programs. (Information) 	<u>Accomplished April 9, 2025</u> The Commission received information and provided feedback to staff on Valley Water's Conservation Programs and took no action.
10	Tour a VW Water Supply Facility	August 27	<ul style="list-style-type: none"> Conduct tour (Information) 	<u>Accomplished August 27, 2025</u> The Commission did site tour of the Anderson Dam Seismic Retrofit Project and took no action.

2025 Work Plan: Santa Clara Valley Water Commission

Update: October 2025

11	Update on the current <i>Water Use Projections, Water Demand Elasticity and Customer Affordability Study</i> (One time presentation)	October 22	<ul style="list-style-type: none"> • Receive information from Valley Water relating to the current <i>Water Use Projections, Water Demand Elasticity and Customer Affordability Study</i> 	
12	Update of AB 1469 relating to Unhoused	TBD	<ul style="list-style-type: none"> • Receive update on AB1469 relating to unhoused (Information) 	
13	Overview of Valley Water's Flood Protection Projects	TBD	<ul style="list-style-type: none"> • Receive information from Valley Water relating to flood protection projects and efforts. (Information) 	
14	Update relating to Valley Water's amendment to Conflict of Interest Code/Form 700	TBD	<ul style="list-style-type: none"> • Receive update relating to Valley Water's amendment to Conflict of Interest Code • (Information) 	

BOARD WORK PLAN GOALS:

Integrated Water Resources Management - Goal: Efficiently manage water resources across business areas.

Water Supply – Goal: Provide a reliable, safe, and affordable water supply for current and future generations in all communities served.

Natural Flood Protection – Goal: Provide natural flood protection to reduce risk and improve health and safety.

Environmental Stewardship – Goal: Sustain ecosystem health while managing local water resources for flood protection and water supply.

Addressing Encampment of Unsheltered People – Goal: Humanely assist in the permanent relocation of unsheltered people on Valley Water lands along waterways and at water supply and flood risk reduction facilities in order to address the human health, public safety, operational, and environmental challenges posed by encampments.

Climate Change – Goal: Mitigate carbon emissions and adapt Valley Water operations to climate change impacts.

Business Management – Goal: Promote effective management of water supply, flood protection, and environmental stewardship through responsive and socially responsible business services.

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Santa Clara Valley Water District

File No.: 25-0894

Agenda Date: 10/22/2025

Item No.: 5.1.

COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission

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

SUBJECT:

Standing Items Report.

RECOMMENDATION:

Standing Items Report

This item allows the Santa Clara Valley Water Commission to receive verbal or written updates and discuss the Board's Fiscal Year 2024-2025 Work Plan Strategies. These items are generally informational; however, the Commission may request additional information and/or provide collective input to the assigned Board Committee.

SUMMARY:

The Santa Clara Valley Water Commission was established to assist the Board with policy review and development, provide comment on activities in the implementation of Valley Water's mission, and to identify Board-related issues.

On January 2022, the Board of Directors approved aligning the Board Advisory Committees' agendas and work plans with the Board's yearly work plan.

The new agenda format will allow regular reports on the Board's priorities from the Board's committees and/or Board committee representative and identify subjects where the committees could provide advice to the Board on pre-identified subjects in a timely manner to meet the Board's schedule and distribute information/reports that may be of interest to committee members.

ENVIRONMENTAL JUSTICE IMPACT:

The Standing Items Report is not subject to environmental justice analysis.

ATTACHMENTS:

File No.: 25-0894

Agenda Date: 10/22/2025
Item No.: 5.1.

Attachment 1: Board Work Plan Standing Items Report

UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193

FY2024-2025 BOARD WORK PLAN – STANDING ITEMS REPORT

January-June 2025

INTEGRATED WATER RESOURCES MANAGEMENT GOAL: Efficiently manage water resources across business areas.	
Objective 1:	Protect and maintain existing assets and infrastructure and advance new projects.
Updates:	<ul style="list-style-type: none"> On March 25, 2025, the Board approved changes to the Board Governance Policy Executive Limitations 6 (EL-6): Asset Management. EL-6 serves as a governance policy of the Board providing clear directives regarding protecting and maintaining Valley Water's intangible assets, including intellectual property and water rights, as well as physical assets, such as real property, facilities, and infrastructure. Revisions are intended to clarify the existing EL-6 provisions to improve their practical application. On April 22, 2025, the Board adopted a resolution certifying the final program environmental impact report (EIR) and approved the Pipeline Maintenance Program. The PMP is primarily a process and procedural manual that provides long-term guidance for the implementation of pipeline inspection and maintenance work. The most recent Pipeline Maintenance Program work includes updating the environmental documents, program budget, and creating projects to inspect and rehabilitate the pipelines that Valley Water owns or maintains to ensure the delivery of clean and safe water to Valley Water customers. On May 23, 2025, the Board approved Valley Water's Capital Improvement Program (CIP) Final Fiscal Year (FY) 2026-2030 Five-Year Plan. The CIP Five-Year Plan describes Valley Water's capital investment priorities. It provides information on the planned capital projects and Valley Water's intended source(s) of funding. The CIP Final FY 2026-30 Five-Year Plan includes 76 funded projects distributed among the following categories: 43 Water Supply, 14 Flood Protection, 12 Water Resources Stewardship, 3 Buildings and Grounds, and 4 Information Technology projects, for a total CIP value of \$10.321B. On June 24, 2025, the Board accepted the work for the Snell Pipeline Inspection and Rehabilitation Project as complete. Snell Pipeline consists of approximately 8.5 miles of 60-inch to 72-inch prestressed concrete cylinder pipe, reinforced concrete cylinder pipe, embedded cylinder pipe, and welded steel pipe. It conveys treated water from Santa Teresa Water Treatment Plant to Evergreen and Parallel East Pipelines. Snell Pipeline is included in Valley Water's Pipeline Maintenance Program (PMP) and is an identified capital effort under the 10-Year Pipeline Inspection and Rehabilitation Program.
Objective 2:	Improve internal capacity to negotiate and acquire regulatory permits.
Updates:	<ul style="list-style-type: none"> On April 2, 2025, Chair Estremera kicked off the first environmentally focused stakeholders meeting of the year hosted by Valley Water. Chair Estremera greeted a diverse cross-section of environmental leaders at the virtual meeting and introduced Director Ballard, who was also in attendance. Valley Water staff conducted an informational presentation on the Pacheco Reservoir Expansion Project and shared an update on the Desalination Engineering Feasibility Study. Attendees participated in a lively discussion during the meeting, engaged Valley Water directors and staff with questions, and provided valuable feedback on Valley Water projects through an environmental stewardship lens.

Objective 3:	Educate the community, elected officials and external stakeholders on our management of water resources in Santa Clara County.
Updates:	<ul style="list-style-type: none"> • In December 2024, staff launched a new branding campaign that focuses on building Valley Water’s visibility and reputation in the community. The campaign emphasizes that our agency provides safe, clean water, flood protection, and environmental stewardship to Santa Clara County. The campaign’s first phase includes two 15-second movie theater ads and interior bus ads. The movie theater and bus ads will run for six months and feature San Jose Sharks defenseman Mario Ferraro and Valley Water’s mascot, H2Cool. • On April 11, 2025, Valley Water hosted a tour of Valley Water’s critical water infrastructure in Santa Clara County. Tour guests included elected officials across ten cities, county and special district staff, as well as state and federal representatives and business leaders. The tour served as an opportunity to educate and engage regional stakeholders on the various projects’ benefits and to advocate for legislative needs. Tour stops included the Anderson Dam and Reservoir, Alamos Groundwater Recharge Ponds, Coyote Creek Flood Protection Project, South San Francisco Bay Shoreline Project, and the Silicon Valley Advanced Water Purification Center. • On May 14, 2025, Valley Water hosted the second Santa Clara County Community Rating System Users’ Group/Program for Public Information (PPI) Committee Meeting. There were 26 participants, including staff from 11 local jurisdictions and Valley Water. Topics included program updates, results from Valley Water’s FY 2025 Flood Awareness Campaign, planning for the FY 2026 Campaign, and updates to the Valley Water website. • On May 20–21, 2025 Valley Water Director Ballard and Director Beall led senior staff in 19 meetings with California state legislators and Governor Newsom administration officials to advocate for Valley Water’s top priorities. Key topics included budget needs, the Delta Conveyance and Anderson Dam projects, and broader water policy issues. These Sacramento meetings are a critical part of our advocacy efforts, with outcomes anticipated in the upcoming state budget and legislative decisions. • In FY2025, Valley Water’s Civic Engagement Education Outreach Program reached 12,823 youth in 271 classrooms. • In FY2025, Valley Water’s Water Supply Outreach Program reached 1,567 attendees at various community events, and 262 community members who took public tours at the Silicon Valley Advanced Water Purification Center.

WATER SUPPLY GOAL: Provide a reliable, safe, and affordable water supply for current and future generations in all communities served.	
Objective 1:	Pursue new and diversified water supply and storage opportunities.
Updates:	<ul style="list-style-type: none"> • On June 10, 2025, the Board received an update on Valley Water’s Draft Water Supply Master Plan 2050. The Water Supply Master Plan (WSMP) is Valley Water’s guiding document for long-term water supply investments to ensure water supply reliability for Santa Clara County. Updated approximately every five years, this long-range plan assesses projected future county-wide demands and evaluates and recommends water supply and infrastructure projects to meet those demands to achieve Valley Water’s level of service goal through the planning horizon. Valley Water has developed the WSMP 2050 to evaluate and respond to changing conditions such as severe drought, reductions in imported water supplies, shifting water demands, and concerns about affordability. The WSMP 2050 addresses both existing and emerging challenges and identifies strategies to maintain the reliable water supply system for Santa Clara County through 2050.

Objective 2:	Secure existing water supplies and water supply infrastructure
Updates:	<ul style="list-style-type: none"> • On February 25, 2025, the Board received an update on the B.F. Sisk Dam Raise and Reservoir Expansion Project and approved the San Luis and Delta-Mendoza Water Authority's execution of the Management and Cost Share Agreement with the U. S. Bureau of Reclamation. • On April 8, 2025, the Board received an update on the B.F. Sisk Dam Raise and Reservoir Expansion project and approved an increase of Valley Water's storage capacity to a minimum of 63,560 Acre Feet, or up to 70,000 Acre Feet if space becomes available and authorized an increase of Valley Water's share of project planning costs up to \$2.18M. • On June 10, 2025, the Board received an update on Valley Water's Draft Water Supply Master Plan 2050. The Water Supply Master Plan (WSMP) is Valley Water's guiding document for long-term water supply investments to ensure water supply reliability for Santa Clara County. Updated approximately every five years, this long-range plan assesses projected future county-wide demands and evaluates and recommends water supply and infrastructure projects to meet those demands to achieve Valley Water's level of service goal through the planning horizon. Valley Water has developed the WSMP 2050 to evaluate and respond to changing conditions such as severe drought, reductions in imported water supplies, shifting water demands, and concerns about affordability. The WSMP 2050 addresses both existing and emerging challenges and identifies strategies to maintain the reliable water supply system for Santa Clara County through 2050.
Objective 3:	Lead purified water efforts with committed partners.
Updates:	<ul style="list-style-type: none"> • On June 10, 2025, the Board authorized the Interim CEO advance agreements with the City of San Jose and the City of Santa Clara to construct and operate a Direct Potable Reuse (DPR) Demonstration Facility to perform needed studies for permitting and to inform the eventual design and operation of a larger, full-scale, permanent DPR facility to comply with state regulations. The proposed DPR demonstration facility would include a visitor learning center for tours, education, outreach, and to garner public support. • In June 2025, Valley Water's Office of Government Relations and the Office of Civic Engagement continued their collaborative effort to advocate for expanding purified water in Santa Clara County through the Community Events Booth Program. Staff engaged with residents, shared information about Valley Water's programs and services, and distributed chilled purified water bottles to event attendees. To date, over 2,000 bottles have been shared with the community, raising awareness and building support for the future of local water supply.
Objective 4:	Complete the Anderson Dam Seismic Retrofit Project.
Updates:	<ul style="list-style-type: none"> • On February 25, 2025, the Board certified the Final Environmental Impact Report (EIR) and approved the Engineer's Report for the Anderson Dam Seismic Retrofit Project. • On June 10, 2025, the Board received an update on the Anderson Dam Tunnel Project (ADTP) . Major elements of the ADTP construction that have been completed including: tunnel excavation and initial lining of the tunnel were completed in April 2024; conclusion of tunneling and tapping into the reservoir was completed in August 2024; construction of the DOS outside the downstream tunnel portal was completed in June 2024; and work to reopen the North Channel was completed in November 2024.

Objective 5:	Make water conservation a California way of life in Santa Clara County.
Updates:	<ul style="list-style-type: none"> On April 1, 2025, Valley Water launched the 2025 Spring Water Conservation Campaign. This campaign promotes our landscape rebate program, which includes irrigation upgrades, rainwater harvesting, outdoor water-wise surveys, and graywater rebates. It uses a multichannel media approach that encompasses digital platforms, social media, email, multilingual newspapers, and television. Additionally, follow-up postcards will be sent to visitors of the multilingual program marketing pages. Valley Water has partnered with retailers to extend the messaging and encourage community participation in water-saving initiatives, further amplifying our outreach efforts. In FY25, Safe, Clean Water funding continues to support Valley Water’s Landscape Rebate Program, allowing for the \$2 per square foot lawn conversion rate to continue. In FY25, the Landscape Rebate Program led to the conversion of over 960,000 sq ft of lawn, 750,000 sq ft of which was eligible for Safe, Clean Water funding.

NATURAL FLOOD PROTECTION	
GOAL: Provide Natural Flood Protection to reduce risk and improve health and safety.	
Objective 1:	Protect people and property from flooding in all regions of the County, prioritizing disadvantaged communities, by applying a comprehensive, integrated watershed management approach that balances environmental quality, environmental justice impacts, sustainability, and cost.
Updates:	<ul style="list-style-type: none"> On March 11, 2025, the Board certified the Final Environmental Impact Report (EIR) for the Coyote Creek Flood Protection Project and approved the Coyote Creek Flood Protection Project. On June 10, 2025, the Board accepted the work on the Upper Llagas Creek Flood Protection Project Phase 1 as complete. The Phase 1 Project completed its civil work, which included mitigation planting and irrigation installation in April 2022. The remaining Phase 1 Project scope of work, completed in March 2025, was a three-year plant establishment and maintenance period. On June 24, 2025, the Board accepted the work for the Federal Energy Regulatory Commission Order Compliance Project Coyote Creek Flood Management Measures Project (CCFMMP), Stage 1 - Civil Work as complete. The immediate objective of CCFMMP is to reduce the risk of flooding to homes, schools, businesses, and transportation networks from flows associated with water releases from Anderson Dam that may occur after construction of Valley Water’s Anderson Dam Tunnel Project (ADTP), currently underway and scheduled to be completed in 2025.

ENVIRONMENTAL STEWARDSHIP GOAL: Sustain ecosystem health while managing local water resources for flood protection and water supply.	
Objective 1:	Plan and design projects with multiple benefits, including protecting ecosystem functions, enhancing habitat, and improving connectivity in all regions of the County.
Updates:	<ul style="list-style-type: none"> A small defunct dam and steep pass fish ladder on Little Arthur Creek (known as Pickell's Dam) was removed for mitigation credit for the Stream Maintenance Program (SMP). The removal of the dam that is over 100 years old provides access to ~3.5 miles of high quality spawning and rearing habitat for South Central California Coast Steelhead. The removal also allows for a more natural state of stream processes by allowing habitat feature formation that was previously impacted by the full spanning concrete structure. The project construction was completed on private property under a non-consultant agreement with Trout Unlimited; where Valley Water O&M staff provided training, funding, permitting, and oversight for project implementation. The project's success will be monitored by Valley Water's SMP Team over the next 5 years following construction as part of mitigation monitoring for the SMP. Environmental staff believe this is a good model to follow for future projects, identifying strategies to implement mitigation/restoration projects that are cost effective, beneficial to the ecosystem, and meaningful to the community/stakeholders.
Objective 2:	Protect creeks, bay, and other aquatic ecosystems from threats of pollution and degradation.
Updates:	<ul style="list-style-type: none"> On May 17, 2025, Valley Water, in partnership with the Creek Connections Action Group, organized another successful National River Cleanup Day in Santa Clara County. More than 700 community members volunteered approximately 2,300 hours of their time to remove roughly 17,181 pounds of litter from 43 cleanup sites throughout the county. Valley Water's Youth Commission hosted a cleanup site along Coyote Creek in Milpitas. As part of the Safe, Clean Water and Natural Flood Protection Program, Valley Water created the Creekside Neighbor Rebate Program to provide financial assistance to property owners who undertake creek maintenance projects such as bank stabilization (erosion repair); sediment, vegetation, or debris removal; and/or storm drain outfall repair. Rebates of up to \$150,000 are available for qualifying construction and permit costs. The Program went live on May 30, 2025. Information and application is available at valleywater.org/CreeksideNeighborRebateProgram. From February 14-May 30, 2025, 263.27 tons of trash were removed from unhoused encampments.
Objective 3:	Complete and implement the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE) agreement.
Updates:	<ul style="list-style-type: none"> On June 11, 2025, Valley Water's Stream Planning and Operations Committee took a site tour of Uvas Creek, Bolsa Road Fish Passage Improvements Site. The Uvas Creek, Bolsa Road Fish Passage Project improved fish passage by gradually raising the bed over 1,800 feet of channel length by creating a sequence of eleven riffles and pools. The project was named the 2024 Project of the Year Award by the American Public Works Association (APWA) Silicon Valley Chapter. The APWA Silicon Valley Chapter recognized the Bolsa Road Fish Passage Improvements Project as a public works project that demonstrated excellence in its planning, design, construction and efforts between various stakeholders to complete the project.

ADDRESSING ENCAMPMENTS OF UNSHELTERED PEOPLE GOAL: Humanely assist in the permanent relocation of unsheltered people on Valley Water lands along waterways and at water supply and flood risk reduction facilities in order to address the human health, public safety, operational, and environmental challenges posed by encampments.	
Objective 1:	Collaborate with agencies and other service providers to address the challenges posed by encampments and their impacts to waterways and water supply and flood risk reduction facilities, including supporting the provision of outreach, counseling, transitional or affordable housing, or other services by these agencies and service providers.
Updates:	<ul style="list-style-type: none"> • In February 2025, Valley Water’s Youth Commissioners assembled 100 hygiene kits for distribution to unhoused youth through the Bill Wilson Center, each containing essentials such as shampoo, hand sanitizer, a comb, a toothbrush, toothpaste, and a trash bag. On February 23, the commissioners toured the Bill Wilson Center with Dir. Beall to deliver the kits to the unhoused youth and learn more about the center's efforts to support and improve the lives of youth in the county. • On March 13, 2025, Valley Water’s Environmental Creek Cleanup Committee reviewed Valley Water’s Agreements with the County of Santa Clara and the City of San José related to services for unhoused individuals and help identify proactive collaborative methods that can be pursued to collectively make meaningful progress with the unhoused living along the waterways in Santa Clara County.
Objective 2:	Collaborate with the County and municipal partners to secure the safety of unsheltered people living on Valley Water lands along waterways and at water supply and flood risk reduction facilities, as well as secure the safety of residential neighbors and Valley Water staff.
Updates:	<ul style="list-style-type: none"> • On November 26, 2024 the Board adopted the Water Resources Protection Ordinance establish water resources protection zones (WRPZ) along creeks, waterways, water supply facilities, and other lands where Valley Water holds land rights. The Ordinance is intended to improve water quality, to protect water supply facilities and riparian habitats, and to support staff safety by prohibiting camping and encampment-related activities, reducing encampments, and preventing re-encampments within the WRPZ. The Ordinance went into effect December 26, 2024. • In 2025, the number of unsheltered individuals on Valley Water land was 264, down from 904 in 2023 and the number of encampment structures was 224 in 2025, down from 452 in 2023.

EXTREME WEATEHR EVENTS GOAL: Mitigate carbon emissions and adapt Valley Water operations to extreme weather events.	
Objective:	Address future impacts of extreme weather events to Valley Water’s mission and operations.
Updates:	<ul style="list-style-type: none"> • On June 9, 2025, Valley Water’s Board Policy and Monitoring Committee received an update on Valley Water’s Draft Greenhouse Gas Reduction Plan (GHGRP), including baseline emissions inventory, emissions forecast, emissions reduction measures for achieving carbon neutrality by 2045, and stakeholder input received on the Draft GHGRP.

BUSINESS MANAGEMENT GOAL: Promote effective management of water supply, flood protection, and environmental stewardship through responsive and socially responsible business services.	
Objective 1:	Maintain budgeted staffing levels and expertise, prioritize the safety of our staff, and build and sustain an inclusive and equitable working environment for all staff and partners while ensuring fair employment.
Updates:	<ul style="list-style-type: none"> • In FY 2025, despite a hiring pause, Valley Water made 65 hires from 141 recruitments, promoted 76 staff, expanded outreach to underrepresented groups, and launched monthly Supervisor Core Training to equips leaders at Valley Water with the essential technical skills and tools needed to excel in their supervisory role at Valley Water. • In FY 2025, Valley Water launched a Security Safety Resources Page that provides tools, training, policies, and plans addressing safety issues for staff. Valley Water also launched an agency-wide real-time alert system that can be deployed to all staff in the event of a safety concern.
Objective 2:	Provide affordable and cost-effective level of services.
Updates:	<ul style="list-style-type: none"> • On March 25, 2025, the Board received the Single Audit Report for Fiscal Year 2024. The Single Audit is a rigorous, organization-wide audit of an entity that expends \$750,000 or more of federal assistance received for its operations. The Single Audit's objective is to provide assurance to the U.S. federal Government as to the management and use of such funds by recipients. The audit is performed by an independent certified public accountant and encompasses both financial and compliance components. There were no findings in Valley Water's Fiscal Year 2024 Single Audit Report. • On March 25, 2025 staff presented to the Board long-range financial planning models for three of Valley Water's major funds: the Water Utility Enterprise Fund, the Watersheds Stream Stewardship Fund and the Safe, Clean Water Fund. These forecasts, ranging from 30-45 years depending on the fund, include assumptions regarding repair and rehabilitation of large assets beyond the typical 10-year forecasts presented annually. This information provided the Board with a comprehensive financial picture to inform Board decisions impacting the agency's long-term future. • On May 23, 2025, the Board approved Valley Water's Capital Improvement Program (CIP) Final Fiscal Year (FY) 2026-2030 Five-Year Plan. The CIP Five-Year Plan describes Valley Water's capital investment priorities. It provides information on the planned capital projects and Valley Water's intended source(s) of funding. The CIP Final FY 2026-30 Five-Year Plan includes 76 funded projects distributed among the following categories: 43 Water Supply, 14 Flood Protection, 12 Water Resources Stewardship, 3 Buildings and Grounds, and 4 Information Technology projects, for a total CIP value of \$10.321B. • On May 23, 2025, the Board adopted the FY 2025-2026 Operating and Capital Rolling Biennial Budget of \$1.080 billion, less \$131.7 million in intra-district reimbursements. The total net proposed budget is \$948.1 million. • On June 24, 2025, the Board received information on a consultant study regarding Valley Water's water use projections, water demand elasticity and customer affordability. Key takeaways from the study showed that Valley Water's approach is consistent with our comparable water agencies and its forecast-to-actual water sales have been largely accurate. The study offered areas to further refine data and forecasting assumptions for consideration. • Grant awards for Fiscal Year 2025 to date total \$92 million, which includes the execution of the \$80M grant agreement with NRCS for the Upper Llagas Phase 2B project plus \$4.6M and \$7.4M from the State Coastal Conservancy for the Shoreline Project Reaches 1-3 and Reaches 4 & 5 respectively.

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