



Santa Clara Valley Water District Agricultural Water Advisory Committee Meeting

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: <https://valleywater.zoom.us/j/98850905996>

REGULAR MEETING AGENDA

**Monday, April 6, 2026
1:30 PM**

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

COMMITTEE: Trevor Garrod, Chairperson Tim Chiala, Vice Chairperson	All public records relating to an open session 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 to the public through the legislative body agenda web page 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 participate in the legislative body's meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 630-2277.	Vincent Gin Darin Taylor, (Staff Liaisons)
BOARD REPRESENTATIVES: Director Jim Beall Vice Chairperson Richard P. Santos Director John L. Varela		Nicole Merritt (COB Liaison) Deputy Clerk (Committee Meetings) nmerritt@valleywater.org 408-630-3262

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

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

Monday, April 6, 2026

1:30 PM

HQ. Bldg. Boardroom, 5700 Almaden
Expressway, San Jose, California

Join Zoom Meeting:

<https://valleywater.zoom.us/j/98850905996>

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>

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board’s office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

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

not been prepared with a view to informing an investment decision in any of Valley Water's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

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/98850905996>

Meeting ID: 988 5090 5996

Join by Phone:

1 (669) 900-9128, 988 5090 5996#

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 matters not listed on the agenda may do so by completing a Speaker Card and submitting it to the Clerk, or by using the "Raise Hand" feature within the Zoom meeting application to request recognition. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and, when recognized, will be granted speaking access to address the Board/Committee.

Public comments shall be limited to three (3) minutes per speaker, or such other time as determined by the Chair. State law does not permit the Board/Committee to take action on, or engage in extended discussion of, any item not appearing on the posted agenda, except as otherwise authorized under applicable law. If Board/Committee action is requested, the matter may be scheduled for consideration at a future meeting.

All public comments requiring a response will be referred to staff for a written reply. The Board/Committee may take action on any item of business appearing on the posted agenda.

3. APPROVAL OF MINUTES:

- 3.1. Approval of January 5, 2026 Agricultural Water Advisory Committee Minutes. [26-0329](#)
Recommendation: Approve the minutes.
Manager: Wendy Ho, 408-630-3874
Attachments: [Attachment 1: 01052026 AWAC Minutes](#)
Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

- 4.1. Review Proposed Fiscal Year 2026-27 Groundwater Production Charges and Receive Committee Feedback. [26-0255](#)
Recommendation: Review Proposed Fiscal Year 2026-27 Groundwater Production Charges and Receive Committee Feedback.
Manager: Darin Taylor, 408-630-30678
Attachments: [Attachment 1: PowerPoint](#)
Est. Staff Time: 20 Minutes
- 4.2. Receive Update on Valley Water's Periodic Evaluation to Its Alternative Groundwater Sustainability Plan under the Sustainable Groundwater Management Act (SGMA). [26-0267](#)
Recommendation: Receive an update on Valley Water's periodic evaluation to its Alternative Groundwater Sustainability Plan under the Sustainable Groundwater Management Act (SGMA).
Manager: Gregory Williams, 408-630-2867
Attachments: [Attachment 1: PowerPoint](#)
Est. Staff Time: 10 Minutes
- 4.3. Receive an Update on Valley Water's South County Managed Aquifer Recharge Activities. [26-0313](#)
Recommendation: Receive an update on Valley Water's South County managed aquifer recharge activities.
Manager: Gregory Williams, 408-630-2867
Attachments: [Attachment 1: Recharge Facility Map](#)
[Attachment 2: Recharge Facility Capacity](#)
[Attachment 3: PowerPoint](#)
Est. Staff Time: 10 Minutes

- 4.4. Review 2026 Agricultural Water Advisory Committee (AWAC) Work Plan, [26-0307](#)
the Outcomes of Board Action of Committee Requests, and the
Committee's Next Meeting Agenda.

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

Manager: Wendy Ho, 408-630-3874

Attachments: [Attachment 1: AWAC 2026 Work Plan](#)

Est. Staff Time: 5 Minutes

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.

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

6. REPORTS:

- 6.1. Government Affairs Report
- 6.2. Director's Report
- 6.3. Manager's Report
- 6.4. Committee Member's Report
- 6.5. Information Links:

<https://www.valleywater.org/how-we-operate/committees/board-committees>
•Board Policy and Monitoring Committee (BPMC) - formerly Board Policy and
Planning Committee & Diversity
and Inclusion Ad Hoc Committee
•Environmental Creek Cleanup Committee (ECCC) - formerly Homeless
Encampment Committee
•Water Supply and Demand Management (WSDM) - formerly Water Storage
Exploratory Committee & Water Conservation & Demand Management
Committee

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

7. ADJOURN:

- 7.1. Adjourn. The Next Regular Meeting is Scheduled at 1:30 p.m., on July 6, 2026.

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Santa Clara Valley Water District

File No.: 26-0329

Agenda Date: 4/6/2026
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee

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

SUBJECT:

Approval of January 5, 2026 Agricultural Water Advisory Committee Minutes.

RECOMMENDATION:

Approve the minutes.

SUMMARY:

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

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

ENVIRONMENTAL JUSTICE IMPACT:

Approval of minutes is not subject to environmental justice analysis.

ATTACHMENTS:

Attachment 1: 01052026 AWAC Minutes

UNCLASSIFIED MANAGER:

Wendy Ho, 408-630-3874

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AGRICULTURAL WATER ADVISORY COMMITTEE
MEETING

DRAFT MINUTES

REGULAR MEETING
MONDAY, JANUARY 5, 2026
1:30 PM

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

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

1.1 Roll Call.

Committee members in attendance were District 1 Erin Gil and Mitchell Mariani, District 2 James Provenzano, District 3 Robert Long Jr., District 4 Sheila Barry, District 6 Tim Chiala, Santa Clara County Farm Bureau Jan Garrod, District 5 and Vice Chairperson Trevor Garrod, and Loma Prieta Resource Conservative District and Chairperson presiding, Peter Van Dyke constituting a quorum of the Committee.

Committee member who was not in attendance in person was District 4 Brent Bonino.

Staff members in attendance were: Aaron Baker, Roseryn Bhudsabourg, Mark Bilski, Theresa Chinte, Enrique De Anda, Stephen Ferranti, Rachael Gibson, Vincent Gin, Joshua Golka, Walter Gonzalez, Andy Gschwind, Jason Gurdak, Wendy Ho, Cindy Kao, Candice Kwok-Smith, Marta Lugo, Ryan McCarter, Nicole Merritt, Carmen Narayanan, Kirsten Struve, Metra Ulloa, Bhavani Yerrapotu, and Beckie Zisser.

Board Representative in attendance were: Valley Water Vice Chairperson Richard P. Santos (District 3), and Valley Water Director John Varela (District 1).

Public in attendance was: Valley Water Director Rebecca Eisenberg (District 7).

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

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

3. APPROVAL OF MINUTES:

3.1. Approval of October 6, 2025, Agricultural Water Advisory Committee Meeting Minutes.

Recommendation: Approve the minutes.

The Committee considered the attached minutes of the October 6, 2025, Committee meeting.

Public Comments:
None.

It was moved by Vice Chairperson Trevor Garrod and seconded by James Provenzano and unanimously carried that the minutes be approved.

4. REGULAR AGENDA:

4.1. Election of Chair and Vice Chair.

Recommendation: Elect 2026 Chair and Vice Chair.

The Committee considered this Item without a staff presentation.

Nicole Merritt and Andy Gschwind were available to answer questions,

Public Comments:
None.

It was moved by Jan Garrod and seconded by Erin Gil and unanimously carried that Vice Chairperson Trevor Garrod would become the Chairperson.

It was moved by Mitchell Mariani and seconded by Peter Van Dyke and unanimously carried that Tim Chiala would become the Vice Chairperson.

4.2. Review and Approve 2025 Accomplishments Report for Presentation to the Board (Committee Chair).

Recommendation: A. Approve the 2025 Accomplishments Report for presentation to the Board;
B. Provide comments to the Committee Chair to share with the Board as part of the Accomplishments Report presentation pertaining to the purpose, structure, and function of the Committee.

The Committee considered this Item without a staff presentation.

Nicole Merritt was available to answer questions.

Valley Water Vice Chairperson Santos congratulated and thanked the Committee, as well as the outgoing AWAC Chair and Vice Chair, for their work and Peter Van Dyke, the outgoing Chair, also thanked Valley Water and staff.

Public Comments:
None.

It was moved by Erin Gil and seconded by Jan Garrod and unanimously carried that the following Recommendation was unanimously approved.

A. Approve the 2025 Accomplishments Report for presentation to the Board.

4.3. Review and Provide Comment to the Board on Staff's Preliminary Fiscal Year (FY) 2026-2027 Groundwater Production Charges.

Recommendation: Review staff's preliminary FY 2026-2027 Groundwater Production Charges and provide comment to the Board as appropriate.

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

Carmen Narayanan, Aaron Baker, Cindy Kao, and Director Varela were available to answer questions.

The Committee discussed the following topics: discussed how the late spring rains may have contributed to the increase in FY 2025 agricultural water use in South County; provided feedback that South County agricultural land use is declining and the potential effect on projections; noted agricultural use is projected to remain flat and stable with data reviewed and addressed as it becomes available; confirmed how Municipal & Industrial and treated water rates are calculated; discussed how groundwater charge projections are established, including the Open Space Credit, and how the water retailer rates are correlated; discussed challenges associated with incorporating drought conditions into projections and noted drought reserve options are replenished during non-drought periods; and discussed the Metropolitan Water District's pending Colorado River agreement and the potential impact on the state's allocations during a drought market.

The Committee received and noted the information, provided feedback, and took no formal action.

4.4. Receive an Update on the Upper Llagas Flood Protection Project.

Recommendation: Receive project information on the Upper Llagas Flood Protection Project and the current construction status.

Stephen Ferranti reviewed the information on this item, per the attached Committee Agenda, and per the information contained in Attachment 1.

Handout 4.4-A, PowerPoint Drone Footage, Revised Slide 12 for Attachment 1, was distributed to the Committee and made available to the public.

Stephen Ferranti and Valley Water Vice Chairperson Santos were available to answer questions.

The Committee discussed the following topics: confirmed the location of the box culverts on West Little Llagas Creek and how they assist with flood protection during high and low flow conditions; confirmed process of flood protection work near Watsonville and Monterey Road; discussed invasive species removal process of Arundo; confirmed native plants and shrubs will be used with an associated maintenance budget, and staff may redistribute excess plants if needed; expressed support for staff's work on this project; discussed the high groundwater table at Lake Silveira as beneficial for wetland conditions; discussed project improvements for flood protection upstream north of Morgan Hill to Monterey Road and downstream through San Martin and Gilroy; noted the Capacity Restoration Project may address overgrowth in portions of the channel and the potential of Soap Lake as a resource; noted flood protection work is targeted for completion by October 2026 and construction phase 2b is targeted for completion by March 2027; and noted Valley Water Vice Chairperson Santos and Director Varela are part of the Pajaro River Watershed Flood Protection Authority.

Public Comments:
None.

The Committee received and noted the information, provided feedback, and took no formal action.

4.5. Review and Discuss Resolution 17-75 Regarding the Agricultural Water Advisory Committee Membership and Provide the Feedback or Recommendations to the Board.

Recommendation: Review and discuss Resolution 17-75 (PROVIDING FOR AND DEFINING THE STRUCTURE AND FUNCTION OF ADVISORY COMMITTEES TO THE SANTA CLARA VALLEY WATER DISTRICT BOARD OF DIRECTORS AND REPEALING RESOLUTION 15-28) as to its provisions regarding the membership of the Agricultural Water Advisory Committee (AWAC) and provide feedback or recommendations to the Board.

The Committee considered this Item without a staff presentation.

Nicole Merritt, Valley Water Vice Chairperson Santos, Andy Gschwind, Candice Kwok-Smith, and Vincent Gin were available to answer questions.

Public Comments:
None.

The Committee discussed the following topics: confirmed the six current vacancies and expressed interest in receiving additional details on Committee vacancies; discussed potential for Committee members to represent the Committee at large rather than by District; confirmed the Valley Water Board of Directors may consider revising Committee member eligibility requirements; discussed the possibility of a Committee member affiliated with a land trust; noted challenges facing the agricultural community due to urbanization; and expressed support for Committee members to remain actively engaged in agriculture and to conduct outreach within their respective areas to recruit potential new members.

Public Comments:
None.

The Committee discussed and noted the information, provided feedback, and took no formal action.

- 4.6. Review and Approve the Proposed 2026 Agricultural Water Advisory Committee (AWAC) Work Plan, the Outcomes of Board Action of Committee Requests, the Committee's Next Meeting Agenda; and Recommend the Proposed 2026 AWAC Work Plan to the Board.

Recommendation: Review and approve the Committee work plan to guide the committee's discussions regarding policy alternatives and implications for Board deliberation; and recommend the proposed 2026 AWAC Work Plan to the Board.

The Committee considered this item without a staff presentation.

Nicole Merritt, Darin Taylor, Jason Gurdak, Andy Gschwind, and Kirsten Struve, Aaron Baker, Mark Bilski, Darin Taylor, and Valley Water Vice Chairperson Santos and Director Varela were available to answer questions.

Public Comments:
None.

The Committee discussed the following topics: expressed support for staff continuing to work with the AWAC Chair on preparing agendas; noted staff is working to streamline the well-permitting process and may report updates as they become available, noted Board Representatives are

continuing to support the agricultural community through participation on various meeting bodies; and provided feedback on the Work Plan Items.

The Committee expressed the following details regarding the AWAC Work Plan:

Valley Water's South County Managed Aquifer Recharge Activities:

The Committee noted if Flood-MAR is tabled, how efforts would continue and whether opportunities still exist; discussed potential for retention ponds within developments to function as percolation ponds and whether Valley Water could assist; and requested discussion of the pros/cons of direct injection with recycled water within the county.

One Water Plan Upper Pajaro Watershed Plan Priority Actions:

The Committee discussed the potential of future increases in recycled water use for recharge and other purposes to help offset the potable drinking water demands.

Valley Water's Water Supply Master Plan Monitoring and Assessment Program:

The Committee expressed interest in increased focus on developing local water sources, particularly given current rainfall conditions.

Continue on Work Plan:

Climate Change and the Benefits of Ecosystems on Agriculture in Santa Clara County/County of Santa Clara's Agricultural Outreach and Awareness Campaign: The Committee expressed support for having the two above items separated on the Work Plan and updates to be received in the springtime.

Valley Water Activities of the Unhoused and Information on How Enforcement of Violations of Companies are Handled Within the County:

The Committee expressed support for receiving occasional updates on this item.

Add to Work Plan:

Drought Preparedness Update:

The Committee expressed support for adding this item to the Work Plan; evaluating agriculture's role; identify opportunities for farmer collaboration with Valley Water; and discuss the potential of forming a subcommittee.

Removed from Work Plan:

Annual Report Regarding the Flood Control Benefit Assessments for Fiscal Year – confirmed there are no plans for another benefit assessment at this time.

Impact to Agricultural Groundwater Production Charge Projection From the Suspension of the Pacheco Reservoir Expansion Project. – noted as completed at this time.

It was moved by Peter Van Dyke and seconded by Erin Gil and unanimously approved to recommend the proposed 2026 AWAC Work Plan to the Board as amended to incorporate the Committee's feedback.

5. INFORMATION ITEM:

5.1. Standing Items Report.

Recommendation: This item allows the Agricultural Water Advisory Committee to receive verbal or written updates and discuss the Board's Fiscal Year 2025-2026 Work Plan Strategies. These items are generally informational; however, the Committee may request additional information and/or provide collective input to the assigned Board Committee.

The Committee considered this item without a staff presentation.

Public Comments:
None.

Nicole Merritt was available to answer questions.

The Committee received the information, took no formal action, noted the attached Board Work Plan standing items report.

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.

Nicole Merritt confirmed Brent Bonino was not present at the meeting; no requests from the public to speak; Committee approved to elect Trevor Garrod as Chairperson and Tim Chiala as Vice Chairperson under Item 4.1; approved 2025 Annual Accomplishments Report for presentation to the Board under Item 4.2; reviewed and provided feedback on the preliminary FY 2026-2027 Groundwater Production Charges under Item 4.3; received and noted Upper Llagas Flood Protection Project Update under Item 4.4; discussed the Resolution 17-75 and noted support for Committee members remaining actively engaged in agriculture and conducting member outreach under Item 4.5; reviewed, provided feedback and approved the 2026 AWAC Work Plan to Recommend to the Board as amended under Item 4.6.

7. REPORTS:

7.1. Government Affairs Report
Beckie Zisser provided a federal verbal update,

Joshua Golka provided a state verbal update and noted staff are monitoring Proposition 1 and Proposition 4 for project funding.

Roseryn Bhudsabourg provided a verbal update on local government relations and noted Valley Water has not taken a position on the Santa

Clara County's rural zoning amendments.

7.2. Director's Report

Valley Water Vice Chairperson Santos acknowledged challenges related to water rates, funding, sea level rise, and the unhoused population, and expressed support for continued outreach related to committee members recruitment and meeting with the elected officials.

Valley Water Director Varela highlighted the water career education pathway program created by Valley Water to support statewide water education and water management workforce development.

7.3. Manager's Report

Aaron Baker thanked the Committee and expressed support for the Committee's enthusiasm and encouraged continued progress on the Work Plan.

7.4. Committee Member Report

Peter Van Dyke, as outgoing Chairperson, thanked the Committee and staff for their assistance.

7.5. Information Link:

Links noted on agenda.

8. ADJOURN:

8.1. Adjourn. The Next Regular Meeting is Scheduled at 1:30 p.m. on April 6, 2026.

Chairperson Trevor Garrod adjourned the meeting at 3:32 p.m. The next regular meeting is scheduled to occur at 1:30 p.m. on April 6, 2026.

Date approved:

Nicole Merritt
Deputy Clerk
(Committee Meetings)



Santa Clara Valley Water District

File No.: 26-0255

Agenda Date: 4/6/2026
Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee

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

SUBJECT:

Review Proposed Fiscal Year 2026-27 Groundwater Production Charges and Receive Committee Feedback.

RECOMMENDATION:

Review Proposed Fiscal Year 2026-27 Groundwater Production Charges and Receive Committee Feedback.

SUMMARY:

Summary of Groundwater Production Charge Analysis

The proposed groundwater production charges reflects the benefit of District activities to protect and augment groundwater supplies and is applied to water extracted from the groundwater basin in Zones W-2, W-5, W-7, and W-8.

Zone W-2 encompasses the Santa Clara groundwater subbasin north of Metcalf Road or the North County. Zone W-5 overlays the Llagas subbasin from northern Morgan Hill south to the Pajaro River. Zone W-7 overlays the Coyote Valley south of Metcalf Road to northern Morgan Hill, and W-8 encompasses the area below Uvas and Chesbro Reservoirs. The discussion in this memo will focus on the three South County zones given that the agricultural groundwater charge projection is linked to the Municipal and Industrial (M&I) charges in South County.

The groundwater production charge recommendations are detailed in the Annual Report on the Protection and Augmentation of Water Supplies that was filed with the Clerk of the Board on February 27, 2026. The public hearing on groundwater production charges is scheduled to open on April 14, 2026 and continue on April 22, 2026 with a focus on South County, concluding April 28, 2026. It is anticipated that the Board would set the FY 2026-27 groundwater production charges by May 12, 2026, with an effective date of July 1, 2026.

The FY 2026-27 groundwater production charge and surface water charge setting process will be conducted consistent with the District Act, and Board resolutions 99-21 and 12-10.

Open Space Credit

The Valley Water Board has historically recognized that agriculture brings value to Santa Clara County in the form of open space and local produce. According to Section 26.1 of the District Act, agricultural water is “water primarily used in the commercial production of agricultural crops or livestock.” In an effort to help preserve this value, the District Act limits the agricultural charge to be no more than 25% of the M&I charge. Furthermore, the Board’s Pricing Policy limits the agricultural groundwater production charge to 10% of the M&I Charge. Currently the zone with the lowest M&I charge is used to set the agricultural groundwater production charge (Zone W-8).

The agricultural community benefits from low groundwater charges, currently set at \$43.00/AF, or 9.25% of the Zone W-8 M&I charge of \$464.00/AF.

The credit to agricultural water users has become known as an “Open Space Credit.” It is paid for by fungible, non-rate related revenue. To offset lost revenue that results from the difference between the adopted agricultural groundwater production charge and the agricultural charge that would have resulted at the full cost of service, Valley Water redirects a portion of the 1% ad valorem property taxes generated in the Water Utility, General and Watershed Stream Stewardship Funds.

Groundwater Production and Treated Water Charge Recommendations

Staff proposes a 9.1% increase in the North County Zone W-2 Municipal and Industrial (M&I) groundwater production charge, from \$2,450.00 per acre foot (AF) to \$2,673/AF. Staff recommends maintaining the treated water surcharge on treated water delivered under the contracts with retail agencies at \$115/AF, and maintaining the non-contract treated water surcharge at \$200/AF. The proposal equates to a monthly bill increase for the average household of \$5.63 or about 19 cents a day.

In the South County Zone W-5, staff proposes a 6.6% increase in the M&I groundwater production charge from \$624.50/AF to \$665.50/AF. The proposal equates to a monthly bill increase for the average household of \$1.04 or about 3 cents per day.

In the South County Zone W-7, staff proposes a 9.4% increase in the M&I groundwater production charge from \$834.50/AF to \$913.00/AF. The proposal equates to a monthly bill increase for the average household of \$1.98 or about 7 cents per day.

In the South County Zone W-8, staff proposes an 8% increase in the M&I groundwater production charge from \$464.00/AF to \$501.00/AF. The proposal equates to a monthly bill increase for the average household of \$0.93 or about 3 cents per day.

Customers in both areas of North and South County may also experience additional charge increases enacted by their retail water providers.

For agricultural groundwater users, staff proposes an increase of 8 percent from the prior year, which equates to setting the agricultural groundwater charge at 9.25 percent of the lowest M&I rate (Zone W-8). The proposed agricultural groundwater production charge in any groundwater benefit zone

would change from \$43.00/AF to \$46.50/AF, or roughly a \$0.58 increase per month per acre, assuming two acre-feet of water usage per acre per year.

Surface Water, Recycled Water, and Other Charges Recommendations

Staff recommends a 9.1% increase to the surface water master charge from \$67.00/AF to \$73.00/AF to align revenues with costs related to managing, operating and billing for surface water diversions. This increase results in a proposed 9.1% increase to the North County (Zone W-2) M&I surface water charge, to \$2,746.00/AF. For South County zones, staff proposes the following M&I surface water charge increases: for Zone W-5, a 6.8 percent increase to \$738.50/AF; for Zone W-7, a 9.4 percent increase to \$986.00/AF; for Zone W-8, an 8.1 percent increase to \$574.00/AF. Staff recommends that the total agricultural surface water charge be increased 8.6 percent in all zones, to \$119.50/AF.

For recycled water (Zone W-5), staff recommends increasing the M&I charge by 6.8 percent, to \$645.50/AF, and increasing the agricultural charge by 4.8 percent, to \$76.85/AF. The increase maximizes cost recovery while concurrently providing an economic incentive to use recycled water. This pricing is consistent with the provisions of the “Wholesale-Retailer Agreement for Supply of Recycled Water Between Santa Clara Valley Water District and City of Gilroy.”

Need for Charges - Water Utility Costs

The proposed maximum groundwater production charges for FY 2026-27 are necessary to (1) advance the Anderson Dam Seismic Retrofit, which will improve public safety and restore operational capacity; (2) to fund key baseline projects such as the Rinconada Water Treatment Plant reliability improvement and the 10-year Pipeline Rehabilitation Program; (3) participate in the B.F. Sisk Dam Raise and Sites Reservoir projects, which would provide additional water storage capacity; and, (4) to pay for general inflation.

Valley Water’s 55th Annual Report on the Protection and Augmentation of Water Supplies, among other information, contains a financial analysis of the Valley Water’s water utility system and additional details about the above recommendations. This report can be found at www.valleywater.org <<http://www.valleywater.org>>.

Staff is seeking the Committee’s feedback, or input, with regard to these proposed groundwater production charges for FY 2026-27.

A PowerPoint presentation will be provided at the meeting.

ENVIRONMENTAL JUSTICE IMPACT:

There are no Environmental Justice impacts associated with this item.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Darin Taylor, 408-630-30678



FISCAL YEAR 2026-27

Water Charge Recommendations

Agricultural Water Advisory Committee

Presented by: Carmen Narayanan, Financial Planning & Revenue Manager
April 6, 2026

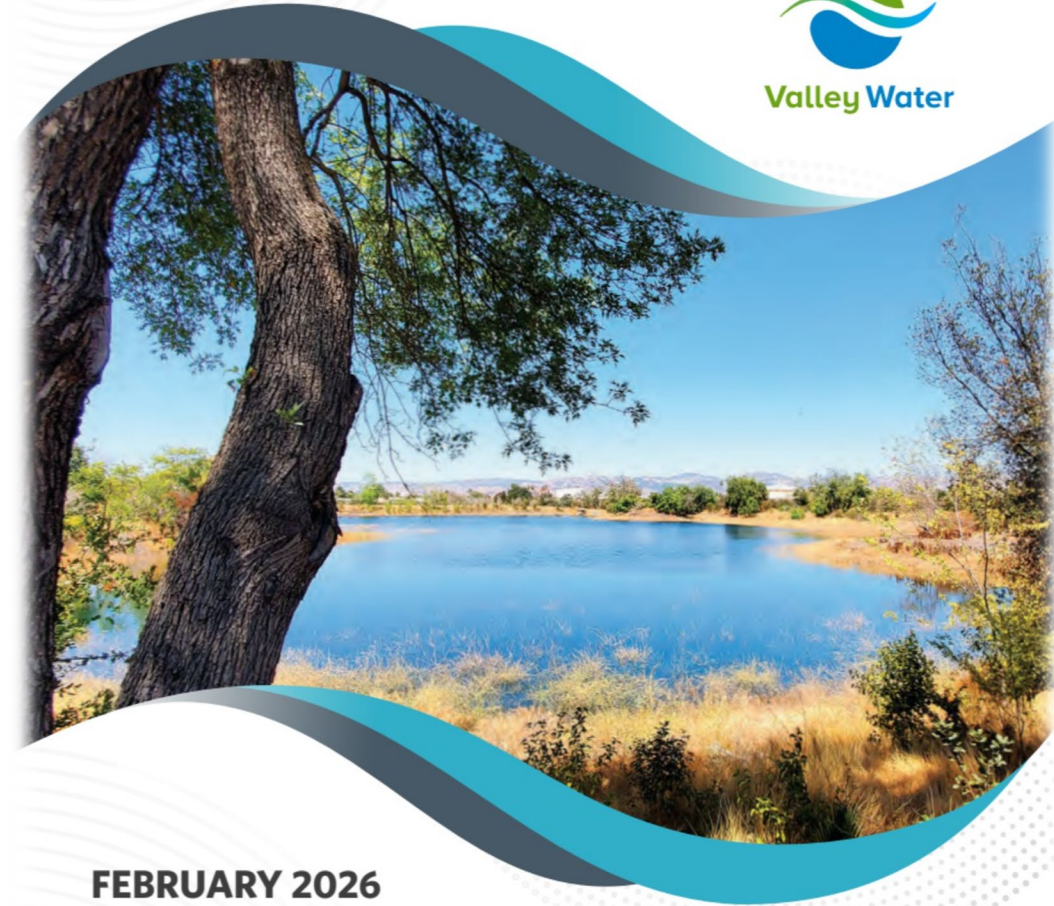
55th Annual Report Released

Annual Protection and Augmentation of Water Supplies Report provides information & accountability

Filed February 27, 2026

Available Online:

www.valleywater.org/ProposedWaterCharges



FEBRUARY 2026
55th Annual Report
FY 2026-27

**Protection and Augmentation
of Water Supplies**

FY 2026-27 Rate Setting Outlook

FY 27 Baseline Case Assumptions

- Maintain Agricultural Rate set at 9.25% of lowest M&I rate (Zone W-8)
- Plan for slightly increased District-managed water use of 221,500 AF
 - Agricultural water use projected at 26,800 AF
- Anderson Dam Seismic Retrofit
- Master Plan projects: SCADA, Water Treatment Plants & Distribution
- Dam Safety Program: Almaden, Calero, Coyote, & Guadalupe
- Pure Water Silicon Valley *Demonstration Facility & Full-Scale Direct Potable Reuse (DPR) Facility*
- Delta Conveyance project participation *
- San Luis Reservoir: B.F. Sisk Dam Raise with up to 63 TAF Storage *
- Sites Reservoir project participation *
- SWP Tax pays for 100% of SWP costs *Excludes SWP portion of Delta Conveyance*

Note: Pacheco Reservoir Expansion Project has been eliminated from baseline case assumptions.

* Project costs are reflected as Operations & Maintenance costs.

SWP: State Water Project

Capital Investments in South County – FY27 through FY36

PROGRESS CONTINUES ON THE ANDERSON DAM SEISMIC RETROFIT PROJECT

The Anderson Dam Seismic Retrofit Project (ADSRP) in east Morgan Hill will rebuild the dam in compliance with today's seismic safety standards and regulations. The project will increase the dam's spillway and outlet capacities to allow rapid drawdown in an emergency.

Construction continues on the ADSRP, with crews progressing on the final concrete lining for the new 24-foot diameter outlet tunnel, which will feed into Coyote Creek when the project is complete. Improvements to Coyote Creek are progressing, including the completion of the Coyote Creek Flood Management Measures Project and the first phase of the new Coyote Creek Percolation Dam. Phase 2 of the Coyote Creek Percolation Dam project, which is designed to improve fish passage, is set to begin fall of 2026.

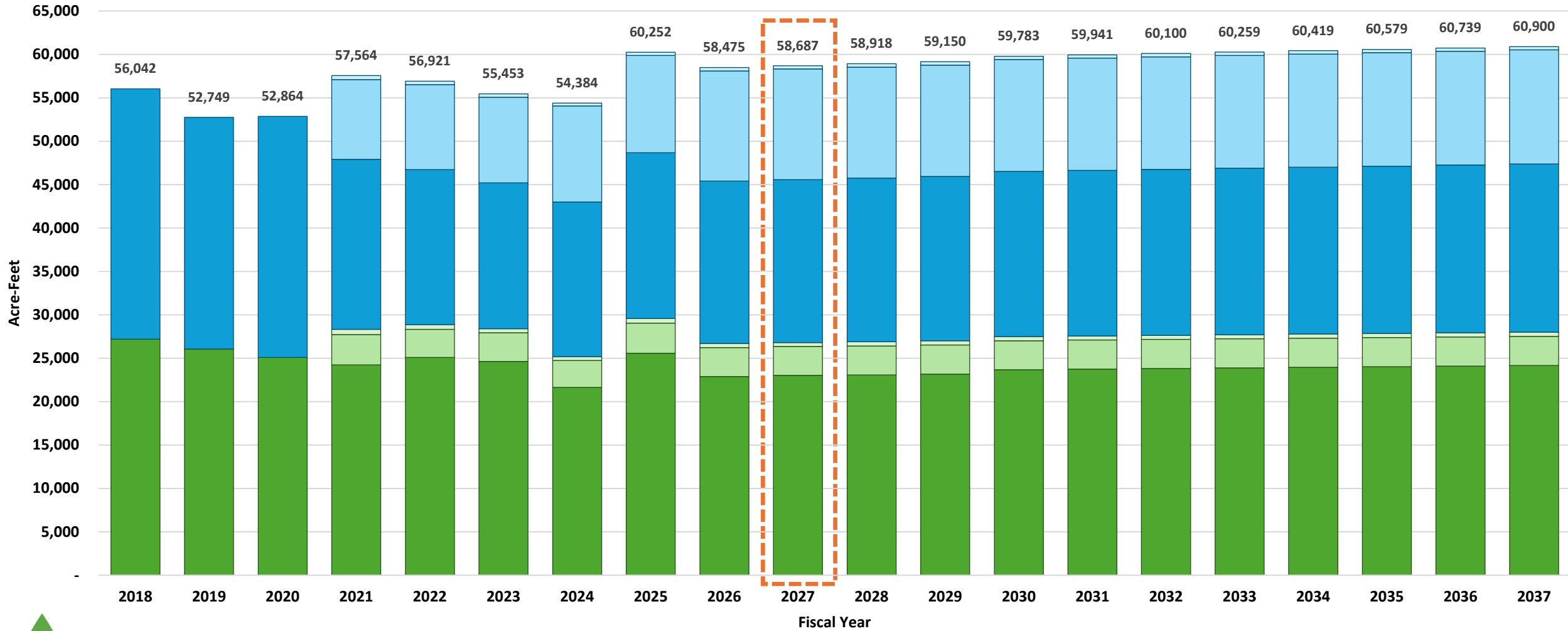
For further details please visit valleywater.org/project-updates/c1-anderson-dam-seismic-retrofit.



Anderson Dam

Water Usage Trend in South County (Zone W-5, W-7 & W-8)

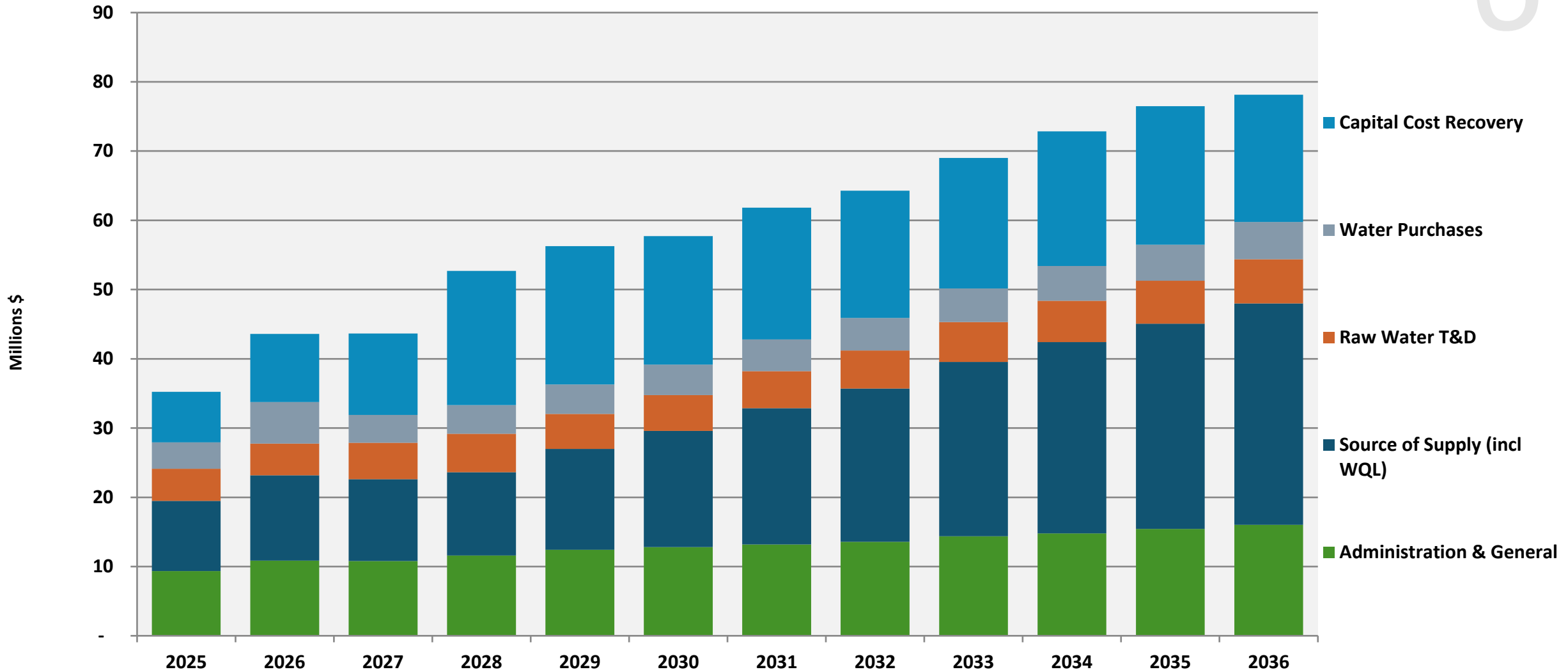
South County Water Use (Acre-Feet) by Fiscal Year & Zone



■ W-5 Agricultural
 ■ W-7 Agricultural
 ■ W-8 Agricultural
 ■ W-5 Non-Agricultural
 ■ W-7 Non-Agricultural
 ■ W-8 Non-Agricultural
 Total South GW Production

South County Long Term Cost Projection

6



FY 2026-27 Groundwater Production Charge Projection

7

Municipal & Industrial Rate by Zone	FY 2025-26 GW Production Charge	FY 2026-27 Recommended GW Production Charge	Preliminary % Increase	Increase to Average Monthly Bill (11 HCF/month)
North County W-2	\$2,450.00	\$2,673.00	9.9%* 9.1%	\$5.63
South County W-5	\$624.50	\$665.50	7.9%* 6.6%	\$1.04
South County W-7	\$834.50	\$913.00	11.2%* 9.4%	\$1.98
South County W-8	\$464.00	\$501.00	8.0%	\$0.93
Agricultural	\$43.00	\$46.50	8.0%	\$0.58**



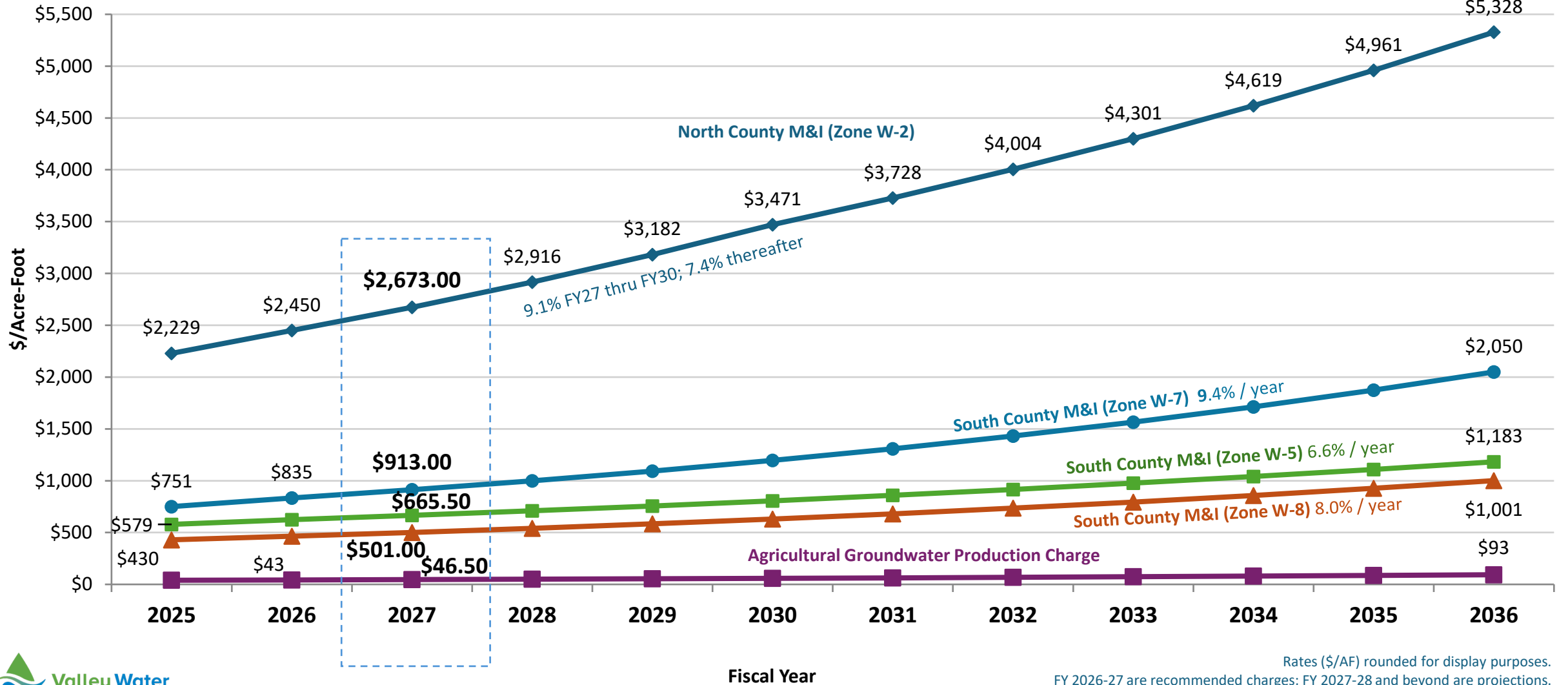
* Reflects prior rate increases (%) projected during the FY2025-26 planning cycle.

** Assumes Agricultural users who pump 2 AF of water, per acre, per year.

Groundwater Production Charge Recommendation

As published in the PAWS Report February 27, 2026

FY 2026-27 Groundwater Charge Recommendation (M&I and Ag)



Fiscal Year

27

Rates (\$/AF) rounded for display purposes.
FY 2026-27 are recommended charges; FY 2027-28 and beyond are projections.

FY 2026-27 South County Zone W-5 Proposed Charges

Zone W-5 (Llagas Subbasin)	Dollars Per Acre Foot		
	FY 2024-25	FY 2025-26	Proposed FY 2026-27
Basic User/Groundwater Production Charge			
Municipal & Industrial	579.00	624.50	665.50
Agricultural	39.80	43.00	46.50
Surface Water Charge			
Surface Water Master Charge	61.00	67.00	73.00
Total Surface Water, Municipal & Industrial*	640.00	691.50	738.50
Total Surface Water, Agricultural*	100.80	110.00	119.50
Recycled Water Charges			
Municipal & Industrial	559.00	604.50	645.50
Agricultural	70.15	73.35	76.85



* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge



M&I Increase approximately \$1.04 per month increase to the average household user.
 Note: Does not include any increase that a retailer would layer on top

FY 2026-27 South County Zone W-7 Proposed Charges

Zone W-7 (Coyote Valley)	Dollars Per Acre Foot		
	FY 2024-25	FY 2025-26	Proposed FY 2026-27
Basic User/Groundwater Production Charge			
Municipal & Industrial	750.50	834.50	913.00
Agricultural	39.80	43.00	46.50
Surface Water Charge			
Surface Water Master Charge	61.00	67.00	73.00
Total Surface Water, Municipal & Industrial*	811.50	901.50	986.00
Total Surface Water, Agricultural*	100.80	110.00	119.50



* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge



M&I Increase approximately \$1.98 per month increase to the average household user.
 Note: Does not include any increase that a retailer would layer on top

FY 2026-27 South County Zone W-8 Proposed Charges

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Zone W-8 (Uvas / Chesbro)	Dollars Per Acre Foot		
	FY 2024–25	FY 2025-26	Proposed FY 2026–27
Basic User/Groundwater Production Charge			
Municipal & Industrial	430.00	464.00	501.00
Agricultural	39.80	43.00	46.50
Surface Water Charge			
Surface Water Master Charge	61.00	67.00	73.00
Total Surface Water, Municipal & Industrial*	491.00	531.00	574.00
Total Surface Water, Agricultural*	100.80	110.00	119.50



* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge

M&I Increase approximately \$0.93 per month increase to the average household user.

Note: Does not include any increase that a retailer would layer on top



Agricultural Benchmarks

Agency (As of March 2026) ¹		Agricultural Rate (\$/AF)	Non-Agricultural Rate (\$/AF)	Ag as % of Non-AG
Modesto ID (\$/AF for first 2 AF)	Untreated SW	\$2.00 to \$40.00	N/A	
San Benito ²	Groundwater (Quality issues)	\$14.30	\$14.30	100%
SCVWD South	Groundwater		\$665.50	7%
	Zone W-5	\$46.50	\$913.00	5%
	Zone W-7		\$501.00	9%
Zone W-8				
Merced ID	Untreated SW	\$50.00	N/A	
SCVWD South	Untreated SW		\$738.50	16%
	Zone W-5	\$119.50	\$986.00	12%
	Zone W-7		\$574.00	21%
Zone W-8				
Westlands WD	Pressurized	\$178.59	\$908.72	20%
Lost Hills	Untreated SW	\$200.80 to \$335.53	N/A	
Zone 7	Untreated SW	\$287.00	N/A	
San Benito	Pressurized	\$263.00	\$554.00	47%
Merced ID	Groundwater ³	N/A	N/A	

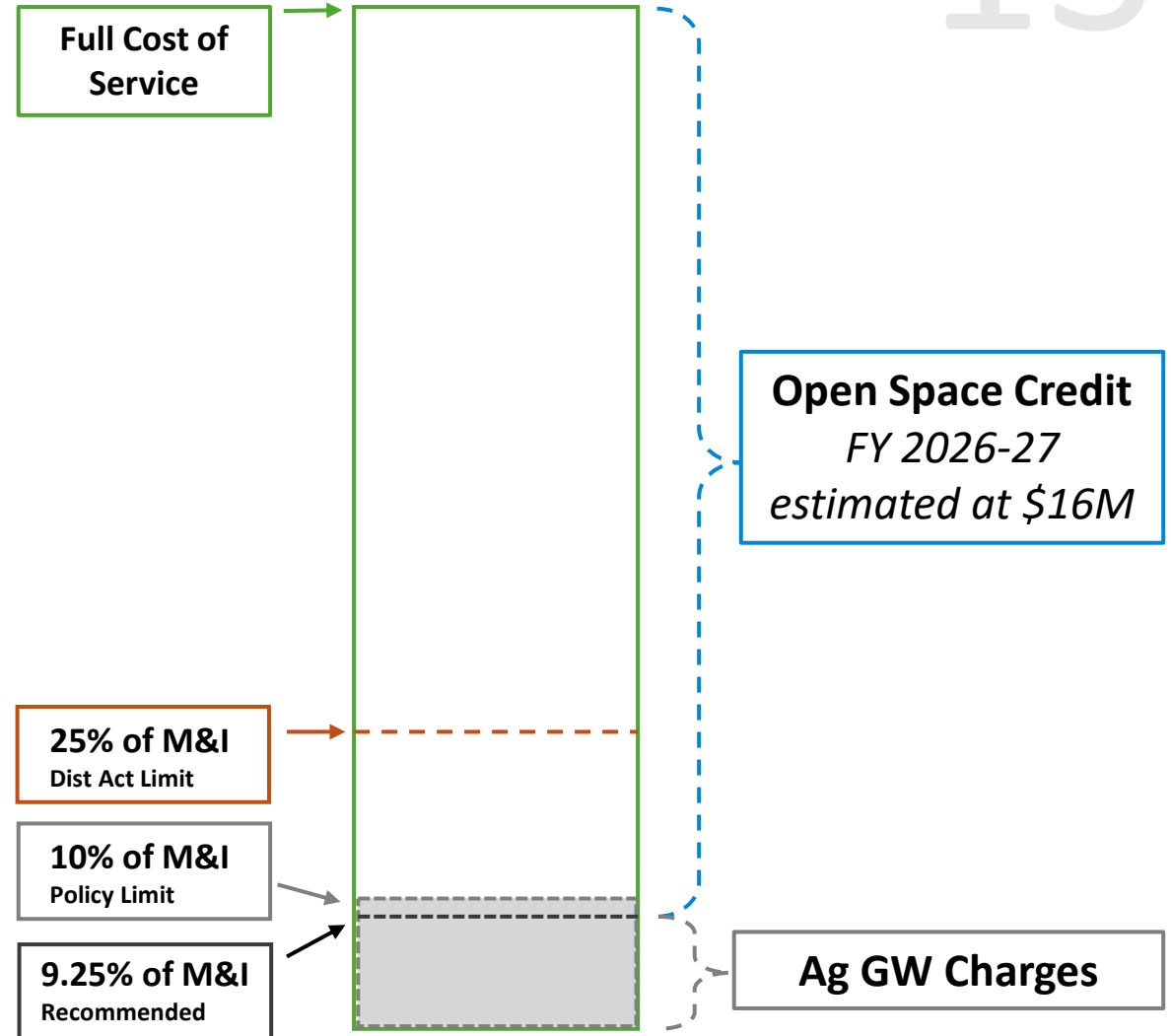
1. Reflects Valley Water proposed FY 2026-27 rates against current adopted rates for comparator agencies.

2. San Benito County Water District adopted groundwater charges for FY 2026-27 setting Non-Agricultural (M&) and Agricultural rates the same \$/AF.

3. Merced Irrigation District is not offering their Supplemental Water Supply Pool Program (Groundwater) for the 2025 irrigation season and is encouraging growers to conserve groundwater.

Benefits of the Open Space Credit (OSC)

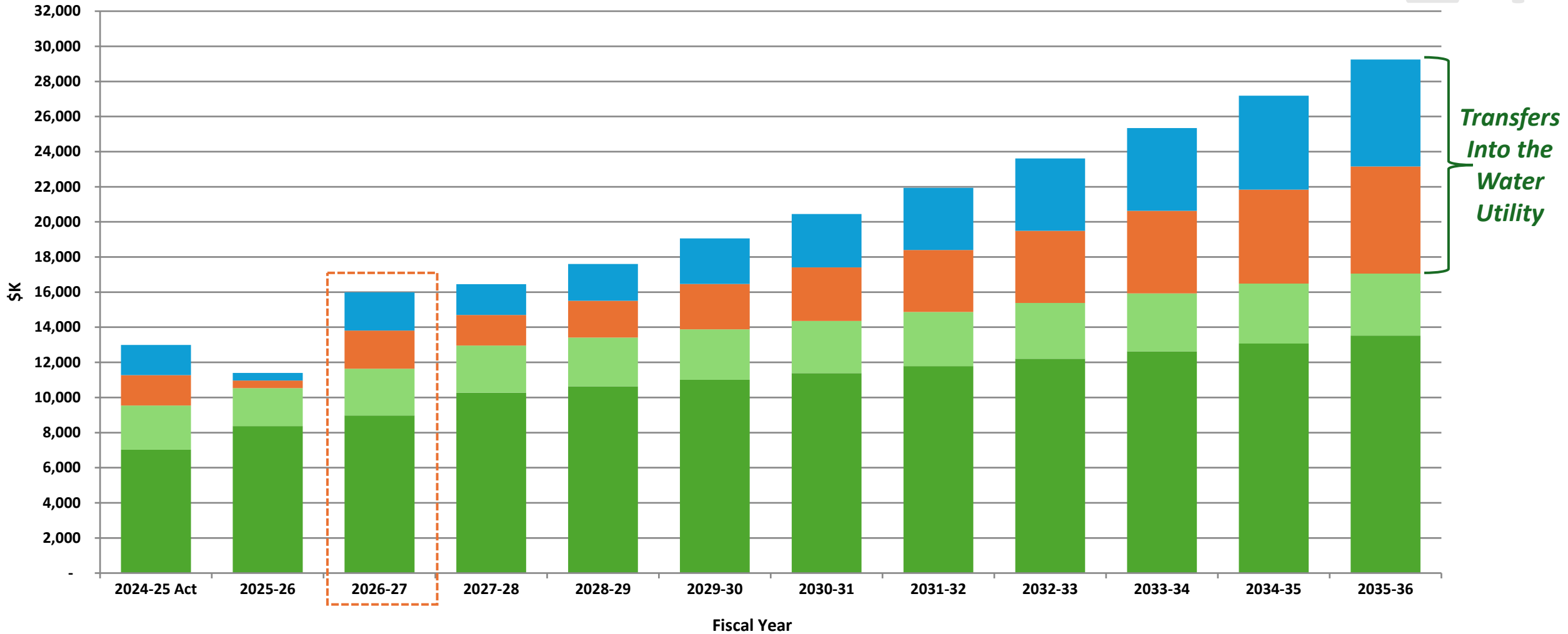
- **Formal definition: “The use of non-rate related revenue to offset reduced agricultural revenue as a result of keeping agricultural rates lower than needed to recoup the full cost of service”**
- **Applies to agricultural water users only, not to all open space**
- **Open Space Credit covers 90% of full cost of service for Agricultural Water customers**



Open Space Credit Projection

10-year Total Benefit to Open Space Credit: \$217M

14



■ North County Property Taxes (WUE)

■ South County Property Taxes (WUE)

■ General Fund Property Taxes

■ Watersheds Stream Stewardship Property Taxes



Rate Setting Schedule FY 2026-27

15

- Jan 5 Agricultural Water Advisory Committee
- Jan 13 Board Meeting: Preliminary Groundwater Charge Analysis
- Jan 21 Water Retailers Meeting: Preliminary Groundwater Charge Analysis
- Jan 28 Water Commission Meeting: Preliminary Groundwater Charge Analysis

- Feb 10 Board Meeting: Set time & place of Public Hearing
- Feb 27 Mail notice of public hearing and file PAWS report

- Mar 10 Board Meeting: Budget development update
- Mar 11 Water Retailers Meeting: FY 27 Groundwater Charge Recommendation

- **Apr 6 Agricultural Water Advisory Committee**
- **Apr 8 Water Commission Meeting**
- **Apr 14 Open Public Hearing**
- **Apr 22 Continue Public Hearing in South County (Morgan Hill)**
- **Apr 28 Conclude Public Hearing**
- **Apr 29-30 Board Meeting: Budget work study session**

- **May 12 Adopt budget, 5-Year CIP & groundwater production and other water charges**

Summary

- **Valley Water remains in an era of investment**
 - To upgrade, rehabilitate, replace existing water supply infrastructure that was built decades ago
 - To invest in new infrastructure in response to changing weather patterns
- **FY 2026-27 water rate case investment assumptions**
 - Maintain alignment with CIP FY 2027-31 Five-Year Plan & Water Supply Master Plan 2050 Low-Cost Portfolio
 - Reflects lower rate projections driven by August 26, 2025 decision by the Board to suspend development of the Pacheco Reservoir Expansion Project

Municipal & Industrial Rate by Zone	% Increase	FY 2026-27 GW Production Charge Recommendation	Increase to Average Monthly Bill (11 HCF/month)
North County W-2	9.1%	\$2,673.00	\$5.63
South County W-5	6.6%	\$665.50	\$1.04
South County W-7	9.4%	\$913.00	\$1.98
South County W-8	8.0%	\$501.00	\$0.93
Agricultural Water	8.0%	\$46.50	\$0.58 Per month per acre at 2 AF /year

Staff seeking Committee endorsement of FY 2026-27 groundwater production charge recommendations.



Valley Water

Clean Water • Healthy Environment • Flood Protection

FY 2026-27 North County Zone W-2 Proposed Charges

Zone W-2 (North County)	Dollars Per Acre Foot		
	FY 2024-25	FY 2025-26	Proposed FY 2026-27
Basic User/Groundwater Production Charge			
Municipal & Industrial	2,229.00	2,450.00	2,673.00
Agricultural	39.80	43.00	46.50
Surface Water Charge			
Surface Water Master Charge	61.00	67.00	73.00
Total Surface Water, Municipal & Industrial*	2,290.00	2,517.00	2,746.00
Total Surface Water, Agricultural*	100.80	110.00	119.50
Treated Water Charges			
Contract Surcharge	115.00	115.00	115.00
Total Treated Water Contract Charge**	2,344.00	2,565.00	2,788.00
Non-Contract Surcharge	200.00	200.00	200.00
Total Treated Water Non-Contract Charge***	2,429.00	2,650.00	2,873.00



* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge

** The total treated water contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the contract surcharge

*** The total treated water non-contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the non-contract surcharge



M&I Increase approximately \$5.63 per month increase to the average household user.

Note: Does not include any increase that a retailer would layer on top

Groundwater Charge Increase Projection

As published in the PAWS Report February 27, 2026

Municipal & Industrial Groundwater Charge Year to Year Growth %

Baseline Scenario 1	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36
North County Zone W-2	9.1%	9.1%	9.1%	9.1%	7.4%	7.4%	7.4%	7.4%	7.4%	7.4%
<i>Prior Year</i>	<i>9.9%</i>	<i>9.9%</i>	<i>9.9%</i>	<i>9.9%</i>	<i>9.9%</i>	<i>9.9%</i>	<i>9.9%</i>	<i>9.9%</i>	<i>7.0%</i>	
South County Zone W-5	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%	6.6%
<i>Prior Year</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	<i>7.9%</i>	
South County Zone W-7	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%
<i>Prior Year</i>	<i>11.2%</i>	<i>11.2%</i>	<i>11.2%</i>	<i>11.2%</i>	<i>11.2%</i>	<i>11.2%</i>	<i>11.2%</i>	<i>11.2%</i>	<i>11.2%</i>	
South County Zone W-8	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
<i>Prior Year</i>	<i>8.0%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>8.0%</i>	<i>8.0%</i>	



Groundwater Charge Increase Projection

As published in the PAWS Report February 27, 2026

20

Municipal & Industrial Groundwater Charge Monthly Impact to Average Household (11 HCF/Month)

Baseline Scenario 1	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36
North County Zone W-2	\$5.63	\$6.14	\$6.70	\$7.31	\$6.49	\$6.97	\$7.49	\$8.03	\$8.64	\$9.27
South County Zone W-5	\$1.04	\$1.11	\$1.19	\$1.26	\$1.34	\$1.43	\$1.53	\$1.63	\$1.73	\$1.84
South County Zone W-7	\$1.98	\$2.17	\$2.37	\$2.59	\$2.84	\$3.11	\$3.40	\$3.71	\$4.07	\$4.44
South County Zone W-8	\$0.93	\$1.01	\$1.09	\$1.19	\$1.26	\$1.36	\$1.49	\$1.62	\$1.74	\$1.87

Note: Does not include any increase that a retailer would layer on top





Santa Clara Valley Water District

File No.: 26-0267

Agenda Date: 4/6/2026

Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee

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

SUBJECT:

Receive Update on Valley Water's Periodic Evaluation to Its Alternative Groundwater Sustainability Plan under the Sustainable Groundwater Management Act (SGMA).

RECOMMENDATION:

Receive an update on Valley Water's periodic evaluation to its Alternative Groundwater Sustainability Plan under the Sustainable Groundwater Management Act (SGMA).

SUMMARY:

The Sustainable Groundwater Management Act (SGMA) requires that a groundwater sustainability agency (GSA) managing a medium- or high-priority groundwater basin submit a groundwater sustainability plan (GSP) or prescribed alternative to a GSP (Alternative) to the Department of Water Resources (DWR) by certain statutory deadlines, and, thereafter, submit a periodic evaluation at least every five years. Valley Water has a DWR approved Alternative for the high-priority Santa Clara and Llagas subbasins. Additionally, Valley Water serves as a GSA with San Benito County Water District (SBCWD) for the medium-priority North San Benito Subbasin.

Valley Water staff last updated the Agricultural Water Advisory Committee (Committee) on October 6, 2025 with a schedule for the required periodic evaluation of the Alternative, which is due to DWR by December 17, 2026. This Committee update includes the progress and outreach plan for the periodic evaluation of the Alternative for the Santa Clara and Llagas subbasins and an update for the North San Benito Subbasin.

Santa Clara and Llagas Subbasins

Staff are conducting technical analyses needed to update information on basin conditions and incorporating DWR recommended actions into the periodic evaluation of the Alternative. The recommended actions listed below are designed to facilitate DWR evaluation and improve implementation of the Alternative.

1. Explain how inter-basin items have been coordinated.
2. Ensure monitoring network details are consistent with DWR's SGMA Portal Monitoring Network Module.

As work on the Alternative progresses, staff will update the Committee and engage interested parties through outreach, including email updates, social media posts, and public meetings. A public review of the draft updated Alternative is expected to be available in late summer/early fall 2026 to solicit public input prior to consideration by Valley Water Board of Directors in late fall 2026.

North San Benito Subbasin

Valley Water shares GSA responsibilities with SBCWD for the North San Benito Subbasin, which is primarily located in San Benito County. The periodic evaluation of the DWR approved GSP is being led by SBCWD, including all technical analyses. Valley Water staff are supporting the evaluation and update, including serving on the Technical Advisory Committee (TAC). The first TAC meeting was held at the SBCWD on January 13, 2026.

As work on the GSP progresses, staff will update the Committee and engage interested parties. A public review of the draft GSP update for the North San Benito Subbasin is expected to be available in early fall 2026 to solicit public input prior to consideration by both the SBCWD and Valley Water Board of Directors in fall 2026.

ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice impacts associated with this item.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Gregory Williams, 408-630-2867



Sustainable Groundwater Management Act (SGMA) Update

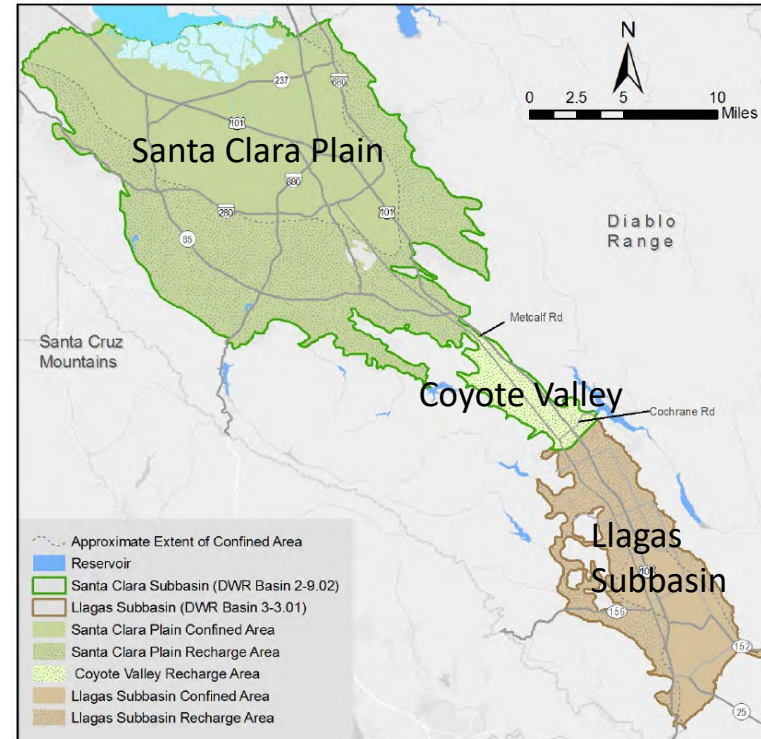
Presented by: Chanie Abuye, Groundwater Management Unit

Agricultural Water Advisory Committee April 6, 2026 **42**

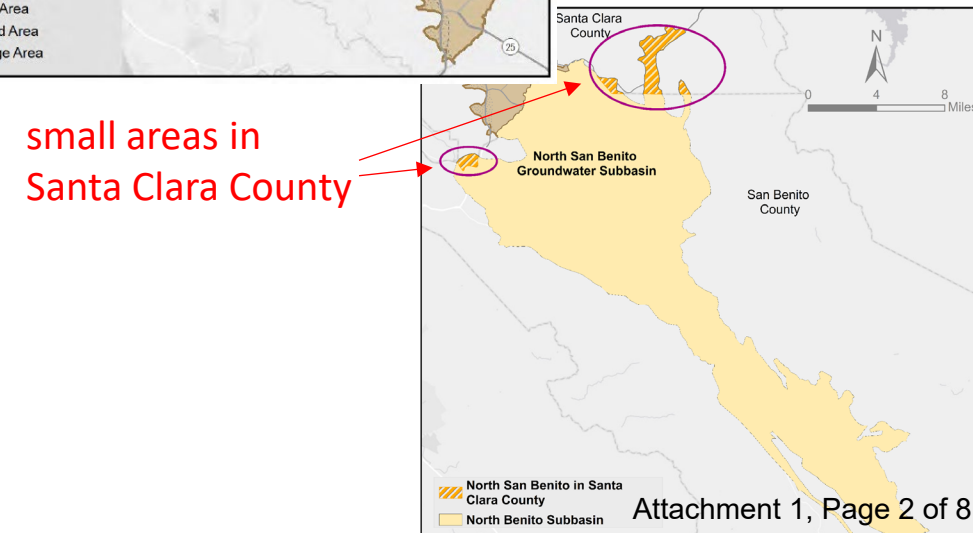
GSA Responsibilities

- Valley Water is the Groundwater Sustainability Agency (GSA):
 - Santa Clara and Llagas subbasins
 - North San Benito Subbasin in Santa Clara County
- Santa Clara and Llagas subbasins
 - Periodic evaluation of DWR approved Alternative Plan – due December 17, 2026
 - Annual Water Year (WY) Report – due April 1, 2026
- North San Benito Subbasin
 - Periodic evaluation of DWR approved Groundwater Sustainability Plan (GSP) – due January 12, 2027
 - Led by San Benito County Water District

Santa Clara and Llagas Subbasins:

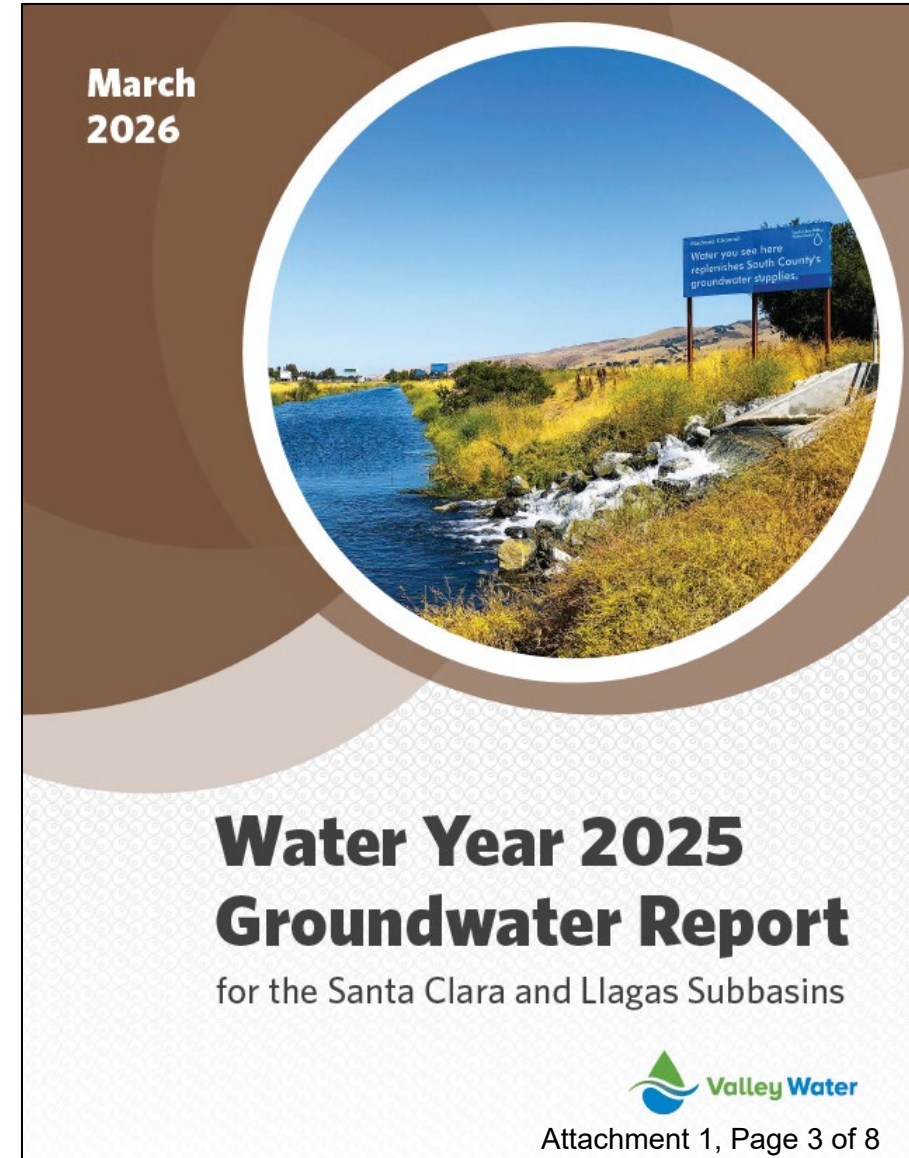


North San Benito Subbasin:



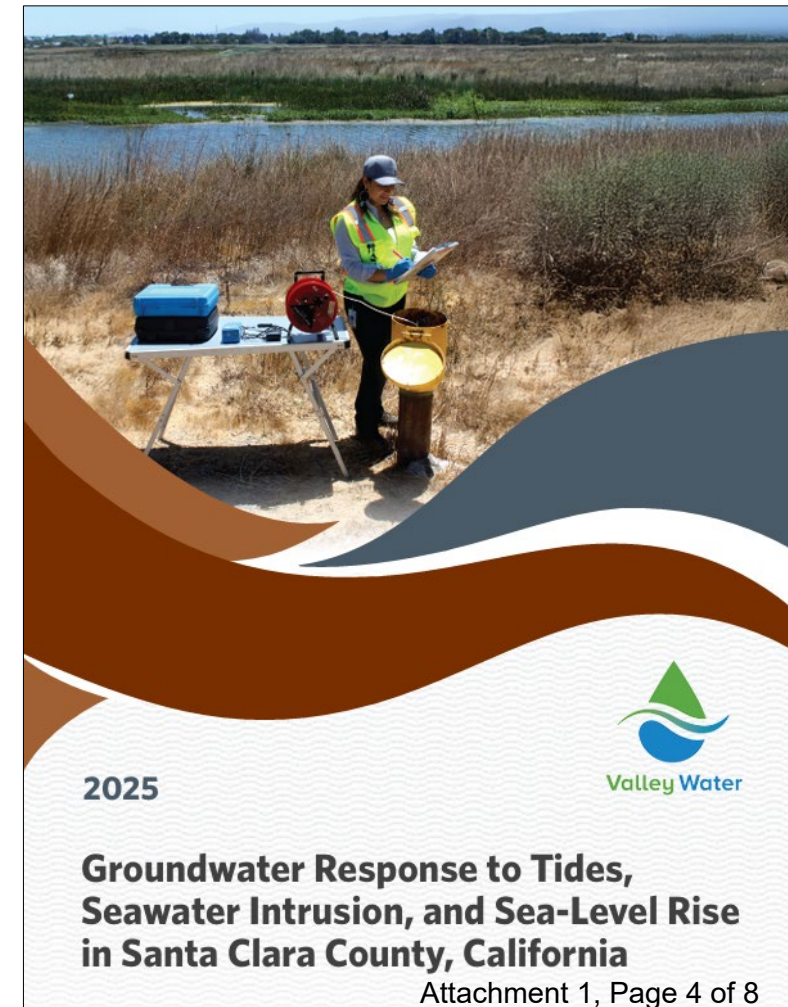
Annual Water Year Report

- 2025 WY Report (October 1, 2024 – September 31, 2025)
 - Annual snapshot of groundwater:
 - Use and recharge
 - Levels
 - Quality
 - Land subsidence
 - Status of outcome measures
 - Continued healthy groundwater supply and good quality
 - Submitted to DWR before deadline – April 1, 2026
 - Available on Valley Water and DWR SGMA websites




Periodic Evaluation of Alternative Plan

- 2026 Groundwater Management Plan (GWMP) (2015 – 2024)
 - Update to the 2021 GWMP (2010 – 2019)
 - Address DWR recommended actions
 - Explain how inter-basin items have been coordinated
 - Ensure monitoring network details are consistent with DWR's SGMA Portal Monitoring Network Module
 - New and updated technical studies
 - Example: 2025 groundwater rise and emergence study
 - On-schedule to meet regulatory deadline – December 17, 2026




Community Outreach

- Engage interested parties via:
 - Email, website, social media updates
 - Board Committee updates
 - Water Supply and Demand Management Committee
 - Agricultural Water Advisory Committee
 - Public meeting(s) – late summer/fall 2026
 - Outreach with free domestic well testing program



Domestic well sampling



**Water
Year 2024
Groundwater
Quality Summary**

Did you know that groundwater is an essential local water resource, providing about half of the water used in Santa Clara County and nearly all water used in South County? Valley Water is committed to protecting your water supplies and ensuring they are sustainable into the future.

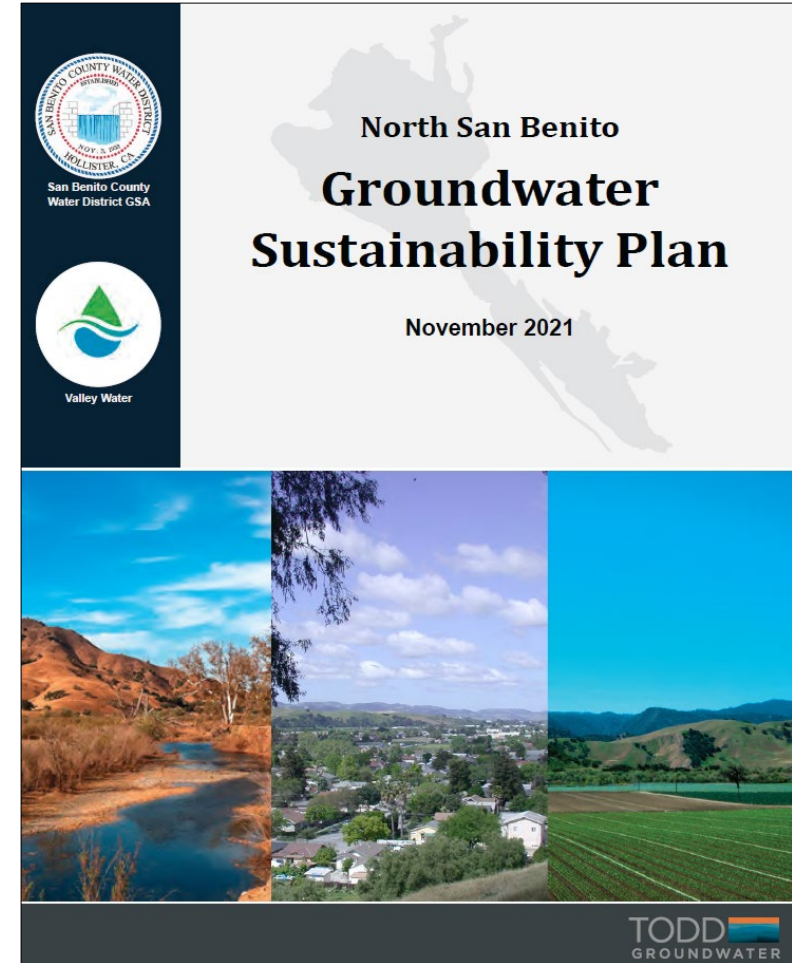
This report summarizes groundwater testing in Water Year 2024 (October 1, 2023 - September 30, 2024), which indicates generally high water quality.

Expected Schedule

- **September – October 2026:** 60-day public review period
 - Public notice via newspaper, email, website, and social media
- **November 2026:** Tentative schedule for public hearing to adopt the updated plan
- **December 17, 2026:** Deadline to submit to DWR

Periodic Evaluation of Groundwater Sustainability Plan (GSP)

- Valley Water & San Benito County Water District
 - GSAs responsibilities for GSP development and periodic evaluation
 - San Benito County Water District
 - Lead on GSP update, outreach, and implementation
 - Valley Water
 - Support and serve on Technical Advisory Committee
 - Inform local interested parties
- **January 12, 2027:** Deadline to submit to DWR





Valley Water

Clean Water • Healthy Environment • Flood Protection



Santa Clara Valley Water District

File No.: 26-0313

Agenda Date: 4/6/2026
Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee

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

SUBJECT:

Receive an Update on Valley Water's South County Managed Aquifer Recharge Activities.

RECOMMENDATION:

Receive an update on Valley Water's South County managed aquifer recharge activities.

SUMMARY:

Managed aquifer recharge continues to be essential for groundwater sustainability throughout Santa Clara County, but particularly in South County where local communities depend almost entirely on groundwater. Valley Water's managed recharge using local and imported surface water helps balance groundwater pumping, and long-term planning helps ensure continued reliability far into the future. This memorandum describes Valley Water's South County recharge program and related projects that are being evaluated as part of the Water Supply Master Plan 2050.

Background

For many decades, the amount of groundwater pumped in Santa Clara County has exceeded what is replenished naturally by rainfall or other sources. To ensure local groundwater supplies are sustainable, Valley Water augments natural groundwater recharge through the managed recharge of local and imported surface water. Water conservation and recycling programs as well as treated water deliveries (North County only) also protect groundwater supplies by reducing the need for groundwater pumping.

Each year, Valley Water determines optimal water supply operations, including managed recharge, based on available supplies and local needs. Long-term water reliability is evaluated through Valley Water's Water Supply Master Plan and Urban Water Management Plan, which assess projected future supplies and demands and are updated every five years. Investments and projects to meet projected future shortfalls and ensure continued reliability are identified in the Water Supply Master Plan.

Current South County Recharge Facilities

South County overlies all or part of both primary groundwater basins in the county. This includes the Coyote Valley portion of the Santa Clara Subbasin (which extends north from the Cochrane Road area in northern Morgan Hill to the Coyote Narrows near Metcalf Road in San Jose) and the entire Llagas Subbasin (which extends south from Cochrane Road to the Pajaro River that forms part of the boundary with San Benito County). Based on 2016 to 2025 data, average South County annual pumping is 54,800 acre-feet per year (AFY), while natural recharge is estimated to be 26,100 AFY. To address this imbalance, Valley Water recharges 37,800 AFY of local and imported surface water, on average.

Using established local surface water rights at Uvas, Chesbro, Coyote, and Anderson reservoirs, Valley Water captures and stores large volumes of upper watershed stormwater runoff for delivery to groundwater recharge facilities in South County. Valley Water also has contracts with both the State Water Project and Central Valley Project to receive imported water via San Luis Reservoir and the federal San Felipe Division system and uses it for managed recharge in South County. In-stream and off-stream recharge facilities are located in areas with permeable soils that are connected to deep drinking water aquifers.

Valley Water operates three groundwater recharge systems in South County as shown in Attachment 1. Releases into Coyote Creek replenish groundwater in the Coyote Valley and extend into North County. The Upper and Lower Llagas recharge systems replenish the Llagas Subbasin, which support communities in the cities of Morgan Hill and Gilroy as well as unincorporated areas including San Martín. In addition to municipal wells, thousands of privately owned domestic, agricultural, and industrial wells depend on local groundwater. As summarized in Table 1, the annual recharge capacity of South County managed recharge facilities is over 54,000 AFY, with most capacity in creeks as compared to off-stream ponds. Attachment 2 provides more detailed information on the recharge capacity of individual facilities within the South County recharge systems.

Table 1 - South County Managed Recharge Facility Capacity Summary

Groundwater Management Area	In-Stream Recharge (AFY)	Off-Stream Recharge (AFY)	Total Recharge (AFY)
Coyote Valley (Santa Clara Subbasin)	14,600	0	14,600
Llagas Subbasin	25,000	14,700	39,700
Total	39,600	14,700	54,300

Note: The annual recharge capacity shown assumes water is available all year and that ponds are in normal operational condition.

Potential South County Recharge Projects

Valley Water’s investments in reservoirs, imported water, and managed recharge facilities and operations have ensured reliable South County groundwater conditions for many decades. Valley Water closely monitors groundwater levels and prioritizes recharge to groundwater-dependent communities like South County, particularly during droughts. Groundwater recharge is essential for

long-term reliability and has played a critical role in quick drought recovery. With "weather whiplash" (frequent shifts between extremely wet and dry years) becoming more common and the high, local reliance on groundwater, there is a need for additional recharge capacity in South County.

Several South County managed recharge projects were evaluated through the Water Supply Master Plan 2050 that was adopted by the Board of Directors on November 12, 2025. The proposed recharge projects include:

- a) Madrone Channel Expansion - to increase recharge capacity to the existing facility by adding one or two ponds on land owned by Valley Water;
- b) Coyote Valley Recharge Pond - to construct a new off-stream recharge pond(s) near the Cross Valley Pipeline to increase operational flexibility, reduce reliance on Coyote Creek flows, and help balance increased pumping;
- c) Butterfield Channel Recharge - to connect the Butterfield Channel that is owned by the City of Morgan Hill to Valley Water's raw water conveyance system so imported water can be recharged when the channel is not used for stormwater flows; and
- d) San Pedro Ponds Improvement Project - to implement project(s) to enable the existing seven ponds to be operated at full capacity without interfering with septic systems on several adjacent residential properties in the unincorporated areas of Santa Clara County.

Not all four managed recharge projects are needed to ensure reliable groundwater supplies, and most of these projects are in the early conceptual phase. More substantial evaluation was conducted for the San Pedro Ponds, and an optimization study identified eight alternatives that could fully or partially restore the 4,700-AFY operating capacity of the San Pedro Ponds. The study looked at addressing the impacts of high groundwater table on septic systems in properties surrounding the San Pedro Ponds. Staff will continue to evaluate which of the four managed recharge projects will best support water supply needs.

In addition to managed recharge projects at Valley Water facilities, staff continue to explore the feasibility of Flood Managed Aquifer Recharge (Flood-MAR) in Santa Clara County to augment Valley Water's extensive managed recharge program. Staff presented the pre-feasibility study report at the August 22, 2023, Water Conservation and Demand Management Committee and the October 2, 2023, Agricultural Water Advisory Committee meeting. Since then, staff reviewed water supply benefits of potential sites, as well as several Flood-MAR projects in the region. Lessons learned indicate that it often takes multiple years for a Flood-Mar project to be constructed, water supply benefits are small and intermittent, and the projects require on-going management and maintenance. Thus far, no feasible site has been identified for Flood-MAR.

Injection Wells

At the Agricultural Water Advisory Committee meeting of January 5, 2026, committee member Erin Gill requested a discussion of the pros and cons of direct injection with recycled water within the Santa Clara County. Attachment 3 includes a summary of the pros and cons of instream recharge and recharge ponds versus injection wells for managed recharge. In summary, staff favor the use of

instream recharge and recharge ponds and do not recommend using injection wells because of the risk to groundwater quality, operational complexity, and increased costs.

ENVIRONMENTAL JUSTICE IMPACT:

There are no environmental justice impacts associated with this item.

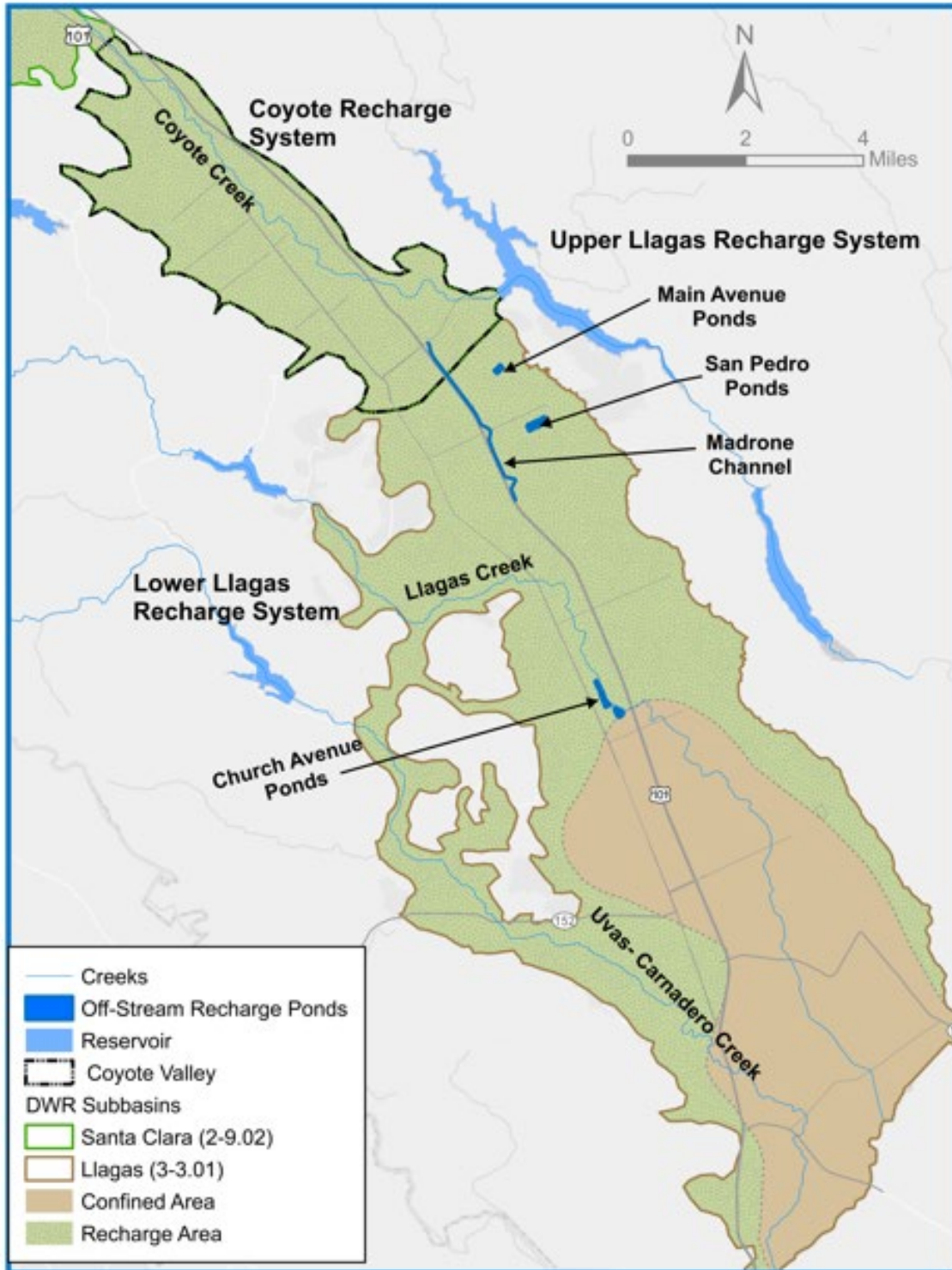
ATTACHMENTS:

Attachment 1: South County Recharge Facility Map
Attachment 2: South County Recharge Facility Capacity
Attachment 3: PowerPoint

UNCLASSIFIED MANAGER:

Gregory Williams, 408-630-2867

South County Managed Recharge Facility Location Map



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South County Managed Recharge Facility Capacity

Groundwater Management Area	Recharge System	In-Stream Recharge (Creeks)	Annual Creek Recharge Capacity (AF) ¹	Off-Stream Recharge (Ponds)	Annual Pond Recharge Capacity (AF) ¹
Coyote Valley (Santa Clara Subbasin)	Coyote Creek	Upper Coyote Creek	14,600		
		Creek Total	14,600	Pond Total	0
		Coyote Creek Recharge System Total: 14,600			
Llagas Subbasin	Upper Llagas	Madrone Channel	10,000		
		East Little Llagas	1,100		
				Main Avenue Ponds	2,700
				San Pedro Ponds	4,700
		Creek Total	11,100	Pond Total	7,400
	Upper Llagas Recharge System Total: 18,500				
	Lower Llagas	Uvas Creek	8,100		
		Llagas Creek	5,800		
				Church Ponds	7,300
		Creek Total	13,900	Pond Total	7,300
Lower Llagas Recharge System Total: 21,200					

1. The annual recharge capacity shown assumes water is available all year and that ponds are in normal operational condition.

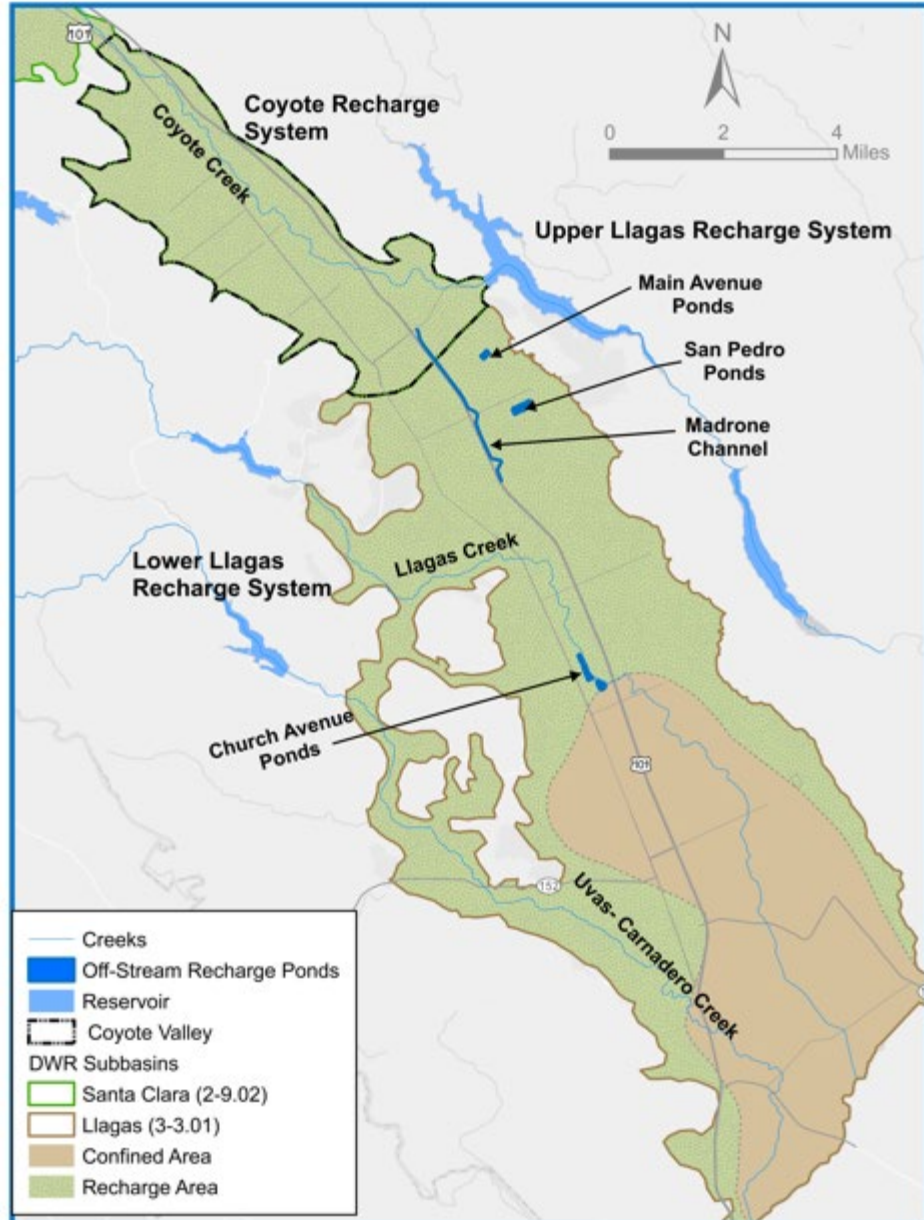
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South County Recharge

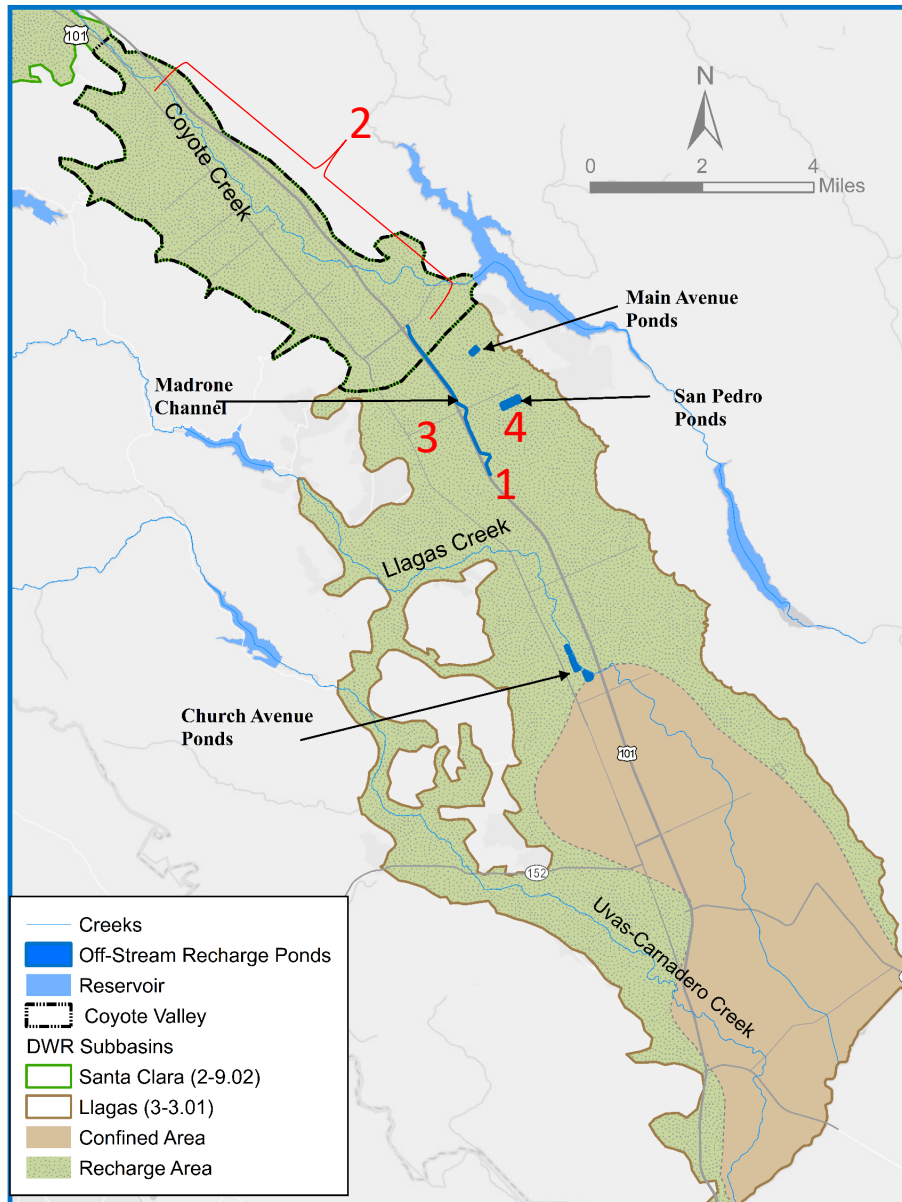
Agricultural Water Advisory Committee

Current South County Recharge Facilities



- Managed recharge supports:
 - Municipal wells for cities and unincorporated areas
 - Thousands of privately owned domestic, agricultural, and industrial wells
- Three recharge systems
 - Coyote
 - Upper Llagas
 - Lower Llagas
- In-stream recharge from reservoir and imported water releases
- Off-stream recharge ponds

Potential South County Recharge Projects



- 1. Madrone Channel Expansion:** increase recharge capacity of the existing facility
- 2. Coyote Valley Recharge Pond:** construct new off-stream recharge pond(s)
- 3. Butterfield Channel Recharge:** connect the Butterfield Channel to Valley Water's raw water conveyance system
- 4. San Pedro Ponds Improvement Project:** implement project(s) to enable existing seven ponds to be operated at full capacity without interfering with nearby septic systems

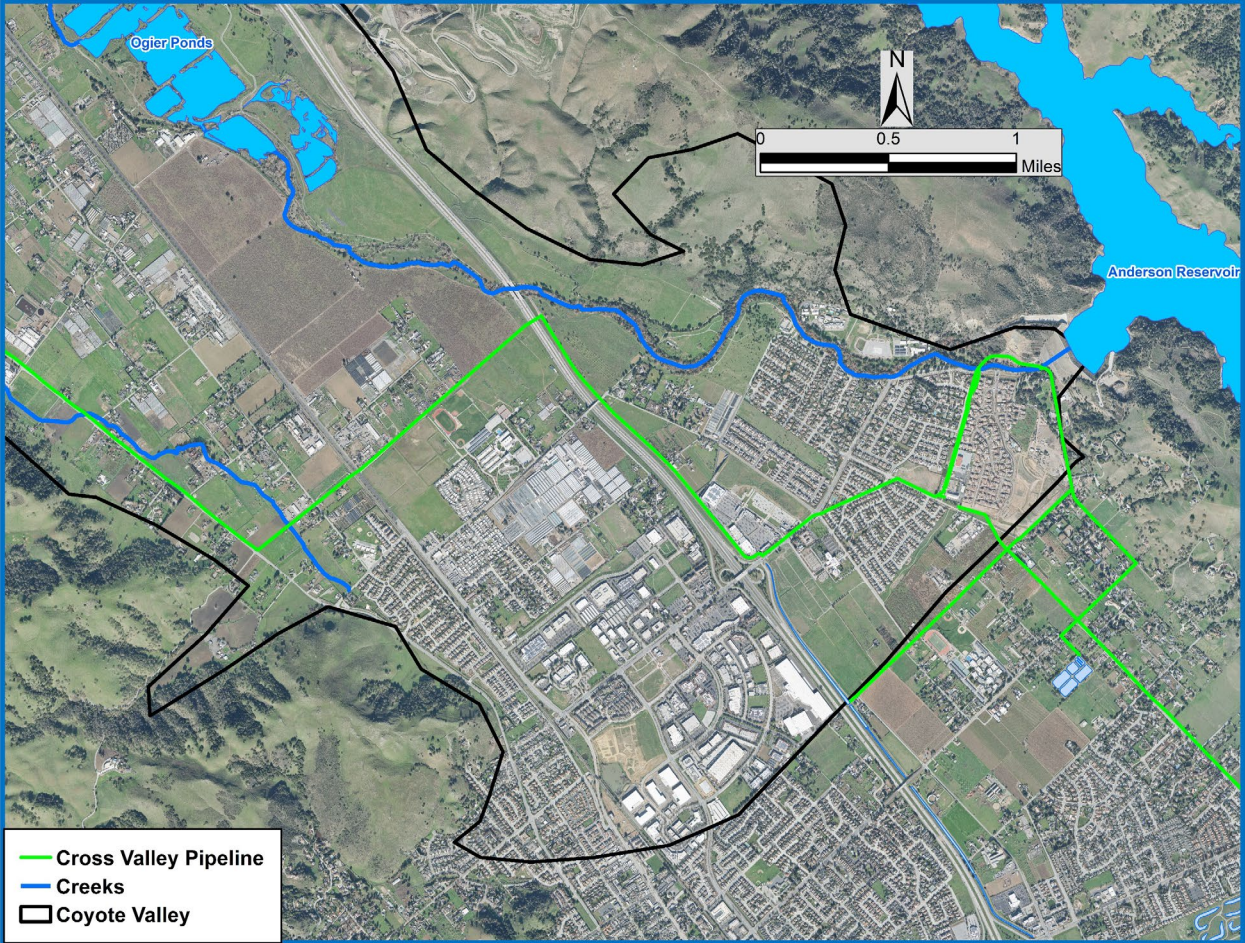
Potential South County Recharge Projects

1. Madrone Channel Expansion



Potential South County Recharge Projects

2. Coyote Valley Recharge Pond



Potential South County Recharge Projects

3. Butterfield Channel Recharge



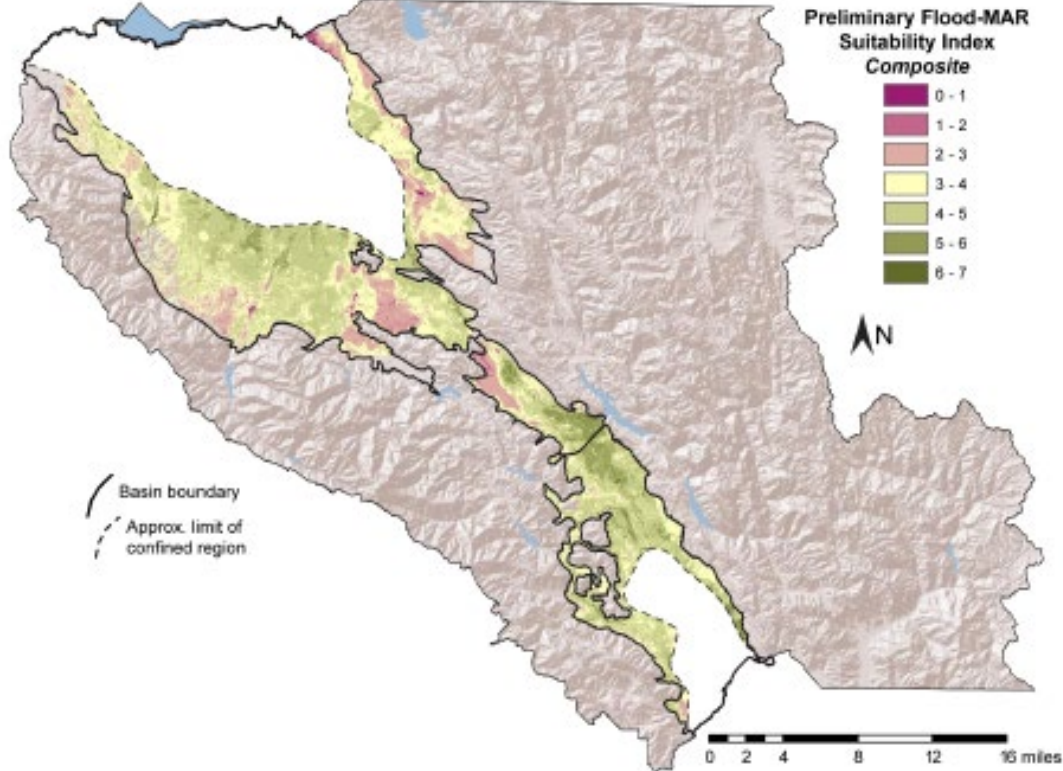
Potential South County Recharge Projects

4. San Pedro Ponds Improvement Project



Status of Flood-MAR

Pre-Feasibility Study for a Flood-MAR Program in the Santa Clara Valley Water District Service Area, Santa Clara County, CA



- Pre-Feasibility Study Report
 - Presented at WSDM and AWAC meetings in 2023
 - Preliminary suitability map
 - Field analyses needed to confirm site suitability
- Grant funding
- Evaluating potential pilot areas
 - Hydrologic analysis
 - Stormwater availability

Recharge with Surface Water vs Injection Wells



Surface Water

- 98 miles of instream recharge
- 102 recharge ponds



Injection Wells

- none

1. Technical/operational challenges:	lower	higher
2. Groundwater-quality challenges:	lower	higher
3. Cost:	lower	higher
• O&M, Water treatment, and Energy		
4. Regulatory considerations:	lower	higher
5. Secondary benefits:	higher	lower

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Santa Clara Valley Water District

File No.: 26-0307

Agenda Date: 4/6/2026
Item No.: 4.4.

COMMITTEE AGENDA MEMORANDUM Agricultural Water Advisory Committee

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

SUBJECT:

Review 2026 Agricultural Water Advisory Committee (AWAC) Work Plan, the Outcomes of Board Action of Committee Requests, and the Committee's Next Meeting Agenda.

RECOMMENDATION:

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

SUMMARY:

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

BACKGROUND:

Governance Process Policy-8:

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

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

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Advisory Committees may help the Board produce the link between the District and the public through information sharing to the communities they represent.

ENVIRONMENTAL JUSTICE IMPACT:

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

ATTACHMENTS:

Attachment 1: AWAC 2026 Work Plan

UNCLASSIFIED MANAGER:

Wendy Ho, 408-630-3874

2026 Work Plan: Agricultural Water Advisory Committee

Update: March 2026

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 2026.	January 5	Committee Elects Chair and Vice Chair for 2026. (Action)	Accomplished January 5, 2026 The Committee unanimously approved Vice Chairperson Trevor Garrod as Chairperson. The Committee unanimously approved Tim Chiala as Vice Chairperson.
2	Annual Accomplishments Report.	January 5	Review and approve 2025 Accomplishments Report for presentation to the Board. (Action) Submit requests to the Board, as appropriate.	Accomplished January 5, 2026 The Committee unanimously approved the 2025 Annual Accomplishments Report for presentation to the Board. <i>The Board accepted the 2025 Annual Accomplishments Report at the March 24, 2026, meeting.</i>
3	Review and Discuss Resolution 17-75 and the Agricultural Water Advisory Committee (AWAC) Membership.	January 5	Review and discuss Reso. 17-75 and the AWAC Membership plan. (Action) Submit requests to the Board, as appropriate.	Accomplished January 5, 2026 The Committee discussed and noted the information, provided feedback, took no formal action, and expressed support for Committee members to remain actively engaged in agriculture and to conduct outreach within their respective areas to recruit potential new members.
4	Receive an Update on the Upper Llagas Flood Protection Project.	January 5	Receive update.	Accomplished January 5, 2026 The Committee received and noted the information, provided feedback, and took no formal action.

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

2026 Work Plan: Agricultural Water Advisory Committee

Update: March 2026

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
5	Review and Comment to the Board on the Fiscal Year 2026 – 2027 Preliminary Groundwater Production Charges.	January 5 April 6	Review and comment to the Board on the Fiscal Year 2026-2027 Preliminary Groundwater Production Charges. (Action) Submit requests to the Board, as appropriate.	Accomplished January 5, 2026 The Committee received and noted the information, provided feedback, and took no formal action.
6	Standing Items Report Fiscal Year 2026 Goals and Strategies.	January 5 October 5	Receive reports on standing items, FY2026.	Accomplished January 5, 2026 The Committee received the report on standing items for FY2025-2026 and took no action.
7	Government Affairs Report	January 5 April 6 July 6 October 5	Receive update.	Accomplished January 5, 2026 The Committee received the verbal federal, state, and local government updates and confirmed staff are monitoring Proposition 1 and Proposition 4 for project funding; and noted Valley Water has not taken a position on the Santa Clara County's rural zoning amendments.
8	Review and Approve the Proposed 2026 Agricultural Water Advisory Committee (AWAC) Work Plan and Recommend the Proposed 2026 AWAC Work Plan to the Board. Review and Discuss Outcomes of Board Action of Committee Requests, and the Committee's Next Meeting Agenda.	January 5 April 6 July 6 October 5	Review and approve the proposed 2026 Committee work plan and recommend the proposed 2026 AWAC Work Plan to the Board. (Action) Review and discuss outcomes of Board action of Committee requests, and the Committee's next agenda. And submit requests to the Board, as appropriate.	Accomplished January 5, 2026 The Committee unanimously approved to recommend the proposed 2026 AWAC Work Plan to the Board with the amendment to incorporate the Committee's feedback. <i>The Board approved the 2026 AWAC Work Plan at the March 24, 2026, meeting.</i>
9	Receive Update on Sustainable Groundwater Management Act (SGMA) Compliance.	April 6 July 6 October 5	Receive update on SGMA compliance and Semitropic banking.	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

2026 Work Plan: Agricultural Water Advisory Committee

Update: March 2026

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
10	Receive an Update on Valley Water's South County Managed Aquifer Recharge Activities.	April 6	Receive update on Valley Water's South County managed aquifer recharge activities.	
11	Receive Update on West Valley and Lower Peninsula Watershed Master Plans.	July 6	Receive update on West Valley and Lower Peninsula Watershed Master Plans.	
12	Receive Update on One Water Plan Upper Pajaro Watershed Plan Priority Actions.	July 6	Receive information about development of the One Water Upper Pajaro Watershed Plan. Review and provide input on One Water Upper Pajaro Watershed Plan Priority Actions.	
13	Receive Drought Preparedness Update and Discuss the Potential of Forming a Subcommittee.	October 5	Receive Drought Preparedness Update and discuss the potential of forming a subcommittee.	
14	Receive Update on Valley Water's Water Supply Master Plan (WSMP) Monitoring and Assessment Program.	October 5	Receive update on Valley Water's WSMP Monitoring and Assessment Program.	

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

2026 Work Plan: Agricultural Water Advisory Committee

Update: March 2026

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
15	Receive Update on Semitropic Groundwater Storage Bank.	October 5	Receive update on Semitropic Groundwater Storage Bank.	
16	Review Climate Change and the benefits of ecosystems on Agriculture in Santa Clara County.	TBD	Discuss how climate change impacts the benefits of ecosystems on agriculture within Santa Clara County.	
17	Receive information on the County of Santa Clara's Agricultural Outreach and Awareness Campaign.	TBD	Receive information on the County of Santa Clara's Agricultural Outreach and Awareness Campaign.	
18	Receive an update of Valley Water's activities of the Unhoused and information on how enforcement of violations of companies are handled within the County.	TBD	Receive an update of Valley Water's activities of the Unhoused and information on how the enforcement of violations of companies are handled within the County. Board is requesting the committee give more detailed information on this item for the Board's consideration.	

BOARD WORK PLAN GOALS:

1. **Integrated Water Resources Management** - Goal: Efficiently manage water resources across business areas.
2. **Water Supply** – Goal: Provide a reliable, safe, and affordable water supply for current and future generations in all communities served.
3. **Natural Flood Protection** – Goal: Provide natural flood protection to reduce risk and improve health and safety.
4. **Environmental Stewardship** – Goal: Sustain ecosystem health while managing local water resources for flood protection and water supply.
5. **Addressing Encampment of Unsheltered People** – Goal: safeguard water resources and facilities from encampment impacts.
6. **Extreme Weather Events** – Goal: Mitigate carbon emissions and adapt Valley Water operations to extreme weather events.

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

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

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

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