Santa Clara Valley Water District
Water Supply and Demand Management Committee

HQ. Bldg. Boardroom, 5700 Almaden Expressway, San Jose, California
Join Zoom Meeting: https://valleywater.zoom.us/s/92597340524

REGULAR MEETING
AGENDA

Monday, April 27, 2026
10:00 AM

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

COMMITTEE OFFICERS:

Nai Hsueh, Chairperson
Director, District 5
Shiloh Ballard, Vice Chairperson
Director, District 2
Richard Santos
Director, District 3

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.

STAFF LIAISONS:
Vincent Gin
Kirsten Struve
Ryan McCarter
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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REGULAR MEETING
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IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS

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

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

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee during public comment or on any item listed on the agenda, may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify yourself in order to speak, at the time the item is called. Speakers will be acknowledged by the Board/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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Meeting ID:925 9734 0524
Join by Phone:
1 (669) 900-9128, 92597340524#

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 March 23, 2026 Water Supply and Demand Management Committee (WSDMC) Minutes. 26-0349

Recommendation: Approve the minutes.

Manager: Wendy Ho, 408-630-3874

Attachments: Attachment 1: 03232026 WSDMC Minutes

Est. Staff Time: 5 Minutes

4. REGULAR AGENDA:

4.1. Receive Update and Discuss the Water Conservation Program Savings Number for Fiscal Year 2025. 26-0358

Recommendation: Receive update and discuss the water conservation program savings number for Fiscal Year 2025.

Manager: Kirsten Struve, 408-630-3138

Attachments: Attachment 1: PowerPoint
Attachment 2: March 2023 WSDM Comte. File Num. 23-0248
Attachment 3: Water Conservation Program Flyer
Attachment 4: Link to 2021 Water Conserv. Strategic Plan
Attachment 5: AMI Program Guidelines
Attachment 6: Tables Referenced

Est. Staff Time: 20 Minutes

4.2. Receive an Update on Valley Water's South County Managed Aquifer Recharge Activities Including the Optimization Study for the San Pedro Ponds Groundwater Recharge Facility. 26-0353

Recommendation: Receive an Update on Valley Water's South County Managed Aquifer Recharge Activities Including the Optimization Study for the San Pedro Ponds Groundwater Recharge Facility.

Manager: Gregory Williams, 408-630-2867

Attachments: Attachment 1: South County Recharge Facility Map
Attachment 2: South County Recharge Facility Capacity
Attachment 3: San Pedro Groundwater Recharge Ponds Map
Attachment 4: PowerPoint

Est. Staff Time: 10 Minutes

4.3. Review and Discuss the 2026 Water Supply and Demand Management Committee (WSDMC) Work Plan and Make Adjustments as Necessary; and Confirm the Next Meeting Date. 26-0350

Recommendation: Review and discuss the 2026 WSDMC Work Plan and make adjustments as necessary; and confirm the next meeting date.

Manager: Wendy Ho, 408-630-3874

Attachments: Attachment 1: 2026 WSDMC Committee 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. ADJOURN:

6.1. Adjourn. The Next Regular Meeting is Scheduled at 10:00 a.m. on Monday, June 1, 2026.

Santa Clara Valley Water District

File No.: 26-0349

Agenda Date: 4/27/2026
Item No.: 3.1.

COMMITTEE AGENDA MEMORANDUM
Water Supply and Demand Management Committee

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

SUBJECT:
Approval of March 23, 2026 Water Supply and Demand Management Committee (WSDMC) 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 analysis.

ATTACHMENTS:
Attachment 1: 03232026 WSDMC Minutes

UNCLASSIFIED MANAGER:
Wendy Ho, 408-630-3874

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WATER SUPPLY AND DEMAND
MANAGEMENT COMMITTEE MEETING

DRAFT MINUTES

REGULAR MEETING
MONDAY,MARCH 23, 2026
10:00 A.M.

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER:

A regular meeting of the Santa Clara Valley Water District (Valley Water) Water Supply and Demand Management Committee (Committee) was called to order by Chairperson Hsueh at 10:00 a.m. in the Valley Water Headquarters Building Boardroom at 5700 Almaden Expressway, San Jose, California, and by Zoom teleconference.

1.1. Roll Call.

Committee members in attendance were: District 5 Director Nai Hsueh, Chairperson, District 2 Director Shiloh Ballard, Vice Chairperson, and District 3 Director Richard Santos, constituting a quorum of the Committee.

Staff members in attendance were: Antonio Alfaro, Aaron Baker, Andrew Garcia, Vincent Gin, Andrew Gschwind, Walter Gonzalez, Jason Gurdak, Wendy Ho, Linh Hoang, Cindy Kao, Matt Keller, Candice Kwok-Smith, Ryan McCarter, Nicole Merritt, Carmen Narayanan, Carlos Orellana, Don Rocha, Stephanie Simunic, Kirsten Struve, Charlene Sun, Darin Taylor, Metra Ulloa, Jing Wu, Beckie Zisser.

Public in attendance were: Kevin Kostiuk and Luke Wang (Hazen and Sawyer), Katja Irvin (Sierra Club).

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

Chairperson Hsueh declared time open for public comment on any item not on the agenda. There was no one present who wished to speak at this time. Katja Irvin stated during her public comment in Item 4.1. that she attempted to make a public comment during this item but was unsuccessful. Katja Irvin distributed the Sierra Club Public Comments identified as Handout 2-A. Copies of the Handout were distributed to the Committee and made available to the public.

3. APPROVAL OF MINUTES

3.1. Approval of February 23, 2026 Water Supply and Demand Management Committee

(WSDMC) Minutes.

Recommendation: **Approve the minutes.**

The Committee considered the minutes of the February 23, 2026 Water Supply and Demand Management Committee (WSDMC) meeting.

Public Comment: None.

It was moved by Vice Chairperson Ballard, seconded by Director Santos, and unanimously carried, that the minutes be approved as presented.

4. REGULAR AGENDA:

4.1. Receive Results of Consultant Study Regarding Santa Clara Valley Water District's Water Use Projections, Water Demand Elasticity, and Customer Affordability; Provide Feedback or Recommendations to Board.

Recommendation: **A. Receive results of the 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; and**
B. Provide feedback or recommendation(s) to the Board as desired.

Kevin Kostiuk and Luke Wang reviewed the information on this item, per the attached Committee Agenda Memo and per the information contained in Attachment 1.

Kevin Kostiuk, Luke Wang, Darin Taylor, and Aaron Baker were available to answer questions.

Public Comments: Katja Irvin. Please see Item 2 for details.

The Committee received the information, took no formal action, and with staff input discussed the following: customer affordability metrics, receiving more data from Sacred Heart Community Service (who administers the Water Rate Assistance Program), inviting water retailers to report their data relating to providing assistance for water costs to their customers, providing the presentation (with this Committees comments) to the Water Commission and receiving their feedback, clarifying that this study is about short-term rates and the Water Supply Master Plan strategizes primarily for long-term multi-year drought, and clarifying risk tolerance.

Staff stated they will gather data relating to current affordability packages from retailers and Valley Water and return to the Committee with recommendations and provide the presentation to the Water Commission and receive their ideas before taking the study to the full Board.

4.2. Review and Discuss 2026 Water Supply and Demand Management Committee (WSDMC) Work Plan, and Make Adjustments as Necessary; and Confirm the Next Meeting Date.

Recommendation: **Review and discuss the 2026 WSDMC Work Plan and make adjustments as necessary; and confirm the next meeting date.**

Stephanie Simunic and Kirsten Struve reviewed the information on this item, per the attached Committee Agenda Memo and per the information contained in Attachment 1.

Kirsten Struve was available to answer questions.

Public comments: None.

The Committee received the information, took no formal action, and with staff input noted that the Sites Reservoir Expansion Update and BF Sisk Dam Raise Items will move to the May meeting, and the SCW Funding (LPR & Demo Garden) item is not time critical, a short report, and can be moved if needed.

5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS:

Stephanie Simunic stated for Item 4.1, no formal action was taken and the comments will be synthesized and returned to the Committee with recommendations, and for Item 4.2, the Work Plan will be updated.

The Committee took no action.

ADJOURN:

Adjourn. The Next Regular Meeting is Scheduled at 10:00 a.m. on Monday, April 27, 2026.

Chairperson Hsueh adjourned the meeting at 11:09 a.m.

Date Approved:

Stephanie Simunic
Assistant Deputy Clerk II

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Santa Clara Valley Water District

File No.: 26-0358

Agenda Date: 4/27/2026
Item No.: 4.1.

COMMITTEE AGENDA MEMORANDUM
Water Supply and Demand Management Committee

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

SUBJECT:
Receive Update and Discuss the Water Conservation Program Savings Number for Fiscal Year 2025.

RECOMMENDATION:
Receive update and discuss the water conservation program savings number for Fiscal Year 2025.

SUMMARY:
Since 1992, Valley Water's robust Water Conservation Program (Program) has supported the Board of Directors (Board's) long-term water conservation savings goals established through the Water Supply Master Plans (WSMPs) 2040 and 2050, which include annual monitoring. The Program also supports Board Resolution 23-52 to Make Water Conservation a Way of Life in Santa Clara County. The nearest milestone is to conserve 99,000 acre-feet per year (AFY) by 2030 (compared to the 1992 baseline).

Valley Water staff tracks progress towards the long-term conservation goals using a custom, Excel-based Water Conservation Savings Model (Savings Model). Every year, staff inputs annual Program participation totals from the prior fiscal year into the Savings Model to track progress toward the long-term conservation goals. To leverage the latest data available, staff periodically update model assumptions such as program water savings, savings accrual rates, and population and housing data, which can affect the prior year's reported savings. Details on the Savings Model's inputs and program assumptions are in Attachment 2. This memo provides an update on fiscal year (FY) 2025 savings and reviews program trends.

Information about current conservation programs is detailed in the attached flyer and can be found at www.watersavings.org <http://www.watersavings.org> (Attachment 3).

Savings Update

In FY 2025, long-term water conservation reached 87,392 AFY (from a 1992 baseline), a net increase of 1,225 acre-feet. This continues a 6-year upward trend since FY 2020 but is below the 2,400 AFY

metric established by the 2021 Water Conservation Strategic Plan (Strategic Plan; Attachment 4). Through this period, Valley Water has shifted from drought-driven gains to more stable, program-driven growth with annual increases ranging between 1,225 and 3,606 AFY (Table 1, Attachment 6). Year-over-year growth declined from 4.4% (FY 2023-FY 2024) to only 1.4% (FY 2024-FY 2025; Table 1, Attachment 6; Figure 1).

Even though conservation savings are slowing, the average increase over the last 6 years remains greater than the 2,400 AFY threshold. Staff estimates that the 2030 goal will be met if the Program achieves an average net-increase of 2,322 AFY between FY2026 through FY 2030.

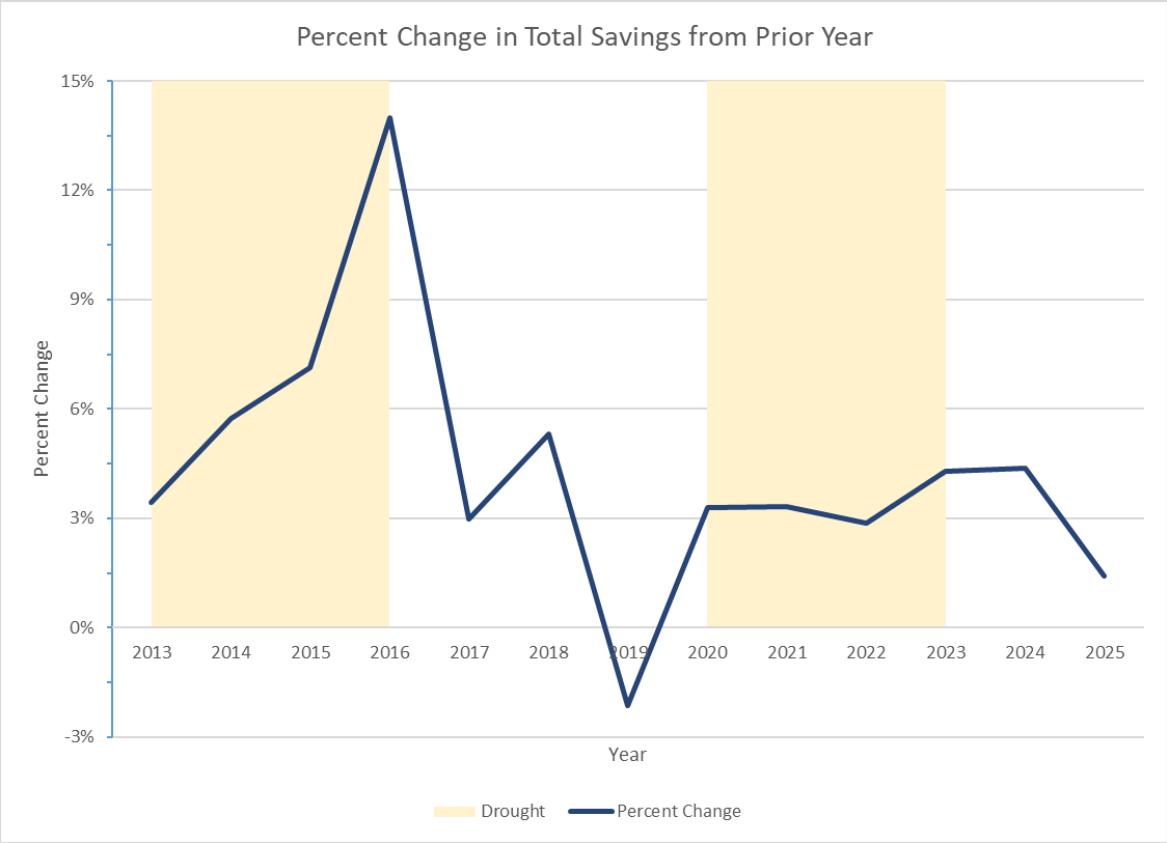

Figure 1: Percent change in savings compared to the prior fiscal year between 2013 and 2025, showing drought periods.

Post-drought participation declines are typical and expected, yet Landscape Rebate Program (LRP) - Turf Conversion remains above pre-drought levels (Table 2, Attachment 6), while LRP - Irrigation Equipment has returned to approximately pre-drought participation rates. Meanwhile, Advanced Metering Infrastructure (AMI) and Large Landscape Program (LLP) irrigation budgets continue to expand. Overall savings growth is slowing as earlier program gains reach the end of their useful life, which is contributing to this declining rate. Sustained participation is needed across all programs to maintain growth.

Key factors influencing recent savings trends:

- Expanded outreach tools: Conservation doubled its marketing budget compared to pre-drought levels ($500,000 in FY 2026). Additionally, staff can leverage messaging platforms for LLP site-specific water budgets (CII properties), Water Use Reports, and AMI;

- Aging program impacts: expiration of savings from cost-effective irrigation equipment upgrades (particularly installations during the 2013-2016 drought), and the long-term decline in Water Efficient Technology Rebate (WET) Program participation (Table 3, Attachment 6; Attachment 1);

- Sustained incentives: Particularly for the CII sector, LRP - Turf Conversion participation is supported by maintaining the $2/sq. ft. rebate;

- Regulatory awareness: Upcoming non-functional turf (NFT) irrigation restrictions (2027-2031); and

- Population: modest growth since 2023 contributed to passive savings.

Program Trends
The strongest performing water conservation programs continue to be the LLP, Water Use Reports and AMI, and LRP - Turf Conversion (Table 3, Attachment 6). Most of these programs expand targeted-messaging and engagement opportunities, particularly to the CII sector, along with retailer coordination.

Outdoor Conservation Trends

Half of all program savings are from outdoor conservation programs, led by LLP's irrigation budgets and LRP - Turf Conversion. Though LRP - Irrigation Equipment has a relatively low useful life, they yield significant savings, indicating the importance of continued focus on these off-the-shelf water-saving devices. Turf conversion projects increased from FY 2020 to FY 2023 and, despite recent declines, FY 2025 levels remain over 3-times higher than in FY 2020, the first year of the last drought (Table 2, Attachment 6).

Turf conversion projects by CII and MF are increasing (Table 2, Attachment 6):

- Before FY 2023, CII and MF sites accounted for an average of 25% of all turf converted and 5% of rebate applications.

- Between FY 2023 and FY 2025, CII and MF jumped to an average of 47% of all turf converted and about 11% of rebated applications.

CII and MF projects require comparable staff effort as single-family projects, yet yield significantly larger water savings per site, reinforcing their importance for meeting long-term policy goals.

AMI Progress

Valley Water has consistently secured cost-sharing agreements to expand AMI, with the newest partner, Mountain View, in late FY 2025. This program includes:

- Requiring leak alerts and best practices from participating retailers (Attachment 5).
- By FY 2030, Valley Water staff anticipates significant coverage of AMI (Table 4, Attachment 6), 10 years ahead of schedule.

Furthermore, Valley Water partnered with the City of Santa Clara to retrofit production wells with AMI-capable meters for remote monitoring. Valley Water has begun installing AMI on 37 surface-water meters to support operations, with plans to expand to other retailers and private well owners. Though Conservation staff does not attribute a savings number to this newer AMI approach, it provides an opportunity for future evaluation and exploration in measuring water savings.

Additional Updates

WET and Submeter Rebate Programs

WET, one of Valley Water's oldest conservation programs (since FY 1997), has seen declining participation since its FY 2007 peak. The rebate has remained at $4/CCF since around FY 1999 (briefly increasing to $8/CCF during the 2013-16 drought). Higher cost-share rates in limited areas and a 2020 cap increase to $100,000 have not reversed this trend, indicating that the rate may be a key motivator. However, of six water agencies in the western United States with a similar performance-based rebate, Valley Water's rebate rate is among the highest.

Because projects are flexible (and at times proprietary), marketing can be challenging. Staff have inspired potential applicants through sharing EPA WaterSense CII Case Studies and a story map of past WET projects. (In February 2026, staff awarded a rebate of about $16,000 to Gordon Biersch Brewing Company for upgrading its cooling equipment, resulting in an estimated annual water savings of about 3 million gallons).

Likewise, the submeter rebate has remained constant since about 2001 at $150 per submeter. Submeters are estimated to save 10-30% compared to relying on a master meter. With the role of Accessory Dwelling Units to help meet the region's housing goals, pushing submeters to these developments provides a timely opportunity, which would require sustained collaboration with municipalities as well as the County.

Valley Water is actively engaged with the California Water Efficiency Partnership (CalWEP) CII task force to improve CII program participation statewide. Staff's consistent statewide engagement with outside organizations led to our early contributions via funding and sharing past outreach efforts to CalWEP's CII Outreach Playbook, to be published later in 2026. Finally, staff is undertaking a savings analysis of the Commercial Indoor Water Survey Pilot that ran between FY 2024 and FY 2025 to evaluate whether to allocate resources to this free CII service. Staff is incorporating findings from the

CII Outreach Playbook and NFT outreach collateral noted below into an ongoing effort to develop a CII campaign that supports LRP and WET participation.

Non-Functional Turf

Assembly Bill (AB) 1572 prohibits irrigating non-functional turf (or decorative lawn) on CII and Homeowners Association (HOA) common areas with phased implementation between January 2027 and 2031. Awareness of this regulation is likely influencing the upward CII participation the LRP has experienced in recent years. Expanding upon this awareness to incentivize transforming these turf areas into low-water landscapes is paramount in the next few years. To support this effort, Valley Water helped fund www.nonfunctionalturfca.org <http://www.nonfunctionalturfca.org> with CalWEP and agencies throughout California. That online resource includes case studies; resources for landscapers, CII, and HOAs; and over 40 messaging templates that Valley Water can customize and co-brand with local water retailers as part of a non-functional turf toolkit.

Additionally, as part of the Making Conservation a California Way of Life regulatory framework (AB 1668/Senate Bill [SB] 606; MCCWL), the Department of Water Resources mapped and measured all irrigated landscaped areas served by urban water suppliers (11 of our 13 major water retailers). Valley Water has become a Founding Partner along with Metropolitan Water District of Southern California and Municipal Water District of Orange County to support CalWEP's development of a wholesaler view of the data. Once complete, staff will be able to target programs to areas with the most turf in the county.

Updating the Strategic Plan and Savings Model

The Strategic Plan was developed before key policy and regulatory developments, including the 2050 long-term savings goal, Resolution 23-52 to Make Water Conservation a Way of Life in Santa Clara County, AB 1572, and MCCWL. In February 2026, Valley Water released a Request for Proposal (RFP) for a Conservation Services and Assessment Program to update these decision-support tools, among other program improvements. Staff expects this project to incorporate passive savings from AB 1572 as well as the Model Water Efficient New Development Ordinance (MWENDO), at a minimum, which will further increase our savings progress.

MWENDO

State laws (AB 130/SB 131 CEQA Overhaul Package) now prohibit cities from adopting new or amended residential reach codes. Staff are exploring advocacy opportunities for cities to consider MWENDO measures for commercial properties and are engaging business associations and local Chambers of Commerce to support adoption. In November 2025, the Board recognized the City of Santa Clara as the first to officially adopt MWENDO measures.

Further, several cities in Santa Clara County already have measures aligned with MWENDO, providing a strong foundation for water efficiency. Combined with existing programs and implementation time, Valley Water remains well-positioned to achieve its long-term water conservation savings goals despite temporary limits on full MWENDO adoption.

Select Partnerships

Valley Water sponsored a first-of-its-kind training in Northern California for water retailers to strengthen CII-conservation outcomes. This training combined classroom and hands-on field audits to teach conservation staff of water retailers how to engage effectively with CII customers, including how to identify the most water-saving opportunities, improve leak detection techniques, and evaluate Return on Investment (ROI) potential to increase buy-in for successful conservation outcomes. Valley Water collaborated with agencies throughout the State to develop and host the first-of-its-kind leak-detection training for plumbing professionals, with 21 local plumbers attending Valley Water's training. The International Association of Plumbers and Mechanical Officials hosted the training and maintains the plumbers' list at <https://iapmo.org/training-education/calwep-contractors-directory>. As of this writing, the City of Palo Alto is actively sending this resource through its AMI system to customers experiencing leaks and high usage.

Conclusion and Next Steps

Valley Water's strategic conservation efforts are yielding consistent yet diminishing results, as is expected following a drought. Long-term water savings increased by 1,225 acre-feet to 87,392 AFY (from a 1992 baseline) in FY 2025. Even though some programs have maintained impressive participation levels (turf conversion) and growth (irrigation budgets, AMI, and partnerships), declining participation in irrigation equipment and WET are reducing progress towards the 2030 goals.

The Strategic Plan identified the need for additional resources to ensure the program can meet the Board's 2030 goal. The Conservation Services and Assessment Program RFP will provide staff with enhanced tools and resources, including updates to the Savings Model, and advance a formal communications plan. Valley Water will also strengthen partnerships with CalWEP, the Bay Area Water Supply and Conservation Agency, and water retailers to expand program participation. In addition, the water conservation program will maintain increased funding levels to support expanded advertising and strategic outreach efforts, particularly through a new campaign focused on CII customers. Lastly, staff will continue exploring and piloting new programs and resources to support sustainable water use regionally and locally.

ENVIRONMENTAL JUSTICE IMPACT:
Environmental justice impacts on local communities are expected/likely to result from implementing the water conservation program toward meeting the long-term water conservation 2030, 2040, and 2050 goals.

Water conservation offers a range of environmental justice benefits by promoting equitable access to clean water, reducing pollution, protecting ecosystems, mitigating climate change, saving costs for vulnerable communities, enhancing drought resilience, and empowering residents with knowledge and skills for sustainable water use. Valley Water provides such water conservation information in multiple languages and via various outreach techniques to reach all members of our community. Valley Water acknowledges that during drought, disadvantaged communities may be

disproportionately impacted. To address these impacts, Valley Water promotes access to equitable and affordable water supplies (Water Supply Goal 2.6).

ATTACHMENTS:
Attachment 1: PowerPoint
Attachment 2: March 2023 WSDM Comte. File Num. 23-0248
Attachment 3: Water Conservation Program Flyer
Attachment 4: Link to 2021 Water Conserv. Strategic Plan
Attachment 5: AMI Program Guidelines
Attachment 6: Tables Referenced

UNCLASSIFIED MANAGER:
Kirsten Struve, 408-630-3138

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Water Conservation Program Savings Update (FY25)

Water Supply and Demand Management Committee, April 27, 2026

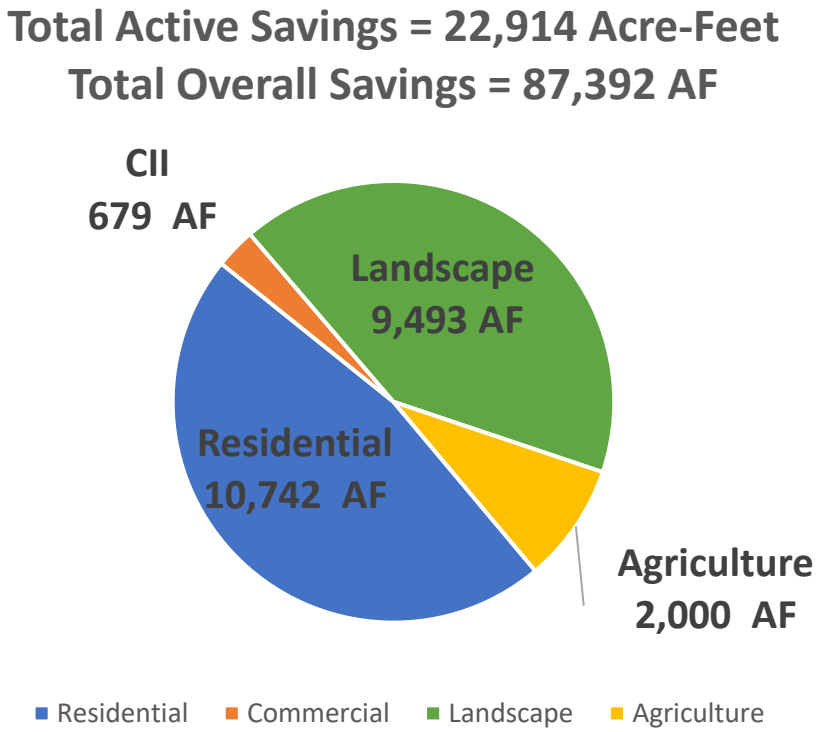
Justin Burks, Sr. Water Conservation Specialist

Water Conservation as a Way of Life

- Long-term conservation reduces risks for current and future droughts

- Conservation Savings Targets
  - 99,000 AF/year by 2030
  - 110,000 AF/year by 2040
  - 126,000 AF/year by 2050

- FY 2025 Outcome: 87,392 AF



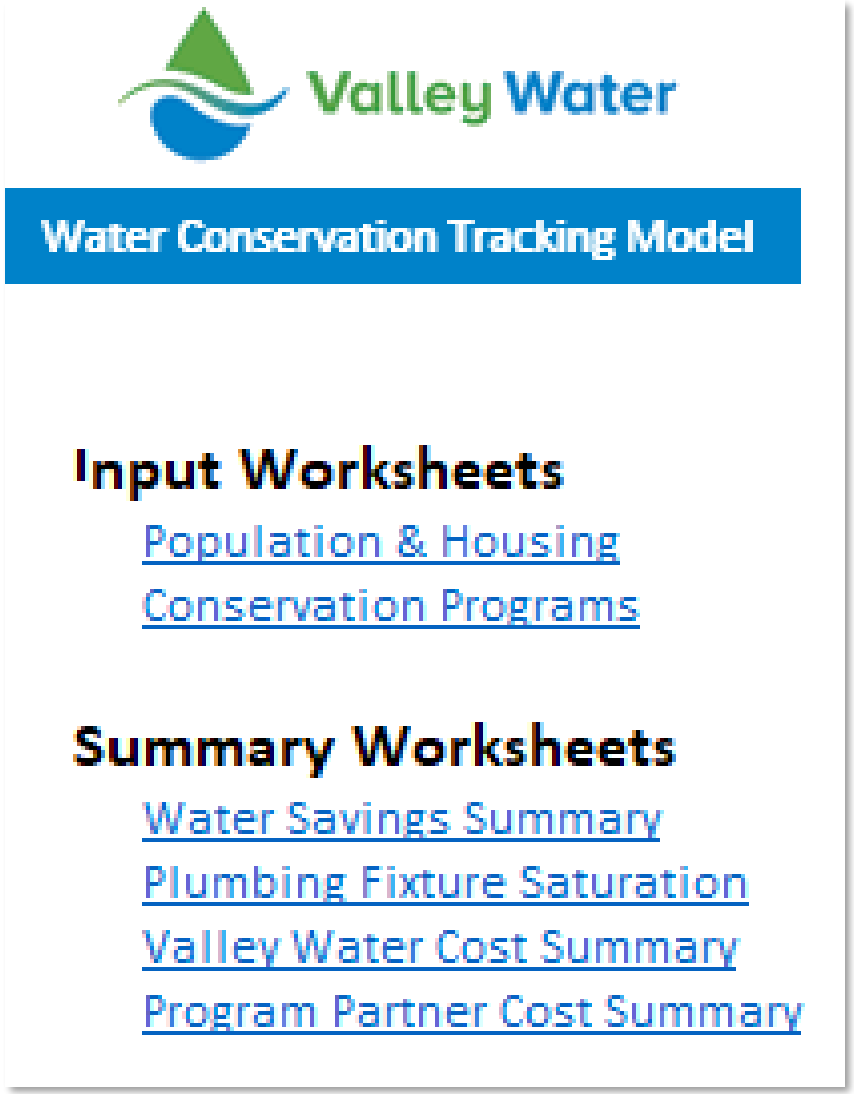
TAF = 1,000 acre-feet

Water Conservation Savings Model

- Built from a national, Excel-based model
- Quantitative, long-term savings goal tracking
- Evaluates individual & program
  - Savings
  - Cost effectiveness
- Strategic Plan (2021)
  - Blueprint for success
  - Support tool for program marketing and design
- Active RFP to update Savings Model, Strategic Plan, and other decision-support tools

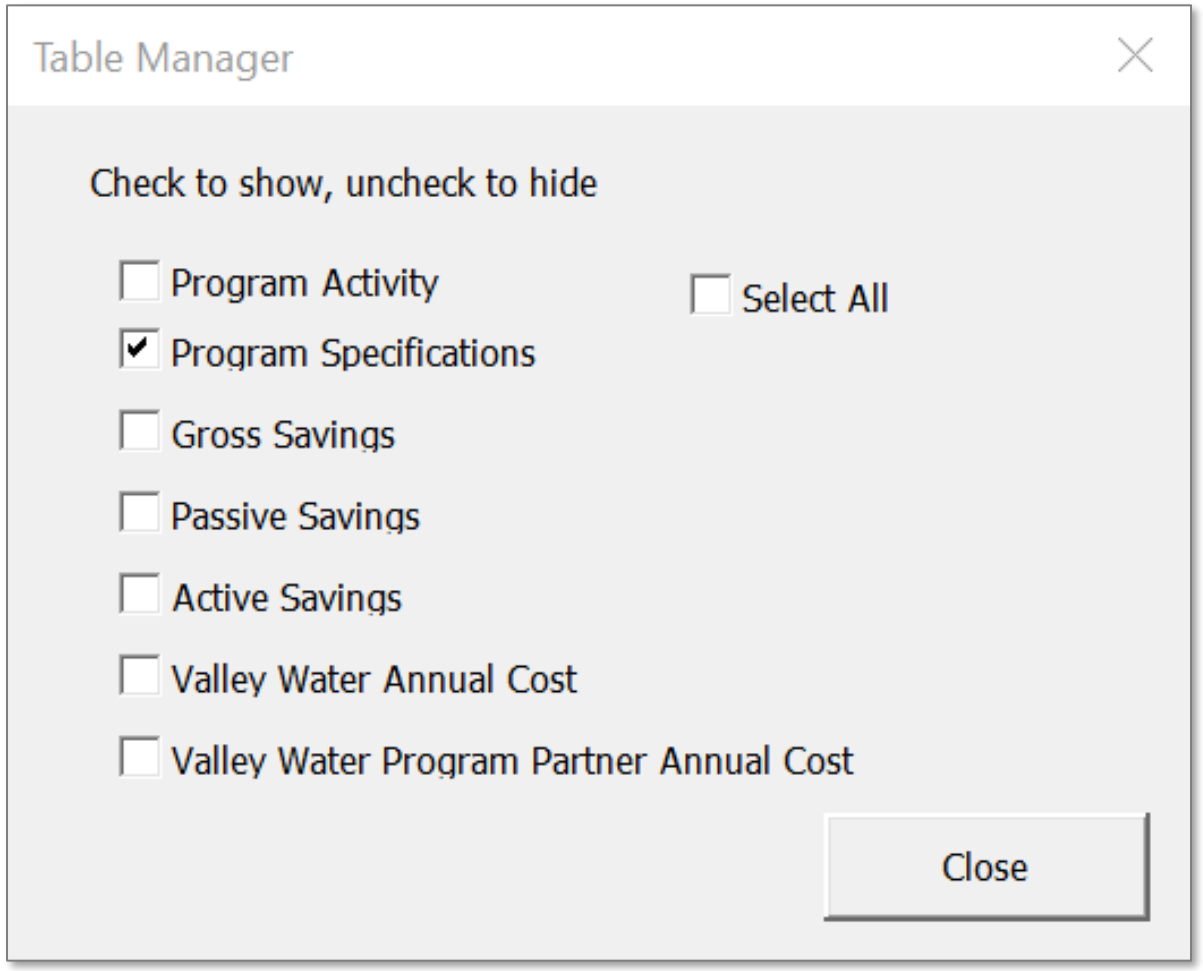
Model inputs

- 1992 baseline
- Inflation and real discount rate
- Population, employment, and building types
- Behavior
- % of efficient fixtures in county
- Costs
- Objective savings data



Model Outputs

- Changes in % of efficient fixtures
- Water savings
  - programmatic
  - Specific customer classes
  - Overall
- Cost per acre-foot

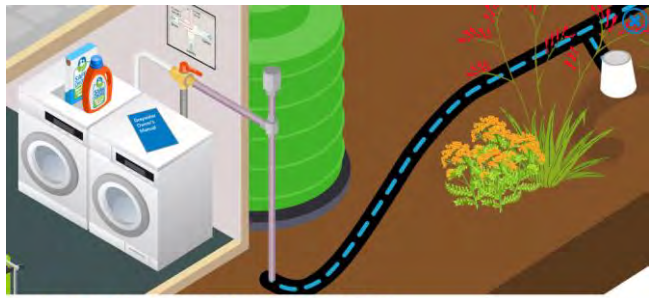


Water Conservation Infographic

2. Rain Garden

Add a rain garden to your landscape and receive a rebate! Rain gardens allow water from downspouts to soak into the ground instead of flowing into storm drains.

- Frequently Asked Questions: https://valleywater.dropletportal.com/faq/rainwater
- Program Overview: https://www.valleywater.org/saving-water/rebates-surveys/landscape-rebates
- Qualified Rain Garden Plants: valleywater.dropletportal.com/documents/pdf/SCVWD_Qualified_Rain_Garden_Plants.pdf



5. "Laundry-to-Landscape" Graywater System

Install a Graywater Laundry-to-Landscape system that diverts water from your washing machine to your landscape and receive a rebate! This project can be Do-It-Yourself or installed by a trained professional and can save about 6,600 gallons or more per year.

- Laundry to Landscape Graywater System Application: cloud.valleywater.org/ords/r/appweb/graywater-laundry-to-landscape-rebate-program/login
- Get started and learn about other graywater systems: valleywater.org/saving-water/outdoor-conservation/about-graywater

www.watersavings.org

Programs that Drive Long-Term Savings

FY25 Increase: **1,225 AFY**

Strategic Plan and Audit threshold: **2,400 AFY**

Declining rate influenced by:

- Post-drought period
- CII Indoor Challenges
- Useful Life Variability

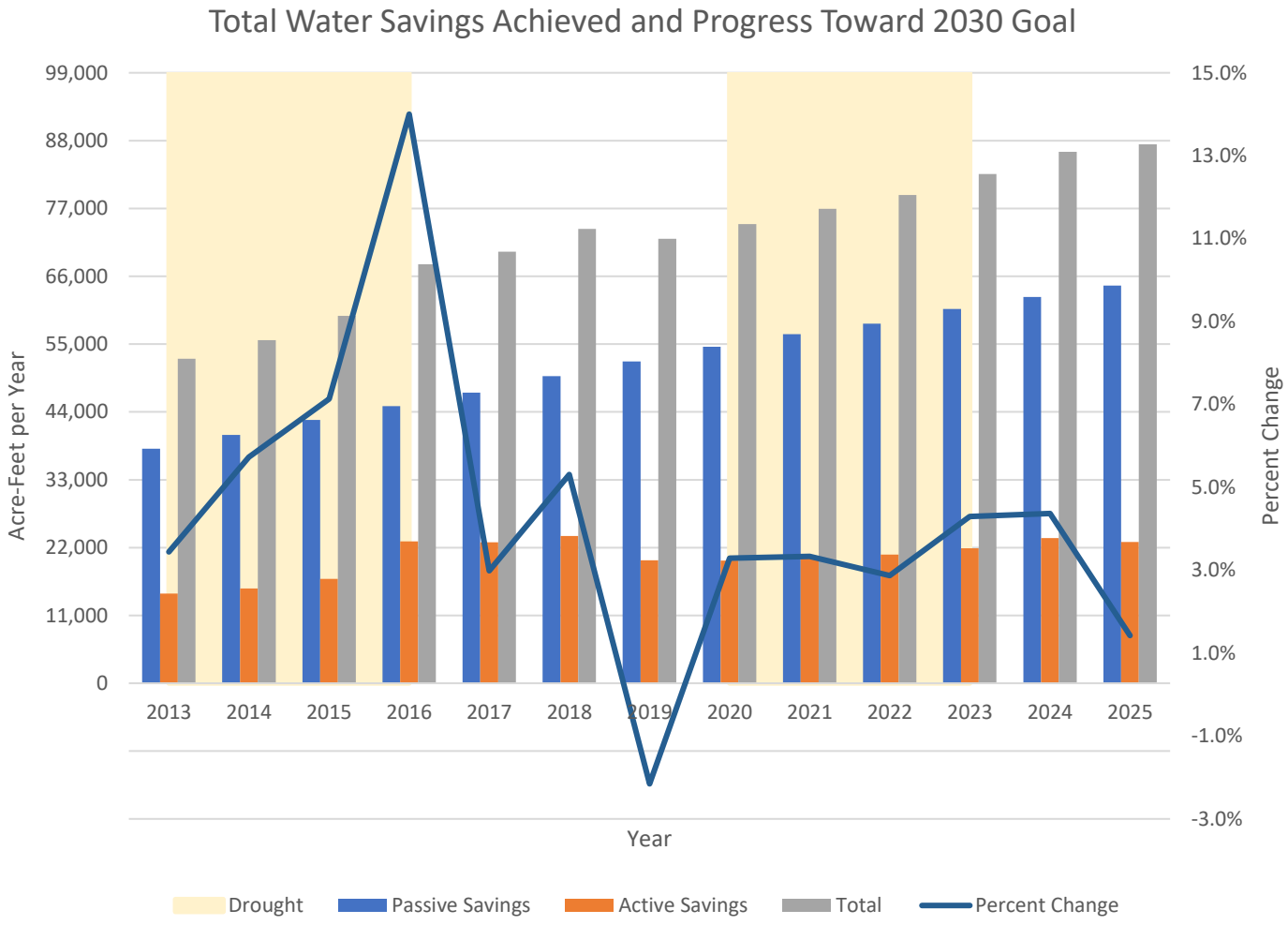
Program	FY 2025
Legacy Programs (Plumbing Rebates)	29.3%
Large Landscape Program	27.8%
Water Use Reports and Advanced Metering Infrastructure	15.0%
Landscape Rebate Program – Turf Conversion	9.1%
Mobile Irrigation Lab	8.7%
Landscape Rebate Program – Irrigation Equipment	4.4%
Online Shopping Cart Program	2.2%
Submeter Rebate Program	1.6%
WET Rebate Program	0.9%
Direct Retrofit Indoor Plumbing Program	0.9%
Water Wise Outdoor Surveys	<0.1%
Graywater and LRP – Rainwater Rebates	<0.1%
Legacy Programs (Other)	<0.1%

Progress Towards Conservation Targets

Model tracks

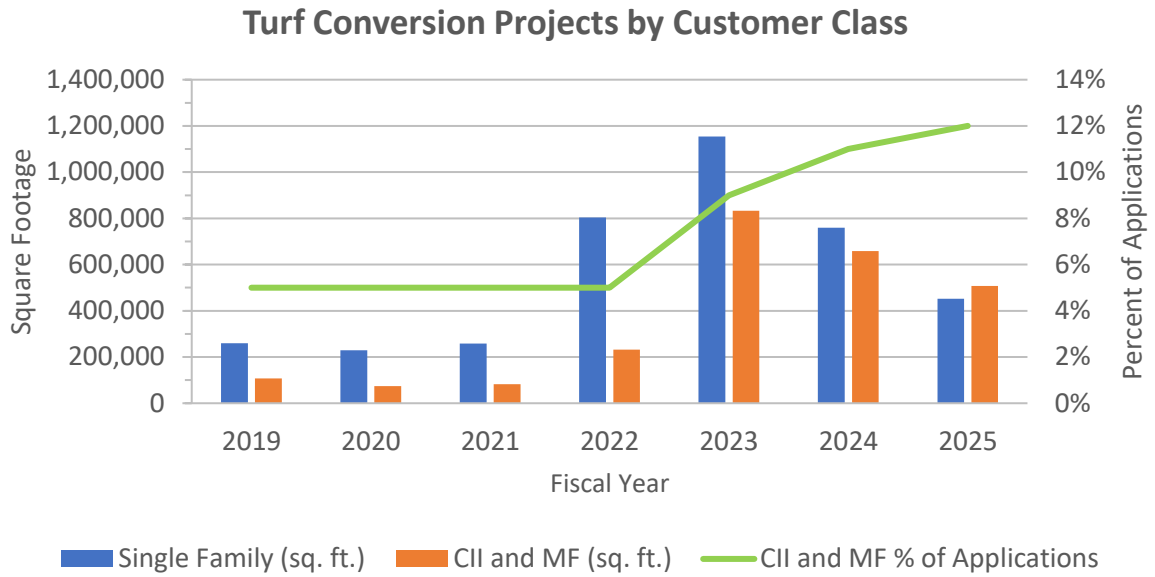
- Passive Savings vs.
- Active Savings

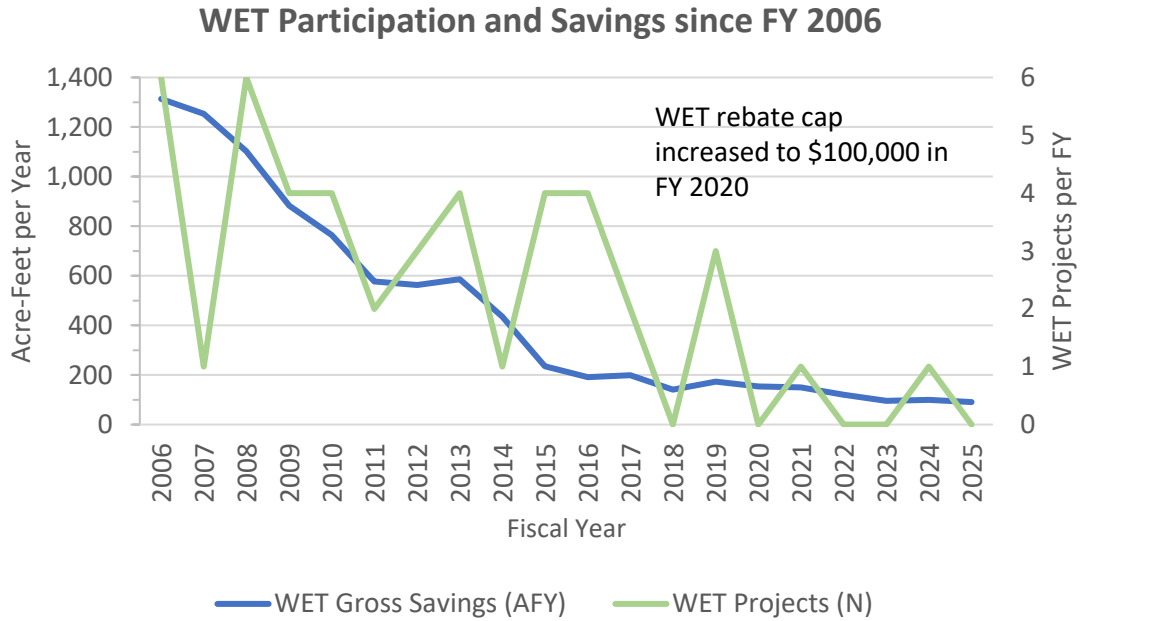
Upward trend continues. Year-over-year increase declining.



CII Trends

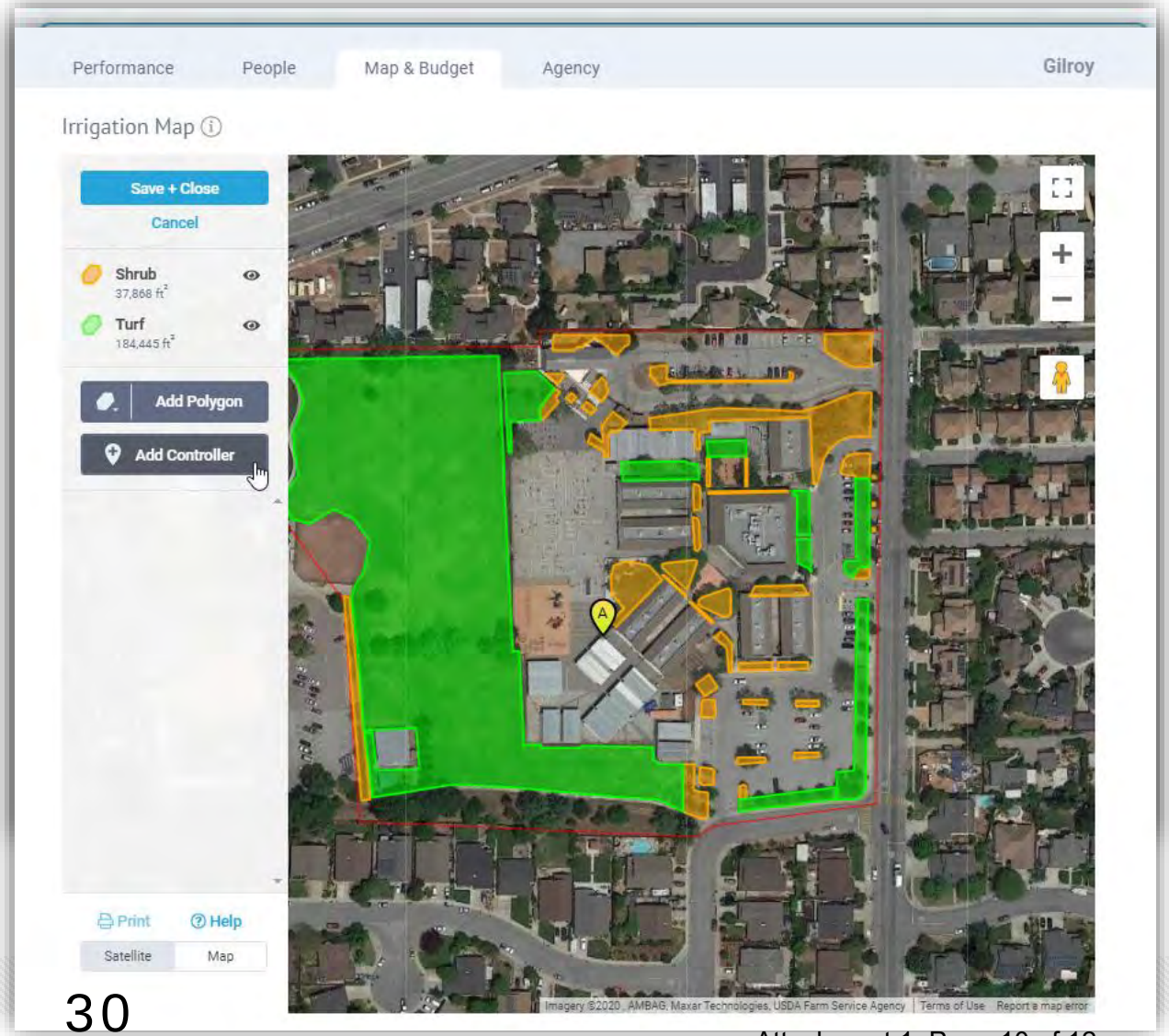
- CII participation rate in LRP turf conversion projects continues its upward trend
- Downward trend continues with WET Rebate Program
- WET Story Map developed
- Evaluating program rates and structure may be needed





Approaches to help with CII Trends

- Partnerships, compliance, and recognition
- CII Outreach Guidebook
- Leveraging data we have and relationships with those with data we lack



Valley Water

Next Steps

Evaluate options to increase savings, including an integrated communications strategy

Refine CII Outreach Strategy and Develop Campaign

Continue partnerships with CalWEP, BAWSCA, and Retailers: tools and policies

Update Modeling and Planning through Conservation Services & Assessment RFP

Continue Long-Term Conservation Goal Monitoring

QUESTIONS

File No.: 23-0248

Agenda Date: 3/17/2023
Item No.: 5.2.

COMMITTEE AGENDA MEMORANDUM
Water Conservation and Demand Management Committee

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

SUBJECT:
Water Conservation Savings Model and Program Overview.

RECOMMENDATION:
Receive, review, and discuss information on the water conservation savings model and an overview of current water conservation programs**.**

SUMMARY:
Santa Clara Valley Water District (Valley Water) has provided a robust water conservation program since 1992. In November 2019, the Board approved the 2040 Water Supply Master Plan that updated the long-term conservation targets to 99,000 acre-feet per year (AFY) and 109,000 AFY by 2030 and 2040 (compared to the 1992 baseline), respectively. In October 2021, the Water Conservation and Demand Management Committee (Committee) received Valley Water's updated Water Conservation Strategic Plan <https://s3.us-west-2.amazonaws.com/assets.valleywater.org/Valley%20Water%20WC%20Strategic%20Plan.pdf> (Strategic Plan) to guide staff on how best to achieve the long-term savings targets.

Valley Water staff tracks progress towards the long-term conservation targets using a custom, Excel-based Water Conservation Savings Model (Savings Model). In July 2022, the Committee received information on how staff use the Savings Model to evaluate water conservation program offerings, analyze program water-saving potential and cost effectiveness, and update annual savings across all programs relative to the long-term savings targets.

The purpose of this memorandum is to review how the Savings Model is used to evaluate water conservation programs in preparation for the annual long-term water conservation savings report to be brought to the committee at a future meeting, and to present an overview of current water conservation programs. Information about current, water conservation programs can be found at www.watersavings.org <http://www.watersavings.org> and in the Water Conservation Program Flyer (Attachment 2).

Background
Valley Water uses the Savings Model to evaluate the cost effectiveness ($/acre foot) of water conservation programs, whether to offer certain water conservation programs over others, and progress towards Valley Water's long-term conservation targets. Over time programs have transitioned from focusing on indoor conservation programs like high-efficiency toilet and clothes washer rebates to outdoor conservation programs like the popular Landscape Rebate Program (Attachment 2).

Every year, Staff inputs annual participation totals from the prior fiscal year into the Savings Model to track progress towards the long-term conservation targets. The current drought has increased interest in the conservation programs which will contribute to both short-term and long-term savings. Based on the Savings Model, over 75% of the community's water conservation savings since the program began in 1992 was from the residential sector, and over 85% of the savings to-date has come from indoor sources. After staff began transitioning from plumbing efficiency toward irrigation efficiency beginning in the early 2010s, outdoor savings have represented an increasing share of our savings portfolio and are the most impactful and effective way to yield significant water savings both for short-term drought responses and achieving long-term targets.

Savings Model Inputs and Outputs
The Alliance for Water Efficiency (AWE) is a national 501(c)(3) non-profit organization dedicated to the efficient and sustainable use of water. The AWE advances research, promotes national and state policy to advocate for water-efficient products and programs, and develops tools for water agencies across the United States. Based on the AWE's Water Conservation Tracking Tool, the Savings Model incorporates demographic and policy data with conservation participation savings assumptions and participation rates to produce acre-foot savings per year. Specifically, the Savings Model incorporates local demographic data from the Department of Finance including population, housing, building types, and persons per household. Inflation and real discount rates help convert between one-time and annualized costs-for example, installing a high-efficiency toilet continues to generate water savings for decades after it was paid for.

The Savings Model incorporates quantifiable savings data from pilot program results, regional and statewide best management practices, and research from the EPA WaterSense Program. Then every year, Staff inputs annual participation totals from the prior fiscal year into the Savings Model to track progress towards the long-term conservation targets. The Savings Model outputs gross savings as the sum of passive and active water savings.
Passive savings include savings from plumbing codes, appliance standards, ordinances, and program free riders. For example, the Federal Energy Policy Act of 1992 established the first national standards for toilet and showerhead efficiency; AB 715 (2007), SB 407 (2009), and CALGreen increased plumbing standards further in California relative to federal actions. These policy examples are why in California, the least efficient plumbing fixtures that can be purchased are 1.28 gallons per flush for toilets and 1.8 gallons per minute for showerheads, respectively (the difference between current policy compared to the absence of these policies generates passive savings). As local municipalities pass elements of the Model Water Efficient New Development Ordinance, the Savings Model would count the savings generated as "passive savings".

Active savings are a direct result of water conservation program activity. Every gallon of water saved through converting turf to water-wise plants is counted as active savings; that is, there is no policy to-date that forces constituents to convert turf to water-wise plants. When Valley Water offered toilet rebates, Staff required even greater toilet efficiencies than the plumbing code requires. Toilet rebates produced both active and passive savings. Over time as the plumbing code became more stringent, toilet rebates became less cost-effective since only high-efficiency toilets were available to purchase regardless of Valley Water's toilet rebates. This contributed to Valley Water's ongoing strategy to focus on producing savings from outdoor conservation programs, which was a strategy affirmed by the 2021 Strategic Plan. The current drought has increased interest in the water conservation programs which will contribute to both short-term and long-term savings.

Evaluating Potential Conservation Programs
As new or improved water conservation devices are made available, staff uses the Savings Model to evaluate the cost-effectiveness of offering a new conservation program by analyzing the estimated water savings compared to the cost of offering a rebate or other type of incentive. The output of the Savings Model is a $/acre-foot (AF) value; this value, when compared to the values of other conservation programs, helps answer whether a program makes sense financially or programmatically to increase water supply reliability. Staff will also review and analyze comparable programs offered by other water agencies throughout the region, state, and Western United States.

The Strategic Plan identified several key strategies to augment Valley Water's water conservation programs. Targeted marketing to expand participation to new customer groups as well as building on current successes of existing marketing strategies will be one of the most cost-effective means of generating additional water savings. For example, further expansion of the Large Landscape Program to more, smaller commercial properties, as well as leveraging outreach channels offered through this program will generate significant savings at only $85/AF. On average Valley Water's water conservation program cost is about $600 per acre-foot.

Lastly, educational programs are important to meeting staff and Board priorities but may not generate water savings. The Landscape Maintenance Consultation Program and the Water Waste Program, initiated from this committee's feedback, are important for raising awareness about how to maintain water-efficient landscapes and options to be in compliance with water-waste restrictions, respectively. Even though these examples do not have quantifiable savings data in the model, they do provide multiple benefits that together increase our water supply reliability.

Next Steps
Valley Water's water conservation programs are periodically evaluated for cost-effectiveness by using the Savings Model that provides a cost effectiveness defined as $/AF value. While there are many creative water saving devices on the market, not all systems translate well into a cost-effective program and the Savings Model has allowed Staff to prioritize those that are most effective. Staff will return in April with an update on the long-term savings total as of FY 2022 and a review of customer satisfaction survey results.

ATTACHMENTS:

Attachment 1: PowerPoint Presentation
Attachment 2: Water Conservation Program Flyer (PDF)

UNCLASSIFIED MANAGER:
Kirsten Struve, 408-630-3138

Water Conservation Rebates and Programs

Valley Water

Say YES to Saving Water!

Valley Water's water conservation rebates and programs are designed to make water conservation easier, helping you say YES to saving water. Learn more about all of our conservation programs and resources by visiting *watersavings.org*.

Online Shopping Cart

The Online Shopping Cart Program offers free water-saving devices and educational materials to Santa Clara County residents and businesses. Choose from showerheads, faucet aerators, leak detection tablets, hose nozzles, and more—shipped directly to you at no cost.

Landscape Rebate Program

The Landscape Rebate Program can help you create beautiful low-water-use landscapes. Get started by finding more information at *valleywater.dropletportal.com*. Make sure you submit an online application for approval and **schedule a pre-inspection before beginning any work** on your project.

Rebate Caps

The following landscape rebate site caps apply to the combined program components, including Landscape Conversion, Lawn to Mulch, Irrigation Equipment Upgrade and Rainwater Catchment.

- $3,000 for single-family or multi-family residential properties (4 or fewer units)
- $100,000 for all commercial, industrial, institutional properties or multi-family residential properties (5 or more units)

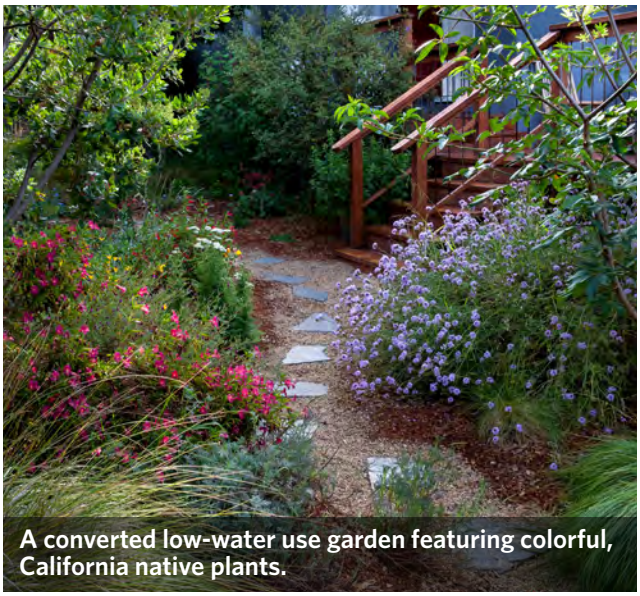
Rebate rates and caps may be higher in some areas. Other programs are capped separately.

Landscape Conversion

Any property with qualifying high-water-use landscapes (i.e., lawn or functional swimming pools) can receive a rebate of at least $2 per square foot (sq. ft.) for converting to a low-water-use landscape

Lawn to Mulch

Any commercial, industrial, institutional properties or multi-family residential properties can receive a rebate of at least $1 per sq. ft. for converting a qualifying lawn to a minimum of 3 inches of mulch.



A converted low-water use garden featuring colorful, California native plants.

Any irrigation system watering trees in areas that were converted from lawn to mulch must be converted to a low-flow irrigation system. Golf course options are offered but are not available to single-family residential properties.

Irrigation Equipment Upgrade

Rebates are offered for replacing old, inefficient irrigation equipment with new, qualifying high-efficiency equipment, including:

- High-efficiency nozzles (up to $5 each)
- Rotor sprinklers or spray bodies with pressure regulation and/or check valves (up to $20 each)
- Rain Sensors (up to $50)
- Flow sensors, hydrometers, and dedicated landscape meters (up to $1,000)
- Smart irrigation controllers (up to $300–$2,000 each)
- Sprinkler to In-Line Drip Conversion ($0.25 per sq. ft.)

Rainwater Capture

Rainwater capture or diversion projects collecting rainwater from existing downspouts can receive rebates for the following:

- Rain barrels up to 199 gallons (up to $35 per barrel)
- Cisterns 200 gallons or more ($0.50 per gallon)
- Rain gardens ($1 per sq. ft. of roof area diverted, up to $300)

Graywater Rebate Program

Receive at least $200 per home for transforming your clothes washer into a graywater system. Plants don't need drinking water to thrive. You can reuse graywater in your yard. Apply online and find how-to videos at *watersavings.org*. No pre-inspection is required but **wait for approval before beginning any work.**

Landscape Surveys & Resources

Request to have your landscape and irrigation system surveyed by a trained irrigation professional for FREE. Following the survey, the specialist will provide you with a customized report, outlining any apparent leaks or inefficiencies, suggestions for irrigation scheduling, and recommendations for money-saving landscape rebates. Whether your landscape is small or large, we have a program to fit your needs.

- ### Water Wise Outdoor Survey Program

  A Water Wise Outdoor Survey is for landscapes at single-family, small commercial, industrial, institutional properties or multi-family residential sites up to half an acre. To get started, submit a request at *valleywater.org/outdoor-survey*.

- ### Large Landscape Program

  Commercial, industrial, institutional, and multi-family residential properties with large landscapes have access to free site-specific irrigation budgets and other helpful efficiency tools through Waterfluence. Qualifying properties may also benefit from a Large Landscape Survey which provides custom recommendations to improve irrigation efficiency through proper scheduling and other best practices. Visit *waterfluence.com* to check if your property is enrolled and start benefiting today.

Commercial and Facility Rebates

Receive up to $100,000 for upgrading to water-efficient equipment that results in measurable water savings. This custom rebate based on the measured amount of water saved is available to qualifying facilities, including businesses, schools, hospitals and government buildings. The rebate is $4 per 100 cubic ft. of water saved per year, or 100% of the project cost, excluding labor and taxes, whichever is less.

Direct Retrofit Indoor Plumbing (DRIP) Program

The DRIP Program provides **free replacement** of old, inefficient fixtures to eligible residential* and commercial properties in Santa Clara County. Through this program, qualifying toilets, showerheads, faucet aerators, and pre-rinse spray valves are replaced with new models that meet or exceed EPA WaterSense standards.
**Single-family homes have limited eligibility and are subject to income-based requirements.*

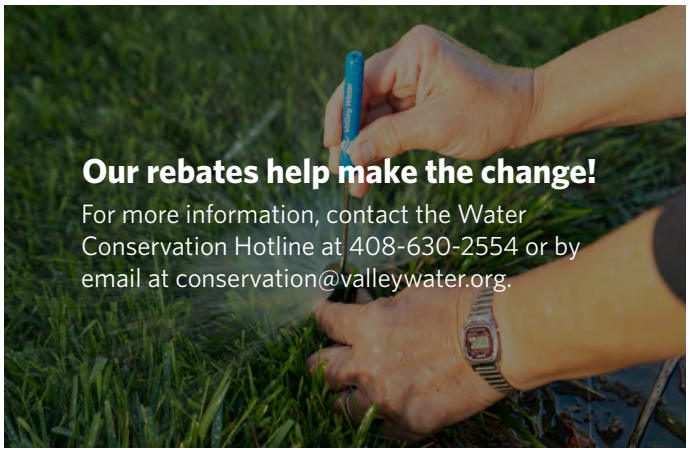
Submeter Rebate Program

Submeters can save 10-30% of water used. Receive at least $150 per installed water submeter by upgrading from a single meter. Accessory dwelling units (ADUs), mobile home parks, apartments, and condominium complexes can qualify. There is no rebate cap when all eligibility requirements are met.

Report Water Waste

Help local residents and businesses preserve our shared water supply by confidentially reporting water waste and violations of outdoor water-use restrictions. Any specific notes like location, date and time, or frequency will help our inspectors follow up. To report water waste, you may do one of the following:

- Use our Access Valley Water app
- Email waterwise@valleywater.org
- Call 408-630-2000



CONTACT US

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

FOLLOW US

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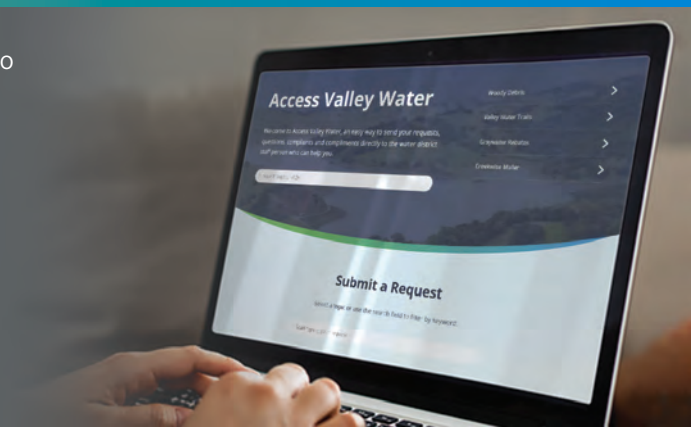

Water Conservation Stratgic Plan

https://fta.valleywater.org/dl/MCfmwVYTd97y

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AMI AND WATER USE REPORT PROGRAM CRITERIA

2023

Valley Water offers a cost sharing program for Advanced Metering Infrastructure (AMI) meters and Water Use Reports, as described below. This cost sharing program is intended for both residential, and commercial, institutional, or industrial (CII) sites. Water use reports are intended for residential customers at a minimum but expansion to CII is encouraged.

General Administrative Requirements:

1. Water retailers must provide documentation of the total number of meters (AMI and non-AMI) by account type (e.g., single-family residential, commercial, etc.) in the service area. Water retailers must include in the documentation:
    a. a description of the retailer's account types, and
    b. how they will provide Valley Water accurate and up-to-date meter counts once per fiscal year.
2. Water retailers must provide an approximate implementation plan for AMI deployment, including the anticipated schedule. An implementation plan could include relevant excerpts from planning documents such as Water Supply Master Plans, Urban Water Management Plans, etc.
3. Provide customers with Water Use Reports to provide a detailed and relevant account of their water usage. Water Use Reports must be sent to residential customers and are encouraged for CII customers. Water Use Reports may differ between water retailers, but there are some required criteria, as described below:
    a. Their water usage history covering at least the most recent reporting and/or billing period;
    b. A specific water-use comparison between the target property and water usage to similar properties in their service area;
    c. Programmatic and behavioral recommendations to save water that are relevant to the property;
    d. Easy access to an online water usage portal; and
    e. Usage/leak alerts using industry best practices.
4. Water retailers must provide Valley Water with leak alert thresholds and report templates at least once per fiscal year unless no template changes occurred. The provision of other examples of program-related messaging (mailers and water-saving recommendations) is encouraged.
5. General administrative requirements affecting Water Use Reports, leak alert notifications, and leak alert thresholds may be adjusted for the purposes of conducting experiments to quantify water savings within specific service areas. Adjustments for this provision require written agreement between Valley Water and the water retailer. These adjustments are limited to a not-to-exceed period of 24 months.

There are two options for water retailers to cost share with Valley Water on the AMI and Water Use Report Program (water retailers may only choose one option). Each option will have an annual not-to-exceed cap relative to the full term of the agreement, and a budget for the full term of the agreement based on the number of qualifying meters. Valley Water funding will be available as Valley Water's budget allows, which is subject to annual Board approval (approximately every Spring). Please inform Valley Water of intent to participate in the program as soon as possible.

OPTION 1: AMI Conversion Combined with Water Use Reports[1]

Valley Water will rebate $10 per AMI conversion currently in operation annually for the next seven years and will fund 50 percent of the cost of the software linked to AMI, up to $2.25 per connection per year, when combined with Water Use Reports. Valley Water's funding may be used for either capital and/or operations and maintenance costs. Funding for this option in years 2 through 7 will be contingent upon documentation of water savings achieved in the previous year(s).

Requirements for Option 1:

1. AMI meters eligible for funding must have been active for seven years or less;
2. AMI meters must be read at a minimum of once an hour;
3. AMI meters must be linked to a customer-accessible water usage portal with online access;
4. AMI Alerts:
    a. Data on leak and high usage alerts by account and zip code are required for the most recent invoicing period. In lieu of identifying leaks by account number, a unique-identifier system for each record in the dataset can instead be provided to aid Valley Water with long-term data querying and tracking.
    b. Leak alert settings for continuous leaks must not exceed 5 gallons per hour for single-family residential accounts with a duration not to exceed 72 hours; and duration of burst leaks is not to exceed 8 hours. Depending on metering technology advancements, these thresholds can be adjusted with mutual agreement between Valley Water and retailers.
    c. Leak alert settings (volume and duration thresholds) for continuous leaks or spikes in water use on CII properties must be set by the utility using industry best practices[2]
    d. Utilities must have a plan in place for contacting customers with large leaks[3] who cannot be contacted through standard procedures (letters, emails, SMS, or phone calls). Retailers must have a process in place to contact customers whose irrigation does not comply with local restrictions.
5. If Water Use Reports through the online portal are optional, the water retailers shall provide an opt-out option, as opposed to requiring opt-in sign-ups to access Water Use Reports;
6. Water Use Reports must be sent out a minimum of four times per year indicated clearly in supporting documentation (Item 7);
7. Water retailers must coordinate with Valley Water to promote Valley Water's conservation programs through Water Use Reports;
8. Water retailers must provide to Valley Water the number of Water Use Reports sent, number of sites Water Use Reports were sent to, number of leak alerts sent, estimated leak volumes and duration, and estimated water savings associated with leak alerts. Data must be sent semi-annually, broken down by utility billing period, provide dates and durations of every leak alert, and include a total water savings estimate based on volume and duration of identified leaks. A data template may be provided by Valley Water.
    a. Providing Valley Water access to an aggregated dashboard with the above content is preferred over reports or Excel files. Excel files are acceptable.

[1] If a water retailer has previously received funding from Valley Water for AMI conversions, those conversions will not be eligible for additional funding.

[2] Individual customers may modify their individual use baseline and reset their notifications at their discretion. CII water use is more varied, making it more complex to analyze and making leaks harder to identify. Water retailers may choose to rely on long-term usage averages and multiples thereof to assess CII leak alert notifications and thresholds. CII leak alert notifications and thresholds should align with current industry best practices as demonstrated by primary research or applicable case studies. Custom CII leak alert notifications and thresholds should be provided to Valley Water in the water retailer's supporting documentation.

[3] "Large leaks" may be defined by the water retailer and defined in supporting documentation the water retailer provides Valley Water.

i. If providing reports or Excel files, data must include the applicable cost-share agreement section reference that this requirement is fulfilling.
ii. Data must cover the period from the effective date of the contract through the most recent invoicing period. If providing reports or Excel files, data redundancy between the reports/files of subsequent invoicing periods should be avoided.

b. Corresponding metadata describing variables, attributes, and analysis conducted to estimate water savings shall be provided or embedded within delivered data.

OPTION 2: Water Use Reports Only

Valley Water will rebate 50 percent of the cost of Water Use Reports, up to $4.50 per connection per year. No AMI or meter type requirement. Valley Water currently has this program in place.

Requirements for Option 2:

1. Customer accessible water usage portal, with mobile and online access;
2. If Water Use Reports through the online portal are optional, the water retailers shall provide an opt-out option, as opposed to requiring opt-in sign ups to access Water Use Reports;
3. Water Use Reports must be sent out a minimum of four times per year indicated clearly in supporting documentation (Item 5);
4. Water retailers must coordinate with Valley Water to promote Valley Water's conservation programs through Water Use Reports;
5. Water retailers must provide to Valley Water the number of water use reports sent and the number of sites the reports were sent to. Data must be sent semi-annually, broken down by utility billing period. A data template may be provided by Valley Water.
    a. Providing Valley Water access to an aggregated dashboard with the above content is preferred over reports or Excel files.
        i. If providing reports or Excel files, data must include the applicable cost-share agreement section reference that this requirement is fulfilling.
        ii. Data must cover the period from the effective date of the contract through the most recent invoicing period. If providing reports or Excel files, data redundancy between the reports/files of subsequent invoicing periods should be avoided.
    b. Corresponding metadata describing variables, attributes, and analysis conducted to estimate water savings shall be provided or embedded within delivered data.

Valley Water staff will work with water retailers to create new cost sharing agreements or amend existing agreements to include the AMI and Water Use Report Programs.

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Attachment 6: Tables Referenced

Table 1: Summary of Drought and Post-Drought Savings Trends.			
	AFY Increase		
Fiscal Year	Total Savings (% Change)	Active Savings (% Change)	Total AFY
2019	-1,587 (-2.2%)	-3,963 (-16.6%)	72,102
2020	2,373 (3.3%)	-22 (-0.1%)	74,475
2021	2,480 (3.3%)	456 (2.3%)	76,955
2022	2,208 (2.9%)	489 (2.4%)	79,163
2023	3,399 (4.3%)	1,026 (4.9%)	82,562
2024	3,606 (4.4%)	1,642 (7.5%)	86,167
2025	1,225 (1.4%)	-604 (-2.6%)	87,392

Table 2: Summary of total and percentage of square footage converted as well as percentage of all LRP rebated applications by single family residential; multifamily residential (MF); and commercial, industrial, and institutional (CII) properties.					
	SQUARE FOOTAGE				CII AND MF PERCENT OF REBATED APPLICATIONS (%)
Fiscal Year	Single Family	CII and MF	Total	CII and MF Percent of Area (%)	
2019	259,508	107,209	**366,717**	**29%**	**5%**
2020	229,207	73,482	**302,689**	**24%**	**5%**
2021	258,644	82,415	**341,059**	**24%**	**5%**
2022	804,226	231,316	**1,035,542**	**22%**	**5%**
2023	1,153,764	832,605	**1,986,369**	**42%**	**9%**
2024	759,722	658,706	**1,418,428**	**46%**	**11%**
2025	452,524	507,727	**960,251**	**53%**	**12%**

Table 3: Summary of Existing Programs that Drive Active Savings Trends.		
Program Name	**FY 2025[†]**	**Useful Life[‡] (Years)**
Legacy Programs (Plumbing Rebates)	29.3%	>20
Large Landscape Program	27.8%	1-5
Water Use Reports and Advanced Metering Infrastructure	15.0%	1-20
Landscape Rebate Program – Turf Conversion	9.1%	20
Mobile Irrigation Lab	8.7%	1
Landscape Rebate Program – Irrigation Equipment	4.4%	5-10
Online Shopping Cart Program	2.2%	>20
Submeter Rebate Program	1.6%	20
Water Efficient Technology (WET) Rebate Program	0.9%	10
Direct Retrofit Indoor Plumbing Program[ft]	0.9%	>20
Water Wise Outdoor Surveys	<0.1%	5
Graywater and LRP – Rainwater Rebates	<0.1%	10
Legacy Programs (Other)	<0.1%	5-20

[†] The percent of total active savings yielded by each program in FY 2024. "Legacy programs" are no longer offered yet continue to accrue active savings. Examples include rebates for high-efficiency toilets, clothes washers, urinals, and water softener upgrades.
[‡] The "useful life" is a Savings Model input that quantifies how many years a water-conservation project or activity is estimated to yield savings, based on empirical studies, case studies, or the best information available. Behavioral programs typically have short useful life whereas permanent changes to the built environment typically have long useful life. With plumbing rebates, they have a natural replacement with water-efficient appliances as required by local, state, or federal regulations.
[ft] Includes savings from the Fixture Replacement Program as well as from a pilot program with PG&E to provide services comparable to the Fixture Replacement Program.

Table 4: Approximate status of AMI deployment in Santa Clara County.			
Retailers	**Total Meters (approx.)**	**% Implementation (approx.)**	**Valley Water Cost-Sharing[1]**
San Jose Water Company	253,000	49%	No
Palo Alto	21,408	87%	Yes
Mountain View	18,926	0%	Yes
Morgan Hill	16,964	90%	Yes
Milpitas	16,904	99%	Yes
Gilroy	16,500	92%	No
Purissima Hills	2,200	100%	Yes
Stanford	1,860	100%	No

[1]Valley Water only quantifies water savings from conservation projects that we fund.

File No.: 26-0353

Agenda Date: 4/27/2026
Item No.: 4.2.

COMMITTEE AGENDA MEMORANDUM
Water Supply and Demand Management 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 Including the Optimization Study for the San Pedro Ponds Groundwater Recharge Facility.

RECOMMENDATION:
Receive an Update on Valley Water's South County Managed Aquifer Recharge Activities Including the Optimization Study for the San Pedro Ponds Groundwater Recharge Facility.

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 goes over Valley Water's South County recharge program, describes the four recharge projects that are being evaluated as part of the Water Supply Master Plan 2050, and elaborates on the pre-planning study that was conducted at one of these four sites-the San Pedro Ponds in Morgan Hill.

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 water supplies, projections of groundwater pumping locally, and maintenance schedule of conveyance and recharge facilities. 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 2050.

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 José) and the entire Llagas Subbasin (which extends south from Cochrane Road to the Pájaro River that forms part of the political 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 at 26,100 AFY. To address the imbalance between the outflow (pumping) from the two subbasins and the natural inflow (recharge), Valley Water conducts an extensive, managed recharge program in South County and recharges, on average, 37,800 AFY of local and imported surface water.

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 the South County's managed recharge facilities is over 54,000 AFY, with most capacity in creeks (73%) as compared to off-stream ponds (27%). 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 long and that ponds

are in normal operational condition.

Potential South County Recharge Projects

Valley Water's investments in local dams' seismic retrofit projects, reservoir operations, imported water purchase and conveyance, and managed recharge facilities operations and maintenance 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 given the region's high reliance on local groundwater, there is a need for one or more additional recharge facilities in South County or expanding existing facilities' recharge capacity.

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 at the downstream end of the channel 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 in the southern part of Coyote Valley to increase operational flexibility, reduce reliance on Coyote Creek flows, and help balance increased pumping in the Coyote Valley that extends from Anderson Dam in Morgan Hill to the Coyote Narrows at Metcalf Road in south San José;

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. Staff will continue to evaluate which of the four managed recharge projects will best support water supply needs. Valley Water is currently working with a consultant on the pre-feasibility study for the Coyote Valley off-stream recharge pond.

Optimization Study for the San Pedro Ponds

Among the aforementioned four conceptual projects, more substantial evaluation was conducted for the San Pedro Ponds. Valley Water hired GEI Consultants in early 2022 for a desktop feasibility (or pre-planning) study to examine the issues that limit groundwater recharge at the San Pedro Ponds.

The study looked at addressing the issue of high groundwater table impacting the septic systems at properties surrounding the San Pedro Ponds. GEI Consultants investigated the historical problem and proposed methods to address the issue, as shown in their November 2023 report titled *Optimization Study for the San Pedro Ponds Groundwater Recharge Facility*. This feasibility study identified eight alternatives that could fully or partially restore the 4,700-AFY operating capacity of the San Pedro Ponds.

GEI Consultants worked with Valley Water staff to score the eight alternatives shown in Table 2. The scoring criteria were as follows: Impact on septic systems; performance improvement; ease of implementation of solution; ease of operation; and cost. Each criterion had a weighting factor ranging from 2 to 5. The theoretical maximum possible score is 72 and the minimum is 18. The eight alternatives in Table 2 received scores ranging from 42.5 to 57.

Table 2 - Eight Alternatives to Fully or Partially Restore San Pedro Ponds' Capacity

Alternative	Description
1. Low Pond Operation	Operating the San Pedro Ponds with less than five (5) feet of standing water to lower groundwater levels at adjacent properties; requires modifications to conveyance between the individual ponds at the site.
2. Extraction Wells	Operating a line of extraction wells along the south and west boundaries of the site to lower groundwater levels at adjacent properties.
3. Cut-off Wall	Creating a horizontal flow barrier along the south and west boundaries of the site to block recharge water flowing offsite and lower groundwater levels at adjacent properties.
4. Subdrain	Creating a horizontal drain along the south and west boundaries of the site to increase vertical flow of recharge water and lower groundwater levels at adjacent properties.
5. Passive Infiltration	Creating vertical bore holes/conduits throughout the site to increase vertical flow of recharge water and lower groundwater levels at adjacent properties.
6. Alternative Wastewater Treatment Systems	Replacing existing septic tank systems at each adjacent property affected by high groundwater levels with new, alternative wastewater treatment systems that can safely operate under high groundwater conditions. In the case that there are property owners who are unwilling to replace their septic system, Valley Water would need to work with the owners to purchase the properties, replace the septic systems, and put the properties back on the market for sale or devise other solutions to work with the owners to replace their septic systems.

7. Sanitary Sewer Connection	Connecting each adjacent property affected by high groundwater levels, located within the unincorporated areas of the County, to the City of Morgan Hill's sanitary sewer system.
8. Property Acquisition	Valley Water would acquire all properties affected by high groundwater levels, including through use of eminent domain if there is no other means of purchasing a property. The properties would be converted to a use that does not require septic systems and eliminates restrictions on groundwater levels, such as open space. Valley Water would maintain the purchased properties.

Alternative 6 received the highest score (57) and is considered the preferred alternative. Not far from the top-scoring alternative, the three other alternatives are:

- Alternative 1 (score 56): Even though this alternative has the second highest score, its disadvantage is that it partially restores the ponds' recharge capacity.
- Alternative 7 (score 56): The only drawback of this alternative is the need to secure buy-in from the Local Agency Formation Commission of Santa Clara County (LAFCO) and City of Morgan Hill to connect each adjacent property affected by high groundwater levels to the City of Morgan Hill's sanitary sewer system.
- Alternative 8 (score 54): Its con is that it could be expensive to purchase multiple properties, especially if they are turned into open space. One workaround could be to purchase the properties, replace the old septic systems with modern ones that are not impacted by high water table, then resell the properties. However, this would need to be further studied during the planning phase if this project is ever funded as a capital project.

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: San Pedro Groundwater Recharge Ponds Map
Attachment 4: PowerPoint

UNCLASSIFIED MANAGER:
Gregory Williams, 408-630-2867

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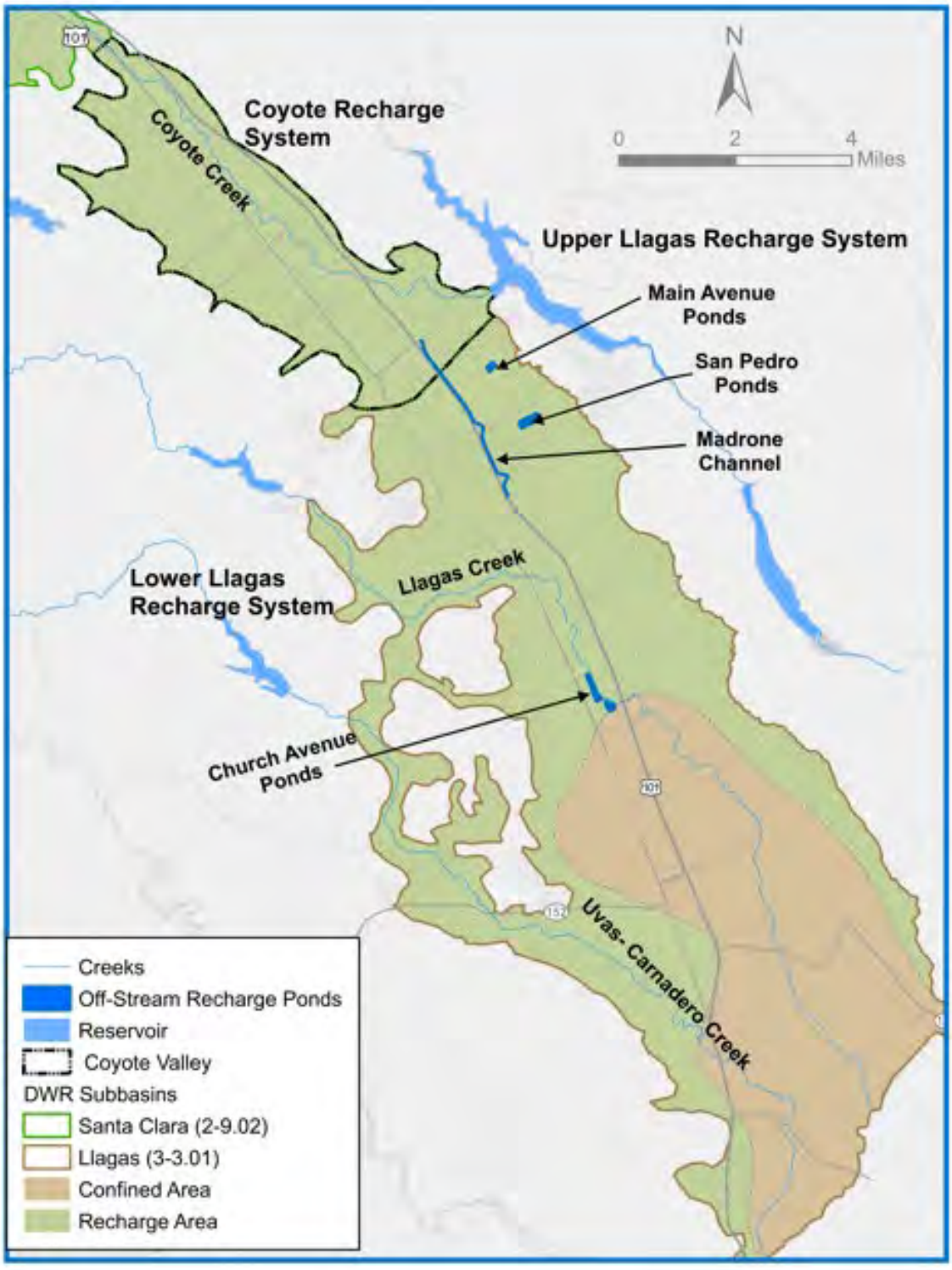
South County Managed Recharge Facility Location Map



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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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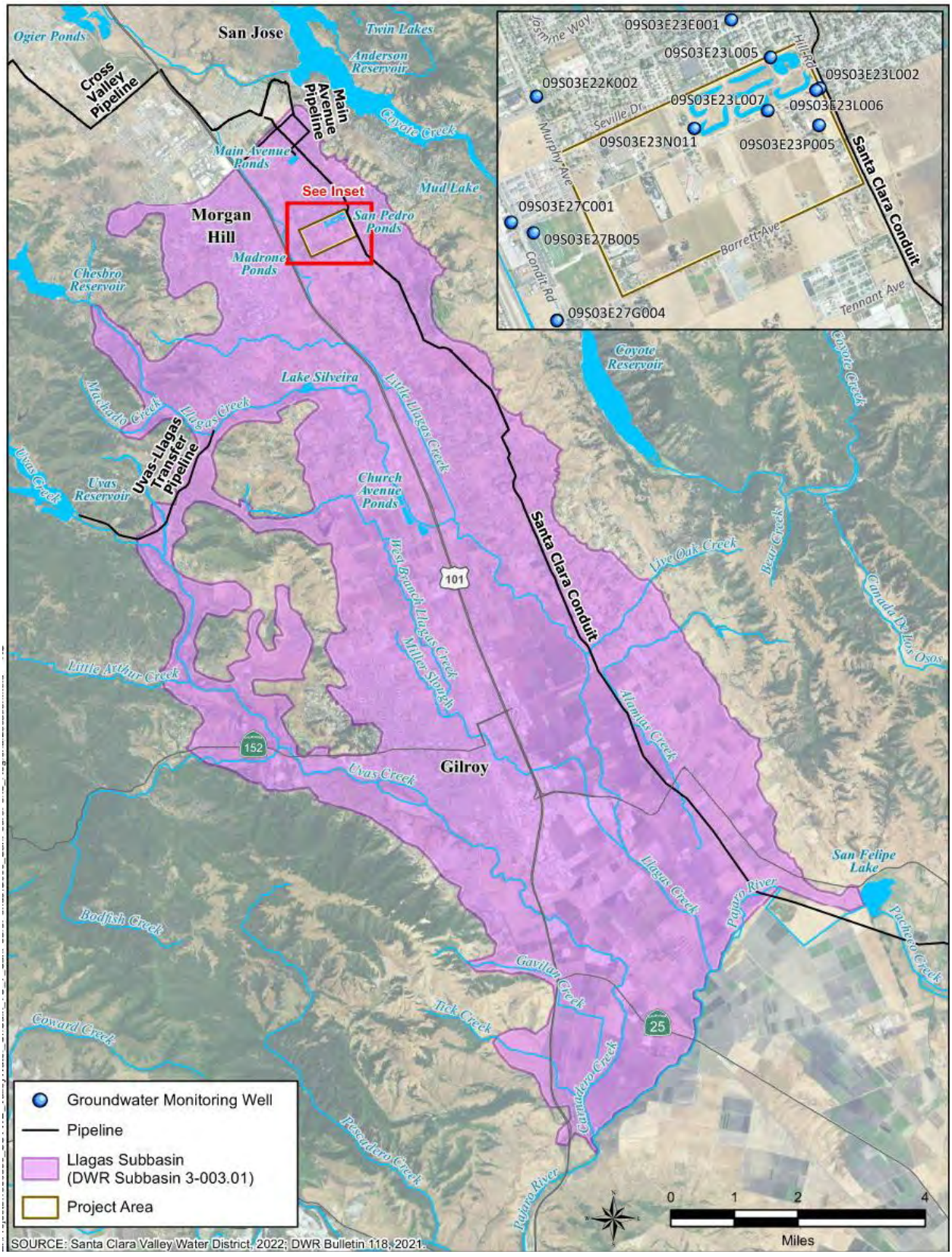
San Pedro Groundwater Recharge Ponds in Morgan Hill



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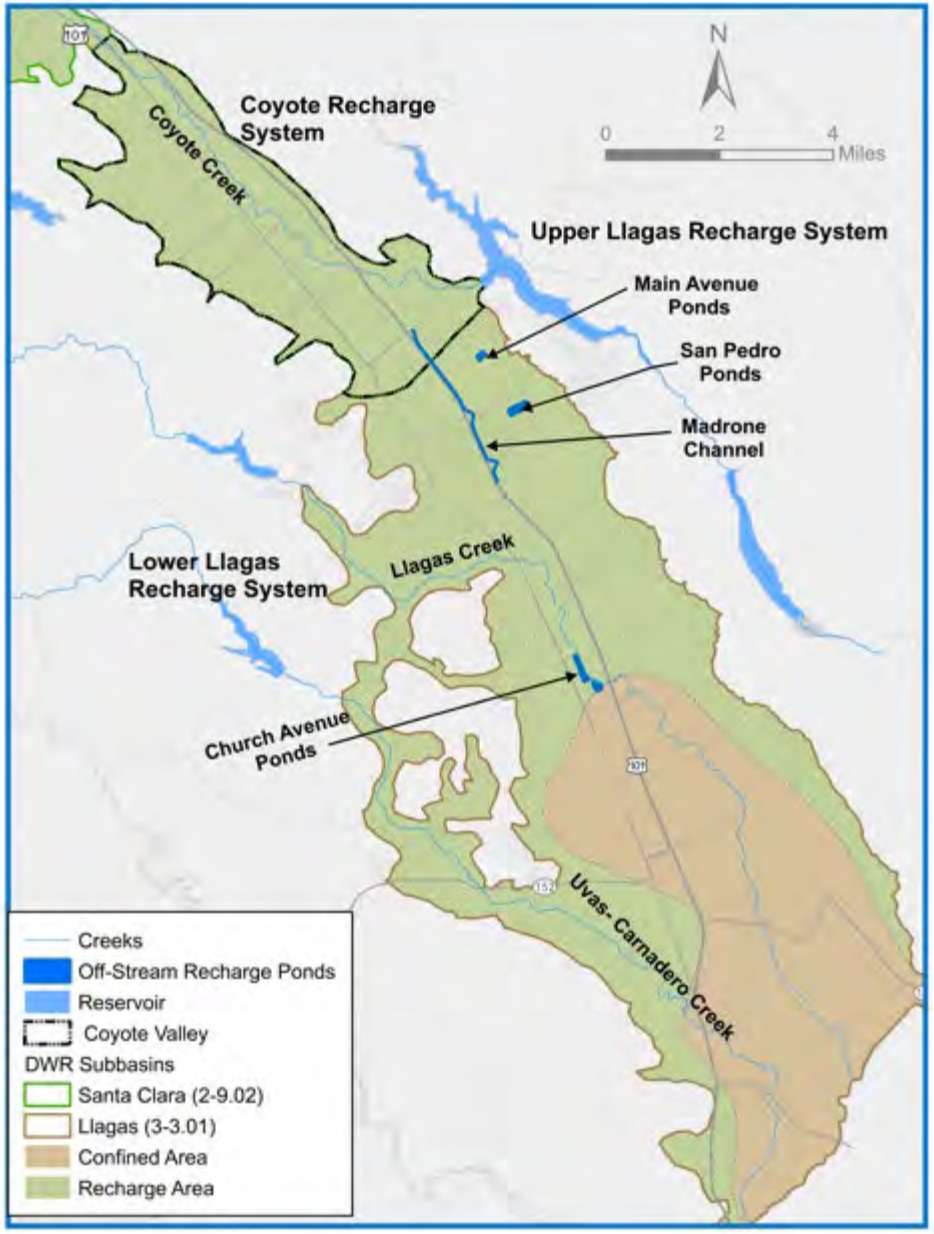
South County Recharge: San Pedro Ponds Optimization Study

Water Supply and Demand Management Committee

Presented by: **Bassam Kassab, P.E., Water Supply Operations Manager**

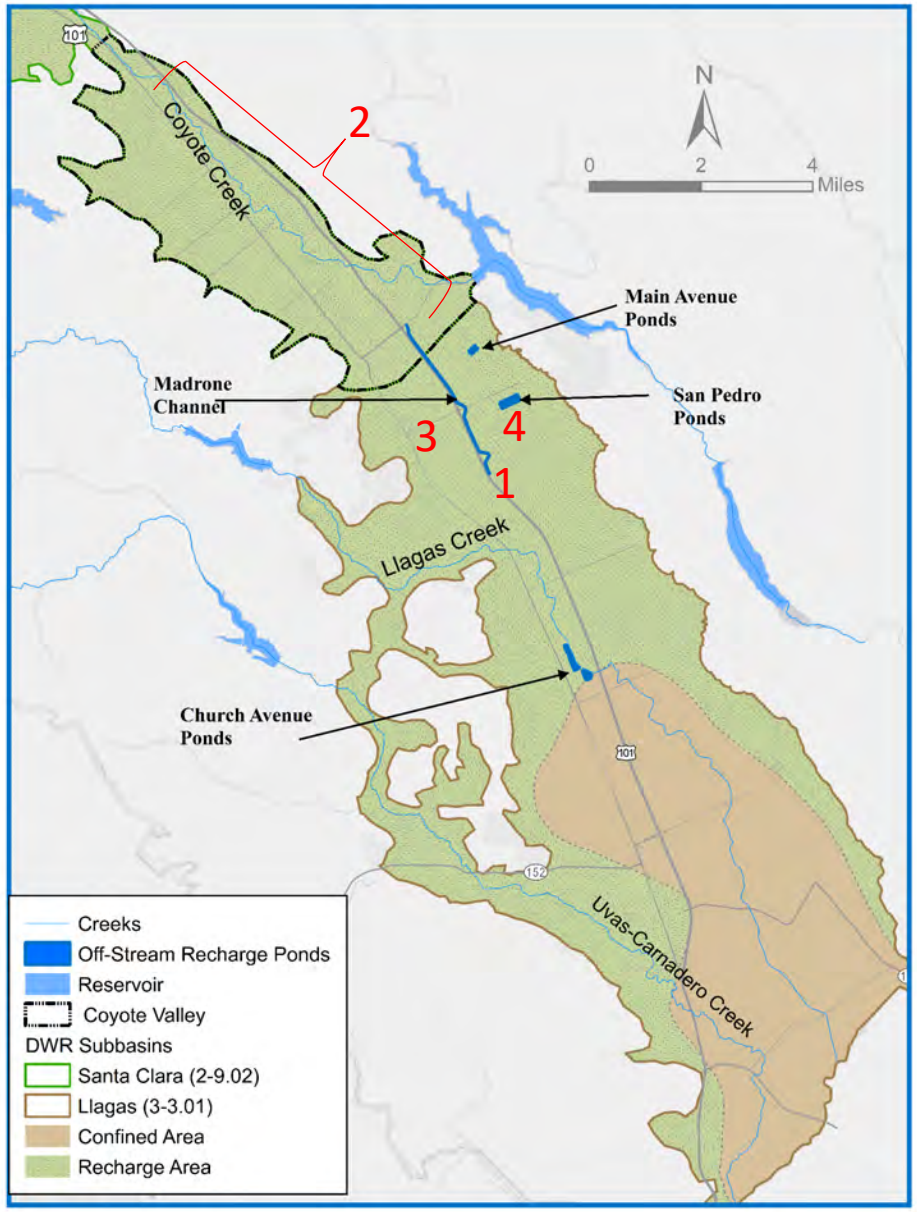
April 27, 2026

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



A. **Madrone Channel Expansion**: increase recharge capacity of the existing facility

B. **Coyote Valley Recharge Pond**: construct new off-stream recharge pond(s)

C. **Butterfield Channel Recharge**: connect the Butterfield Channel to Valley Water's raw water conveyance system

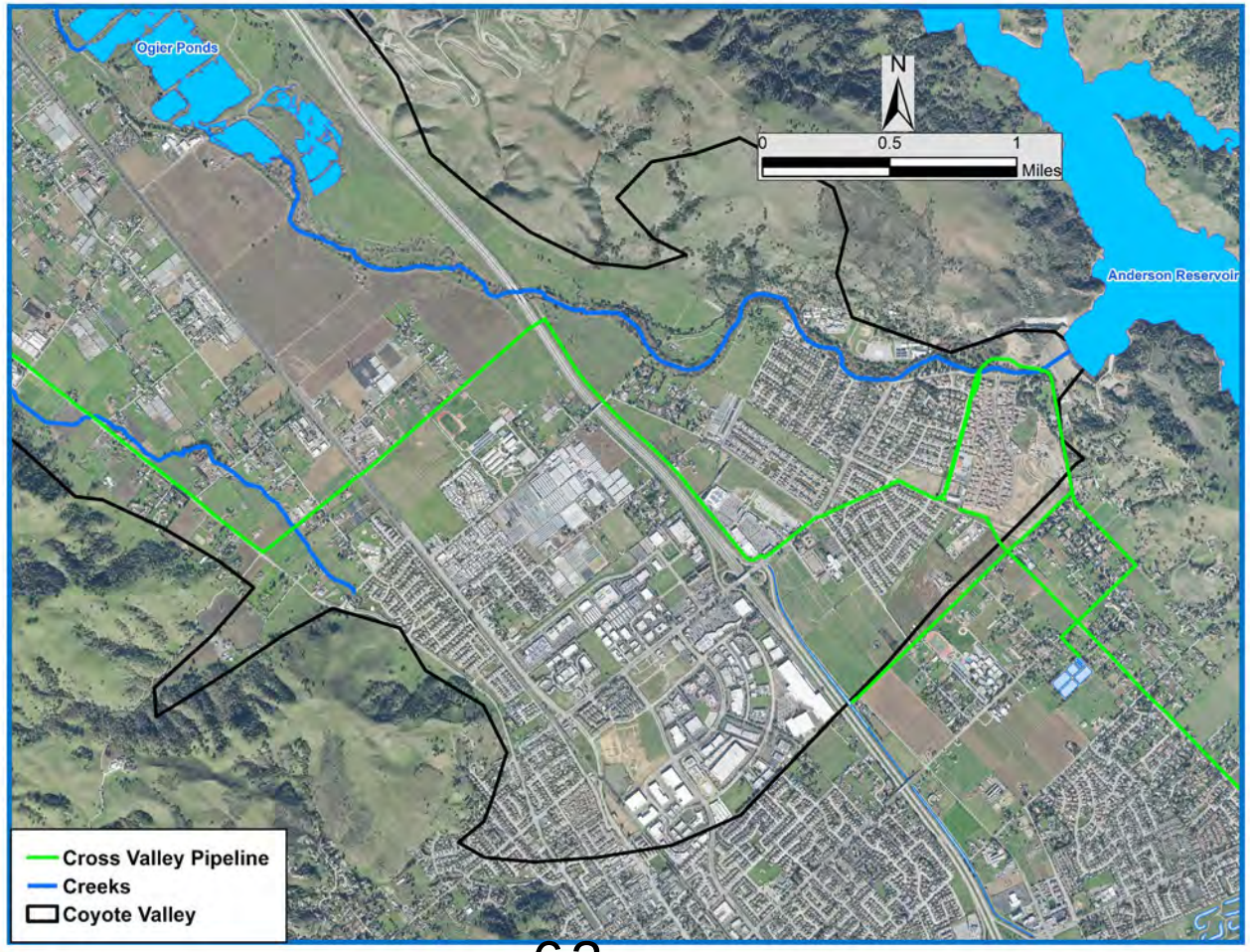
D. **San Pedro Ponds Improvement Project**: implement project(s) to enable existing seven ponds to be operated at full capacity without interfering with nearby septic systems

Potential South County Recharge Projects

A. Madrone Channel Expansion

Potential South County Recharge Projects

B. Coyote Valley Recharge Pond



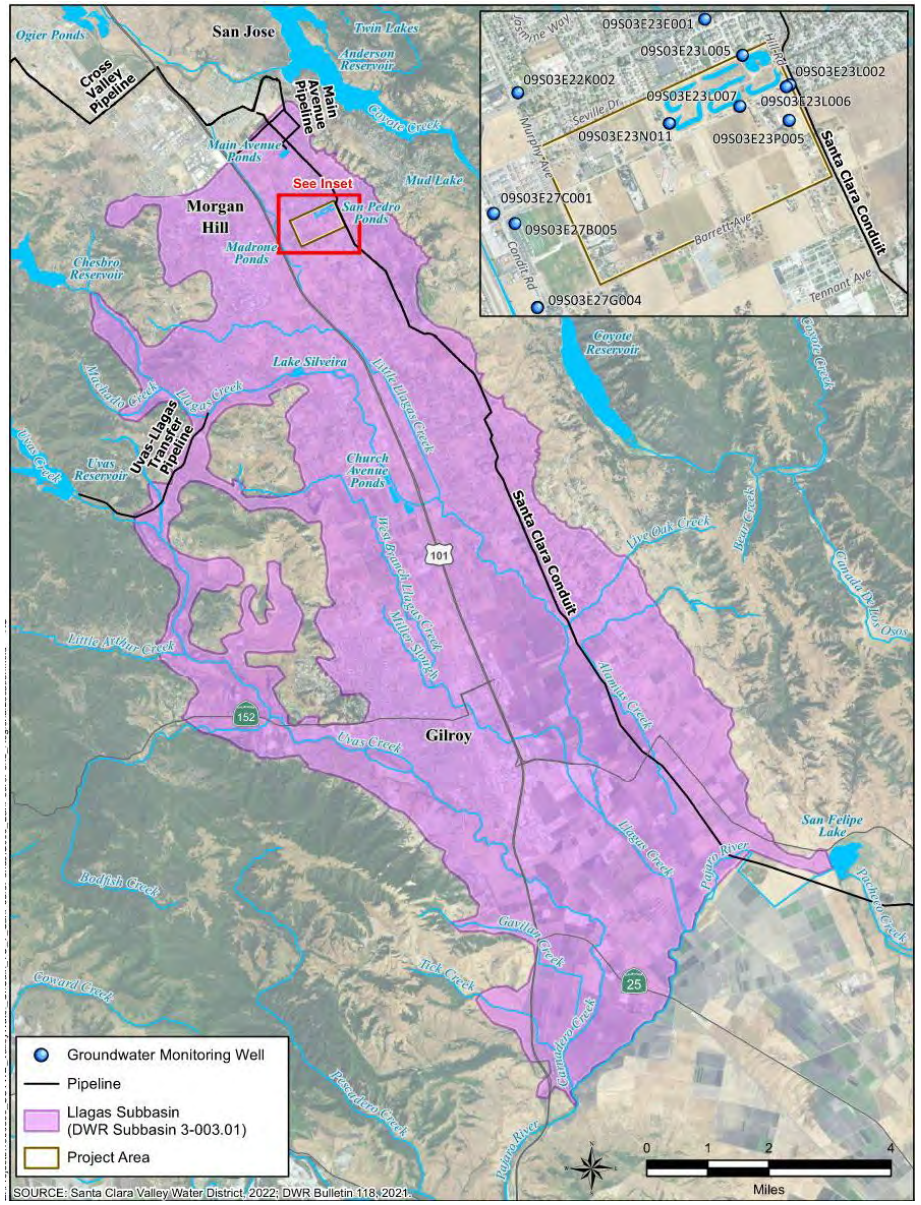
Potential South County Recharge Projects

C. Butterfield Channel Recharge

Potential South County Recharge Projects

D. San Pedro Ponds Improvement Project

San Pedro Ponds Optimization Study



- Pre-planning (feasibility) study conducted in 2022-2023 by GEI Consultants
- Final optimization report issued in November 2023
- Desktop analysis of eight alternatives to fully or partially restore the 4,700-AFY operating capacity of the ponds

San Pedro Ponds Optimization Study

The eight (8) alternatives that were considered are:

1. Low Pond Level Operation
2. Installing and Operating Extraction Wells
3. Installing a Cut-off Wall
4. Creating a Subdrain
5. Passive Infiltration Through Vertical Bore Holes/Conduits
6. Installing Alternative Wastewater Treatment Systems at Adjacent Properties
7. Sanitary Sewer Connection
8. Property Acquisition

San Pedro Ponds Optimization Study

- Using scoring criteria and weighting factors, team scored 8 alternatives. Scores ranged from 42.5 to 57.
- Following four alternatives received the highest scores.
- It's recommended to further analyze the top four alternatives in a future planning study.

Top Ranking Alternatives	Pros	Cons
Alt. 6: Installing Alternative Wastewater Treatment Systems at Adjacent Properties	Highest score (57); Preferred alternative	N/A
Alt. 7: Sanitary Sewer Connection	2nd highest score (56)	Need to secure buy-in from LAFCO
Alt. 1: Low Pond Level Operation	2nd highest score (56)	Partial restoration of ponds capacity
Alt. 8: Property Acquisition	3rd highest score (54)	Could be expensive unless properties are resold

Santa Clara Valley Water District

File No.: 26-0350

Agenda Date: 4/27/2026
Item No.: 4.3.

COMMITTEE AGENDA MEMORANDUM
Water Supply and Demand Management Committee

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

SUBJECT:
Review and Discuss the 2026 Water Supply and Demand Management Committee (WSDMC) Work Plan and Make Adjustments as Necessary; and Confirm the Next Meeting Date.

RECOMMENDATION:
Review and discuss the 2026 WSDMC Work Plan and make adjustments as necessary; and confirm the next meeting date.

SUMMARY:
Under direction of the Clerk, Work Plans are created and implemented by all Board Committees to increase Committee efficiency, provide increased public notice of intended Committee discussions, enable improved follow-up by staff, and assist in preparing an Annual Committee Accomplishment Report. Work Plans are dynamic documents managed by Committee Chairs and are subject to change.

Discussion of topics as stated in the Plan have been described based on information from the following sources:

- Items referred to the Committee by the Board;
- Items requested by the Committee to be brought back by staff;
- Items scheduled for presentation to the full Board of Directors and
- Items identified by staff.

The WSDMC Work Plan contained in Attachment 1 is presented for the Committee's review to determine and confirm topics for discussion in 2026.

Establishing a Work Plan is necessary to provide staff with a basis for meeting planning, logistics coordination, and agenda item preparation.

ENVIRONMENTAL JUSTICE IMPACT:
The review of the WSDMC Work Plan is not subject to environmental justice analysis.

ATTACHMENTS:
Attachment 1: 2026 WSDMC Committee Work Plan

UNCLASSIFIED MANAGER:
Wendy Ho, 408-630-3874

WATER SUPPLY AND DEMAND MANAGEMENT COMMITTEE 2026 WORKPLAN

TASK	AGENDA ITEM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
WSMP Strategy 1: Ensure reliability and sustainability of the existing water supply system													
1.1	Water Conservation Savings Model/Annual Water Conservation Savings				X								
1.2	Water Conservation as a Way of Life recommendations (including water waste restrictions)										X		
1.3	SCW Funding (LRP & Demo Garden)					X							
1.4	Collaboration with Retailers + Outreach, including Renters/Landlords						X						
1.5	Water Use Demand, Elasticity, and Rate Affordability Study			X							X		
WSMP Strategy 2: Diversify water supplies to meet the Level of Service goal													
2.1	Sustainable Groundwater Management Act (SGMA) - 2026 Groundwater Management Plan		X			X			X		X		
2.2	South County Recharge				X								X
2.3	Sites Reservoir Expansion Update			X	X	X			X				
2.4	BF Sisk Dam Raise				X	X		X			X		
2.5	Groundwater Banking Opportunities					X							
2.6	Semitropic Groundwater Bank										X		
WSMP Strategy 3: Minimize the risk of shortage and disruption													
3.1	Drought Reports (as needed during droughts)												
WSMP Strategy 4: Maintain affordable water rates through cost-effective water supply investments and management													
4.1	Investments in no-regrets package, including stormwater resource plan						X		X				
4.2	Stormwater Capture/FloodMAR						X		X				
4.3	Find opportunities to ensure new development has improved water wise features (MWENDO, land use coordination)								X				
Other:													
5.1	UWMP Update		X			X							

Blue Font- new items on work plan

Red Font- removed items

Orange Font- modified items on work plan

UPDATED 4.9.26

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