



Santa Clara Valley Water District Board of Directors Meeting

District Headquarters Board Room
5700 Almaden Expressway
San Jose, CA 95118

**5:00PM SPECIAL & 6:00PM JOINT MTG
W/MILPITAS CITY COUNCIL AGENDA**

**Wednesday, March 21, 2018
5:00 PM**

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

DISTRICT BOARD OF DIRECTORS

Richard P Santos, Chair, District 3
Linda J LeZotte, Vice Chair, District 4
John L Varela, District 1
Barbara Keegan, District 2
Nai Hsueh, District 5
Tony Estremera, District 6
Gary Kremen - District 7

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 for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

NORMA CAMACHO
Chief Executive Officer

MICHELE L KING, CMC
Clerk of the Board
(408) 265-2600
Fax (408) 266-0271
www.valleywater.org

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

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**Santa Clara Valley Water District
Board of Directors**

**5:00PM SPECIAL & 6:00PM JOINT MTG W/MILPITAS CITY COUNCIL
AGENDA**

Wednesday, March 21, 2018

5:00 PM

District Headquarters Board Room

1. CALL TO ORDER:

- 1.1. Roll Call.
- 1.2. Pledge of Allegiance/National Anthem.

2. TIME CERTAIN:

5:00 P.M.

- 2.1. Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Employees Association (EA) AFSCME Local 101.

[18-0107](#)

Recommendation:

- A. Adopt the resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE EMPLOYEES ASSOCIATION, AFSCME LOCAL 101, FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2021;
- B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version;
- C. Authorize the Labor Relations Officer to sign the Side Letter of Agreement regarding Designation of Confidential Employees; and
- D. Authorize the Labor Relations Officer to sign the Side Letter of Agreement regarding the Silicon Valley Advance Water Purification Center (SVAWPC).

Manager: Michael Baratz, 408-630-2361

Attachments: [Attachment 1: Draft Employees Association MOU](#)
[Attachment 2: Letter of Agreement, Confidential Employees](#)
[Attachment 3: Letter of Agreement, SVAWPC](#)
[Attachment 4: Resolution](#)

Est. Staff Time: 5 Minutes

2.2. Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Engineers Society, IFPTE Local 21. [18-0147](#)

- Recommendation:
- A. Adopt the resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE ENGINEERS SOCIETY, IFPTE LOCAL 21, FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2021.
 - B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version.

Manager: Michael Baratz, 408-630-2361

Attachments: [Attachment 1: Draft Engineers Society MOU](#)
[Attachment 2: Resolution](#)

Est. Staff Time: 5 Minutes

2.3. Consideration of Memorandum of Understanding Between Santa Clara Valley Water District and Professional Managers Association (PMA), IFPTE Local 21. [18-0121](#)

- Recommendation:
- A. Adopt the resolution APPROVING THE TERMS OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND THE PROFESSIONAL MANAGERS ASSOCIATION, IFPTE LOCAL 21 FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2021; and
 - B. Authorize the Chief Executive Officer to sign the Memorandum of Understanding in substantially the same form as the draft version.

Manager: Michael Baratz, 408-630-2361

Attachments: [Attachment 1: Draft Professional Managers Association MOU](#)
[Attachment 2: Resolution](#)

Est. Staff Time: 5 Minutes

3. CONSENT CALENDAR: (3.1 - 3.4) (Est. Time: 5 Minutes)

Notice to the public: There is no separate discussion of individual consent calendar items. Recommended actions are voted on in one motion. If an item is approved on the consent vote, the specific action recommended by staff is adopted. Items listed in this section of the agenda are considered to be routine by the Board, or delegated to the Board Appointed Officers (BAOs) yet required by law or contract to be Board approved (EL-7.10). Any item may be removed for separate consideration at the request of a Board member. Whenever a resolution is on the consent calendar, a roll call vote will be taken on the entire calendar. Members of the public wishing to address the Board on any consent items should complete a Speaker Card and present it to the Clerk of the Board.

- 3.1. Resolution Declaring March 25-31, 2018, as a Week of Public Service in Honor of César Chávez. [18-0096](#)

Recommendation: A. Recognize and observe March 25-31, 2018, as a week of public service in honor of César Chávez; and
 B. Adopt the Resolution DECLARING MARCH 25-31, 2018, AS A WEEK OF PUBLIC SERVICE IN HONOR OF CESAR CHAVEZ.

Manager: Norma Camacho, 408-630-2084

Attachments: [Attachment 1: Resolution](#)

- 3.2. Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Employee Salary Schedule - Effective July 1, 2017. [18-0151](#)

Recommendation: Adopt the Resolution ADOPTING EMPLOYEE SALARY SCHEDULE - EFFECTIVE JULY 1, 2017.

Manager: Anil Comelo, 408-630-2470

Attachments: [Attachment 1: Resolution](#)

- 3.3. Resolution of the Board of Directors of the Santa Clara Valley Water District Adopting Compensation Plan for Unrepresented Employees in the Executive Service - Effective July 1, 2018. [18-0152](#)

Recommendation: Adopt Resolution APPROVING COMPENSATION PLAN FOR UNREPRESENTED EMPLOYEES IN THE EXECUTIVE SERVICE.

Manager: Anil Comelo, 408-630-2470

Attachments: [Attachment 1: Resolution](#)

3.4. Procurement of Sole Source Services From Mowbray's Tree Service for Hazardous Tree Removal Along Saratoga Creek (Saratoga) (District 5).

[18-0169](#)

- Recommendation:
- A. Approve a Sole Source purchase of services for hazardous tree removal along Saratoga Creek for a not-to-exceed amount of \$100,000; and
 - B. Authorize the Chief Executive Officer or her designee to procure tree removal services from Mowbray's Tree Service for an amount not-to-exceed \$100,000.

Manager: Sue Tippetts, 408-630-2253

Est. Staff Time: 5 Minutes

REGULAR AGENDA:

4. WATER UTILITY ENTERPRISE:

- 4.1. Amendment No. 2 to Agreement A3901G with HDR Engineering, Inc., for Project Management Services for a Not-to-Exceed Fee of \$5,766,250, Resulting in a Total Not-to-Exceed Fee of \$8,077,765; Amendment No. 3 to Agreement A3611A With Public Resources Advisory Group for Financial Advisory Services for a Not-to-Exceed Fee of \$3,410,000, Resulting in a Total Not-to-Exceed Fee of \$5,666,000 for the Expedited Purified Water Program Project, Project No. 91304001; and Forms of Installment Purchase Agreement and Trust Agreement Relating to Santa Clara Valley Water District Revenue Certificates of Participation. [18-0073](#)

Recommendation: A. Approve Amendment No. 2 to Agreement A3901G with HDR Engineering Incorporated for Expedited Purified Water Program Project Management Services for a not-to-exceed fee of \$5,766,250, resulting in a total not-to-exceed fee of \$8,077,765;

 B. Approve Amendment No. 3 to Agreement A3611A with Public Resources Advisory Group (PRAG) for Financial Advisory Services for a not-to-exceed fee of \$3,410,000, resulting in a total not-to-exceed fee of \$5,666,000; and

 C. Approve the Forms of Installment Purchase Agreement and Trust Agreement Relating to Santa Clara Valley Water District Revenue Certificates of Participation (Water Utility System Improvement Projects).

Manager: Katherine Oven, 408-630-3126

Attachments: [Attachment 1: Amendment No. 2 to Agreement A3901G with HDF](#)
[Attachment 2: Amendment No. 3 to Agreement A3611A with PRA](#)
[Attachment 3: Form of Installment Purchase Agreement](#)
[Attachment 4: Form of Trust Agreement](#)

Est. Staff Time: 5 Minutes

- 4.2. Asset Management Program Update. [18-0083](#)

Recommendation: Receive an update on the Asset Management Program.

Manager: Kurt Arends, 408-630-2284

Attachments: [Attachment 1: Asset Management Program Overview](#)
[Attachment 2: Summary of Creeks](#)
[Attachment 3: PowerPoint](#)

Est. Staff Time: 10 Minutes

5. TIME CERTAIN:

6:00 PM

JOINT MEETING WITH MILPITAS CITY COUNCIL:

- 5.1. Roll Call.
- 5.2. Opening Comments/Introductions.
- 5.3. Overview of the District's Water Infrastructure, Wholesale Supply and Financial Projections. [18-0144](#)

Recommendation: That the Santa Clara Valley Water District Board of Directors and Milpitas City Council direct their respective staff to continue their commitment to meaningful engagement in pursuit of new and innovative partnership opportunities for the continued delivery of a safe, and reliable water supply in Santa Clara County.

Manager: Nina Hawk, 408-630-2736

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 5 Minutes

- 5.4. Opportunities for Coordination and Collaboration on Projects Benefiting Milpitas (District 3). [18-0138](#)

Recommendation: That the Board and City Council acknowledge District and City staff efforts and provide direction to work collaboratively on land rights exchanges, recreational trail planning, and recreation and flood protection benefits.

Manager: Melanie Richardson, 408-630-2035

Est. Staff Time: 10 Minutes

- 5.5. 2018 Legislative Efforts and Recommended Positions on State Legislation: Senate Bill 881 (Wieckowski) Shoreline Subventions, Senate Bill 1301 (Beall) Expedited Permitting and Transparency for Human Life Safety Projects, and Assembly Bill 1889 Santa Clara Valley Water District Act Revisions. [18-0139](#)

Recommendation: A. That the Board and City Council direct District and City staff to work together on advocacy efforts on water supply, flood protection, and other issues of mutual interest, including letter of support on bills and/or rulemaking actions, advocacy with federal and state elected officials and regulatory agency officials, and other actions; and
B. That the City Council consider supporting Senate Bill 881, Senate Bill 1301, and Assembly Bill 1889.

Manager: Rachael Gibson, 408-630-2884

Attachments: [Attachment 1: Map of Shoreline Project](#)

Est. Staff Time: 5 Minutes

- 5.6. Emergency Services Coordination. [18-0146](#)

Recommendation: That the Board and City Council direct District and City staff to commit to ongoing and strengthened coordination and partnership on emergency activities and service.

Manager: Anil Comelo, 408-630-2470

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 5 Minutes

- 5.7. Time Open for Public Comment on any Item not on the Agenda.
Notice to the public: This item is reserved for persons desiring to address the Board on any matter not on this agenda. Members of the public who wish to address the Board on any item not listed on the agenda should complete a Speaker Card and present it to the Clerk of the Board. The Board Chair will call individuals to the podium in turn. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Board action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board may take action on any item of business appearing on the posted agenda.

6. ADJOURN:

- 6.1. Clerk Review and Clarification of Board Requests.
- 6.2. Adjourn to 4:00 p.m. Closed Session and 6:00 p.m. Regular Meeting
March 27, 2018, in the Santa Clara Valley Water District Headquarters
Building Boardroom, 5700 Almaden Expressway, San Jose, California.

File No.: 18-0144

Agenda Date: 3/21/2018

Item No.: 5.3.

BOARD AGENDA MEMORANDUM

SUBJECT:

Overview of the District's Water Infrastructure, Wholesale Supply and Financial Projections.

RECOMMENDATION:

That the Santa Clara Valley Water District Board of Directors and Milpitas City Council direct their respective staff to continue their commitment to meaningful engagement in pursuit of new and innovative partnership opportunities for the continued delivery of a safe, and reliable water supply in Santa Clara County.

SUMMARY:

This item describes various programs that the Santa Clara Valley Water District (District) provides in support and partnership with the City of Milpitas (City) as they provide a safe and reliable water supply in the City.

As the groundwater management agency and primary water resources agency for Santa Clara County (County), the District has a mission to provide safe, clean water for Silicon Valley. In 2012, the Board adopted the Water Supply and Infrastructure Master Plan (Water Master Plan) which outlines the District's strategy for providing a reliable and sustainable future water supply for the County and ensuring new water supply investments are effective and efficient. The three key elements of the Water Master Plan strategy are 1) secure existing supplies and infrastructure, 2) optimize the use of existing supplies and infrastructure, and 3) expand water conservation and recycled water use to meet future increases in demands.

The District's Water Master Plan is intended to be updated every five years to adjust to changing conditions. Based on recent analyses, the County could experience shortages of up to 30 percent during extended droughts as demands increase, even with full implementation of the 2012 Water Master Plan. District staff is in the process of updating the Water Master Plan to present the strategies needed to meet the District's water supply reliability goal.

Water Supply Overview

To meet the future water needs and promote greater resource diversity, the District continues to explore additional water supply and water demand reduction options. Pursuing supply diversity helps

minimize the potential risks of groundwater overdraft and subsidence, as well as overreliance on imported water supplies. Projects being considered include additional water conservation, potable reuse, surface and groundwater storage, stormwater capture, additional recharge ponds, dry year options, etc.

Currently, the District's water supply portfolio includes 55% imported water sources, 40% local water sources (groundwater, treated), and 5% recycled water. Similarly, the water portfolio for the City is comprised of 55% Hetch Hetchy Water, 36% District Treated Water, and 9% Recycled Water. It is important to note that like the District, the City is planning to increase its use of recycled water in its supply portfolio.

Infrastructure Overview

The District operates a complex infrastructure and integrates natural and constructed systems to capture and convey raw and treated water. The District's system can deliver about 300 million gallons of raw water and 200 million gallons of treated drinking water every day. The District's distribution system includes 10 reservoirs, 3 pump stations, 142 miles of pipelines, 4 water treatment plants, 393 acres of recharge ponds, and 275 miles of jurisdictional streams.

The District plans to invest approximately \$2.1 Billion in its 5-year Capital Improvement Program to ensure the reliability of our water supply infrastructure. Some of the current/recent capital investments include:

- ❖ 10-Year Pipeline Inspection & Rehabilitation Program - This Program involves the inspection, planning, design, and renewal of the District's pipelines and tunnels to rehabilitate distressed pipe sections as required, and replace old valves, flow meters, pipeline appurtenances assemblies, and piping, as appropriate. In the next two years, the Program work will include the Cross Valley Pipeline, Calero Pipeline, and the Central Pipeline.
- ❖ Penitencia Force Main/Delivery Main Seismic Retrofit - This recently-completed project included the replacement of about 900 lineal feet of each of three pipelines - the 60-inch diameter Penitencia Force Main, 66-inch diameter Penitencia Delivery Main, and 72-inch diameter South Bay Aqueduct, currently conveying raw and treated water to and from the Penitencia Water Treatment Plant. The Project has reduced the potential damage to and post-earthquake recovery time of the pipelines and the associated vault structures.
- ❖ Anderson Dam Seismic Retrofit - The District is in the process of retrofitting four of its dams and associated infrastructure to meet current seismic design standards and other Division of Safety of Dam (DSOD) design and operational criteria. The current estimated investment for these four projects is \$780M. Anderson Dam is the largest of the District's dams, with a retrofit cost of \$550M. Anderson Dam's project work will include excavation and reconstruction of its embankments; replacement of the intake structure and installation of two new outlet pipes; and replacement of the emergency spillway structure.

Anderson Dam Construction and Potential Flooding Impact on Coyote Creek

The Anderson Dam construction project is estimated to be a 4- to 5-year endeavor. During two

consecutive winter seasons during this construction period, the dam embankment will be about 80 feet below its current height of 647 feet above sea level. Watershed runoff generated by winter storms in those two seasons will have to be conveyed directly to Coyote Creek to prevent the interim dam from being overtopped. To do this, the District will construct a diversion tunnel from the bottom of Anderson Reservoir to Coyote Creek as part of this project. The volume of water diverted through the tunnel will be controlled by the District. Statistical simulations have been conducted as part of the project planning to determine an operating rule curve for the interim dam during those two winter seasons. Based on nearly 40 years of historic rainfall data at Anderson Dam 100,000 simulations of annual rainfall were modeled. The results indicate that 98% of the flows diverted from the Anderson/Coyote Watershed to Coyote Creek would be no greater than 1,000 cubic feet per second (cfs). Before Anderson Dam construction begins, the District's Office of Emergency Services will establish communication protocols with the cities of San Jose and Milpitas to share real-time flow diversion information and to provide warning, as necessary, of higher-than-normal diversions in the event of heavy, back-to-back storm systems.

Water Conservation Overview

The District's water conservation program is a key part of its core business, reducing demand by approximately 73,000 acre-feet in FY2018. Water use efficiency programs reduce demand on existing water and energy supplies, helping to lessen the costs and environmental impacts of developing additional supplies. Conservation program elements include a variety of rebate programs for home, landscaping, and businesses as well as service calls and conservation tools. The District plans to increase water conservation contribution savings to 110,000 acre-feet per year by 2040.

Future Opportunities

California Water Fix - The Board has agreed to participate in the California WaterFix project subject to 7 guiding principles. This will allow the District to continue to work with the state and our partner water agencies to negotiate the best deal for the County and ensure the resulting project adheres to our conditions and the Board's guiding principles for participation.

No Regrets Package - On September 19, 2017, the Board authorized staff to begin planning for implementation of the projects and programs in the Water Supply Master Plan's "No Regrets" package. The package consists of the following water conservation and stormwater capture projects:

- Advanced metering infrastructure,
- Graywater Rebate Program expansion,
- Leak repair incentives,
- New Development Model Ordinance, and
- Stormwater capture (agricultural land recharge, stormwater recharge in the Cities of San Jose and Saratoga, rain barrel rebates, and rain garden rebate).

How Water Supply Services Are Funded

The District is the groundwater management agency and primary wholesale water provider in the County. The District actively manages the groundwater basins by replenishing them with local and imported water, and by operating surface water treatment plants that provide "in-lieu" recharge. A complex system that includes 10 reservoirs, 142 miles of pipelines, 4 water treatment plants, and 3 pump stations, helps keep water flowing across the county.

The cost to operate and maintain this system is reimbursed primarily through groundwater charges and treated water charges paid by water retail customers. Groundwater charges differ depending on the “zone of benefit.” The North County (Zone W-2) is defined as the portion of the County north of the Coyote Valley. The South County (Zone W-5) is defined as the portion of the County extending from Coyote Valley to Gilroy.

Resolution 99-21 guides staff in the development of the overall pricing structure based on principles established in 1971. The general approach is to charge the recipients of the various benefits for the benefits received. More specifically, pricing is structured to manage surface water, groundwater supplies and recycled water conjunctively to prevent the over use or under use of the groundwater basin.

Each year, the Board establishes groundwater production charges as well as surface water charges, recycled water charges, treated water surcharges, and the amount of the State Water Project cost to be recouped through the State Water Project tax. Staff’s proposed groundwater charge increase for North County Zone W-2 for Fiscal Year 2018-19 equates to an increase of \$3.92 per month to the average household and is driven by critical infrastructure repair and replacement needs such as those listed in this memo, and efforts to bolster water supply reliability (this does not include any increase from the retail provider).

Below are the key upcoming dates for the groundwater charge setting process. The schedule calls for adopting the budget and groundwater production charges on May 8, 2018, which would become effective on July 1, 2018.

- Mar 21: Water Retailers Meeting (Groundwater Production Charge recommendation)
- Apr 10: Board Meeting (Open Public Hearing on Groundwater Production Charges)
- Apr 11: Water Commission Meeting (Groundwater Production Charge recommendation)
- Apr 12: Board Meeting (Continue Public Hearing on Groundwater Production Charges to South County)
- Apr 24: Board Meeting (Continue and Conclude Public Hearing)
- Apr 25-27: Board Meetings - Budget Work Study Sessions
- May 8: Board Meeting (Adopt Groundwater Production Charges, Budget & CIP)

FINANCIAL IMPACT:

There is no fiscal impact from this presentation.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

File No.: 18-0144

Agenda Date: 3/21/2018
Item No.: 5.3.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Nina Hawk, 408-630-2736

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Overview on Water Infrastructure, Wholesale Supply and Financial Projection

Joint Meeting with City of Milpitas - March 21, 2018

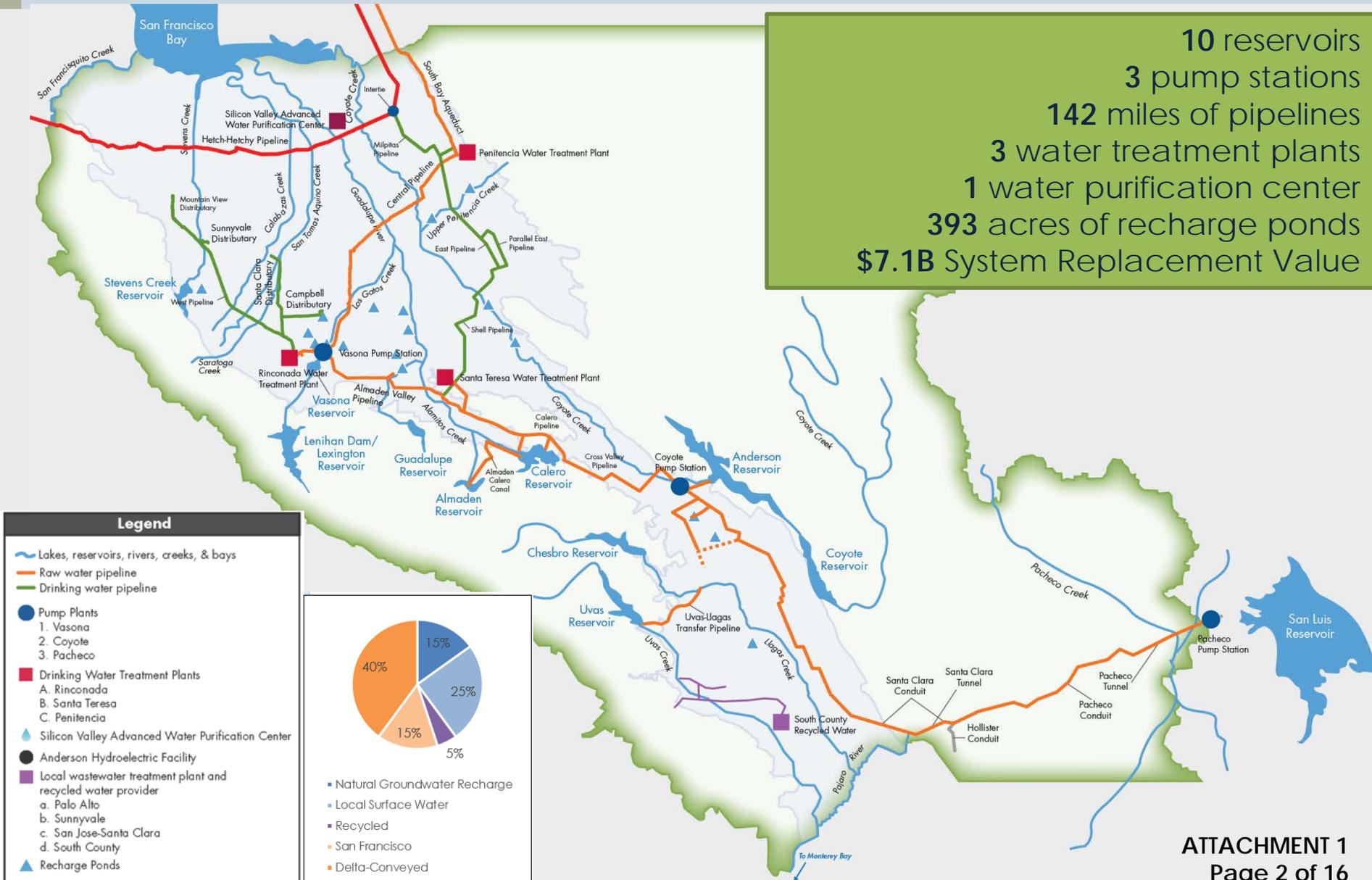
Santa Clara Valley
Water District



ATTACHMENT 1
Page 1 of 16

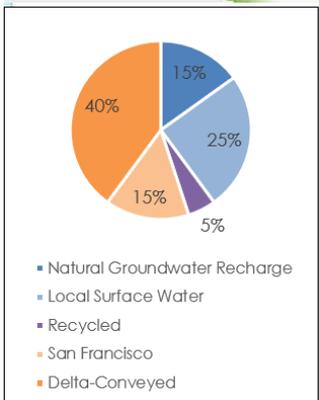
A comprehensive, flexible water system

10 reservoirs
3 pump stations
142 miles of pipelines
3 water treatment plants
1 water purification center
393 acres of recharge ponds
\$7.1B System Replacement Value



Legend

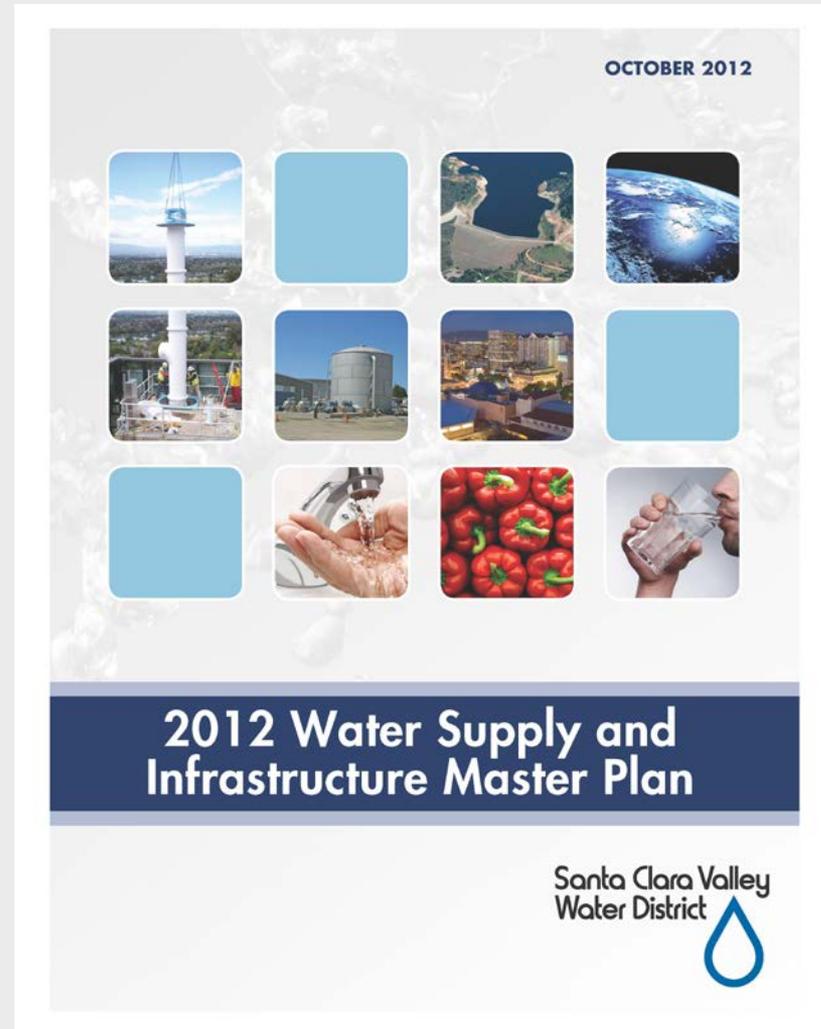
- Lakes, reservoirs, rivers, creeks, & bays
- Raw water pipeline
- Drinking water pipeline
- Pump Plants
 - Vasona
 - Coyote
 - Pacheco
- Drinking Water Treatment Plants
 - Rinconada
 - Santa Teresa
 - Penitencia
- Silicon Valley Advanced Water Purification Center
- Anderson Hydroelectric Facility
- Local wastewater treatment plant and recycled water provider
 - Palo Alto
 - Sunnyvale
 - San Jose-Santa Clara
 - South County
- Recharge Ponds



2012 Master Plan “Ensure Sustainability” Strategy

Level of service goal – Meet 90% of demands in droughts

- ▶ Secure existing system
 - ▶ Dam retrofits, asset management, pipeline repair, maintain imports
- ▶ Optimize existing system
 - ▶ New recharge, new pipelines
- ▶ Expand conservation and reuse
 - ▶ Graywater, potable reuse



Water Supply Master Plan Update

Analysis shows declining reliability

Average Water Supply Conditions

| | 2020 | 2040 |
|----------------------------|---------|---------|
| Demands (AF) | 360,000 | 402,000 |
| Average Annual Supply (AF) | 374,000 | 366,000 |
| Shortfall (AF) | 0 | 36,000 |

Drought Water Supply Conditions

| | 2020 | 2040 |
|-----------------------------|---------------|---------------|
| Demands (AF) | 360,000 | 402,000 |
| Minimum Drought Supply (AF) | 255,000 | 250,000 |
| Maximum Shortfall (AF) | 105,000 (29%) | 152,000 (38%) |

Evaluated about 40 projects for filling gaps

- ▶ Conservation and demand management
- ▶ Stormwater capture and reuse
- ▶ Onsite reuse
- ▶ Potable reuse
- ▶ Recycled water
- ▶ Groundwater recharge ponds
- ▶ Raw water pipelines
- ▶ Ag land fallowing
- ▶ Storage, inside and outside county
- ▶ Desalination
- ▶ Dry year options/transfers
- ▶ Water contract purchase
- ▶ California WaterFix

“No Regrets” package is cost-effective and broadly supported

- ▶ Advanced Metering Infrastructure
- ▶ Gray Water Program Expansion
- ▶ Leak Repair Incentive
- ▶ New Development Model Ordinance
- ▶ Stormwater Capture and Reuse
 - ▶ Ag Land Recharge
 - ▶ Rain Barrel Rebate
 - ▶ Rain Garden Rebate
 - ▶ San Jose Recharge
 - ▶ Saratoga Recharge

| | |
|---------------------------------------|---------------|
| Total District Cost | \$100 million |
| Additional Water Conservation Savings | 10,000 AF |
| Additional Water Supply Yield | 1,000 AF |
| Unit Cost | \$400/AF |

Multiple decision points, including

- ▶ Prop 1 storage funding – Summer 2018
- ▶ California WaterFix permits – Winter 2018
- ▶ Select P3 entity for potable reuse - 2019
- ▶ Annual supply and demand review – Summer
- ▶ Annual CIP, budget, and water charge process begins – Fall
- ▶ Finalize update to Water Supply Master Plan – late 2018

Key Water Supply Projects



**Dam Seismic Retrofits/Improvements
(\$780 Million)**



**RWTP Reliability Improvements
(\$290 Million)**



**Expedited Purified
Water Program
(\$1 Billion via P3
Delivery Method)**

Project Overview

Anderson Dam Existing Configuration

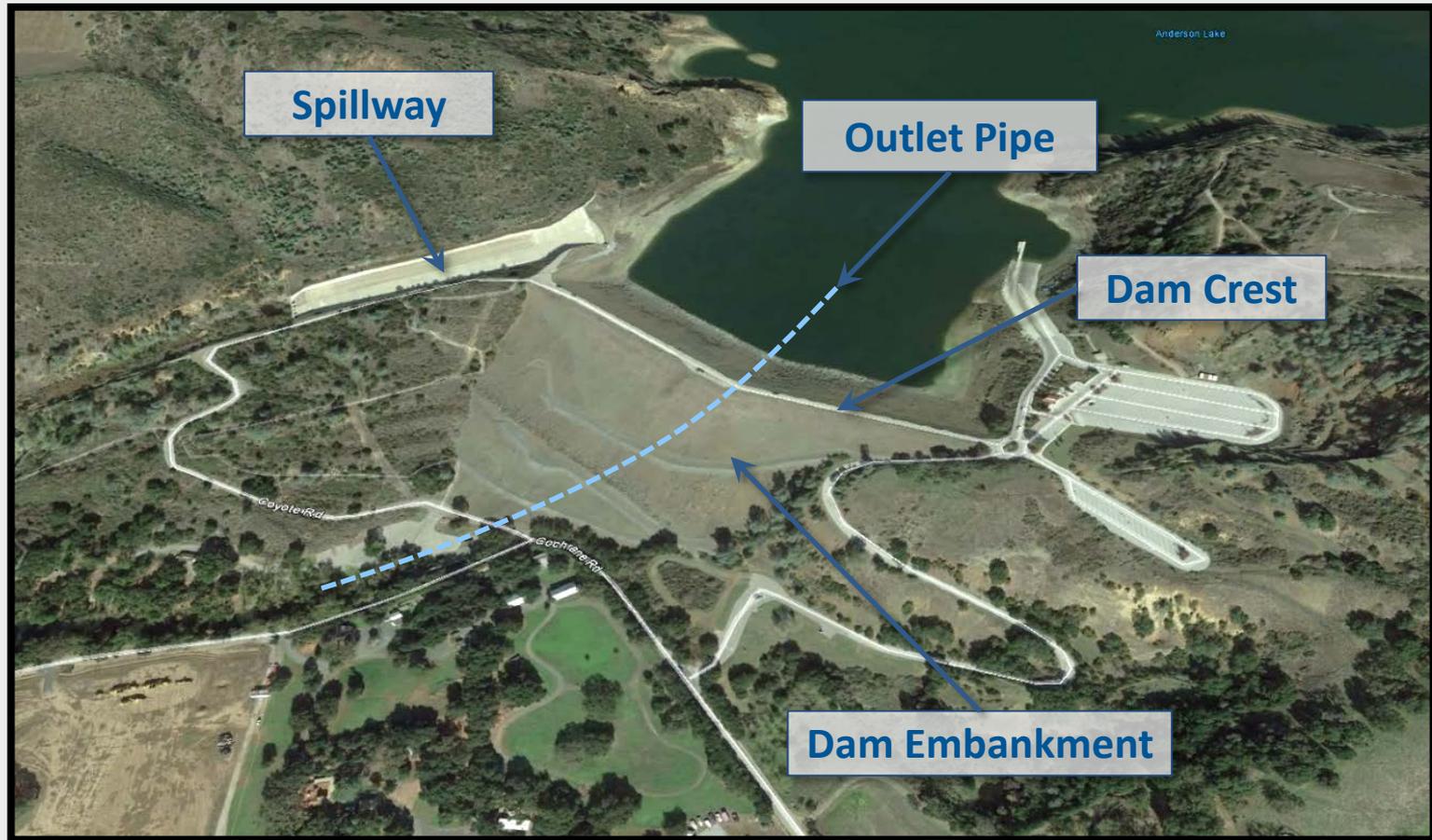
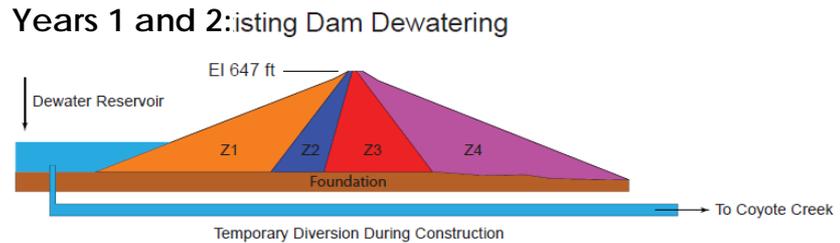
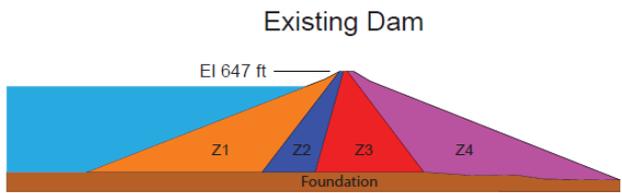
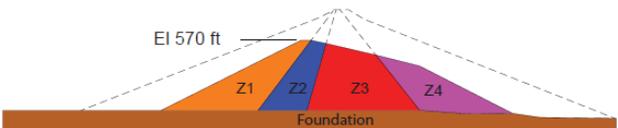


Image Source: Google Earth

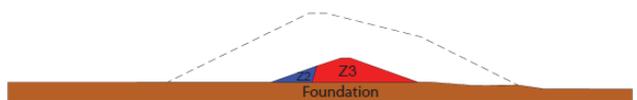
Anderson Dam Embankment Construction Sequence



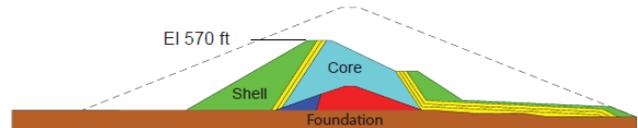
Year 3: April - October
Stage 1 Excavation



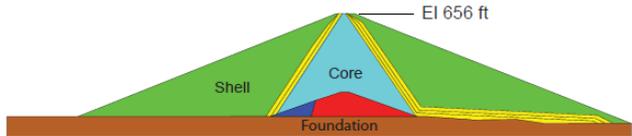
Year 4: April - June
Stage 2 Excavation



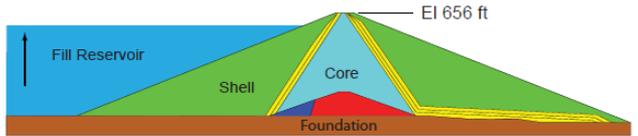
Year 4: July - October
Stage 2 Fill



Year 5: April - October
Stage 3 Fill



Final Configuration



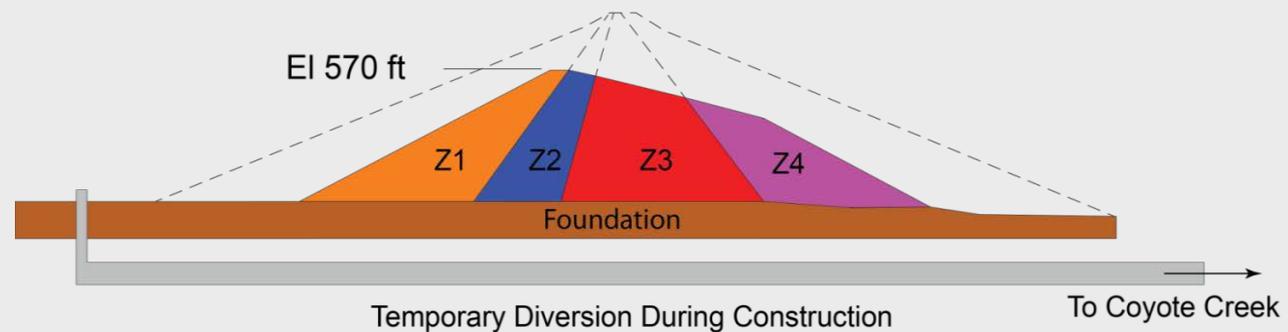
Downstream Releases during Anderson Construction

▶ Key Objectives:

- ▶ Operate flow diversion pipe to minimize risk to interim dam
- ▶ Minimize downstream flood risk.

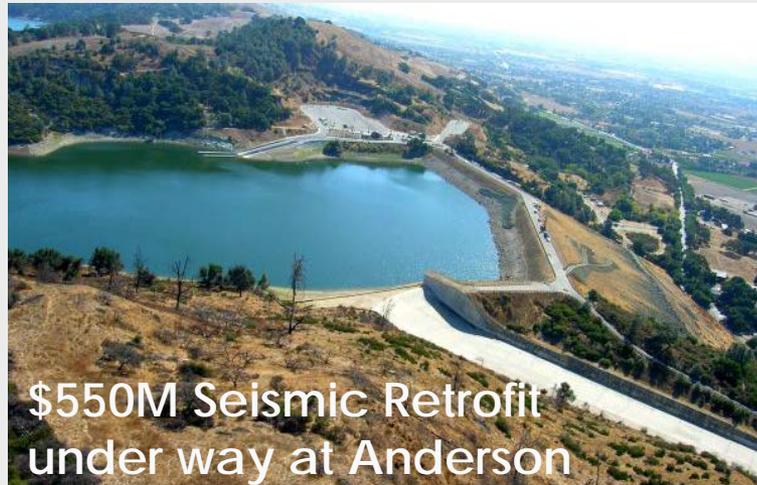
▶ Based on 100,000 simulations, annual risk of diversion releases greater than:

- ❖ 500 cfs = 30%
- ❖ 1,000 cfs = 2%
- ❖ 2,000 cfs = 0.4%
- ❖ 5,000 cfs = 0.03%



Why do well owners pay SCVWD to pump water from the ground?

CONSTRUCTION AT ANDERSON RESERVOIR, 1951



\$550M Seismic Retrofit under way at Anderson

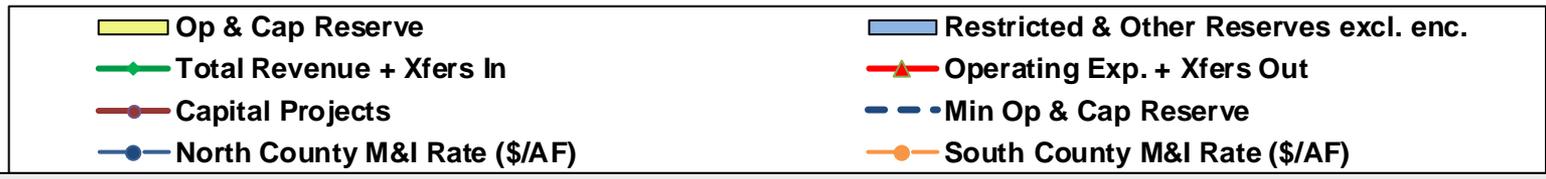
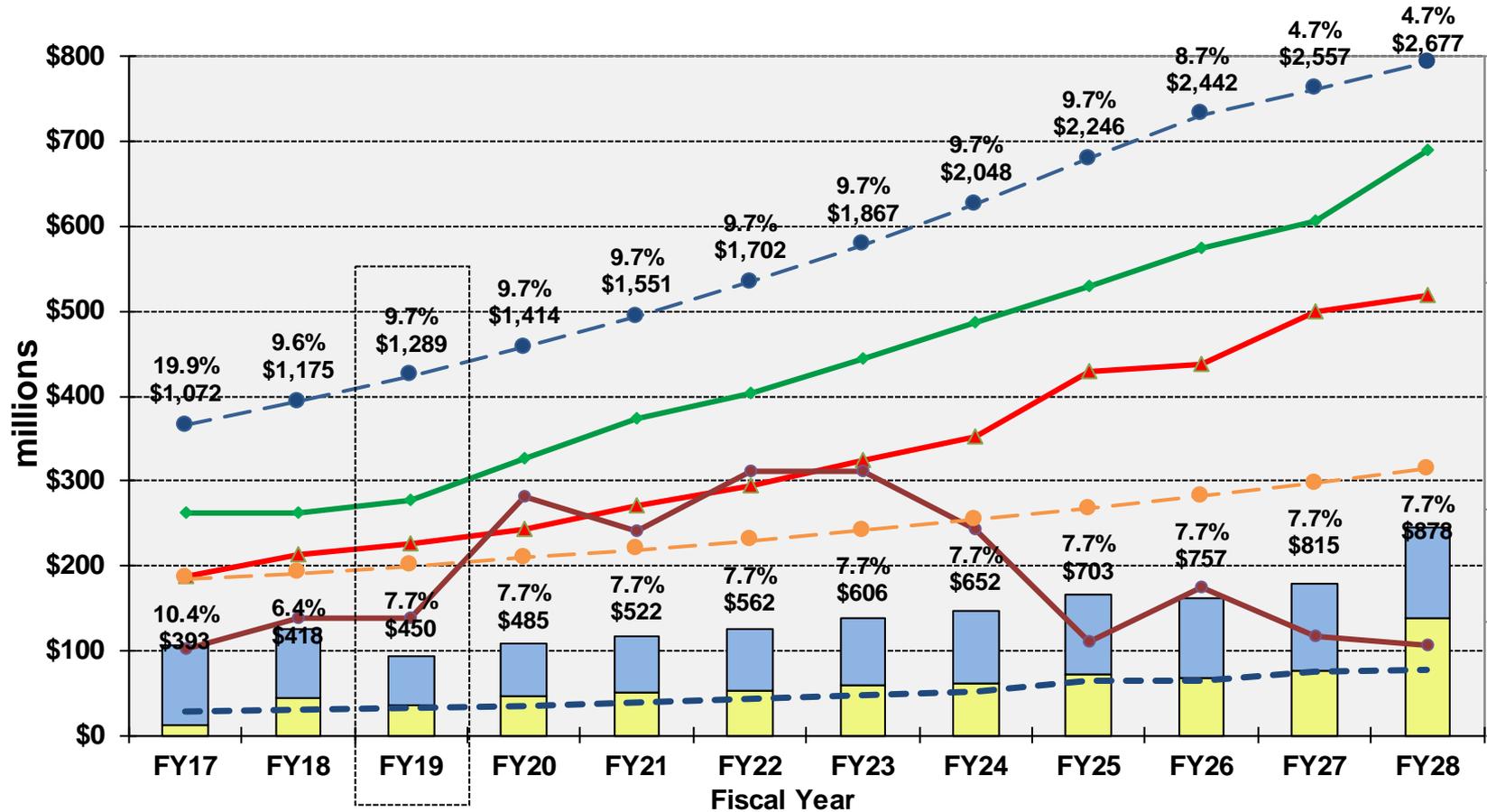
- ▶ Local rainfall cannot sustain Santa Clara County water needs
- ▶ Planning in early 1900's called for construction of reservoirs to capture rainwater to percolate into the ground
- ▶ Groundwater Production Charge is a reimbursement mechanism
 - ▶ pays for efforts to protect and augment water supply

Many activities ensure safe, reliable groundwater supplies

- ▶ Operate & maintain local reservoirs
- ▶ Purchase imported water
- ▶ Operate & maintain raw & recycled water pipelines
- ▶ Plan & construct improvements to infrastructure
- ▶ Monitor & protect groundwater from pollutants



Financial Analysis: Proposed Groundwater Production Charge Projection



FY 2018-2019 Schedule

- Jan 9 Board Meeting: Preliminary Groundwater Charge Analysis
- Jan 17 Water Retailers Meeting: Preliminary Groundwater Charge Analysis
- Jan 24 Water Commission Meeting: Prelim Groundwater Charge Analysis

- Feb 13 Board Meeting: Review draft CIP & Budget development update
- Feb 23 Mail notice of public hearing and file PAWS report

- Mar 21 Water Retailers Meeting: FY 19 Groundwater Charge Recommendation

- Apr 2 Ag Water Advisory Committee
- Apr 3 Landscape Committee Meeting
- Apr 10 Open Public Hearing
- Apr 11 Water Commission Meeting
- Apr 12 Continue Public Hearing in South County
- Apr 24 Conclude Public Hearing
- Apr 25-27 Board Meeting: Budget work study session

- May 8 Adopt budget & groundwater production and other water charges

Summary

- Groundwater Production Charge projection driven by infrastructure repair & replacement, and water supply reliability investments
- Proposed FY 19 Groundwater Production Charge increase equates to an increase of \$3.92 per month in North County to average household

File No.: 18-0138

Agenda Date: 3/21/2018

Item No.: 5.4.

BOARD AGENDA MEMORANDUM

SUBJECT:

Opportunities for Coordination and Collaboration on Projects Benefiting Milpitas (District 3).

RECOMMENDATION:

That the Board and City Council acknowledge District and City staff efforts and provide direction to work collaboratively on land rights exchanges, recreational trail planning, and recreation and flood protection benefits.

SUMMARY:

Santa Clara Valley Water District (District) and City of Milpitas (City) own fee title lands and easements along waterways in City. Both agencies have improvements along or near waterways that provide flood protection and municipal services for City residents and businesses. Both agencies need collaboration and cooperation to continue building and maintaining their infrastructure for the benefit of City residents and businesses. There have been challenges in the past at the staff level in implementing District and City's projects in exchanging land rights, planning of trails and flood protection work.

Exchanging Land Rights

As the two agencies proceed with land rights transactions for on-going projects, it's important to dedicate resources and direct staff to resolve outstanding land rights transactions. There are land rights transactions that have been unresolved for more than ten years due to different expectations on appropriate land rights to be provided to or accepted by each agency. Resolution of these land rights exchanges would ensure that each agency has appropriate rights to access and maintain the infrastructure and improvements installed as part of the completed projects.

For water supply infrastructure constructed by the District, the District has expectations to obtain sufficient land rights over its pipeline infrastructure where located on City property to properly maintain, inspect, reconstruct, and operate its facilities to provide continuous service of water. The City would like to provide the District with a revocable license or permit for the portions of District water supply infrastructure located on City property.

District and City land rights intersect at road crossings of flood protection facilities. Identification of roles and responsibilities would help clarify the type of land interest acquired or retained by each

agency. The District's understanding has been that the City's responsibility is for the roadway infrastructure, including culverts and bridges (i.e. the structure itself, including concrete, wingwalls, pavement, etc.), and the District's responsibility is to maintain the channel for flow conveyance (i.e. sediment or debris removal) through those structures. For new road crossings, the District's practice has been to have the City obtain a road easement over the District's fee title or obtain fee title and have the District reserve an easement for flood protection purposes. However, the City's understanding is that City constructed road infrastructure includes the pavement section, but not the culvert or bridge supporting the pavement and, therefore, City constructed culverts or bridges required to build a new road within an existing flood protection facility should be maintained by the District while the City will maintain the pavement on top of the culvert or bridge.

Staff requests that City Council and the District Board discuss the policy issue surrounding land rights and maintenance responsibilities, and following discussion, delegate authority to the City Manager and Chief Executive Officer (CEO) to develop an agreement between the District and City that reflects both agencies' responsibilities and requirements for land rights transactions.

Recreational Trail Planning

In accordance with Board Resolution No. 74-38, "Declaring Policy Governing Joint Public Use of District Facilities," the District supports public creek-side trail development by providing District lands at no cost to the City for construction of trail improvements with the understanding that the District flood protection and stream stewardship obligations take precedent over recreational uses. Creation of creek-side trails that balance the needs of the District while providing the public an enjoyable off-street recreational experience requires sufficient study and planning of alignments to identify constraints and opportunities and plan a viable trail that addresses both. Recreational uses, if not properly planned, can negatively impact District improvements and operations and result in a less than optimal recreational experience. These impacts are felt by the public through increased maintenance costs and increased staff time to complete maintenance activities resulting in longer duration trail closures and missed opportunities to provide trail amenities.

The City has identified possible trail alignments in high level documents such as the Milpitas Transit Area Specific Plan, however, master plans for the various trails identified have not yet been developed. District staff's experience is that developers are conditioned to include trail design as part of their project based on high level alignments that are then implemented one small section at a time. Site specific trail evaluation and construction feasibility examined in such small sections makes it difficult for the District to comprehensively evaluate impacts on District operations and collaborate on how to best place bridges and trailheads to balance the District's operations with the recreational interests. Master trail planning also provides an opportunity to engage the community in the development of trails that best serve them and provide meaningful connections that work with flood protection operations.

Staff requests the City Council and District Board discuss the policy issue surrounding comprehensive trail planning that includes community and District engagement, and direct City and District staff to increase collaborative efforts toward comprehensive trail planning and implementation between the agencies.

Recreation and Flood Protection

The District provides flood protection for residents of Santa Clara Valley. The District performs this function by constructing improvements and preserving the flood conveyance capacity on those improved channels. The District removes sediment, manages in-stream vegetation, and repairs creek bank erosion on improved channels that have been analyzed, designed and constructed to ensure they can carry a specific flood event.

For recreational trails along District flood protection channels, existing Joint Use Agreements between the two agencies provide for the City to install and maintain recreational elements and to relocate them as required for District flood protection purposes. Confirmation of these agreements and direction to staff of both agencies to uphold respective commitments made in these agreements facilitates better working relationships and reduces delay costs to construction and maintenance work to be implemented by both agencies.

When the District constructs new flood protection projects, the District works with cities to provide flood protection improvements in a manner that is least impactful to the community, functionally and aesthetically. However, the District has previously been required to provide and maintain recreational improvements as conditions of approval to construct flood protection improvements. These types of requirements are more applicable to conditions such as those that may be imposed on developers to mitigate development impacts on city resources and provide for public improvements commensurate with those development impacts. District flood protection projects are in themselves public improvement projects that do not impose adverse impacts on city resources, such as a new residential, commercial or industrial development would in terms of increased traffic or population.

It is current District policy that recreational improvements are to be installed and maintained by the City under joint use agreement. Staff recommends that the Board and City Council consider and discuss the policy issue of approval requirements with respect to recreation and flood protection improvement projects, and direct the City Manager and District CEO to implement policy direction that meets both agencies' needs.

NEXT STEPS

Staff will implement direction by District Board of Directors and City Council for the areas described in this memorandum.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under the California Environmental Quality Act (CEQA) because it does not have a potential for resulting in direct or reasonably foreseeable

File No.: 18-0138

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indirect physical change in the environment.

ATTACHMENTS:

None.

UNCLASSIFIED MANAGER:

Melanie Richardson, 408-630-2035

File No.: 18-0139

Agenda Date: 3/21/2018

Item No.: 5.5.

BOARD AGENDA MEMORANDUM

SUBJECT:

2018 Legislative Efforts and Recommended Positions on State Legislation: Senate Bill 881 (Wieckowski) Shoreline Subventions, Senate Bill 1301 (Beall) Expedited Permitting and Transparency for Human Life Safety Projects, and Assembly Bill 1889 Santa Clara Valley Water District Act Revisions.

RECOMMENDATION:

- A. That the Board and City Council direct District and City staff to work together on advocacy efforts on water supply, flood protection, and other issues of mutual interest, including letter of support on bills and/or rulemaking actions, advocacy with federal and state elected officials and regulatory agency officials, and other actions; and
- B. That the City Council consider supporting Senate Bill 881, Senate Bill 1301, and Assembly Bill 1889.

SUMMARY:

Securing adequate funding, authorization, and permits for flood protection and water supply projects is difficult and requires advocacy efforts at the federal and state levels to move projects forward to completion. The District pursues these advocacy efforts year-round by meeting with federal, state and regulatory officials to advocate for funding, authorization, and permits for these projects. The City of Milpitas (City) has a long history of partnering with the District to advocate for such projects by sending letters of support on grant applications, federal funding requests, and other advocacy efforts for these projects. Recently, the City has partnered with the District on a number of advocacy efforts, including the South San Francisco Bay Shoreline Project and the Upper Berryessa Creek Flood Protection Project.

Recognizing the importance of joint advocacy efforts in advancing critical water supply, flood protection, and environmental stewardship projects, staff recommends that the City Council consider supporting three District-sponsored state legislative bills that benefit the City and the region, outlined below.

SB 881 (Wieckowski): South San Francisco Bay Shoreline Project - State Flood Subventions Authorization

This bill will add the South San Francisco Bay Shoreline Project to the list of authorized flood control projects that receive state flood subventions funding. The Shoreline Project will provide resiliency to

sea level rise, restore former salt ponds to tidal marsh, complete missing segments of the San Francisco Bay Trail, and will increase flood protection for Silicon Valley where a 100-year coastal flood event could cause \$6.14 billion in damages.

This bill would allow the District to receive an estimated \$4 to \$7 million in from the state for flood subventions reimbursements. State subventions reimburse costs such as rights-of-way and relocations for flood control, recreation, fish and wildlife enhancements, and temporary work area easements for construction staging and hauling routes.

This project is important to the City of Milpitas and to the shoreline region as a whole because it will provide flood protection from both extreme storm events and, over the longer term, sea level rise. This benefits not just the city's residents who live in Milpitas, but also Milpitas residents who work in any of the shoreline cities, as this project will protect not just homes, but also the businesses along the shoreline, as well as the infrastructure along the shoreline which includes Highway 237 (a critical commuter transportation artery) and the Regional Wastewater Facility. In addition, it will provide environmental restoration and recreational benefits for both the city's residents and the region as a whole. Consequently, this bill is also important to the City of Milpitas because it could save the project between \$4 and \$7 million local dollars, that would instead be paid for by the State. See Attachment 1 - Map of Shoreline Project.

SB 1301 (Beall) Flood Risk Reduction & Dam Safety Enhancement - Transparent & Expeditious Permitting for Human Life Safety

This bill would require a state agency to expedite permit processing and approval for projects that will maintain or improve human life safety protection through flood risk reduction or reduction of risk of dam failure. Expediting permits when human life safety or high value assets of national importance are threatened by flood risk could save lives and prevent catastrophic loss.

As the City is aware, state agencies often are understaffed and underfunded, and as a result, permits issued by state agencies are delayed months and sometimes years for some water supply and flood protection projects. The most recent example of this is with the Upper Berryessa Creek Flood Risk Mitigation Project, which was delayed for several months by a state agency. This critical project protects the Milpitas BART station as well as Milpitas homes and businesses, yet it was delayed by a state agency for almost a year while they conducted reviews and analysis that should have been performed during the California Environmental Quality Act (CEQA) process-after CEQA already had concluded for this project. This resulted not just in delays to the project and the benefits it confers to the City's and region's residents, businesses, and commuters, but also a lack of public input and involvement in that post-CEQA review and analysis by the state agency.

This bill seeks to remedy such delays by expediting certain human life safety projects, such as high-hazard dams (e.g., Anderson Dam's Seismic Retrofit Project, anticipated construction start date Fiscal Year 2021), flood protection projects in flood-prone watersheds (e.g., Coyote Creek, anticipated construction start date Fiscal Year 2021), high-risk tidal flood zones of national economic importance (e.g., the Shoreline Project, anticipated construction start date Fiscal Year 2019), and others that meet specific criteria. **NOTE:** this bill would not exempt any projects from CEQA, and in fact require any project seeking expediting to have completed CEQA before seeking an expedited permit. The bill also includes a transparency provision that requires certain state agencies to report

to the Legislature and the public their average permit processing times for designated permits. This provides an additional tool by which to measure regulatory performance.

This bill is important to the City as it can help accelerate critical life safety projects such as those listed above that will help provide flood protection to the City's residents and businesses, while ensuring that the projects are in full compliance with CEQA.

AB 1889 (Caballero) Santa Clara Valley Water District Act Revisions

This bill would amend the Santa Clara Valley Water District Act to make three important reforms: 1) To improve fairness in parcel tax exemption processing; 2) To help ensure a socio-economically, fairly compensated, diverse Board of Directors, and 3) To ensure if a vacancy occurs on the Board, it is filled by a resident from the geographic district where the vacancy occurs. Each reform is detailed below.

- 1) Reforms Parcel Tax Exemption Process for Low-Income Seniors and the Disabled. AB 1889 would clarify that the District need only verify low-income status once, and that the taxpayer's eligibility for the parcel tax exemption may remain in effect until the District is notified of a change in eligibility or has reason to believe the taxpayer is not eligible for the exemption.
- 2) Reforms the District Board of Directors Duties and Meeting Allowance. AB 1889 defines the duties of a Director and increases the number of meeting days for which a Director is eligible for remuneration from up to 10 days per month to 20 days per month, reflecting the actual number of working days required for the position. Directors often must work long hours without remuneration and that means the only people who can realistically serve on the Board are either retired or independently wealthy, which limits the socioeconomic diversity of the Board.
- 3) Reforms District Board Vacancy Appointments. AB 1889 will require that the appointment to a vacant seat on the District Board be made from the geographic district in which the vacancy exists rather than from anywhere in Santa Clara County, ensuring that the geographic district is represented by a resident of that district.

This bill is important to the City as it will streamline and simplify the parcel tax exemption process for low-income seniors and disabled residents of Milpitas, it will enable the District Board of Directors to more fully dedicate themselves to the increased number of expanding scope of responsibilities of the office and will increase the capacity of Directors to provide more public oversight of the District's water supply, flood control, and groundwater management programs for the residents of Milpitas, and ensure appropriate community representation.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

File No.: 18-0139

Agenda Date: 3/21/2018
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ATTACHMENTS:

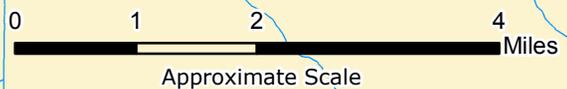
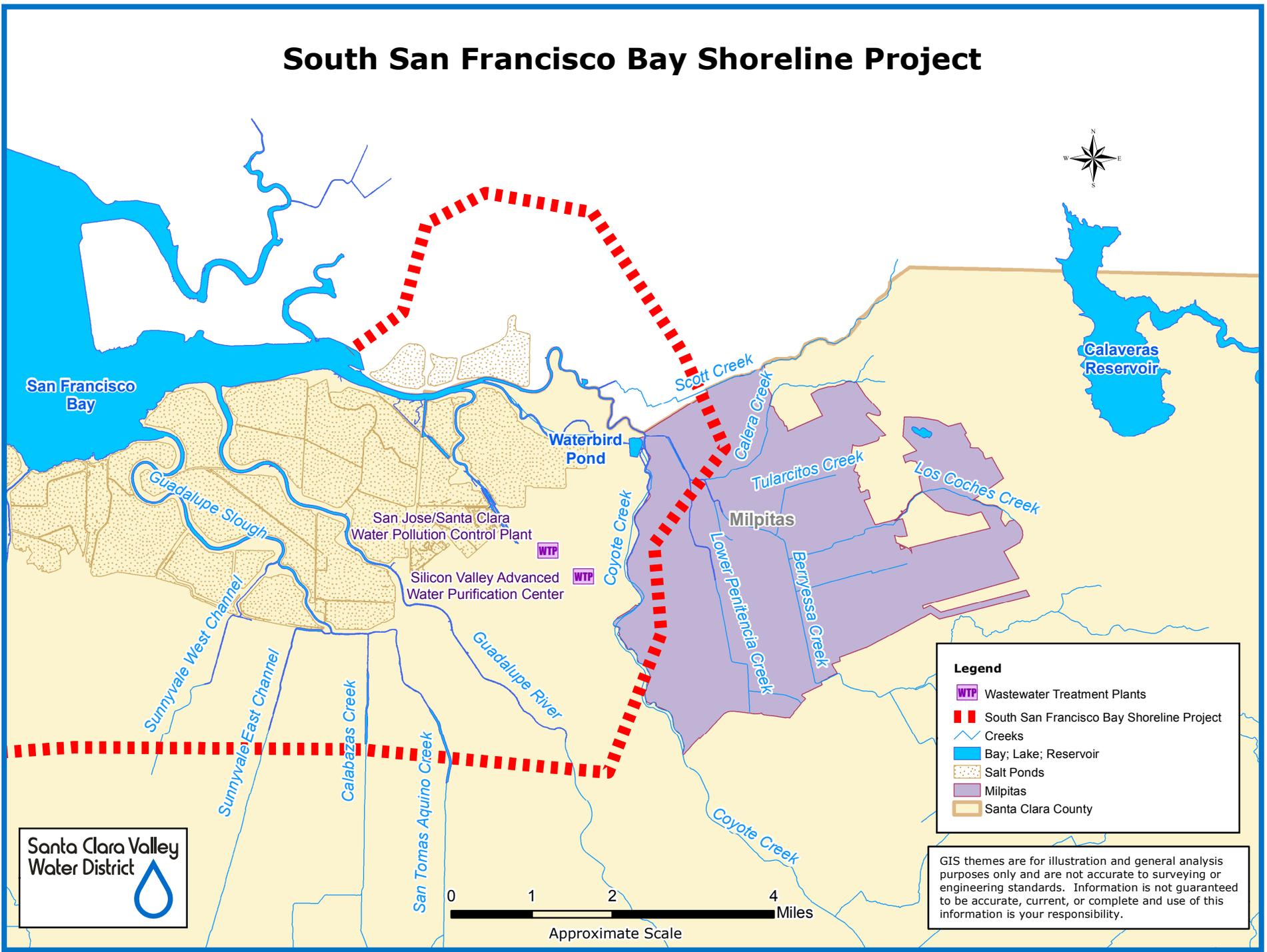
Attachment 1: Map of Shoreline Project

UNCLASSIFIED MANAGER:

Rachael Gibson, 408-630-2884

South San Francisco Bay Shoreline Project

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Legend

- Wastewater Treatment Plants
- South San Francisco Bay Shoreline Project
- Creeks
- Bay; Lake; Reservoir
- Salt Ponds
- Milpitas
- Santa Clara County

GIS themes are for illustration and general analysis purposes only and are not accurate to surveying or engineering standards. Information is not guaranteed to be accurate, current, or complete and use of this information is your responsibility.

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File No.: 18-0146

Agenda Date: 3/21/2018

Item No.: 5.6.

BOARD AGENDA MEMORANDUM

SUBJECT:

Emergency Services Coordination.

RECOMMENDATION:

That the Board and City Council direct District and City staff to commit to ongoing and strengthened coordination and partnership on emergency activities and service.

SUMMARY:

The five-person Emergency Services Unit is responsible for the District's emergency operations. This includes leading the development of plans, conducting emergency management trainings and exercises, ensuring the availability of resources, and collaborating with other agencies.

The unit also has responsibility for the Emergency Operations Center (EOC). In addition to the EOC, the District also has two Department Operations Centers (DOCs) that are utilized to directly support field operations in Watershed and Water Utility.

The DOCs are managed within the Watershed and Water Utility Divisions of the District and are activated independently or in coordination with the EOC, depending upon the nature of the emergency/issue. When a DOC is activated, staff in the DOC often interact and collaborate with employees from other entities such as District retailers or County agencies such as HazMat/Fire and the City of Milpitas.

Some emergencies that the District could respond to include floods, levee or facility issues, water contamination, water supply disruption, pipeline damage, underground storage subsidence, dam failure and earthquake.

One of the lessons of the 2017 floods was the importance of collaborating with and communicating effectively with other agencies. Over the past year, through collaboration, open communication, and development of close professional ties, the District and the City of San Jose have developed a robust Emergency Action Plan (EAP) to respond to future incidents.

EAPs are scenario-specific and are based on streams, dams and affected locations. The District has also embarked on a program to develop EAPs for sites that are prone to flooding in collaboration with

relevant municipalities or other agencies. These Joint EAPs clarify responsibilities of the District and the municipalities/agencies.

Another important initiative is the District's active monitoring of storms and the development of metrics to ascertain the likelihood of floods. These efforts are designed to provide the District with the ability to better prepare for and respond to rapidly changing situations.

To prepare for future incidents, the Emergency Services Unit has initiated an aggressive training program. With the intent of enhancing their knowledge, District staff assigned to the EOC have recently participated in a series of classes on the basic EOC roles. Staff have also attended trainings based upon function. For example, a course specific to Logistics was well-attended in February 2018. It allowed attendees to dive deeper into their roles and identify gaps in their documentation or ability to fulfill potential demands in the aftermath of a major event. Additional trainings and exercises are planned for the future, as is the District's participation in our stakeholder agencies' events.

Response Structure

The District utilizes the Incident Command System (ICS), Standardized Emergency Management System (SEMS), and National Incident Management Systems (NIMS) for consistency in terminology, communications, and overall structure. These are the systems used by municipalities, which are based on emergency response best practices.

Personnel Resources

Over 160 District personnel are assigned to the EOC. Included in the roster is a wide range of categorical technical specialists. Some examples include pipeline emergency, levees, water quality, meteorology/hydro, and dam safety.

The District's EOC Public Information Branch, which is managed by the Public Information Officer, has well-developed capabilities. The functions within this branch include Information Gathering and Dissemination, Government Relations, CEO/Board Support, Media Relations, and Call Center Operations.

The District has redundant communication capabilities to communicate with District staff: hardline phone, text messaging, pagers, hand-held radio, County radios (Control 10), amateur radio, satellite phone, and mass notification (Blackboard Connect).

Equipment Resources

The District's construction equipment is based on watershed and creek management activities. Some examples of available equipment include excavators, dump trucks, loaders, backhoes and cranes. These are some of the resources that could potentially be requested as mutual aid to support a response outside of the District.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: PowerPoint

UNCLASSIFIED MANAGER:

Anil Comelo, 408-630-2470

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Santa Clara Valley
Water District



Emergency Operations

March 21, 2018

Response Structure

Incident Command System (ICS)
Standardized Emergency Management System (SEMS)
National Incident Management System (NIMS)

Emergency Operations Center (EOC),
Department Operation Centers (DOCs)

Based on Watershed and Water Utility functions

Potential Emergencies (examples)

Watershed

- Flooding
- Levee or other facility issue

Water Utility

- Water contamination
- Water supply disruption
- Pipeline damage
- Underground storage subsidence

Water Utility and Watershed

- Dam failure
- Earthquake



Resources (personnel)

- 160+ assigned to EOC
- Technical Experts (Watershed and Utility)
- Public Information Branch

*Communication redundancy

Resources (equipment)

- Excavators
- Dump Trucks
- Loaders
- Backhoes
- Cranes
- More...



Resources Cont. (equipment)



Emergency Action Plans (EAPs)

Scenario Specific – streams, dams, locations

Inundation Maps and Downstream Contact Lists

Activation Levels, scenario data and monitoring

Lessons Learned from 2017 Flood

EAPs, Multi-Agency Coordination (MAC)

Coordination with Emergency Operations Plan (EOP)

Emergency Services Unit

- Unit Consists of Manager and four staff
- Emergency Planning, Training and Exercise
- EOC Readiness
- City and County Collaboration and Coordination

