



SOUTH COUNTY REGIONAL  
WASTEWATER AUTHORITY

June 29, 2022

## **MEETING NOTICE**

### **SANTA CLARA VALLEY WATER DISTRICT JOINT WATER RESOURCES COMMITTEE WITH CITIES OF GILROY AND MORGAN HILL**

Members of the Joint Water Resources Committee:

District 1 Director John Varela - Committee Chair  
Hon. Marie Blankley, Mayor, City of Gilroy - Committee Vice Chair  
District 3 Director Richard Santos  
Hon. Dion Bracco, Council Member, City of Gilroy  
Hon. Rene Spring, Council Member, City of Morgan Hill  
Hon. John McKay, Council Member, City of Morgan Hill

Valley Water Staff Support of the Joint Water Resources Committee:

Rick Callender, Esq., Chief Executive Officer  
Carlos Orellana, District Counsel  
Michele King, Clerk, Board of Directors  
Melanie Richardson, Asst. Chief Executive Officer  
Anthony Fulcher, Senior Assistant District Counsel  
Rachael Gibson, Chief of External Affairs  
Don Rocha, Deputy Administrative Officer  
Aaron Baker, Chief Operating Officer, Water Utility  
Vincent Gin, Deputy Operating Officer, Water Supply Division  
Emmanuel Aryee, Acting Deputy Operating Officer, Water Utility Capital  
Bhavani Yerrapotu, Deputy Operating Officer, Treated Water Division.  
Greg Williams, Deputy Operating Officer, Raw Water Division  
Kirsten Struve, Assistant Officer, Water Supply Division  
Hossein Ashktorab, Recycled & Purified Water Manager  
Dave Tucker, Associate Engineer - Civil  
Elise Latedjou-Durand, Senior Environmental Planner  
Tony Mercado, Public Information Representative II  
Eva Sans, Assistant Deputy Clerk II

A regular meeting of the Santa Clara Valley Water District's Joint Water Resources Committee has been scheduled to occur at 9:00 a.m. on Wednesday, July 6, 2022 in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California, or at an alternate location at 15685 La Bella Court, Morgan Hill, California.

Zoom Meeting Link: <https://valleywater.zoom.us/j/86491656667>.

The meeting agenda and corresponding materials are located on our website:  
<https://www.valleywater.org/how-we-operate/committees/board-advisory-committees>.





## **Santa Clara Valley Water District Joint Water Resources Committee with Cities of Gilroy and Morgan Hill**

Join Zoom Meeting:  
<https://valleywater.zoom.us/j/86491656667>

Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose, CA 95118

*(Alternate Location)*  
15685 La Bella Court, Morgan Hill, CA 95037

### **REGULAR QUARTERLY MEETING AGENDA**

**Wednesday, July 6, 2022  
9:00 AM**

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

**COMMITTEE MEMBERS:**

Hon. John Varela, Director District 1, Chair  
Hon. Marie Blankley, Mayor, Gilroy, Vice Chair  
Hon. Richard Santos, Director District 3  
Hon. Dion Bracco, Council Member, Gilroy  
Hon. John McKay, Council Member, Morgan Hill  
Hon. Rene Spring, Council Member, Morgan Hill

During the COVID-19 restrictions, 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) 265-2600.

**COMMITTEE LIAISON:**  
Kirsten Struve

**COMMITTEE CLERK:**  
Eva Sans  
Assistant Deputy Clerk II  
408-265-2306  
[esans@valleywater.org](mailto:esans@valleywater.org)  
[www.valleywater.org](http://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 Act.**

**Santa Clara Valley Water District**  
**Joint Water Resources Committee with Cities of Gilroy and Morgan Hill**  
**REGULAR QUARTERLY MEETING AGENDA**

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Wednesday, July 6, 2022

9:00 AM

Join Zoom Meeting:  
<https://valleywater.zoom.us/j/86491656667>

Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose, CA 95118

(Alternate Location)  
15685 La Bella Court, Morgan Hill, CA

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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 wear a mask.

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the “Raise Hand” tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

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

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water’s bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential

investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

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

**Join Zoom Meeting:**  
**<https://valleywater.zoom.us/j/86491656667>**  
**Meeting ID: 864 916 56667**  
**Join by Phone:**  
**1 (669) 900-9128, 86491656667#**

**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 Committee on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Committee Chair in order requests are received and granted speaking access to address the Committee. Speakers comments should be limited to three minutes or as set by the Chair. The law does not permit Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Committee may take action on any item of business appearing on the posted agenda.*

**3. APPROVAL OF MINUTES:**

3.1. Approval of April 6, 2022 Joint Water Resources Committee Meeting Minutes.

[22-0622](#)

Recommendation: Approve the minutes.

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

Attachments: [Attachment 1: 040622 JWRC Meeting Minutes](#)

Est. Staff Time: 5 Minutes

#### 4. REGULAR AGENDA:

- 4.1. Receive Update on South County Water Reuse Collaboration. [22-0620](#)

Recommendation: A. Receive update and discuss information on Technical Working Group discussions related to South County Water Reuse Collaboration; and  
B. Provide feedback and recommendations as necessary.

Manager: Kirsten Struve, 408-630-3138

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 10 Minutes

- 4.2. Drought Emergency Response and Water Supply Update [22-0621](#)

Recommendation: Receive Drought Emergency Response and Water Supply Update.

Manager: Kirsten Struve, 408-630-3138

Attachments: [Attachment 1: PowerPoint](#)

Est. Staff Time: 10 Minutes

- 4.3. Review 2022 Joint Water Resources Committee Work Plan. [22-0623](#)

Recommendation: A. Review the 2022 Joint Water Resources Committee Work Plan, and make adjustments as necessary; and  
B. Select a date for the next Joint Water Resources Committee meeting.

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

Attachments: [Attachment 1: 2022 JWRC 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 to Regular Meeting at 9:00 a.m. on October 5, 2022.



# Santa Clara Valley Water District

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**File No.:** 22-0622

**Agenda Date:** 7/6/2022

**Item No.:** 3.1.

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## COMMITTEE AGENDA MEMORANDUM

### Joint WRC with Cities of Gilroy/Morgan Hill/SCRWA

**SUBJECT:**

Approval of April 6, 2022 Joint Water Resources Committee Meeting Minutes.

**RECOMMENDATION:**

Approve the minutes.

**SUMMARY:**

In accordance with the Ralph M. Brown Act, 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 to the Committee for review and approval.

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

**ATTACHMENTS:**

Attachment 1: 04/06/22 JWRC Meeting Minutes

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

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SOUTH COUNTY REGIONAL  
WASTEWATER AUTHORITY

**JOINT WATER RESOURCES COMMITTEE  
(CITY OF GILROY, CITY OF MORGAN HILL AND VALLEY WATER)**

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# MINUTES

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**WEDNESDAY, APRIL 6, 2022  
9:00 AM**

(Paragraph numbers coincide with agenda item numbers)

**1. Call to Order/Roll Call.**

A meeting of the Joint Water Resources Committee (City of Gilroy, City of Morgan Hill, and Valley Water) (Committee) was called to order at 9:00 a.m., via Zoom teleconference.

**1.1. Roll Call.**

Committee Members in attendance via Zoom teleconference were Mayor Marie Blankley and Councilmember Dion Bracco representing City of Gilroy, Councilmember Rene Spring and Councilmember John McKay representing City of Morgan Hill, and District 1 Director John L. Varela and District 3 Director Richard P. Santos, Chairperson presiding, representing Valley Water and constituting a quorum of the Committee.

Valley Water staff in attendance: H. Ashktorab, A. Baker, V. De la Piedra, C. Hakes, C. Kwok-Smith, S. Greene, A. Gschwind, M. Richert, D. Rocha, A. Shannon, K. Struve, C. Sun, D. Tucker, and Jing Wu.

City of Gilroy staff in attendance: D. Jordan, S. Vaziry.

City of Morgan Hill in attendance: Public Service Department, J. Sylvain

Public attendees: Mr. Doug Muirhead, Morgan Hill resident.

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

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

**3. ELECTION OF COMMITTEE OFFICERS:**

Chairperson Santos declared nominations open for 2022 Joint Water Resources Committee Officers.

It was moved by Councilmember McKay, seconded by Mayor Blankley, and carried by roll call vote to elect Director Varela as Chair for the year 2022.

It was moved by Councilmember Bracco, seconded by Councilmember Spring, and carried by roll call vote to elect Mayor Blankley as Vice Chairperson for the year 2022.

#### **4. APPROVAL OF MINUTES.**

##### **4.1. Approval of January 5, 2022 Joint Water Resources Committee Meeting Minutes.**

The Committee considered the attached minutes of the January 5, 2022 Joint Water Resources Committee meeting.

It was moved by Director Varela, seconded by Mayor Blankley and carried unanimously, by roll call vote, to approve the minutes as presented.

#### **5. ACTION ITEMS.**

##### **5.1. South County Water Reuse Collaboration and Implementation.**

Recommendation:   A. Receive and discuss information on Technical Working Group discussions related to South County Water Reuse Collaboration; and  
                              B. Provide Feedback and recommendations as necessary.

Mr. David Tucker, Associate Engineer-Civil, gave a recap of the Technical Working Group's (TWG) discussions and activities conducted between January through March 2022.

The January TWG discussions included a review of Agreement No. A2280-1 (Exhibit 1), the first Producer-Wholesaler agreement, and included a review of recitals and terms, renewal provisions, issues beyond our control, pressure and flow, metering and measurements, master planning, ownership, and operations; as well as details of a potential plan to build a data center in Gilroy that would use recycled water.

The February TWG discussions focused on Agreement No. A2280W-4 (Exhibit 4), a revised Producer-Wholesaler Agreement and currently in its 16<sup>th</sup>-year of a 20-year agreement; the differences between the 1999 and 2006 agreements and a discussion of more succinct legal and contract terms; service limitations on delivery, water quality, legal rights and commitments, metering and measurement changes, system parameters, possible salt control, facility and planning revisions for future capital improvement, ownership, and operations; and a review of our decision to update the current legal agreements as the first phase a process to develop a more comprehensive agreement, a hybrid with current and new terms, or no action.

The March TWG discussions were focused on in-depth reviews of our Wholesaler-Retailer Agreement Nos. A2280-2 (Exhibit 2) and A2280-3 (Exhibit 3); and discussion to update recitals and terms to reflect current actions and activities, updates needed on definition and terms, rights and commitments, delivery limitations, metering and measurement, administrative requirements, and Title 22 requirements for customers. Mr. Tucker added that staff will work with Valley Water's (VW) legal team to draft revisions to bring to a future TWG meeting.

In response to Committee inquiry, Mr. Tucker explained that water reuse pertains to non-potable water reuse that are for industrial and agricultural uses.

In response to Councilmember McKay's inquiry on possible expansion of VW pipeline to the City of Morgan Hill, Mr. Tucker mentioned SCRWA capital improvements that could

result in additional wastewater availability and expansion of future water reuse in Morgan Hill.

Chairperson Varela and Director Santos reported on discussions at a recent Santa Clara County Farm Bureau monthly meeting including conversations for a more sustainable water supply; that in addition to pipelines running south to north, we could look at pipelines running north to south to provide recycled water to South County; that a new water purification facility would be built with a Public Private Partnership and in collaboration with the Cities of Palo Alto and Mountain View; that discussions for a recycled water pipeline from the northern part of the county to the regions of Morgan Hill, San Martin, and Gilroy continue, including a small or satellite recycling plant in Morgan Hill; and invited the Committee to participate in those discussions; that VW is optimistic and actively engaged with partnerships with federal and state officials to secure funding for infrastructure and storage facilities, and additional water.

Mayor Blankley reported that it was Amazon Web Services that purchased land over in Gilroy for a data center that would use recycled water to cool down their servers, and that she would ask for a status report from city staff and the involvement of VW in the planning requirements.

In response to Mayor Blankley's inquiry on what has been accomplished by the Committee, Ms. Struve responded that VW and South County staff have been working very collaboratively toward future water reuse expansion, and that discussions on the different agreements are ongoing.

The Committee Chair requested a meeting with staff on additional information about the Amazon data center plan. The Committee indicated that they are looking forward to an updated Water Supply Master Plan (Master Plan), and to secure resiliency on water supply for the City of Morgan Hill.

Mr. Doug Muirhead, a Morgan Hill resident, expressed frustration on receiving the information presented by Mr. Tucker at the meeting instead of including this material on an agenda report; taking too much time for the TWG to determine a direction to go; VW not doing enough with recycled water during the drought some years ago; and keeping the TWG out of sight to the public, which he stated was different from Chairperson Varela's instruction at the January 5, 2022 meeting to provide monthly reports from TWG. Chairperson Varela announced that he would have discussions with staff about future presentations and format. Director Santos requested that staff keep the Committee up-to-date, and that staff mail relevant information to Committee prior to these meetings.

## 5.2. Water Supply Master Plan and South County Opportunities.

Recommendation: Receive information on the Water Supply Master Plan and South County opportunities.

The Committee was informed that the Water Supply Master Plan 2040 (Master Plan) is VW's guiding document for long-term water supply investments to protect existing investments and infrastructure, achieve level of service goals, and make the most of the existing water supply system for Santa Clara County through the year 2040. To address

future uncertainties with demands, supplies and proposed projects, the Master Plan established an annual Monitoring and Assessment Program (MAP) to evaluate and report to the Board new information and project updates for the annual water rate-setting process. In support of South County, the Committee was informed that projects such as Pacheco expansion, reservoir seismic retrofit, and recycled and purified water support a sustainable water supply for the entire county, including South County even though South County will not get direct supply from them; that there are projects recommended in the Master Plan that would directly provide water supply to South County such as the Delta Conveyance Project, a potential South County recharge facility project, and Flood-Managed Aquifer Recharge (Flood-MAR) projects.

In addition, Ms. Jing Wu, Senior Water Resources Specialist, added that VW staff has worked with the Planning Division staff from the Cities of Morgan Hill and Gilroy to understand their growth projection and impact to future South County water demand for MAP update; and that partnership with South County has continued on conservation efforts.

In response to Chairperson Varela's inquiry on the level of Committee awareness on projects such as the Delta Conveyance, Pacheco Reservoir Expansion, or South County Recharge listed on Ms. Wu's Slide 4, Attachment 1 of this item, Councilmember Spring expressed concern to waiting until Year 2040, and preference to plan within the immediate ten years for protection on water supply; and requested information on VW projects in other areas that would benefit their cities.

Chairperson Varela announced that in the future, VW would provide advance information to better prepare the Committee for meetings like this; would shorten future staff presentations; and would check with previous Chair how these meetings were programmed.

In response to Mr. Muirhead's question on where the new water would come from the *Delta Conveyance Project* as stated on Page 2, Paragraph 3 of the committee memo of this item that said, " . . . *additional water supply provided by the Delta Conveyance Project,*" Ms. Wu clarified that the statement was referring to future State Water Project water delivery, which is expected to decrease because of climate change and Delta regulations. There would be no new water from existing State Water Project water delivery.

#### 5.3. Water Shortage Emergency Condition and Call for Conservation.

Recommendation: Receive information on Water Shortage Emergency Condition and Call for Conservation.

The Committee was informed about VW's declaration of water shortage in 2021; a call for 15% water use reduction countywide; and inclusion of Santa Clara County in the Governor's drought proclamation. Valley Water is impacted by the unavailability of Anderson Reservoir as a surface water storage facility. Furthermore, the Central Valley Project and State Water Project have reduced imported water allocations; and if dry conditions persist, and water use reduction target is not met, there remains a risk of resumed groundwater subsidence in North County and wells going dry, particularly in South County.

#### 5.4. Review 2022 Joint Water Resources Committee Work Plan.

Recommendation: Receive information on Water Shortage Emergency Condition and Call for Conservation.

Recommendation: A. Review the 2022 Joint Water Resources Committee Work Plan, and make adjustments as necessary; and  
B. Select a date for the next Joint Water Resources Committee meeting.

The Committee confirmed the next Regular Meeting on July 6, 2022.

In response to the Clerk's inquiry, Mayor Blankley announced that she would request information from her staff about the Amazon data center, and need not be included in the meeting to be set up for Chairperson Varela and VW technical staff.

In response to Councilmember McKay, Chairperson Varela requested to connect through email and discuss either a group or individual training on Valley Water's projects that could benefit the City of Morgan Hill. Subsequently, the Office of Government Relations had reached out to schedule these trainings.

5.5. Committee Member Reports.

There was no discussion of Committee Member Reports.

**6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.**

None.

**7. ADJOURN.**

7.1. Adjourn to Regular Meeting at 9:00 a.m., on Wednesday, July 6, 2022.

Chairperson Santos adjourned the meeting at 10:05 a.m., to the next meeting scheduled to occur at 9:00 a.m. on Wednesday, July 6, 2022.

Eva Sans  
Assistant Deputy Clerk II

Approved:





# Santa Clara Valley Water District

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**File No.:** 22-0620

**Agenda Date:** 7/6/2022

**Item No.:** 4.1.

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## **COMMITTEE AGENDA MEMORANDUM Joint WRC with Cities of Gilroy/Morgan Hill/SCRWA**

### **SUBJECT:**

Receive Update on South County Water Reuse Collaboration.

### **RECOMMENDATION:**

- A. Receive update and discuss information on Technical Working Group discussions related to South County Water Reuse Collaboration; and
- B. Provide feedback and recommendations as necessary.

### **SUMMARY:**

The Santa Clara Valley Water District (Valley Water) and the Cities of Gilroy and Morgan Hill have a long history of collaboration to ensure the utilization and expansion of water reuse in South County. Since 1999, South County water recycling has been anchored by several partnering agreements that have promoted the development and expansion of the South County Recycled Water System. Valley Water established the Joint Water Resources Committee (Committee) with elected officials representing the Cities of Gilroy and Morgan Hill to pursue collaborative relationships and agreements to support recycled and purified water expansion.

In August 2021, the Committee recommended the establishment of a Technical Working Group (TWG) of each agency's staffs to further evaluate the opportunities and constraints of:

- One Comprehensive Water Reuse Agreement,
- Consistent water reuse terms and conditions countywide,
- Provisions to advance water reuse and purified water production, distribution, and wholesaling, and
- Cost sharing accords to integrate water conservation, water reuse, and water supply.

The Committee's recommendation was subsequently approved at a joint meeting of the Valley Water Board of Directors and the City Councils of Gilroy and Morgan Hill. At the request of their Mayor, the Gilroy City Council adopted an amended resolution that included provisions to advance water reuse and purified water production, distribution and wholesaling in South County that is beyond the South County Regional Wastewater Authority, and which includes water purification.

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The opening meeting of the TWG took place on September 21, 2021, and included representatives from the City of Gilroy, the City of Morgan Hill, and Valley Water. The TWG has met monthly since September 2021. The TWG has previously presented the Committee with progress updates in January 2022 and March 2022.

For this update, the TWG will present our recent discussions on South County recycled water master planning; opportunities to enhance our legal agreements to improve water reuse in South County, and on-going collaborations with developers to expand and improve water reuse infrastructure in South County. Since our last communications with the Committee in March 2022, the TWG has prepared an initial redraft of the 2006 Producer-Wholesaler Agreement to update and improve the agreements terms and conditions, including:

- Reforming core terms and conditions to enhance and expand water reuse in South County,
- Updating Recitals to reflect current and future water reuse operations and services,
- Maintaining term (20 year) and renewal (year-by-year) conditions,
- Eliminating outdated and/or unused legal terms and conditions,
- Clean-up of definitions, numerical conditions, dates, contacts and reporting elements, and
- Additions and corrections to water recycling regulatory references.

The presentation will also highlight the TWGs recent efforts to redraft both of the 1999 Wholesaler-Retailer Agreements that govern non-potable water reuse South County.

The TWG will also present a collaborative process and time schedule to update and re- prioritize prospective improvement projects contained in the 2015 South County Water Reuse Master Plan. These updates will provide the technical foundation for follow-up feasibility and financial analyses necessary to obtain federal and state grants for future capital program improvements. Lastly, the TWG will discuss with the Committee potential system improvements supported by development interests and discussion of Valley Water's South County Pipeline Project.

**ATTACHMENTS:**

Attachment 1: PowerPoint

**UNCLASSIFIED MANAGER:**

Kirsten Struve, 408-630-3138





# South Santa Clara County Water Reuse Collaboration

Joint Water Resources Committee Meeting  
July 6, 2022

# TWG DISCUSSIONS APRIL – MAY 2022

2

## ☐ Legal Agreement Revisions

- 2006 Producer – Wholesaler Re-Draft
- 1999 Wholesaler – Retailer Update

# Draft Producer – Wholesaler Agreement Discussion

3

- Update Core Terms and Conditions
- Recitals Reflect Current and Future WR Objectives
- Maintains 20-year Term and Renewal Conditions,
- Eliminates Outdated Terms and Conditions,
- Cleaned-up Definitions Conditions, Dates, Contacts and Reporting Elements, and
- Corrections to Regulatory References
- Include Water Resources Committee advisory role

# 2022 Recycled Water Master Plan Update

4

- Envisioned by Producer – Wholesaler Agreement
- Update will account for recent pipeline construction, system capacity upgrades, and water usage.
- Update the infrastructure, planning principles, prioritize improvements, and update the costs estimates.
- Consolidate previous water reuse planning to promote water recycling for Morgan Hill.
- To seek future federal Title XVI grant dollars for South County RW expansion.

# TWG DISCUSSIONS APRIL – MAY 2022

5

- ❑ **South County Updates**
  - **Developer Opportunities**
  - **South County Pipeline Project**



# QUESTIONS



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# Santa Clara Valley Water District

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**File No.:** 22-0621

**Agenda Date:** 7/6/2022

**Item No.:** 4.2.

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## **COMMITTEE AGENDA MEMORANDUM** **Joint WRC with Cities of Gilroy/Morgan Hill/SCRWA**

### **SUBJECT:**

Drought Emergency Response and Water Supply Update

### **RECOMMENDATION:**

Receive Drought Emergency Response and Water Supply Update.

### **SUMMARY:**

#### **Drought Conditions**

On June 9, 2021, the Valley Water Board of Directors through Resolution 21-68 declared a water shortage emergency condition pursuant to California Water Code §350, called for water use reduction of 15% compared to 2019, and urged the County of Santa Clara (County) to proclaim a local emergency. Valley Water Resolution 22-20 amended Valley Water Resolution 21-68 on April 12, 2022 to call for no more than 2 days of irrigation in a week for ornamental lawns and prohibit excessive runoff, midday irrigation, and irrigation after rainfall. On May 24, 2022, the Board approved Ordinance 22-02 to enforce these restrictions.

In 2022, the County and California entered the third year of drought, and experienced the driest January, February and March on record. In 2021 and 2022, Valley Water's Federal and State imported water allocations were drastically reduced to historic lows. On March 28, 2022, Governor Gavin Newsom issued Executive Order N-7-22 to call on local water suppliers to move to Stage 2 of their water shortage contingency plans, at a minimum. The U.S. Drought Monitor Report from June 9, 2022 indicates that the County is in severe drought. The northern Sierra Nevada snowpack, a primary source of imported water, is 16% of normal as of June 13, 2022. Staff will provide additional updates regarding latest drought conditions.

Groundwater levels in May have continued the seasonal decline, which typically occurs in spring and summer due to higher temperatures, increased water demand, and associated increased pumping. Greater than average declines in groundwater levels are expected this year because of the drought. Water levels in the North and South County index wells have generally declined since 2018 due to dry conditions, with a similar pattern as the 2012-2016 drought. Achieving the Board's water use reduction target is essential to minimize the risk of resumed subsidence in North County and wells

going dry, particularly in South County. That risk increases as the drought persists.

Consequently, conservation is an important strategy to help reach the 15% call for water use reduction and mitigate negative impacts.

### **Water Conservation Outreach**

In May 2022, media interest focused on the Board of Directors' unanimous approval of the watering restrictions enforcement ordinance. The May 24 board meeting garnered national and regional television, online, print and radio coverage. The "Say Yes" water conservation campaign was launched, encouraging residents to reduce outdoor watering for non-functional landscapes and engage in simple actions to save water. In addition to running in newspapers, the campaign is on social, digital, streaming and radio platforms.

### **Countywide Water Use Reduction**

Valley Water received a significant increase in applications for our landscape rebates, requests for water-saving devices, and reports of water waste since 2021. Water use in the county is trending in the right direction with water use in April less than in March. Slightly more water, 2%, was used in April 2022 compared to April 2019.

Santa Clara County's cumulative water savings from June 2021 - April 2022 is 3%, compared to 2019. The State uses a baseline year of 2020 for the conservation call. Compared to the baseline of 2020, the cumulative water savings from July 2021 - April 2022 is 8%, while the State's savings during this period is 2%. While the county is performing better than the State in water savings, much more progress needs to be made to achieve Valley Water's water savings call to ensure reliable supplies through this drought.

### **Water Waste Enforcement**

At the May 24th Board meeting, Valley Water passed Resolution 22-02 to establish mandatory outdoor conservation measures for properties served potable water directly or indirectly from Valley Water sources. These mandatory measures include limiting irrigation of non-functional turf to a maximum two days per week, and not irrigating any outdoor landscape during and within 48 hours of measurable rainfall, between 9 AM and 6 PM, or in a manner that causes runoff. The Water Waste Program will continue its educational mission while enforcing the mandatory outdoor measures. Valley Water staff has coordinated with Gilroy and Morgan Hill on outreach and water waste enforcement to ensure our approaches are complementary.

### **ATTACHMENTS:**

Attachment 1: PowerPoint



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**File No.:** 22-0621

**Agenda Date:** 7/6/2022  
**Item No.:** 4.2.

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**UNCLASSIFIED MANAGER:**  
Kirsten Struve, 408-630-3138

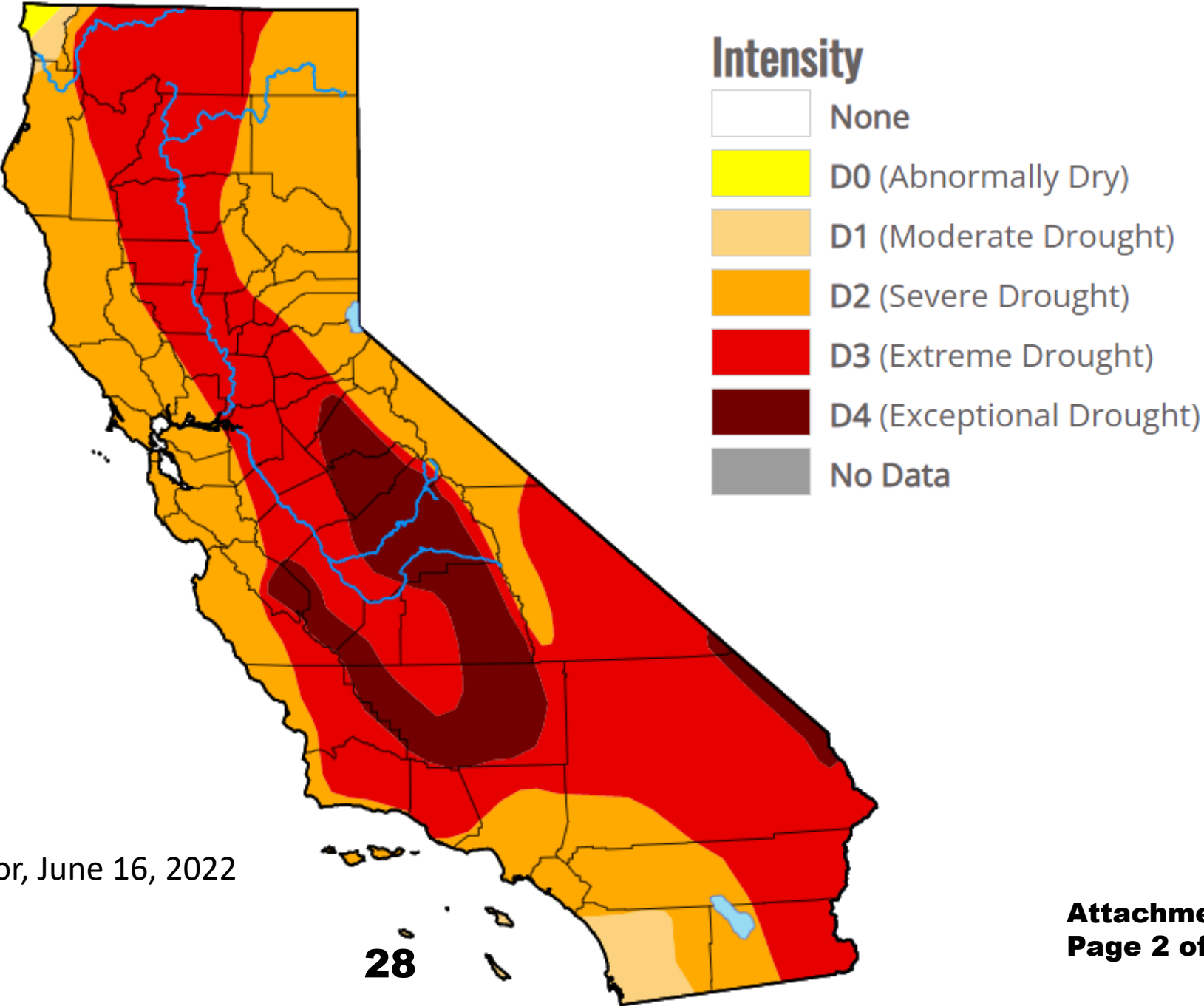




# Drought Emergency Response and Water Supply Update

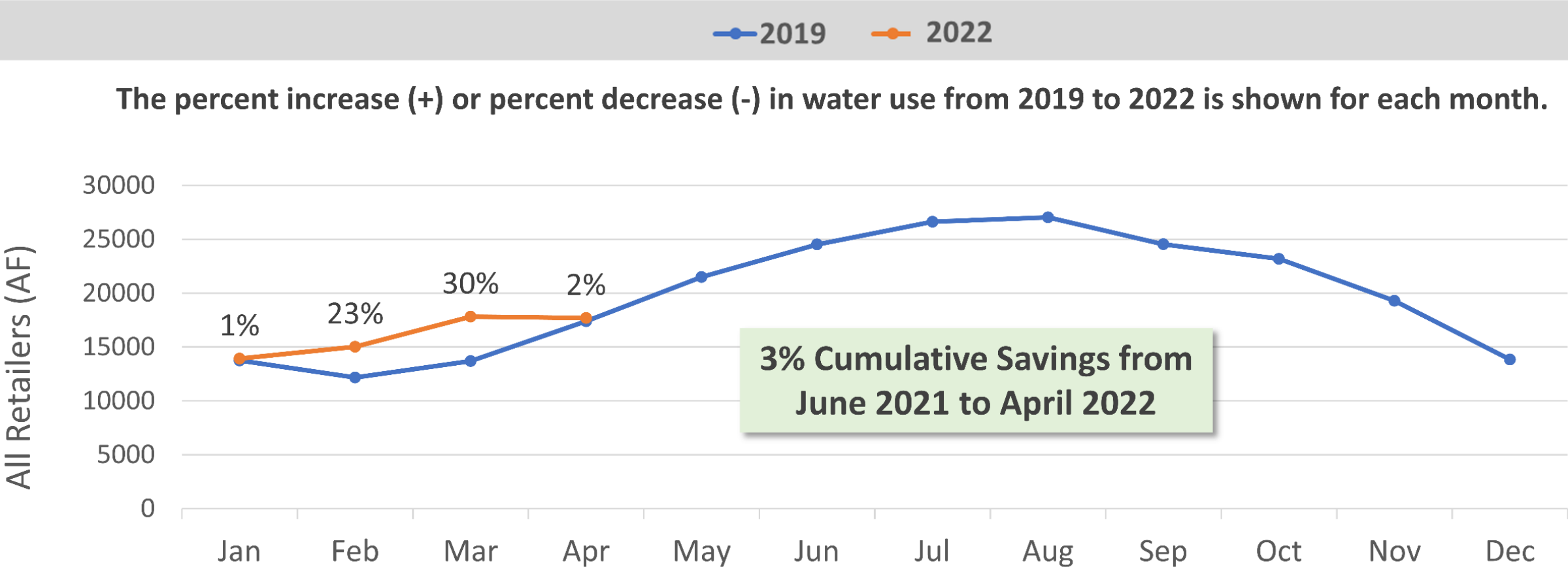
Joint Water Resources Committee with Cities of Morgan Hill and Gilroy  
July 6, 2022

# Severe Drought



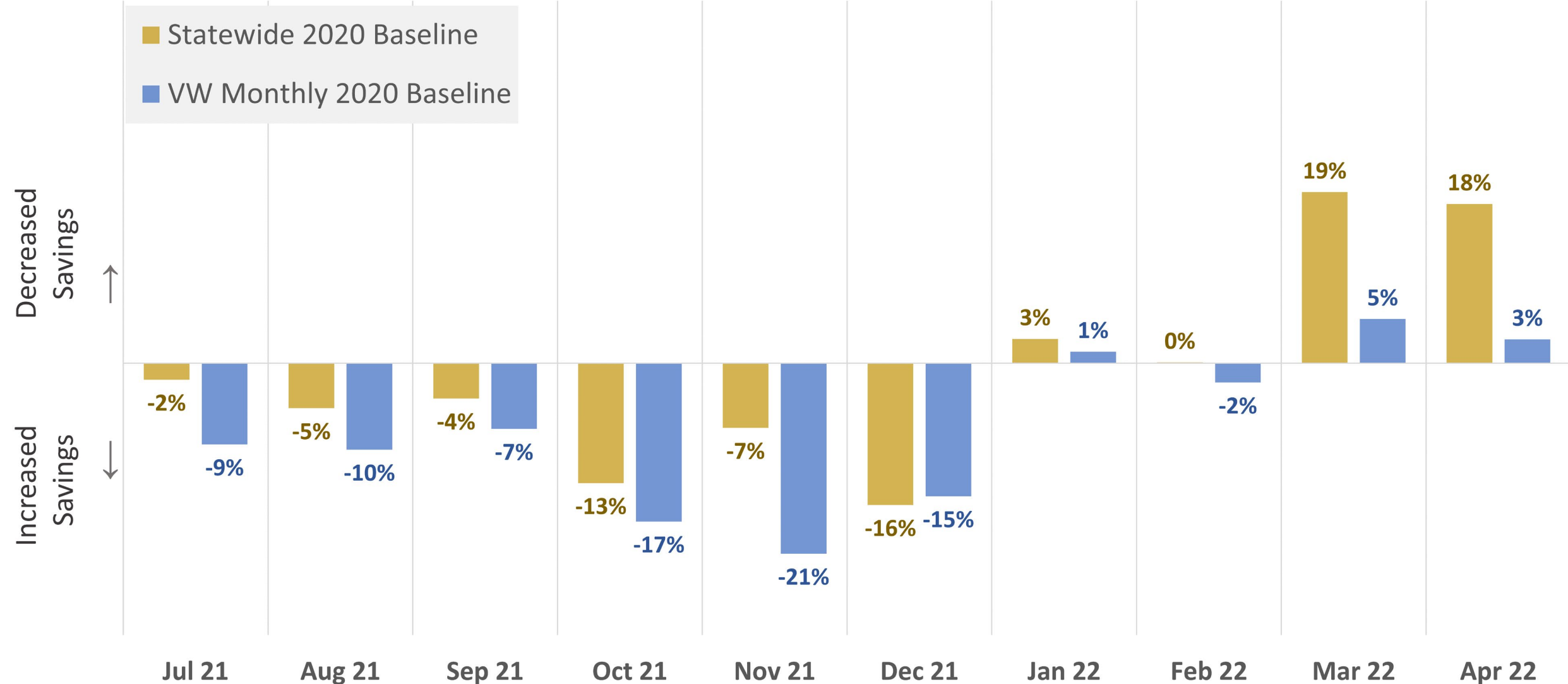
Data source: U.S. Drought Monitor, June 16, 2022

# Countywide Water Savings



Water use headed in the right direction

# County compared to State Savings





# Historically Low 2022 Imported Water Allocations

- **State Water Project** - 5% and minimum Human Health and Safety needs
- **Central Valley Project** - Public Health and Safety only, 0% for Ag
- **Semitropic water bank withdrawal**
- **Emergency transfers**

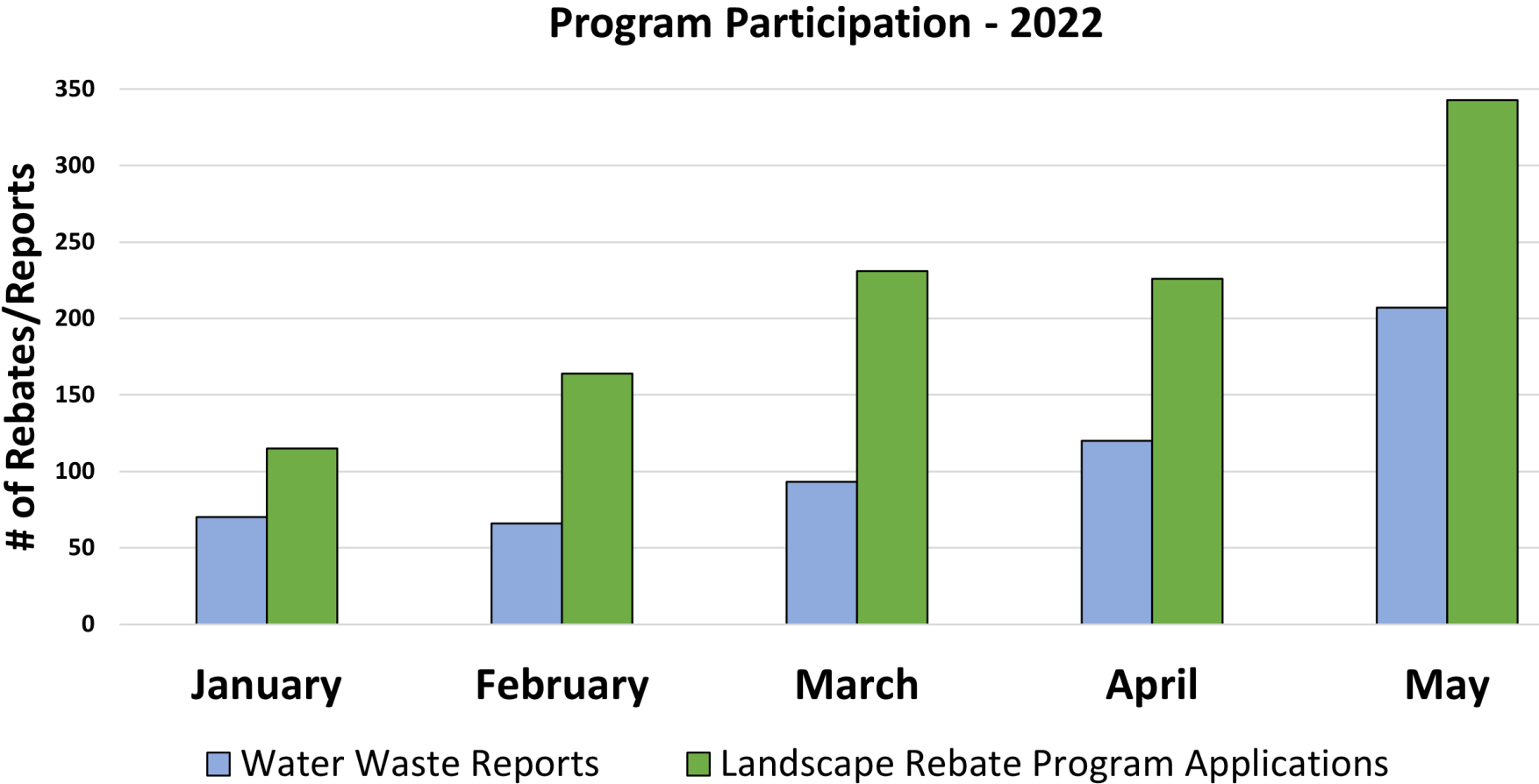
# Groundwater

- Recharge remains below average, but would be much lower without Public Health and Safety supplies
- Water levels have declined but remain above 2014 levels due to emergency imported water supplies



# Water Conservation

- High participation
- E-cart
  - 4,872 orders
- Water waste enforcement
- Commercial program enhancements



# Water Use Reduction Enforcement Updates

- Ordinance passed on May 24, 2022.
- Ordinance published in newspaper.
- Enforcement began on June 1.
- Reports are coming in via phone, email, and app.

Our county continues to face a severe drought!

This is a reminder from Valley Water about the need to use water wisely.

A water waste inspector stopped by today for the following reason(s):

☐ Broken plumbing, sprinkler, or irrigation system

☐ Use of water that results in flooding or runoff onto the sidewalk, gutter, or street

☐ Use of water for washing down paved or hard surfaces

☐ Running irrigation sprinklers for more than 15 minutes per day per station

☐ Watering within restricted hours of

☐ Limit on water days per week

☐ Other:

Case number:  
AVW

Inspector:

Your water retailer:

Recommended action:

Failure to comply with water waste restrictions may result in future enforcement action, including fines.

If you have any additional questions regarding this notice or water waste restrictions in your area, please contact us at 408-630-2000 or [waterwise@valleywater.org](mailto:waterwise@valleywater.org).


As the inspector that visited you may not be in the office, please reference your address or case number above.

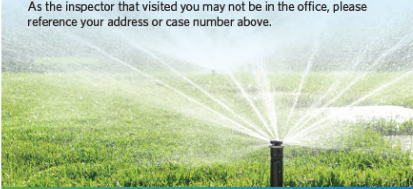
Thank you for using this reminder to use water wisely.

☒

LET'S SAY YES TO SAVING WATER

WaterSavings.org






SCAN ME!



[valleywater.org/find-my-retailer](http://valleywater.org/find-my-retailer)  
To learn more information about your water retailer and water use restrictions, scan this QR code or visit [valleywater.org/find-my-retailer](http://valleywater.org/find-my-retailer).



[watersavings.org](http://watersavings.org)  
To learn more about the water conservation programs and resources below, scan this QR code, visit [watersavings.org](http://watersavings.org), or call the Water Conservation Hotline at 408-630-2554.

Valley Water offers the following water conservation programs to help all residents and businesses of Santa Clara County conserve water.

**WATER WISE SURVEY PROGRAM**  
Outdoor irrigation survey offered to properties with less than a half-acre of landscaping—a trained irrigation professional will complete a comprehensive evaluation of your irrigation system for free.  
San Jose Water Company customers should call 408-279-7900 or visit [sjwater.com/catch](http://sjwater.com/catch) for an outdoor water checkup.

**LANDSCAPE REBATE PROGRAM**  
Offers rebates to convert lawns and pools to low water use landscapes, upgrading existing irrigation equipment to high-efficiency irrigation equipment, and to install rainwater capture systems like rain barrels and more!


**GRAYWATER REBATE PROGRAM**  
Offers rebates for properly connecting a clothes washer to a graywater irrigation system, as well as online resources for learning about other types of graywater systems.

**FREE WATER-SAVING EQUIPMENT & MATERIALS**  
Low-flow showerheads, high-efficiency faucet aerators, toilet flappers and other devices are available for free through the online shopping cart.

**LARGE LANDSCAPE PROGRAM**  
Eligible properties greater than a half-acre can schedule a free landscape field survey to receive irrigation efficiency recommendations.

**COMMERCIAL & FACILITY REBATES**  
Includes water-efficient technology rebates for upgrading equipment in facilities and submeter rebates for residential properties including Accessory Dwelling Units (ADUs) and more!

**EVENTS**  
Local water conservation events can be found at both [watersavings.org](http://watersavings.org) and [southbaygreengardens.org](http://southbaygreengardens.org).



Valley Water

Clean Water • Healthy Environment • Flood Protection

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# ***“LET’S SAY YES TO SAVING WATER.”***



Valley Water

## **Santa Clara County is in a severe drought.**

Reducing water use in your home by 20 gallons a day can save about 15%.  
Find more tips at ***WaterSavings.org***





# QUESTIONS



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# Santa Clara Valley Water District

**File No.:** 22-0623

**Agenda Date:** 7/6/2022

**Item No.:** 4.3.

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## COMMITTEE AGENDA MEMORANDUM

### Joint WRC with Cities of Gilroy/Morgan Hill/SCRWA

**SUBJECT:**

Review 2022 Joint Water Resources Committee Work Plan.

**RECOMMENDATION:**

- A. Review the 2022 Joint Water Resources Committee Work Plan, and make adjustments as necessary; and
- B. Select a date for the next Joint Water Resources Committee meeting.

**SUMMARY:**

Work Plans are created and implemented by all Board Committees to increase Committee efficiency, provide advanced public notice of intended Committee discussions, and enable staff to prepare for meetings and respond to Committee direction. Work Plans are dynamic documents managed by Committee Chairs and are subject to change. Committee Work Plans also serve to assist in the preparation of Annual Committee Accomplishments Reports.

The 2022 Joint Water Resources Committee (JWRC) Work Plan contains topics for discussion 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 2022 JWRC Work Plan contained in Attachment 1 is presented for the Committee's review and to determine additional topics for future meeting discussions.

2022 Remaining Meeting Schedule:

Regular quarterly meetings shall convene at 9:00 a.m., or following adjournment of South County Regional Wastewater Authority (SCRWA) on the first Wednesday for the last two quarters in July and October, or at the call of the Committee Chair.

The remaining 2022 JWRC meeting dates are:

- Wednesday, October 5, 2022

Establishing a meeting schedule is necessary to provide staff a basis for meeting planning, preparation of agenda items and coordination of logistics.

**ATTACHMENTS:**

Attachment 1: 2022 JWRC Work Plan

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

## 2022 Joint Water Resources Committee Workplan

CATEGORY	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC
Water Supply Master Plan and South County Opportunities				X						X		
South County Water Reuse Collaboration and Implementation	X			X			X			X		
Santa Clara County Drought Conditions				X			X			X		
<b>STANDING ITEMS</b>												
Elect Committee Chair (Annually)				X								
Approval of Meeting Minutes	X			X			X			X		
Review Committee Work Plan	X			X			X			X		

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**From:** D. Muirhead <doug.muirhead@stanfordalumni.org>  
**Sent:** Tuesday, July 5, 2022 8:28 AM  
**To:** Eva Marie Sans <ESans@valleywater.org>  
**Subject:** comment: 07/06/22 JWRC Item 4.1 (SCVWD with Cities of Gilroy and Morgan Hill) Meeting

Hello Joint Water Resources Committee,  
Comments for your July 6 meeting  
4.1 Receive Update on South County Water Reuse Collaboration

[Past]

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Chairperson Varela announced that he would have discussions with staff about future presentations and format. [Based on this quarter's packet, nothing has changed. Why is staff not taking direction from the Committee?]

Director Santos requested that staff keep the Committee up-to-date, and that staff mail relevant information to Committee prior to these meetings. [Has this happened? If so, how is the public to also receive these updates?]

SCVWD Directors reported on discussions at a Santa Clara County Farm Bureau monthly meeting and invited the Committee to participate in those discussions. [How and when is that supposed to happen?]

The minutes from April include TWG topics

- issues beyond our control
- pressure and flow
- service limitations on delivery
- water quality
- legal rights and commitments
- review of decision to update the current legal agreements
- water reuse pertains to non-potable water reuse that are for industrial and agricultural uses

[Current]

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Once again staff disappoints with lack of advance written information on details of the TWG. If one cannot attend this Committee meeting in real time, one must wait three months for the excellent summary in the minutes. For those of us in the 4R Club (read, research, reflect, respond), this is inadequate and not inclusive of other learning styles.

For the morbidly curious, the first half of the "staff report" (22 lines) is just a repeat of Committee history, followed by 19 lines hinting at what will be new for this meeting.

TWG has prepared an initial redraft of the 2006 Producer-Wholesaler Agreement  
[Why is that not included in the packet or otherwise made available to the Committee and the public?]

The presentation for Draft Producer Wholesaler Agreement Discussion has this line  
Include Water Resources Committee advisory role  
[Does the Committee really see itself as having an advisory role so far?]

The TWG will also present a collaborative process and time schedule to update and re-prioritize prospective improvement projects contained in the 2015 South County Water Reuse Master Plan. Also a discussion of Valley Water's South County Pipeline Project. [What exactly is the South County Pipeline Project? Is this not just the expansion in Gilroy identified in the 2015 South County Water Reuse Master Plan?]

The presentation for 2022 Recycled Water Master Plan Update has this line  
Consolidate previous water reuse planning to promote water recycling for Morgan Hill  
[Identify which documents addressed previous water reuse planning. What does "promote water recycling" actually include?]

Although Mr. Tucker defined "water reuse" as non-potable use for industrial and agricultural uses, I believe that the Committee should also be following the progress of the State Division of Drinking Water Draft DPR Criteria.

A 5th meeting of the expert panel will be scheduled to discuss the Panel's draft memo and the proposed changes to the draft. On March 14, 2022 the Expert Panel released their Preliminary Findings, Recommendations, and Comments. DDW responded

"The Panel's preliminary finding language was not clear as to whether the Panel was indeed finding the proposed criteria (the version reviewed by the Panel) to be protective of public health. Additionally, statements made in the memo and the extent of the Panel comments and Recommendations indicate that it is not fully satisfied and is not ready to conclude its discussion of the proposed criteria with DDW."

Thank you for your time, Doug Muirhead, Morgan Hill