

July 11, 2022

## **SPECIAL MEETING NOTICE**

### **WATER STORAGE EXPLORATORY COMMITTEE**

#### **Board Members of the Water Storage Exploratory Committee**

Director Gary Kremen, Committee Chair

Director Richard P. Santos

Director John L. Varela

#### **Staff Support of the Water Storage Exploratory Committee**

Rick L. Callender, Esq., Chief Executive Officer

Melanie Richardson, Assistant Chief Executive Officer

Aaron Baker, Chief Operating Officer, Water Utility

Rachael Gibson, Chief of External Affairs

J. Carlos Orellana, District Counsel

Brian Hopper, Senior Assistant District Counsel

Vincent Gin, Deputy Operating Officer, Water Supply Division

Christopher Hakes, Deputy Operating Officer, Dam Safety & Capital Delivery Division

Emmanuel Aryee, Acting Deputy Operating Officer, Water Utility Capital Division

Marta Lugo, Assistant Officer, Office of Government Relations

Gregory Williams, Deputy Operating Officer, Raw Water Division

Ryan McCarter, Acting Assistant Officer, Dam Safety & Capital Delivery Division

Kirsten Struve, Assistant Officer, Water Supply Division

Cindy Kao, Imported Water Manager, Imported Water Unit

Victor Gutierrez, Acting Pacheco Project Manager, Pacheco Project Delivery Unit

Metra Richert, Unit Manager, Water Supply Planning & Conservation Unit

Charlene Sun, Treasury and Debt Manager

Andrew Garcia, Senior Water Resources Specialist, Imported Water Unit

Samantha Greene, Senior Water Resources Specialist, Water Supply Planning & Conservation Unit

A special meeting of the Santa Clara Valley Water District (SCVWD) Water Storage Exploratory Committee is to be held on **Wednesday, July 13, 2022, at 1:00 p.m. at Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose CA 95118. The Public and non-presenting staff may Join Zoom Meeting** <https://valleywater.zoom.us/j/98246045660>.

The meeting agenda and corresponding materials can be found on our website for your convenience. <https://www.valleywater.org/how-we-operate/committees/board-committees>

# **WATER STORAGE EXPLORATORY COMMITTEE MEETING**

Public Join Zoom Meeting

<https://valleywater.zoom.us/j/98246045660>

Meeting ID: 982 4604 5660

One tap mobile

+16699009128,,98246045660# US (San Jose)

Dial by your location

+1 669 900 9128 US (San Jose)

Meeting ID: 982 4604 5660



## **Santa Clara Valley Water District Water Storage Exploratory Committee Meeting**

**HQ Boardroom  
5700 Almaden Expressway  
San Jose CA 95118**

Alternate Address: 2235 Old Page Mill Road, Palo Alto, CA 94304

### **SPECIAL MEETING AGENDA**

**Wednesday, July 13, 2022  
1:00 PM**

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

#### **WATER STORAGE EXPLORATORY COMMITTEE**

Gary Kremen, Committee Chair,  
District 7  
Richard P. Santos, District 3  
John L. Varela, District 1

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

Mr. Vincent Gin  
Mr. Christopher Hakes  
(Staff Liaisons)

Glenna Brambill (Committee  
Liaison)  
Management Analyst II  
(408) 630-2408,  
gbrambill@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**  
**Water Storage Exploratory Committee**  
**SPECIAL MEETING**  
**AGENDA**

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Wednesday, July 13, 2022

1:00 PM

HQ Boardroom

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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.

**Link to join Webinar**  
**<https://valleywater.zoom.us/j/98246045660>**

**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 two 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 Minutes.

[22-0875](#)

Recommendation: Approve the June 17, 2022, Meeting Minutes.

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

Attachments: [Attachment 1: WSEC-Minutes-06172022](#)

Est. Staff Time: 5 Minutes

**4. REGULAR AGENDA:**

- 4.1. Valley Water Participation Recommendation for the Los Vaqueros Reservoir Expansion Project. [22-0876](#)
- Recommendation: Recommend to Valley Water's Board a LVE participation level for beginning negotiation level of Transfer Bethany Pipeline and 30 Thousand Acre Feet of Storage.
- Manager: Vincent Gin, 408-630-2633
- Attachments: [Attachment 1: LVE partners and storage requests](#)  
[Attachment 2: LV Participation Scenario costs](#)
- Est. Staff Time: 20 Minutes
- 4.2. Standing Items. [22-0877](#)
- Recommendation: A. This agenda item allows the Committee to receive verbal or written updates and discuss the below projects. These items are generally informational; however, the Committee may request additional information from staff:
- B. This is informational only and no action is required.
- Manager: Candice Kwok-Smith, 408-630-3193
- 4.3. Review Water Storage Exploratory Committee Work Plan and the Committee's Next Meeting Agenda. [22-0878](#)
- Recommendation: Review the Committee's Work Plan to guide the Committee's discussions regarding policy alternatives and implications for Board deliberation.
- Manager: Candice Kwok-Smith, 408-630-3193
- Attachments: [Attachment 1: WSEC 2022 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. **CLOSED SESSION:**

- 6.1. **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL**  
Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8  
Setting Negotiation Parameters for Price and Terms of Payment for Purchase, Sale, or Exchange of Property Interest in APNs: 865-10-004, 865-10-010, 865-10-019, 865-11-007, 865-11-008, 865-11-019, 865-11-020, 865-11-021, 865-11-024, 865-11-029, 865-15-005, 865-15-006, 865-11-023, 865-11-022, 865-11-031, 865-11-030, 865-11-026, 865-11-027, 865-10-019, 865-11-025, 865-11-028, and 865-16-002. Agency Negotiators: Rick Callender, Melanie Richardson, Aaron Baker, Chris Hakes, and Kathy Bradley, Bill Magleby  
Negotiating Parties: Pacheco Land & Cattle Co., LLC
- 6.2. **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL**  
Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8  
Setting Negotiation Parameters for Price and Terms of Payment for Purchase, Sale, or Exchange of Property Interest in APNs: 078-010-001, 078-010-004 (Merced County), 865-10-023, 865-10-022, 898-10-024, 898-10-020, 898-11-003, 898-11-004, 898-11-008, 898-11-016, 898-11-020, 898-11-021, 898-11-022, 898-11-023, 898-11-025, 898-11-030, 898-11-032, 898-13-001, 898-13-002, 898-13-003, 898-13-004 (Santa Clara County)  
Agency Negotiators: Rick Callender, Melanie Richardson, Aaron Baker, Chris Hakes, R. McCarter, and Bill Magleby  
Negotiating Parties: Edmund Jin, Eval Lu
- 6.3. **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION** Pursuant to Government Code Section 54956.9(d)(1) Santa Clara Valley Water District v. Edmund Jin, et al. (Santa Clara County Superior Court, Nos. 22CV397577 and 19CV352227)
- 6.4. **CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL PENDING LITIGATION** Pursuant to Government Code Section 54956.9(d)(1) Stop The Pacheco Dam Project Coalition v. Santa Clara Valley Water District (Santa Clara County Superior Court, No. 22CV399384)
- 6.5. District Counsel Report on Closed Session.

**7. ADJOURN:**

- 7.1. Adjourn







SANTA CLARA VALLEY WATER DISTRICT (VALLEY WATER)  
WATER STORAGE EXPLORATORY COMMITTEE

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# DRAFT MINUTES

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**FRIDAY, JUNE 17, 2022**

(Paragraph numbers coincide with agenda item numbers)

A special meeting of the Water Storage Exploratory Committee (Committee) was held on June 17, 2022, at Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose CA 95118.

**1. CALL TO ORDER**

The Water Storage Exploratory Committee was called to order by Committee Chair Director Gary Kremen at 2:03 p.m.

**1.1 ROLL CALL**

Valley Water Board Members in attendance were: Committee Chair, Director Gary Kremen (District 7), Director Richard P. Santos (District 3), and Director John L. Varela (District 1).

Valley Water Staff in attendance were: Emmanuel Aryee, Aaron Baker, Glenna Brambill, Bart Broome, Rick L. Callender, Andrew Garcia, Vincent Gin, Samantha Greene, Andy Gschwind, Christopher Hakes, Brian Hopper, Cindy Kao, Candice Kwok-Smith, Katherine Maher, Michael Martin, Ryan McCarter, Carmen Narayanan, Carlos Orellana, Melanie Richardson, Metra Richert, Steve Peters, Jaime Silva, Kirsten Struve, Darin Taylor, Warren Whitlock, and Jing Wu.

Guests in attendance were: Jerry Brown (Sites), Melanie Carrido (MWH Constructors), Molly Culton (Sierra Club of California), Raphael Garcia (TRC), Katja Irvin (Sierra Club-Loma Prieta Chapter), Charles Hammerstad (Fly Casters of San Jose), Hon. Steve Jordan (BAWSCA and Purissima Hills Water District), and Hon. John Weed (Alameda County Water District {ACWD}).

Public in attendance were: Alanna, Dan Bacher, Hon. Jim Beall, James Crowder, Aaron Hardiman, Arthur Keller, Ph.D., Manny JID/RD, Director Linda J. LeZotte (Valley Water District 4), Armando Lopez, Lionel Mares, Ken S., and Jan Warren.

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

There was no one present who wished to speak.

**3. APPROVAL OF MINUTES**

**3.1 APPROVAL OF MINUTES**

It was moved by Director Richard P. Santos, second by Director John L. Varela, and by roll call and unanimous vote carried to approve the minutes of the March 7, 2022, meeting of the Water Storage Exploratory Committee with one correction noted on Page 14 under Semitropic last bullet should read 123-TCP.

**4. ACTION ITEMS**

**4.1 SITES RESERVOIR PROJECT: LETTER TO REQUEST OPPORTUNITY TO INCREASE VALLEY WATER'S PARTICIPATION LEVEL**

Ms. Cindy Kao reviewed the materials as outlined in the agenda item.

The Water Storage Exploratory Committee discussed the following: need to hear solutions/recommendations to the problems regarding the project, drought concerns, Sisk Dam's June 17<sup>th</sup> event, project benefits/participation, passing of Proposition 1 was beneficial to these types of projects, and increasing water banking.

Public Comments:

Mr. Lionel Mares, project does not provide enough for species (wildlife, fish, etc.), and water quality is not up to standard.

Ms. Alanna, is against increasing water, already taxing ecosystems and does not benefit until 2042.

Ms. Jan Warren, need to save water for natural habitat, vote against project.

Ms. Molly Culton of Sierra Club of California, opposes increasing and it is a waste of rate payer funds.,

Mr. Ken S. of Southern CA, biggest concern is draw down, groundwater replenishing back into ground to solve, storage issues.

Hon. Steve Jordan of BAWSCA and Purissima Hills Water District, encourages participation on the project.

Mr. Dan Bacher, encourages Board to strongly oppose the project that causes ecological damage to fisheries in the Bay Delta Estuary.

Ms. Katja Irvin of Sierra Club-Loma Prieta Chapter, does CA need another water project-will supply an URL link on a Stanford University (Water in the West blog) write up.

Further public comments: Ms. Alanna, Mr. Lionel Mares, and Ms. Molly Culton, encourage stormwater capture, bioswells, store rain underground, not necessarily a good project because of Prop 1 funding, consider Agriculture in CA, water sustainability.

The Water Storage Exploratory Committee took the following action:

The Committee by roll call vote unanimously approved staff's recommendation that the Board consider authorizing the Chief Executive Officer to send a letter expressing Valley Water's potential interest in increasing our participation level in the planning phase of the Sites Reservoir Project if space in the project becomes available and is supported by future analysis.

#### **4.2 VALLEY WATER PARTICIPATION RECOMMENDATION FOR THE LOS VAQUEROS RESERVOIR EXPANSION PROJECT**

Mr. Michael Martin reviewed the materials as outlined in the agenda item.

The Water Storage Exploratory Committee discussed the following: public comments received, Transfer Bethany, pertinent information is needed so Committee can make a decision, what are pros/cons, like to see a linear graph (zero to optimum), desalination information, Valley Water's (VW) costs vs what rate payers are charged, agricultural benefits, and VW keeping costs down as much as possible.

The Water Storage Exploratory Committee took no action

#### **5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE ACTIONS**

Ms. Glenna Brambill noted there was one action item for Board consideration.

Agenda Item 4.1.

The Water Storage Exploratory Committee took the following action:

The Committee by roll call vote unanimously approved staff's recommendation that the Board consider authorizing the Chief Executive Officer to send a letter expressing Valley Water's potential interest in increasing our participation level in the planning phase of the Sites Reservoir Project if space in the project becomes available and is supported by future analysis.

#### **6. CLOSED SESSION**

##### **6.4 DISTRICT COUNSEL REPORT ON CLOSED SESSION**

Mr. Brian Hopper noted there was no reportable action for Agenda Items 6.1 through 6.3.

#### **7. ADJOURNMENT**

Committee Chair Director Gary Kremen adjourned the meeting at 4:13 p.m.

Glenna Brambill  
Board Committee Liaison  
Office of the Clerk of the Board

Approved:

Attachment 1  
Page 3 of 3





# Santa Clara Valley Water District

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**File No.:** 22-0875

**Agenda Date:** 7/13/2022

**Item No.:** 3.1.

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## COMMITTEE AGENDA MEMORANDUM

### Water Storage Exploratory Committee

**SUBJECT:**

Approval of Minutes.

**RECOMMENDATION:**

Approve the June 17, 2022, Meeting Minutes.

**SUMMARY:**

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

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

**ATTACHMENTS:**

Attachment 1: 06172022 WSEC Draft Mins

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193





# Santa Clara Valley Water District

File No.: 22-0876

Agenda Date: 7/13/2022

Item No.: 4.1.

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## COMMITTEE AGENDA MEMORANDUM

### Water Storage Exploratory Committee

#### **SUBJECT:**

Valley Water Participation Recommendation for the Los Vaqueros Reservoir Expansion Project.

#### **RECOMMENDATION:**

Recommend to Valley Water's Board a LVE participation level for beginning negotiation level of Transfer Bethany Pipeline and 30 Thousand Acre Feet of Storage.

#### **SUMMARY:**

The Los Vaqueros Reservoir Expansion Project (LVE Project) Joint Powers Authority (JPA) partner agencies will begin negotiating Service Agreements in summer 2022 to define each agency's share in storage and conveyance and establish cost allocations. This memo provides the initial staff participation recommendation. The final participation recommendation will depend on how the negotiated service agreements define project operations, benefits, and costs.

The Committee requested more information from staff at the meeting of June 17, 2022, including a full range of participation options and associated costs.

#### Background

The Contra Costa Water District (CCWD) is planning on expanding the Los Vaqueros Reservoir by 115 thousand acre-feet (TAF). Attachment 1 lists the local agencies that are members of the JPA and their preliminary request for storage. LVE Project development and construction is estimated to cost \$1.02 billion. Federal and state environmental review is complete and neither received legal challenges nor significant public opposition. Over the next few months, JPA Board committees and staff workgroups will develop and negotiate funding and service agreements, and ensure proper and timely progress on project design and construction. An amendment to the existing Multiparty Agreement will be brought to the Water Storage Exploratory Committee (WSEC) and Valley Water Board this fall to extend the cost sharing agreement into the next year. In 2023, the JPA Board will need to approve an Interim Funding Agreement, Facilities Usage Agreements, and Service Agreements to meet the requirements for final Water Storage Investment Program (WSIP) funding and to start construction on the pumping plants and Transfer-Bethany Pipeline (TBP).

#### Valley Water Participation

Staff has evaluated various options for participation, including conveyance only and conveyance and different levels storage. This evaluation included yield modeling and criteria such as cost and ability to meet Water Supply Master Plan goals and objectives. Valley Water's Water Supply Master Plan

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2040 (WSMP) recommended participation in the TBP portion to improve Valley Water's operational flexibility. Staff is recommending to also participate in the storage portion of the LVE Project to diversify our out-of-county storage portfolio and maximize the operational flexibility that TBP offers. LVE Project storage could provide a beneficial diversification of Valley Water's storage because the location and potential operations allow for reliable delivery during droughts.

Attachment 2 presents the range of costs for participation at various storage options ranging from no storage to 60 TAF of storage. For each level of storage, a low and high range of associated conveyance is included based on modeling to provide a total costs. Costs are provided for Valley Water's share of the overall capital cost and annual costs starting when the LVE Project is anticipated to be fully operational in 2030. The annual cost includes all expenses including principal payback, financing, operations and maintenance, usage fees for CCWD facilities, and energy. Staff is preparing associated rate impacts for different participation options. This should be available at the Committee meeting.

Staff recommends that Valley Water enter negotiations with a request for 30 TAF of storage in the reservoir and the right to convey stored water in dry years. This is based on yield, operational flexibility provided, cost, available storage, and water supply needs based on WSMP analysis.

The LVE Project presents an opportunity to diversity Valley Water's storage portfolio in a regional project with a high likelihood of project success and potentially high reliability in receiving stored water when requested. Modeling conducted by CCWD and Valley Water has shown that Valley Water would be able to receive its stored water in drought years. The project may also facilitate other potential regional projects, such as the Refinery Recycled Water Exchange or the Regional Desalination Projects. Regional projects would benefit from having the TBP for water conveyance and Los Vaqueros Reservoir storage for the wet year supplies.

### Off Ramps

Valley Water has two decisions over the next year regarding the LVE Project. An amendment to the Multiparty Agreement will be brought to the WSEC and Board in the fall to extend cost sharing of planning through the next calendar year, and the Service Agreement will be brought for consideration early next year. The Board can still decide against participation at either of these points and withdraw from the JPA without incurring future obligations. If Valley Water approves the Service Agreement, the JPA Agreement also allows a partner to withdraw in the following circumstances:

- if the Engineer's estimate is too high,
- if other partners withdraw,
- if state or federal funding is withdrawn or comes with unacceptable conditions,
- if unacceptable permit conditions are attached to the project, or
- if a Local Agency Partner (LAP) cannot obtain a long-term water supply.

Once bonds are issued for the construction of any specific component, withdrawing from the LVE Project must be approved by the JPA Board.

### Next Steps



Once staff and the Board's LVE JPA Board representatives have direction on a beginning negotiation position, that position will be brought to the JPA partners for the start of negotiations of the Service Agreements. CCWD is currently preparing a draft Amendment to the Multiparty Agreement to extend cost sharing through 2023. The draft Amendment is anticipated to be ready for review this summer. CCWD continues with negotiations on water rights and environmental permits with state and federal agencies necessary to complete the project. Agencies have been supportive of the LVE Project. Staff will continue to provide regular updates to the WSEC on the Service Agreement negotiations, Multiparty Agreement, and project progress.

Summer / Fall 2022 - Negotiation of JPA Service Agreements and Facility Usage Agreements

Fall 2022 - Amendment to Multiparty Agreement to extend cost-sharing through the next year.

Early 2023 - WSEC and Board consideration of Service Agreement

Spring 2023 - Final Funding Agreement with CWC

Summer 2023 - Interim Funding Agreement

- ☐ 2023 - Start of construction on the initial LVE Project elements
- ☐ 2023 - 2025: Construction of Transfer-Bethany Pipeline
- ☐ 2027 - 2029: Construction of dam raise, pumping facilities, and conveyance improvements
- ☐ 2030: LVE Project in full operation

**ATTACHMENTS:**

Attachment 1: LVE JPA partners and storage requests

Attachment 2: Los Vaqueros Estimated Costs

**UNCLASSIFIED MANAGER:**

Vincent Gin, 408-630-2633



## LVE STORAGE PARTNER REQUESTS (TAF) – JUNE 2022

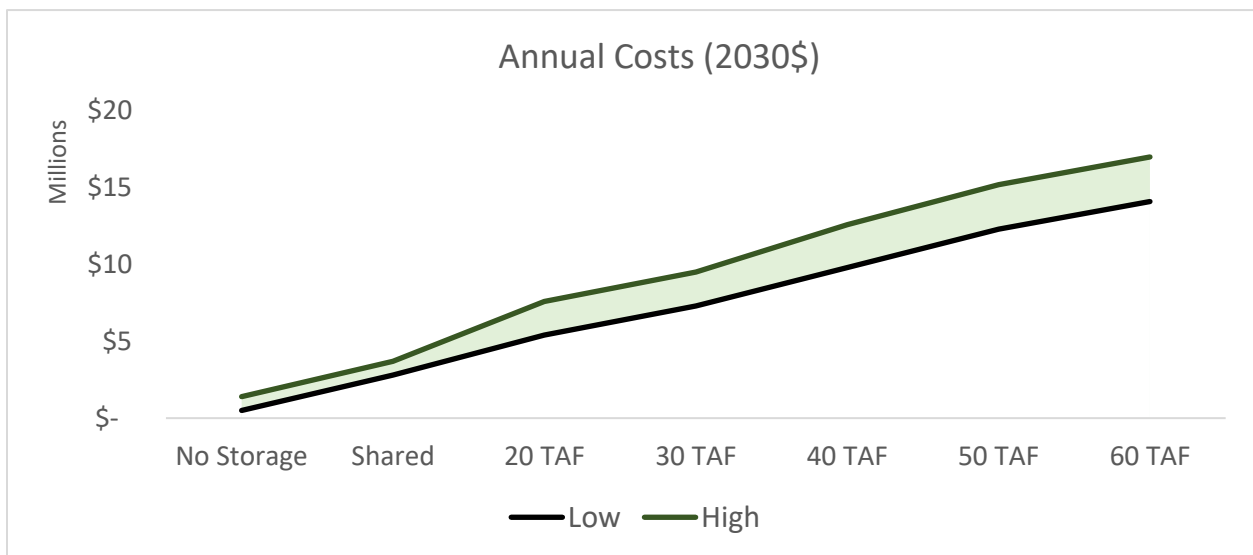
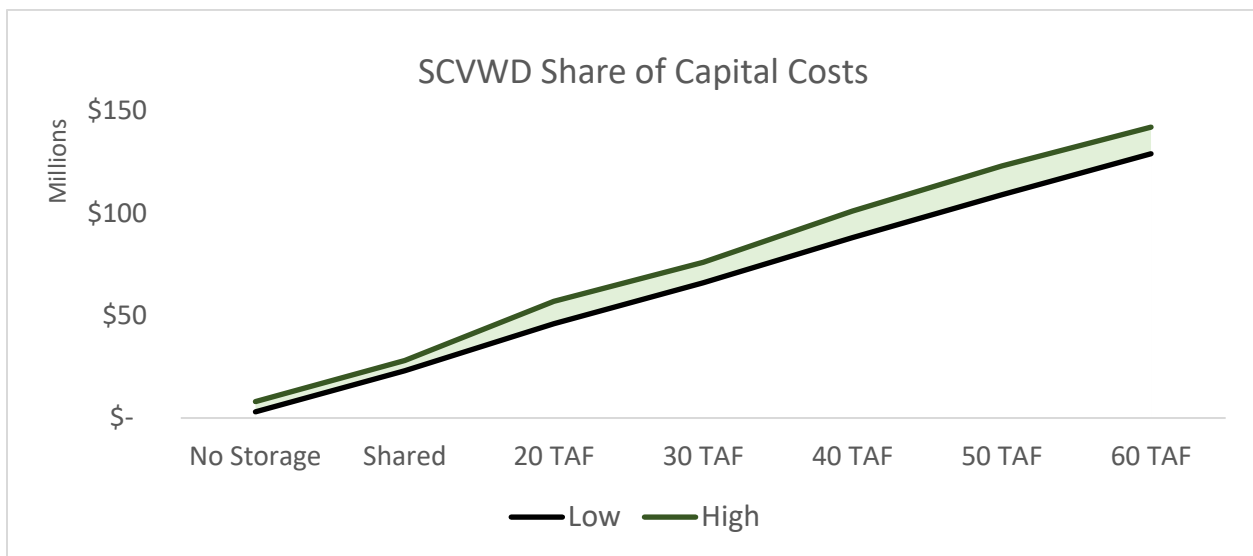
|               |            |
|---------------|------------|
| ACWD          | 10         |
| CCWD          | 0          |
| EDMUD         | 30         |
| GWD – REFUGES | 10         |
| SFPUC         | 40         |
| SLDMWA        | 10         |
| VALLEY WATER  | 30         |
| ZONE 7        | 10         |
| <b>TOTAL</b>  | <b>140</b> |

The LVE Project will provide 115 TAF of new storage

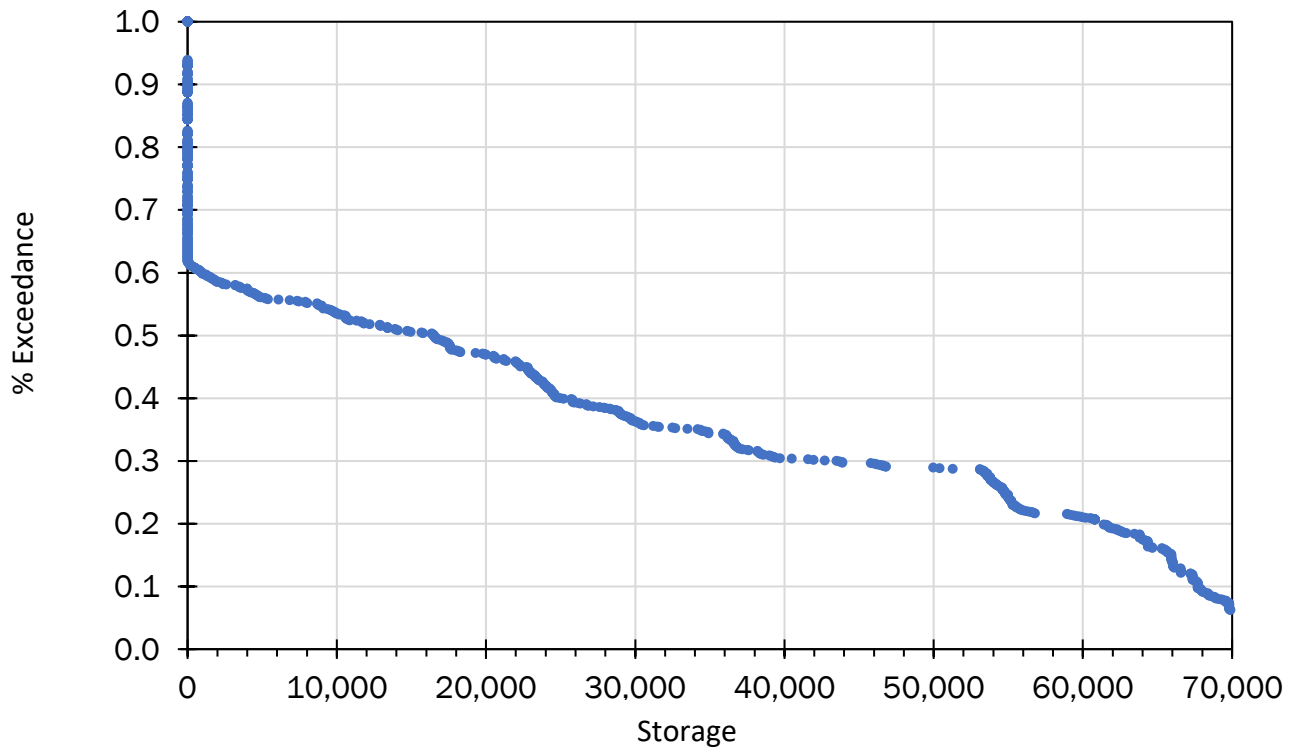


## LOS VAQUEROS ESTIMATED COSTS

| Scenario       | Capital Cost   |                | Annual Cost (2030\$) |               | Utilization |
|----------------|----------------|----------------|----------------------|---------------|-------------|
|                | Low            | High           | Low                  | High          |             |
| No Storage     | \$ 3,000,000   | \$ 8,000,000   | \$ 500,000           | \$ 1,400,000  | -           |
| Shared Storage | \$ 23,000,000  | \$ 28,000,000  | \$ 2,800,000         | \$ 3,700,000  | 53%         |
| 20 TAF         | \$ 46,000,000  | \$ 57,000,000  | \$ 5,400,000         | \$ 7,600,000  | 47%         |
| 30 TAF         | \$ 66,000,000  | \$ 76,000,000  | \$ 7,300,000         | \$ 9,500,000  | 36%         |
| 40 TAF         | \$ 88,000,000  | \$ 101,000,000 | \$ 9,800,000         | \$ 12,600,000 | 30%         |
| 50 TAF         | \$ 109,000,000 | \$ 123,000,000 | \$ 12,300,000        | \$ 15,200,000 | 29%         |
| 60 TAF         | \$ 129,000,000 | \$ 142,000,000 | \$ 14,100,000        | \$ 17,000,000 | 21%         |



## Storage Utilization





# Santa Clara Valley Water District

File No.: 22-0877

Agenda Date: 7/13/2022

Item No.: 4.2.

## COMMITTEE AGENDA MEMORANDUM

### Water Storage Exploratory Committee

#### SUBJECT:

Standing Items.

#### RECOMMENDATION:

- A. This agenda item allows the Committee to receive verbal or written updates and discuss the below projects. These items are generally informational; however, the Committee may request additional information from staff:
- B. This is informational only and no action is required.

#### SUMMARY:

Standing Items will allow regular reports from staff on subjects that may be of interest to the committee members.

*Staff may provide a verbal update at the 7-13--2022, meeting if there is reportable/updated information.*

- 1. Update on Los Vaqueros Reservoir Expansion Project (LVE) Transfer Bethany Pipeline (TBP) and Update on Management of South Bay Aqueduct (SBA) Facilities (**separate agenda item**)
- 2. Del Puerto (**Verbal Update**)
- 3. Water Banking Opportunities including but not limited to Pleasant Valley Water District (**Verbal Update**)
- 4. Pacheco/San Luis Reservoir Low Point (**No Update**)
- 5. Semitropic (**Verbal Update**)
- 6. Sites (**Verbal Update**)
- 7. B.F. Sisk Dam Raise Project (**Verbal Update**)
- 8. Shasta (**Verbal Update**)

#### ATTACHMENTS:

None.

#### UNCLASSIFIED MANAGER:

Candice Kwok-Smith, 408-630-3193







# Santa Clara Valley Water District

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**File No.:** 22-0878

**Agenda Date:** 7/13/2022

**Item No.:** 4.3.

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## **COMMITTEE AGENDA MEMORANDUM**

### **Water Storage Exploratory Committee**

#### **SUBJECT:**

Review Water Storage Exploratory Committee Work Plan and the Committee's Next Meeting Agenda.

#### **RECOMMENDATION:**

Review the Committee's Work Plan to guide the Committee's discussions regarding policy alternatives and implications for Board deliberation.

#### **SUMMARY:**

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

#### **BACKGROUND:**

##### **Governance Process Policy-8:**

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

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

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

#### **ATTACHMENTS:**

Attachment 1: 2022 WSEC Work Plan

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

## 2022 Work Plan: Water Storage Exploratory Committee

Update: July 2022

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting Valley Water occur and are recommended for committee discussion.

| ITEM | WORK PLAN ITEM  | MEETING                                     | INTENDED OUTCOME(S)   | ACCOMPLISHMENT DATE AND OUTCOME   |
|------|---|---|---|---|
| 1    | <p>Standing Items:</p> <ol style="list-style-type: none"> <li>Update on Los Vaqueros Reservoir Expansion Project (LVE) Transfer Bethany Pipeline (TBP) and Update on Management of South Bay Aqueduct (SBA) Facilities</li> <li>Del Puerto</li> <li>Water Banking Opportunities including but not limited to Pleasant Valley Water District</li> <li>Pacheco/ San Luis Reservoir Low Point</li> <li>Semitropic</li> <li>Sites</li> <li>B.F. Sisk Dam Raise Project</li> <li>Shasta</li> </ol> | <p>1-27-2022<br/>3-7-2022<br/>7-13-2022</p> | <ul style="list-style-type: none"> <li>Receive quarterly reports on standing items. <b>(Information)</b></li> </ul> | <p><b>Accomplished January 27, 2022:</b><br/>The Committee received verbal reports on the following projects:<br/><b>GROUNDWATER BANK UPDATE:</b> reported on by <u>Ms. Cindy Kao</u><br/>McMullin GSA Groundwater Bank:</p> <ul style="list-style-type: none"> <li>McMullin is continuing to develop a joint EIR/EIS and updating a Feasibility Study (expanding and revising it as part of the USBR approval process for CVP Banks) environmental review work and early design of the project facilities</li> <li>McMullin is working on developing a funding and participation agreement.</li> <li>VW staff is working to secure additional information about project costs, milestones, and timeline.</li> <li>DWR's comments on the McMullin GSP which, if not already released, will be released on January 28<sup>th</sup>. Imported Water Unit staff will be reviewing</li> </ul> <p>AVEK Groundwater Bank:</p> <ul style="list-style-type: none"> <li>We've worked with them to develop a draft Pilot Banking Agreement - to test the feasibility of the bank for us and understand any administrative challenges that may arise.</li> <li>The intent is to allow us to put down a small amount of water (flexibility for up to 15,000 AF)</li> </ul> <p>The intent is to effectively test the ability to return the water and secure the necessary agreements with DWR. And to test the ability of AVEK will store "banked" water in San Luis Reservoir on behalf of Valley Water for direct recovery</p> |

Yellow = Update Since Last Meeting

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|------|----------------|---------|---------------------|--|
|      |                |         |                     | <p><b><u>PACHECO RESERVOIR EXPANSION PROJECT</u></b><br/> <b><u>UPDATE:</u></b> reported on by<br/> <u>Mr. Ryan McCarter</u></p> <ul style="list-style-type: none"> <li>• Draft EIR is out for public comments until February 15, 2022, then staff will compile comments for final EIR</li> <li>• 2<sup>nd</sup> Phase field investigation gather additional data for the power transmission line and access at dam site, working with Division of Safety of Dams (DSOD) for work-plan get buy-in on the Phase 2 geotechnical investigation</li> <li>• Correspondence with the DSOD on the dam type, had question on the heart fill may be long road to get approved and permitted so considering switching to the earth fill site upstream site, looking at alternative analysis and will go over this information at the February 16, 2022, meeting</li> <li>• WIFIA application working on submitting April 2022</li> <li>• Potential partnership opportunities and discussions are ongoing, the consultant team is on board</li> <li>• Pacheco Pass Water District (PPWD) meeting held January 25, 2022, Board Members: Ryan Bergamini. Mark Tobias.; Shawn Bourdet, Garrett Haertel and Scott Rossi. <ul style="list-style-type: none"> <li>▪ PPWD planning on moving forward with the spillway repair</li> </ul> </li> </ul> <p><b><u>SITES:</u></b> reported on by Ms. Cindy Kao</p> <ul style="list-style-type: none"> <li>▪ In December, the California Water Commission voted in favor of the feasibility of the Sites project, which keeps the project eligible for \$800M in WSIP funding</li> </ul> |

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|------|----------------|---------|---------------------|--|
|      |                |         |                     | <ul style="list-style-type: none"> <li>The project is up for the next phase of funding and we are being asked to consider executing an amendment to the existing agreement that would cover funding for the next 3 years.</li> <li>Staff is analyzing the current status of the project - (benefits, costs, and financial information)</li> <li>Current Participants are being asked to seek approval to continue funding by the end of March</li> <li>We are hoping to bring our recommendation to the next meeting of this committee before going to the full board in March.</li> </ul> <p><b><u>B.F. SISK DAM RAISE PROJECT:</u></b> reported on by <u>Ms. Cindy Kao</u></p> <ul style="list-style-type: none"> <li>Valley Water Staff is coordinating with the San Luis &amp; Delta-Mendota Water Authority (SLDMWA) on developing the project description and cost sharing consideration. We have been told that a cost share agreement is expected to be developed this spring. The SLDMWA voted to hire a project manager to move the project forward more efficiently.</li> <li>Staff thanked and gave credit to Valley Water partner, Mr. Jeff Cattaneo, District Manager-District Engineer of San Benito County Water District for his idea and key driver for the hiring of the project manager.</li> </ul> <p><b><u>SEMITROPIC:</u></b> reported on by <u>Ms. Cindy Kao</u></p> <ul style="list-style-type: none"> <li>Through December, VW recovered approximately 35,959 acre-feet from Semitropic</li> <li>VW currently has roughly 297,208 AF in storage (~85% full)</li> <li>Imported Water Unit staff will be reviewing DWR's comments on the Semitropic and Kern Subbasin GSPs which, if not already released, will be released on January 28<sup>th</sup>.</li> </ul> <p>The Water Storage Exploratory Committee took no action</p> |

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|------|----------------|---------|---------------------|---|
|      |                |         |                     | <p><b>Accomplished March 7, 2022:</b><br/> The Committee received verbal reports on the following projects:<br/> <u><b>UPDATE ON LOS VAQUEROS RESERVOIR EXPANSION PROJECT (LVE) TRANSFER BETHANY PIPELINE (TBP) AND UPDATE ON MANAGEMENT OF SOUTH BAY AQUEDUCT (SBA) FACILITIES</b></u> reported on by Mr. Michael Martin</p> <ul style="list-style-type: none"> <li>JPA will be meeting on Wednesday, March 8, 2022, the agenda includes actions on a Diversity policy and Board Meeting Decorum Policy, and discussions on hiring an Executive Director, the FY23 budget, a Claims Policy, and CEQA Policy. provided a briefing to Chair Kremen and Director LeZotte as the representatives to the JPA Board.</li> <li>An overview of the FY23 budget will be discussed at this Wednesday's JPA meeting and be going through a staff workgroup, discussions, the financial committee, and to the JPA Board this spring.</li> <li>Once a FY23 budget is in place, that will lead to an interim funding agreement between the JPA members in the fall to keep the project funded through the end of 2023 or until the JPA fully takes over financial administration.</li> <li>During the February JPA Board meeting, The JPA decided to go with a more rapid approach in bringing on an Executive Director and recruitment will likely start in April/May with assistance from a Board ad-hoc committee.</li> <li>Staff is still planning on bringing a discussion for VW participation in the coming months. Negotiations are upcoming that will influence the staff recommendation on participation. project schedule indicates VW will need a participation decision at the end of CY 22 or early CY 23.</li> </ul> <p><u><b>DEL PUERTO CANYON RESERVOIR</b></u> reported on by Ms. Cindy Kao:</p> |

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|------|----------------|---------|---------------------|--|
|      |                |         |                     | <ul style="list-style-type: none"> <li>December 15, 2021, CA Water Commission approved the feasibility of the project which makes it eligible to apply for funds if Prop 1 is opened for more applications</li> <li>VW Staff just learned about a group of 10 Friant Users filed a lawsuit in November 2020 alleging that the Exchange Contractors do not have the right to store their water in the reservoir, the lawsuit reflects their concern that there could be some indirect impact if those Exchange Contractors store water instead of taking direct delivery of that water<br/>*please place the lawsuit information in the Board's Non-Agenda Packet</li> </ul> <p><b>GROUNDWATER BANK UPDATE</b> reported on by <u>Ms. Cindy Kao</u><br/>McMullin:</p> <ul style="list-style-type: none"> <li>Imported Water Unit Staff reviewed DWR's comments on the King's subbasin which includes the GSP's 1 of which is the McMullin area Groundwater Sustainability Agency's (GSA) GSP and DWR sent an incomplete determination letter to state the GSP is inadequate and must be fixed 180 days</li> <li>Local GSA's have until July 27, 2022, to revise and re-submit their plans</li> <li>VW is participating in the McMullin board meetings and tracking the proposed revisions to the GSPs</li> </ul> <p>Antelope Valley East Kern (AVEK) partnership:</p> <ul style="list-style-type: none"> <li>Draft pilot banking agreement was developed, and the term sheet was sent to AVEK to review, and they are evaluating and seeking board approval before it is approved</li> </ul> |

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|------|----------------|---------|---------------------|--|
|      |                |         |                     | <p><b><u>PACHECO RESERVOIR EXPANSION PROJECT</u></b><br/> <b><u>UPDATE:</u></b> reported on by Mr. Ryan McCarter</p> <ul style="list-style-type: none"> <li>The Public comment period for the draft EIR closed February 15, 2022, and comments from nearly 200 different sources were received. Many of the comments were from members of the public opposing the project. Also had several regulatory agencies and NGOs also submitted comments on many different topics, as usual. The team will be compiling all the comments and working to address them and incorporate them into the Final EIR.</li> <li>The team had a very productive meeting with DSOD with regards to the dam type we are proposing on February 16, 2022. We shared our intentions to submit 30% design plans for an earthfill dam at the upstream site next month. DSOD was pleased that Valley Water decided to discontinue pursuing the hardfill dam concept. It was agreed that it could be a long process to vet the concept with DSOD.</li> <li>The critical activities over the next few months will be processing the Draft EIR comments and working on the 30% level design that will include plans and a new construction cost estimate<br/> *public comment letters can be made available to the Board in the Non-Agenda Packet when available.</li> </ul> <p><b><u>SEMITROPIC:</u></b> reported on by Ms. Cindy Kao</p> <ul style="list-style-type: none"> <li>January 2022 VW recovered 3,736 acre feet water from semitropic, we're continuing to receive water from bank and VW has roughly 293,000 acre feet in storage and is about 84% full</li> </ul> |

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|------|----------------|---------|---------------------|--|
|      |                |         |                     | <ul style="list-style-type: none"> <li>DWR sent an incomplete determination letter to Kern Subbasin GSP to state the GSP is inadequate and must be fixed 180 days (issue=land subsidence, water quality, reduced storage levels)</li> <li>Local GSA's have until July 27, 2022, to revise and re-submit their plans</li> <li>VW is participating in the Semitropic, Kern Groundwater Authority, and Kern County Agency board meetings and tracking the development of the GSPs</li> <li>123 TCP is being worked on by VW staff and the committee will receive an update when completed</li> </ul> <p><b><u>B.F. SISK DAM RAISE PROJECT:</u></b> reported on by Ms. Cindy Kao</p> <ul style="list-style-type: none"> <li>February 23, 2022, the San Luis and Delta-Mendota Water Authority (SLDMWA/Authority) re-released RFP to solicit bids for full time Project Manager for the Sisk Dam Raise project, and proposals are due by March 29, 2022,</li> <li>The Authority is planning on soliciting participation of the project through an activity agreement executed among the interested members of SLDMWA with an option for participation by non SLDMWA members as well. The activity agreement was to be considered for approval at the March 10, 2022, SLDMWA board meeting.</li> <li>VW currently developing principles of agreement in advance of negotiations with Reclamation to nail down and clarify for all the potential participants of what the benefits and the costs and cost allocation approach to be agreed upon, also working with the Authority to identify what those principles are</li> </ul> |

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|------|--|------------------------------------|--|--|
|      |  |                                    |  | The Water Storage Exploratory Committee took no action.  |
| 2    | Update on Los Vaqueros Reservoir Expansion Project:                          | 1-27-2022<br>6-17-2022             | <ul style="list-style-type: none"> <li>• Receive Update on Los Vaqueros Reservoir Expansion Project</li> </ul> | <p><b>Accomplished January 27, 2022:</b><br/>The Committee received an update on the Los Vaqueros Reservoir Expansion Project and took no action.</p> <p><b>Accomplished June 17, 2022:</b><br/>The Committee received an update on the Los Vaqueros Reservoir Expansion Project and took no action.</p>   |
| 3    | Review of 2022 Water Storage Exploratory Committee Work Plan                 | 1-27-2022<br>3-7-2022<br>7-13-2022 | <ul style="list-style-type: none"> <li>• Review the Committee's 2022 Work Plan.</li> </ul>                     | <p><b>Accomplished January 27, 2022:</b><br/>The Committee reviewed the work plan and added a discussion on agricultural water needs.</p> <p><b>Accomplished March 7, 2022:</b><br/>The Committee reviewed the work plan and took no action.</p>   |
| 4    | Update on Sites Reservoir Project: Third Amendment to 2019 Reservoir Project | 3-7-2022                           | <ul style="list-style-type: none"> <li>• Receive an update on the Sites Reservoir Project.</li> </ul>          | <p><b>Accomplished March 7, 2022:</b><br/>The Committee received an update on the Sites Reservoir Project: Third Amendment to 2019 Reservoir Project and took the following action:<br/>The Water Storage Exploratory Committee took the following action:<br/>The Committee by roll call vote unanimously approved staff's recommendation that the Board consider authorizing the Chief Executive Officer to execute the Third Amendment to 2019 Reservoir Project Agreement for a participation level of 0.2 percent of the total project and a funding commitment</p> |

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|------|---|-----------|---|--|
|      |   |           |   | of \$200,000 covering calendar years 2022 through 2024 and appoint the Valley Water Project Agreement Member Primary and Alternative Representatives.<br><i>On March 22, 2022, the Board of Directors took action approving staff's recommendation.</i>  |
| 5    | Sites Reservoir Project: Letter to Request Opportunity to Increase Valley Water's Participation Level | 6-17-2022 | <ul style="list-style-type: none"> <li>Receive an update on the Sites Reservoir Project.</li> </ul> | <p><b>Accomplished June 17, 2022:</b><br/> The Committee received an update on the Sites Reservoir Project: Letter to Request Opportunity to Increase Valley Water's Participation Level<br/> The Committee by roll call vote unanimously approved staff's recommendation that the Board consider authorizing the Chief Executive Officer to send a letter expressing Valley Water's potential interest in increasing our participation level in the planning phase of the Sites Reservoir Project if space in the project becomes available and is supported by future analysis.<br/> <i>On June 28, 2022, the Board of Directors took action asking staff to revise the last sentence of the first paragraph of the draft letter to state that staff is committed to returning to the Board of Directors for future decision on participation level, subject to additional analysis of the project and Valley Water's other investments.</i></p> |
| 6    | Cadiz, Inc.   | TBD       | <ul style="list-style-type: none"> <li>Cadiz, Inc Water Project Presentation</li> </ul>             |  |
| 7    | Discussion on the Agricultural Water Needs  | TBD       | <ul style="list-style-type: none"> <li>Discussion on the agricultural water needs,</li> </ul>       |  |

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|------|--|---------|---|---------------------------------|
| 8    | Groundwater Bank Update  | TBD     | <ul style="list-style-type: none"><li>• Receive and discuss information regarding potential groundwater storage projects</li></ul>  |                                 |
| 9    | Pacheco Reservoir Expansion Project Update (San Luis Reservoir Low Point Projects) | TBD     | <ul style="list-style-type: none"><li>• Receive and discuss information regarding the status of Pacheco Reservoir Expansion Project (San Luis Reservoir Low Point Projects)</li></ul> |                                 |

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