



MEMORANDUM
FC 14 (01-02-07)

TO: Board of Directors

FRO Environmental and Water
Resources Committee

SUBJECT: Environmental and Water Resources
Committee Meeting Summary for
April 18, 2022

DATE May 10, 2022

This memorandum summarizes agenda items from the regular meeting of the Environmental and Water Resources Committee held on April 18, 2022

Attendees:

Committee members in attendance were: Loren Lewis (District 1), Charles Ice and Elizabeth Sarmiento (District 2), Janet Higaki, Hon. Bob Nuñez, and Charles Taylor (District 3), Bob Levy (District 4), Hon. Tara Martin-Milius (District 5), Tess Byler, Hon. Stephen A. Jordan, and Arthur M. Keller, Ph.D. (District 7).

Board members in attendance were: Director Tony Estremera and Director Linda J. LeZotte (Board Representatives) and Director Nai Hsueh (Board Alternate).

Staff members in attendance were: Lisa Bankosh, John Bourgeois, Glenna Brambill, Clelia Busadas, Mike Cook, Vincent Gin, Samantha Greene, Michele King, Clayton Leal, Michael Martin, Brian Mendenhall, Metra Richert, Afshin Rouhani, Kirsten Struve, Damaris Villalobos-Galindo, and Sarah Young.

Public in attendance were: Hon. Jim Beall, Jim Piazza, and Luke Wang.

AGENDA ITEM:

4.1 RECEIVED UPDATES ON FISH AND AQUATIC HABITAT COLLABORATIVE EFFORT (FAHCE)

Mr. John Bourgeois reported on the following:

Summary from Meeting Agenda Memo:

This update provides the Committee a reminder on the program background, key elements of the FAHCE program, progress to date both in planning and restoration measure implementation, especially work done since 2018. The update also includes next steps and access for periodic updates

The Environmental and Water Resources Committee discussed the following: monitoring program (habitat) sites, fish counts, creeks dried up, and next steps/timelines.

Mr. Clayton Leal was available to answer questions.

The Environmental and Water Resources Committee took no action:

4.2 DROUGHT RESPONSE PLAN UPDATE – BENCHMARK STUDY

Mr. Michael Martin reported on the following:

Summary from Meeting Agenda Memo:

Santa Clara Valley Water District (Valley Water) is developing a Drought Response Plan (DRP) to improve water supply reliability in Santa Clara County during times of shortage. The DRP will integrate lessons learned from Valley Water's and other water agencies' responses to the 2012-2016 and current droughts. Developing a robust approach for requesting water use reductions and improving Valley Water's ability to start taking actions during the early phases of a drought will improve Valley Water's ability to effectively respond to future droughts.

Valley Water was awarded a US Bureau of Reclamation (USBR) WaterSMART grant for \$200,000 to develop the DRP. The grant funds are being used to engage consultant services

Development of the DRP will be a collaborative process involving Valley Water's retailers, Santa Clara County agricultural and environmental stakeholders, and other interested parties. Valley Water established an external Task Force made up of these stakeholders to assist in the development of the DRP. Over 80 individuals representing about 50 agencies and organizations have been invited to a series of workshops to guide development of the DRP and provide feedback as elements of the DRP are drafted.

Development of the DRP will have four main components:

- 1) **Benchmark Study:** gather background information related to Valley Water's and other water supply agencies' approaches for determining when to trigger water shortage responses and how agencies responded to the 2012–2016 and current droughts. The purpose is to identify potential measures and actions for inclusion in the DRP that may improve Valley Water's preparation and response for future droughts.
- 2) **Vulnerability Assessment:** examine risks to water resources and infrastructure, and the resulting impacts to water supply, human health and safety, the economy (business, agriculture, recreation, etc.), and the natural environment. The review will be based on existing documents such as Valley Water's Infrastructure Reliability Plan and Local Hazard Mitigation Plan. Based on risks to water supply reliability identified through the Vulnerability Assessment and the findings of the Benchmark Study, potential drought risk mitigation actions Valley Water can take will be evaluated.
- 3) **Drought Monitoring and Water Shortage Response:** evaluate approaches Valley Water could use to determine when to request water use reductions from the community. New water shortage stages and associated water use reductions may be proposed and integrated into Valley Water's Water Shortage Contingency Plan. Developing a refined water shortage approach and prioritized list of response actions will require close coordination with stakeholders.
- 4) **Drought Response Framework:** consolidate the results of the first three tasks. The framework will identify:
 - The types of data and analyses to determine water shortage conditions
 - Existing resources to support drought response actions
 - Response triggers, water shortage response actions, potential drought messaging, and reporting requirements that are agreed to by water retailers for integration into Valley Water's Water Shortage Contingency Plan
 - Approaches for responding to changes in revenue and expenditures
 - Staff support needs, including key subject matter experts and their roles

Benchmark Study

The Benchmark Study (Attachment 1) for the DRP has been completed. The purpose of the study is to highlight strategies, potential measures and actions that have proved effective based on an evaluation of Valley Water's and other water supply agencies' response to the 2012–2016 and current droughts.

Key findings of the benchmark study include the following:

- Some of Valley Water's peer agencies more explicitly incorporate projections and indicators of other supplies into drought triggers. Valley Water's trigger is based on projected end-of-year groundwater

levels, which incorporates available storage and imported water allocations. Some peer agencies look at a wider array of factors such as snowpack and soil moisture.

- Agencies and regions with more diverse supply portfolios and/or larger storage reserves were generally able to delay mandatory drought restrictions until later into the drought and tended to rescind drought restrictions earlier.
- Valley Water and its peer agencies generally fared well during the 2012-16 drought. Each agency was able to maintain delivery of safe, clean water to their customers and were able to meet or exceed water use reduction targets set locally and/or by state mandates. Analysis of historical water use data suggests that water supply shortage restrictions were effective in reducing demands.
- Throughout the 2012-2016 drought, communication and collaboration between Valley Water and Santa Clara County retailers and local agencies were critical for achieving targeted water use reductions. However, differences in drought response actions and requested use reductions between state, regional, and local agencies made communication challenging.
- The drought was financially challenging for water suppliers. Agencies that were best able to address financial challenges were able to diligently build reserves during non-drought times, increase the mix of fixed revenue versus variable revenue when possible, and increase the debt service coverage target to better absorb revenue loss.

Next Steps

The Benchmark Study was reviewed by internal stakeholders, the Task Force, and has been presented to the Water Conservation and Demand Management Committee. Staff is incorporating final comments into the Benchmark Study to finalize the report.

- Spring 2022: Vulnerability Assessment - currently underway
- Summer 2022: Drought Monitoring and Water Shortage Response
- Fall 2022: Drought Response Framework
- End of 2022: Completion of draft plan
- Early 2023: Reclamation will have an opportunity to review and comment on the DRP
- Summer 2023: Final document brought to the Board for approval.

Valley Water will provide regular updates on the progress of the DRP development to the Water Conservation and Demand Management Committee, the Environmental and Water Resources Committee, and other interested advisory committees.

The Environmental and Water Resources Committee discussed the following: climate change-development-balancing of all variables, watering days, desalination, conveyance projects, usage population, any incentives, semi-tropic water bank, storing water to get out of drought, how is drought doing, groundwater, vulnerabilities, triggers and demand actions, and weather tracking.

Ms. Kirsten Struve, Director Tony Estremera, Director Nai Hsueh, and Ms. Samantha Greene were available to answer questions.

The Environmental and Water Resources Committee took no action.

4.3 ONE WATER PLAN – GENERAL UPDATES AND UPPER PAJARO RIVER WATERSHED PLANNING

Ms. Lisa Bankosh, Ms. Damaris Villalobos-Galindo and Ms. Clelia Busadas reported on the following:

Summary from Meeting Agenda Memo:

One Water, Santa Clara Valley Water District's (Valley Water) comprehensive, long-range planning process for watershed management, comprises the One Water Countywide Framework (Framework, Attachment 2) and five watershed plans. The vision, goals, and measurable objectives of the Framework provide key guidance to be applied at the watershed-scale, beginning with the Coyote Creek Watershed Plan (Attachment 3).

On March 22, 2022, the Valley Water Board of Directors adopted the One Water Plan's Countywide Framework and the Coyote Creek Watershed Plan. The next step is to develop watershed plans for Upper Pajaro River

Watershed and Guadalupe River Watershed in 2022, and West Valley and Lower Peninsula watershed areas in 2023.

Staff is beginning broad stakeholder outreach to ensure each watershed's community views and expertise are represented in One Water master planning. At this time, staff would like to gather input from the Environmental Water Resources Committee (EWRC) on Upper Pajaro River Watershed. Future EWRC working group meetings present an opportunity for further engagement on this watershed as well as Guadalupe River Watershed over the next several months.

Upper Pajaro River Watershed Plan

The Upper Pajaro River Watershed, the portion of the Pajaro River Watershed in Santa Clara County, occupies approximately 360 square miles. The watershed is home to approximately 120,000 people, with most of the population clustered around south San José, Morgan Hill, Gilroy, and the community of San Martin. Major land use categories in this area include 58% rural land (agricultural lands and ranchlands), 34% open space and parks (state and regional parks, conservation lands, and tribal lands), and 8% urban landscapes between south San Jose and Gilroy.

The Upper Pajaro River Watershed can be divided into four subwatersheds that include Pajaro River, Uvas Creek, Llagas Creek, and Pacheco Creek. The major source of water supply within the watershed is groundwater, followed by imported water. The Llagas groundwater subbasin, managed by Valley Water, is located within the boundary of the watershed.

Due to the variety of land uses and activities within the Upper Pajaro River Watershed, 101 external stakeholder groups have initially been identified and contacted to collaborate and provide input to the master planning effort. These stakeholders have been categorized into 10 different cohorts that include subject matter experts, municipal and land use agencies, educational institutions, residents and community-based organizations, water resource agencies and special districts, special joint organizations and coalitions, governing bodies and regulatory agencies, open space conservation and recreation, environmental organizations and agencies, and agricultural organizations.

Key challenges and opportunities identified early on in this watershed include focusing on: continued groundwater sustainability despite drought and the onset of climate change; protection of groundwater from contamination; sustainability of urban expansion and growth, flood risk reduction, protection and conservation of cultural and sacred sites; agricultural and ecosystem resource protection; endangered species recovery; open space preservation, natural landscape restoration; and meaningful inclusion of disadvantaged communities into decision making processes.

The Environmental and Water Resources Committee discussed the following: the mural tool, adding input to the different categories, metered vs non-metered wells, flood protection, trails, cleanups, groundwater recharge, and stakeholder process.

The Environmental and Water Resources Committee took no action.

The next regularly scheduled meeting is Monday, July 18, 2022.

If you have any questions or concerns, you may contact me at, gbrambill@valleywater.org or 1.408.630.2408.

Thank you.

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Board Committee Liaison
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