



## MEMORANDUM

FC 14 (01-02-07)

**TO:** Board of Directors

**FROM:** Water Conservation and  
Demand Management  
Committee

**SUBJECT:** Water Conservation and Demand  
Management Committee Meeting Summary  
for May 19, 2022

**DATE:** June 14, 2022

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This memorandum summarizes agenda items from the Zoom meeting of the Water Conservation and Demand Management Committee held on May 19, 2022.

### **Attendees:**

Staff members in attendance were: Joseph Aranda, Aaron Baker, Ingrid Bella, Roseryn Bhudsabourg, Neeta Bijoor, Sam Bogale, Glenna Brambill, Justin Burks, Vanessa De La Piedra, Anthony Fulcher, Rachael Gibson, Jason Gurdak, Linh Hoang, Cindy Kao, Matt Keller, Michele King, Candice Kwok-Smith, Jess Lovering, Carlos Orellana, Colin Resch, Melanie Richardson, Metra Richert, Don Rocha, Mary Samar, Ashley Shannon, Kirsten Struve, Gregory Williams, and Kristen Yasukawa.

Guest Agencies in attendance were: Michael Bolzowski (California Water Service), Brian Boyer (Cinnabar Hills Golf Club), Katja Irvin (Sierra Club Loma Prieta Chapter), Viktoria Gleason and Brendan McCarthy (City of Santa Clara), and Curt Rayer and Bill Tuttle (San Jose Water Company-SJWC).

Public in attendance were: Arthur M. Keller, Ph.D., Christophe LaBelle, and Christine Prior.

### **ACTION ITEMS**

#### **4.1 MONTHLY UPDATE ON PROGRESS TOWARDS ACHIEVING VALLEY WATER RESOLUTION 21-68'S WATER USE REDUCTION TARGET AND ENFORCEMENT FOR VALLEY WATER RESOLUTION 22-20**

Ms. Neeta Bijoor and Ms. Rachael Gibson reported on the following:

#### **Summary from Meeting Agenda Memo:**

Due to the record drought, historically low imported water allocations from the State Water Project (SWP) and Central Valley Project (CVP), and little progress towards meeting the Santa Clara Valley Water District (Valley Water) June 2021 call for 15 percent conservation compared to 2019, additional action is needed to ensure sufficient water supply for our community. An ordinance to be proposed for Board consideration on May 24, 2022 will allow Valley Water to enforce water use restrictions laid out in Valley Water Resolution 22-20, amending Valley Water Resolution 21-68, to ensure that Valley Water's mandatory call for conservation can be met.

#### **Drought Conditions Impacting Santa Clara County**

The County is in its third consecutive year of drought. The first three months of Calendar Year 2022 were the driest on record for Santa Clara County, and Valley Water's Federal and State imported water allocations have been reduced to historic lows. The Valley Water Board took early action in 2021 and declared a Water Shortage Emergency Condition on June 9. Valley Water implemented aggressive steps to reduce demands by 15 percent compared to 2019 levels, including doubling its landscape rebate, reducing treated water contract amounts, and extensive public outreach. Despite unprecedented demand for Valley Water's conservation programs and some early progress in achieving the 15 percent reduction, due to the exceptionally dry conditions, no savings were achieved in 2022 and March 2022 saw an increase in water use of 30% compared to 2019.

In addition to low reservoir storage and imported water allocations due to persistent drought, Valley Water is impacted by the unavailability of Anderson Reservoir as a surface water storage facility for the duration of the Anderson Dam Seismic Retrofit Project, which is expected to last 10 years. Anderson Reservoir was drained in 2020 for public health and safety reasons, as ordered by the Federal Energy Regulatory Commission. Anderson

Reservoir is Valley Water's largest surface water reservoir and holds approximately 89,278 acre-feet (AF) of water, more than all of Valley Water's other nine surface water reservoirs combined. The availability of Coyote Reservoir, Valley Water's second largest reservoir, is also limited because of California Department of Water Resources Division of Safety of Dams storage limits. The unavailability of Anderson Reservoir and limited availability of Coyote Reservoir due to regulatory restrictions significantly limits Valley Water's ability to store water locally for groundwater recharge and use at Valley Water's three water treatment plants, and as a buffer to mitigate against current and future water shortages.

The ordinance to be proposed for Board consideration on May 24, 2022 will conserve Valley Water's limited water supply for the greatest public benefit with particular regard to public health, fire protection, and domestic use without threatening local land subsidence, by ensuring the conservation of water, by avoiding the waste of water, and to the extent necessary and by reason of the existing water shortage emergency condition, by reducing water use in the County in a manner that is fair and equitable. With half of home water use typically used outdoors, a focus on outdoor water conservation and enforcement measures are necessary to preserve Valley Water's water supply. The ordinance is needed as soon as possible, because outdoor water use tends to increase in the summer months. As no savings were achieved during the first three months of 2022, reducing demand during summer months is critical to achieving the Board's call for water use reduction.

### **Ordinance Overview**

Valley Water's proposed action to ensure that water resources are not wasted is consistent with the District Act, the Water Shortage Emergency Condition declaration, Article X Section 2 of the California Constitution and the Water Code. Valley Water worked with its retailers to ensure that the enforcement program is complementary to the retailers' existing enforcement programs and builds on Valley Water's existing complaint-based water waste reporting program.

The ordinance provides a framework for drought-triggered enforcement program of outdoor water waste restrictions to reduce non-essential water use and preserve available supply for the greatest public benefit in the area served by Valley Water potable supplies. Specific restrictions enforced by this ordinance include:

- Restricting irrigation of lawn and ornamental landscape to two days per week
- Prohibiting runoff and mid-day watering
- Prohibiting irrigation within 48 hours of rain

The ordinance, which is under development, will include procedures for escalating enforcement actions, working with retailers to coordinate enforcement, and financial penalties up to \$500 for continued egregious violations. The adoption and enforcement of the program contained in this ordinance is necessary to manage and conserve Valley Water's water supply and ensure the sustainability and reliability of the same by preventing water waste. The Chief Executive Officer will establish procedures to ensure a fair and equitable process, including procedures for filing of appeals. Enforcement will be added as a category in the monthly drought report and will be reviewed as needed with the Water Conservation and Demand Management Committee and Board of Directors during monthly drought updates. In addition, enforcement coordination and procedures for working with retailers will be established. The ordinance must be publicly posted for 30 days before being in effect.

### **Water Shortage Risk to Valley Water**

The primary trigger for Valley Water's Water Shortage Contingency Plan is the projected countywide end-of-year groundwater storage. The water supply outlook depends on various factors, such as future drought severity, availability of imported water supplies and emergency transfers, as well as whether the 15 percent reduction is met. As presented at the April 25, 2022 Water Conservation and Demand Management Committee Meeting and May 10, 2022 Board meeting, this year's end of year groundwater storage is projected to be in the normal range if currently projected imported water supplies are delivered. If critically dry conditions persist, however, next year's end of year groundwater storage may drop rapidly and significantly to the severe (Stage 3) level. At this level, there is risk of resumed subsidence and dry wells, particularly in South County where groundwater is the only drinking water source.

Given the alarming increasing trend in water use in the first three months of 2022, the 15 percent reduction is unlikely to be met without additional actions. The cumulative water savings are currently at only three percent. The Valley Water Board of Directors already increased the call for conservation by restricting outdoor watering to 2 days per week to provide the public a tool to meet the call for conservation, and enforcement will help ensure compliance of this restriction and that the 15% savings call can be achieved.

### **Valley Water's Drought Response**

Valley Water has invested in a resilient water supply system to increase our water supply portfolio and ensure operational flexibility and has also increased water conservation. Per the Board's policy, Valley Water will deliver 80 percent of normal water demand during drought years. Despite implementing an aggressive drought response program, which has included a doubling of the landscape rebate, development of the new E-cart conservation program, and increased outreach and education, the unprecedented dry conditions are causing water use to excessively increase in the county. Therefore, due to the severity of the current drought, a water use reduction enforcement ordinance will be proposed for Board consideration on May 24, 2022.

The Water Conservation and Demand Management Committee discussed the following: using 2019 baseline, property owners vs renters knowledgeable regarding watering restrictions, flow restrictors, violations, outreach challenges, correcting behaviors, coordination of enforcement with retailers, surcharges/water usage/allocation, non-confusing outreach needs to reach the masses so the message is absolutely clear, actionable complaints, tiered fines, shortened timelines, water reduction in some areas and water wasters in other areas (arguments of North vs South).

**Public Comments:**

Mr. Bill Tuttle (San Jose Water Company-SJWC) noted:

- ✚ doesn't have the authority to fine violators but are able to install flow restrictors if needed
- ✚ read the schedule and enforcement regulations and their ability to shut off water

Dr. Arthur M. Keller suggested:

- ✚ sending letters to property owners stating the restrictions/violations.

Ms. Kirsten Struve, Ms. Rachael Gibson, and Mr. Anthony Fulcher were available to answer questions.

Noted inputs/comments: adding information related to the 2019 baseline, interaction with the retailers and surcharges, and reason for enforcement/authority change.

The Water Conservation and Demand Management Committee took the following action.

The motion carried unanimously, to approve recommending that the Board consider adopting the Ordinance ADOPTING DROUGHT OUTDOOR WATER CONSERVATION AND ENFORCEMENT MEASURES.

## **4.2. WATER CONSERVATION PROGRAM**

Mr. Justin Burks reported on the following:

### **Summary from Meeting Agenda Memo:**

Conditions in the State of California continue to be very dry, with Santa Clara County being classified by the U.S. Drought Monitor as being in severe drought. Achieving the Board's target of 15% savings as directed by Valley Water Resolution 21-68 is becoming even more paramount. Demand reductions during drought are predominately achieved through targeted messaging, outreach, behavioral changes, and changing equipment to eliminate leaks and to increase efficiency. Short-term savings can also yield long-term savings. In addition, drought encourages high participation in Valley Water's water conservation programs.

Valley Water has provided a robust water conservation program (Program) since 1992. In November 2019, the Board approved the 2040 Water Supply Master Plan that updated the long-term conservation targets to 99,000 acre-feet per year (AFY) and 109,000 AFY by 2030 and 2040, respectively. In October 2021, the Water Conservation and Demand Management Committee (Committee) received Valley Water's updated Water Conservation Strategic Plan (Strategic Plan) which will guide staff on how best to achieve the long-term targets. The Strategic Plan determined that Valley Water will meet its long-term targets if participation is increased. The plan also analyzed and identified methods for successfully increasing participation in areas with high participation and identified variables that could similarly increase participation in areas with historically low participation. Valley Water continues to promote our many conservation programs, saving 76,584 acre-feet of water in the last fiscal year.

The purpose of this memorandum is to provide an overview of the Program's rebates, services, and resources for conserving water indoors and outdoors. A full list of water conservation programs can be found in Attachment 2. The Program is one of Valley Water's primary tools in our drought response and long-term water conservation savings.

### ***Landscape Conversion Rebate***

In 2021, staff increased the Landscape Rebate Program's Landscape Conversion Rebates from \$1 per square foot to \$2 for all qualifying properties and increased the maximum rebate from \$2,000 to \$3,000 for single-family homes, as was done in April 2014 during the last drought. To increase capacity, Valley Water procured a vendor in December 2021. The vendor started performing field services and scheduling inspections in February 2022. This allows full time staff and support staff to transition to customer service, processing rebates, and developing and refining program resources.

Since July 1, 2021, the Landscape Rebate Program has issued Notices to Proceed for 1,544 applications. Additionally, over 1,170 rebate projects were completed and invoiced during this time to program participants. Over \$1,700,000 were issued in rebates for these invoiced projects. Of that, over \$610,000 was Measure S funding, resulting in the conversion of over 610,000 square feet of lawn to low water use landscape.

### ***Our City Forest - Lawn Busters***

In July 2021, Valley Water expanded a partnership with a local nonprofit organization, Our City Forest, to offer the Lawn Busters Program to low-income community members, US veterans, and other disadvantaged community members. With contributions from the Safe, Clean Water Measure S fund, payment for converting lawn to low water use landscape was increased from \$2 per square foot to \$4. Since this increase, 20,365 square feet of lawn has been converted across 16 projects. Additional educational services were included in the expansion, and with the support of Valley Water, Our City Forest hosted six Do-it-Yourself Lawn Busters workshops.

### ***Webinar Series***

Valley Water is utilizing Safe, Clean Water Measure S funding to offer virtual webinars focusing on a variety of outdoor water efficiency topics. The webinar series kicked off with a Sheet Mulching program in April, with 30 in attendance. Live language interpretation services are available to extend access to non-English speakers. The May 24<sup>th</sup> Zoom event will focus on Programming Irrigation Controllers for healthy landscapes, to save water, and to align with Valley Water's 2-day per week watering requirement. The series will continue monthly through the Fall, with the following topic schedule:

- June – Tree Care During a Drought
- August - Alternative Water Solutions: Laundry to Landscape Systems and Rainwater Collection
- September - Garden Design
- October - Drip Irrigation Basics

### ***Commercial, Industrial, Institutional, and Multi-Family Residential (CII/MF) Programs***

Valley Water continues to offer a submeter equipment rebate of \$150 per unit for multi-family residential properties through the Submeter Rebate Program. In April, a rebate was issued for submeters installed at a four-plex Accessory Dwelling Unit property. Valley Water recently gave approval for two additional projects, totaling 335 submeters, and is processing an application for an additional 285 submeters.

Valley Water continues to offer the Water Efficiency Technology Rebate up to \$100,000 for innovative water conservation projects. Staff is exploring strategies to increase awareness and participation of this cost-effective program to the CII customer class.

### ***Online Shopping Cart Program***

Since its launch on April 20, 2021, the Online Shopping Cart Program (Program) has received 9,525 orders for water-saving devices and resources. Valley Water has also partnered with Sacred Heart to provide water saving devices and resources to disadvantaged communities throughout Santa Clara County. Additionally, the website was revamped to allow businesses and other entities to order in bulk (i.e., hotel linen reuse door hangers or "water on request" table tents).

### ***Fixture Replacement Program***

The Fixture Replacement Program offers free direct installation services to commercial, industrial, institutional, and multi-family properties throughout Santa Clara County. This program replaces 1.6 gallon per flush or higher toilets with the most water efficient models compatible with a participating property. Through replacing inefficient showerheads, urinals, faucet aerators, and more water-using fixtures free of charge, this program will produce additional water savings. The Fixture Replacement Program provides an opportunity for providing efficient customer service with strong potential of cost-effective water savings for each participating property. The Program launched in May 2021 and has completed work at nine multi-family properties and one institutional site, with four more multi-family apartment complexes scheduled to complete work before the end of the fiscal year. By the end

of the first year, the Program is anticipated to replace over 1,700 toilets, nearly 600 showerheads, almost 350 kitchen aerators, and almost 35-bathroom aerators, equaling 67.3 acre-feet of water saved.

### ***Advanced Metering Infrastructure and Home Water Use Reports***

Valley Water continues to offer our water retailers a cost sharing program for Advanced Metering Infrastructure (AMI) meters and Home Water Use Reports. AMI provides near real-time water use information and automatic leak alert ability. This program offers a financial incentive to water retailers for converting to AMI and/or a cost-share for providing Home Water Use Reports to customers. Currently, Valley Water has agreements with two retailers for AMI conversion with Home Water Use Reports and five retailers for Home Water Use Reports; potential agreements with additional retailers are under development.

Through Valley Water's existing Large Landscape Program, AMI data for irrigation account customers can link to a customer facing online portal. The portal can communicate hourly water use information through specialized charts, leak notifications, and insights related to day spikes, midday irrigation, and days-per-week irrigation frequency.

## **NEXT STEPS**

### ***Water Waste Program***

Water Waste Program continues to receive a steady number of reports from the public. Most reports are handled by sending an educational notification letter on how to resolve the issue including information on Valley Water conservation programs. The letter also includes phrasing that continued non-compliance may result in future enforcement actions to the property owner. Once the Board adopts the proposed draft ordinance, program outreach materials will be updated.

### ***Landscape Rebate Program***

Valley Water plans to increase the Commercial, Industrial, Institutional, and multi-family residential (CII/MF) lifetime site cap for the Landscape Rebate Program from \$50,000 to \$100,000. This increase will take place before the end of May 2022. It will coincide with the launch of a new category within the program: Large Landscape Lawn to Mulch rebate. The new rebate category will be eligible to CII/MF sites who remove a minimum of 15,000 sq ft of lawn and replace with mulch. Existing trees within the converted lawn areas must be irrigated with low flow drip irrigation. The new rebate will also include provisions for golf courses to convert irrigation turf to native grass seed in out-of-play areas. These Landscape Rebate Program updates are in direct response to the State's proposed ornamental lawn irrigation ban for commercial properties and the severe escalation of the drought conditions.

### ***Planned Pilot Programs***

As mentioned at the April 25th Water Conservation and Demand Management Committee, 2022 Staff are on track to implement several pilot programs to address leak detection, leak repair, and toilet retrofits. Additionally, Valley Water and the County of Santa Clara Office of Sustainability (County) are negotiating a pilot program to target the lower income business sector to promote Valley Water's Water Conservation Program and the County's Green Business Program, respectively. This will be achieved through the development of a training program and outreach plan for community-based organizations to promote and outreach water conservation programs and rebates to businesses in targeted zip codes.

The Water Conservation and Demand Management Committee discussed the following: numbers of participants of the landscape rebate program, working with disadvantaged communities, planting 'land' trees (street parking strip-tree canopy), lawn replacements-'shading' an environmental component is a financial benefit with great appeal, and use of more contractors was suggested to assist with 'work flow.'

Ms. Ashley Shannon, and Ms. Kirsten Struve were available to answer questions.

The Water Conservation and Demand Management Committee took no action.

## **4.3 STANDING ITEMS REPORT**

Committee Chair Director Linda J. LeZotte reviewed the materials as outlined in the agenda items.

**Summary from Meeting Agenda Memo:**

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

There were no verbal updates for:

1. Sustainable Groundwater Management Act (SGMA)
2. Flood Mar
3. Agricultural Water Use Baseline Study

The Water Conservation and Demand Management Committee took no action.

The next regularly scheduled meeting is June 27, 2022.

If you have any questions or concerns, you may contact me at, [gbrambill@valleywater.org](mailto:gbrambill@valleywater.org) or 1.408.630.2408.

Thank you!

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