



# Santa Clara Valley Water District

---

**File No.:** 18-0470

**Agenda Date:** 7/10/2018

**Item No.:** 3.5.

---

## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

5-Year Implementation Plan for Fiscal Years 2019-2023 for the Safe, Clean Water and Natural Flood Protection Program.

### **RECOMMENDATION:**

Approve the 5-Year Implementation Plan for Fiscal Years 2019-2023 for the Safe, Clean Water and Natural Flood Protection Program.

### **SUMMARY:**

On November 6, 2012, voters approved the Safe, Clean Water and Natural Flood Protection Program (Safe, Clean Water Program) as a countywide special parcel tax for 15 years with a sunset date of June 30, 2028. This Program replaced the District's Clean, Safe Creeks and Natural Flood Protection Plan, which was a special parcel tax approved in November 2000. Remaining funds collected during the first measure were transferred to the new parcel tax fund for projects in the Safe, Clean Water Program. The Program addresses the following needs, values, and priorities as identified by Santa Clara County stakeholders:

**Priority A:** Ensure a safe, reliable water supply

**Priority B:** Reduce toxins, hazards and contaminants in our waterways

**Priority C:** Protect our water supply from earthquakes and natural disasters

**Priority D:** Restore wildlife habitat and provide open space

**Priority E:** Provide flood protection to homes, businesses, schools,  
and highways

### ***5-Year Implementation Plan (5-Year Plan) for Fiscal Years 2019-2023 (FYs 19-23) for the Safe, Clean Water Program***

The 5-Year Plan for FYs 19-23 is the second of three consecutive 5-Year Plans required by the Safe, Clean Water Program. The 5-Year Plan is a planning document that describes the work to be accomplished, as well as clarifies roles and responsibilities for implementing, measuring, monitoring and directing the Safe, Clean Water projects. To keep the commitment made to voters, the 5-Year Plan was prepared consistent with ballot language and the original Program Report.

The 5-Year Plan is a living document that will be updated each year to include project adjustments and modifications, and incorporate recommendations from the IMC, Board of Directors and independent performance audits. While the 5-Year Plan is a forward-looking document for the Program, the annual reports capture the Program activities from each previous year, including each year's accomplishments and further details about each project.

On May 23, 2018, the Board of Directors provided direction to staff to finalize the 5-Year Plan with the addition of the financial information and approved the following items for incorporation: modification to the Nitrate Treatment System Rebate Program (Project A2, Key Performance Indicator #3); schedule adjustment to one project, text adjustments to specific projects, and the Flood Protection Key Performance Indicator (KPI) Selection Process. The Board took "no action" on the proposed modification to the Upper Penitencia Creek flood protection project (Project E4), so staff updated the project write up to reflect the original project description, benefits, KPIs, FY14-18 Summary and FY19-23 Targets. The meeting minutes and video can be found online at <https://www.valleywater.org/how-we-operate/board-meetings-agendas-minutes>.

As per the Board's direction, staff worked to incorporate comments suggested by the public. These comments included an update to the San Francisco Bay Shoreline Protection (Project E7) completion category for clarification. The project's completion category was updated to remove "performance based" and add a footnote to clarify that providing a portion of the local share of funding (as stated in the KPIs) includes in-kind labor, therefore the FY19-23 Targets include project milestones.

The comments also included updates to Appendix A: Glossary, as shown below.

**Hypolimnion**

Dense, bottom layer of water in a thermally-stratified lake. In the summer, lakes separate into layers: epilimnion (top of the lake) and the hypolimnion (bottom), with a thermocline layer in the middle. Typically the hypolimnion is the coldest layer of a lake in summer and is isolated from surface wind-mixing. During stratification oxygen can be depleted in the hypolimnion.

**State Water Resources Control Board**

The State Water Resources Control Board (State Water Board) was created by the Legislature in 1967. The mission of the State Water Board is to ensure the highest reasonable quality for waters of the State, while allocating those waters to achieve the optimum balance of beneficial uses. There are 9 regional water quality control boards that exercise rulemaking and regulatory activities by basin. Santa Clara County is part of 2 regions: Region 2 - San Francisco Regional Water Quality Control Board (north of Morgan Hill) and Region 3 - Central Coast Regional Water Quality Control Board (south of Morgan Hill).

Additionally, refinements were made to Appendix G: Countywide Map of Safe, Clean Water Projects to improve the accuracy of the project locations.

***Financial Overview of the Safe, Clean Water Program Fund***

The updated financial projection shows a that the Safe, Clean Water Fund is balanced over the

---

duration of the Program, with a total Program cost of \$954 million, relative to the original \$930 million Program. The primary driver of that difference is an increase to undesignated funds driven by \$15.7 million of debt refunding proceeds. The updated projection can be grouped into: completion of Clean, Safe Creeks obligations (\$240 million), implementation of Safe, Clean Water priorities (\$640 million), planning and delivery (\$32 million), cost of debt financing (\$30 million), and undesignated contingency funds intended to offset unanticipated expenditures (\$12 million). For additional information, see Section 4: Financial Information (pg. 23) of the 5-Year Plan.

**Next Steps**

Once approved by the Board, the 5-Year Plan will be made available to the public on the District's website at

<https://www.valleywater.org/project-updates/safe-clean-water-and-natural-flood-protection-program/safe-clean-water-program-archive>. Per the request of the Independent Monitoring Committee (IMC), staff will deliver a presentation on the 5-Year Plan at its next meeting in December 2018.

**FINANCIAL IMPACT:**

The 5-Year Plan is produced and printed internally and budgeted to the Safe, Clean Water Implementation Project (26061012).

**CEQA:**

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

**ATTACHMENTS:**

Attachment 1: 5-Year Implementation Plan

**UNCLASSIFIED MANAGER:**

Ngoc Nguyen, 408-630-2632