



# Santa Clara Valley Water District

**File No.:** 18-0645

**Agenda Date:** 8/14/2018

**Item No.:** 4.2.

---

## BOARD AGENDA MEMORANDUM

### **SUBJECT:**

Santa Clara Valley Water District Partnership Agreements with County of Santa Clara.

### **RECOMMENDATION:**

- A. Adopt a JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA AND THE BOARD OF DIRECTORS OF THE SANTA CLARA VALLEY WATER DISTRICT APPROVING SHARED PRINCIPLES AS A FRAMEWORK FOR THE LAND USE RELATIONSHIP BETWEEN THE PARTIES;
- B. Approve a Memorandum of Agreement Regarding the Land Use Relationship with Santa Clara Valley Water District for a five-year term that may be extended for successive five-year terms with written approval by both parties;
- C. Approve and authorize the Chief Executive Officer (CEO) to execute the Master License Agreement By and Between the Santa Clara Valley Water District and the County of Santa Clara for Mutual Access to County of Santa Clara Parkland and Santa Clara Valley Water District for a five-year period with three renewal terms of five years subject to the written approval of both parties; and
- D. Approve the Master Partnership Agreement for Recreational Use of Certain District Lands, Reservoirs, and Recharge Ponds with the County of Santa Clara.

### **SUMMARY:**

For over 60 years, the Santa Clara Valley Water District (District) and the County of Santa Clara (County) have worked together to effectively manage an integrated system of land and water that serves multiple purposes. By working together, we have protected water quality, provided for recreational use of the reservoirs and creeks, provided education on water conservation, enhanced natural resources, restored habitats, improved flood protection, and removed mercury from the environment.

Under an existing agreement with the District, County has the authority to make available for public recreation ten reservoirs and five ponds owned and operated by the District. Approximately 6,000 acres of District property is leased to the County for recreational purposes; half of the County's 28 parks incorporate or abut District property.

---

The County spends an estimated \$3 million each year managing public use of District reservoirs and riparian corridors. Through this partnership, the agencies support public launch of approximately 23,000 boats annually. The County conservatively estimates that approximately 66,000 visitors participate in boating and approximately 138,000 visitors participate in fishing each year. In addition, approximately 5,000 people camp at the Coyote Lake Campground constructed and operated by the County on District property. The combined total of these activities accounts for roughly 7% of the total County visitation. In addition to reservoir use, the multi-jurisdictional regional trails system that follows creek corridors partially controlled by the District supports millions of recreational visits annually. The public values the seamless access and recreational use of the combined system of County and District lands, reservoirs, creeks, and visitor-serving facilities.

Our two organizations successfully collaborate on numerous projects, including, but not limited to, the Vessel Inspection Program, remediation of mercury at Almaden Quicksilver County Park, flood protection, creek clean-up events, the Habitat Conservation Plan, and developing an inter-connected system of trails in cooperation with numerous other agencies.

The partnership is formalized through a Master Reservoir Lease, by which the District allows public recreation under the management of the County; and a Master License agreement by which the County permits District access and limited use of Park property.

The existing Master Reservoir Lease was approved by the District Board and the Santa Clara County Board of Supervisors (Board of Supervisors) on September 10, 1996, for a 20-year term through 2016. The lease was amended in 2005 to update the mapped areas and amended a second time in 2009 to incorporate a small parcel next to Vasona Reservoir into the existing agreement. A two-year extension of the current lease was jointly approved in August 2016.

On May 17, 2017, the District Board and the Board of Supervisors agreed to appoint ad-hoc subcommittees to jointly meet to resolve any outstanding and unresolved issues relative to the renewal of the agreements. The two ad-hoc subcommittees did not meet and in late 2017 both the District and the County ad-hoc subcommittee members asked for both agencies' staff to continue to work toward resolution. At the CEO's direction, in February 2018, the Chiefs from the Water Utility, Watersheds and External Affairs took over negotiations on behalf of the District.

In July of 2018, both District and County staff reached consensus on all areas of the proposed agreements.

### **Overview of Proposed Agreements**

District and County Parks staff have come to agreement on the following documents:

- A Joint Resolution (Attachment 1) of shared principles that is intended to frame the District-County land use relationship for existing and future agreements and interactions relating to County parkland and District properties. These Shared Principles shall be re-evaluated every five years so that the District and County may determine whether to update or revise the Shared Principles which shall only be done by approval of both the County's Board of Supervisors and

the District's Board of Directors.

- A Memorandum of Agreement (Attachment 2) that is to set forth the terms and conditions, scope of work and responsibilities of the County and District associated with their collaboration in seeking mutually agreed upon opportunities to implement the Shared Principles.
- A Master License Agreement (Attachment 3) which provides a process for expedited review and approval of District and County Parks requests for temporary access permits on District/County Parks properties
- A Master Partnership Agreement (Attachment 4), which will replace the Master Reservoir Lease and provide a new framework for how the District and County Parks collaborate on recreational uses of District property.

### **Notable Changes In New Agreements**

The Master Partnership Agreement succeeds and replaces the Master Reservoir Lease. The Master Partnership Agreement provides a renewed commitment to partnership in the operation of District properties for public recreational use and makes the following key changes from the earlier Master Reservoir Lease:

- Incorporation of the new Shared Principles being considered by the Board today (Recitals; Appendix C);
- More detailed provisions regarding the District's ability to modify or suspend permitted recreational uses (par. 2(c)-(d));
- Upon termination or expiration of the agreement, the County shall not be required to remove County improvements from District property (Par. 2(f));
- Specified limitations regarding fish stocking (par. 4(e));
- The District is now responsible for repairing and replacing County Improvements damaged or removed by the District (e.g., as a result of District construction projects) (par. 4(h); (5(g));
- Specification that County has no obligation to undertake actions to address conditions resulting from low water levels (par. 4(o));
- Requirement that the District provide the County with annual notice of the scheduled operational levels for each reservoir on District Property for the remainder of the calendar year (par. 5(d));
- Requirement that the District engage the County early in conceptual and subsequent planning and design for projects (par. 5(e), 5(h));
- Working Groups and Process for Developing Written Protocols. To address issues that are current challenges for District and County Parks staff (e.g. water quality, fish stocking, fishing events) as well as for future issues that may arise, a process for working groups to establish written protocols is outlined so that these issues may be consistently addressed (par. 6);
- Requirement that the County comply with the District's mussel prevention program and the

---

Bay Area Consortium for zebra and quagga mussels coordinated prevention plan where boating and fish stocking are allowed (par. 7(c)(3));

- Specification that the parties will share the cost of repairs, maintenance, or improvements where they agree that items significantly relate to both the County's Permitted Recreational Uses and the District's uses of the Premises (par 8(b)(1));
- Specification that "where mutually agreed upon in writing by the Parties", the District may fund repairs, maintenance, or improvements to District Property for recreational uses (par. 8(b)(2));
- Specification that for Permitted Recreational Uses, the parties will look for opportunities to partner on projects of mutual interest (par. 11(a)); and
- Modification of the indemnification provisions to shift additional risk to the District.

**FINANCIAL IMPACT:**

There is no financial impact associated with the consideration of this item, however significant costs could be incurred by the District depending on the County of Santa Clara exercising certain terms within the agreement, the volume and nature of future claims or suits for damages by third-parties, and the scope of future District projects creating a need to repair or replace County improvements on District property.

**CEQA:**

Approval of the Joint Resolution, Memorandum of Agreement, and Master License Agreement is not subject to CEQA review pursuant to Section 15061(b)(3) of the CEQA Guidelines which states that "CEQA applies only to projects which have the potential for causing a significant effect on the environment."

A negative declaration (ND) was adopted by the District on September 10, 1996 before the 1996 Master Reservoir Lease was approved. Staff has determined that execution and implementation of the Master Partnership Agreement would not result in any new significant impact or a substantial increase in severity of a previously identified significant impact as disclosed in the ND. Thus, no further environmental review would be required and the District may rely on the adopted ND to approve the Master Partnership Agreement.

**ATTACHMENTS:**

Attachment 1: Joint Resolution  
Attachment 2: Memorandum of Agreement  
Attachment 3: Master License Agreement  
Attachment 4: Master Partnership Agreement

**UNCLASSIFIED MANAGER:**

Rick Callender, 408-630-2017