

File No.: 20-0270

Agenda Date: 4/28/2020 Item No.: 3.7.

BOARD AGENDA MEMORANDUM

SUBJECT:

Resolution Adopting the 2019 Pajaro River Watershed Integrated Regional Water Management Plan.

RECOMMENDATION:

Adopt the Resolution ADOPTING THE 2019 PAJARO RIVER WATERSHED INTEGRATED REGIONAL WATER MANAGEMENT PLAN.

SUMMARY:

The Santa Clara Valley Water District (Valley Water) participates in two Integrated Regional Water Management (IRWM) regions - the San Francisco Bay Area IRWM region in the northern part of the county and the Pajaro River Watershed IRWM (Pajaro IRWM) region in the southern part of the county. The IRWM program was initiated by the State of California (State) in 2002 to encourage local agencies to work collaboratively to manage water resources in a region. The State, through the Department of Water Resources (DWR), encourages IRWM efforts by providing grant funding. The Pajaro IRWM region is eligible for up to approximately \$5 million and the Bay Area IRWM region is eligible for up to \$65 million of grant funding through the Proposition 1 IRWM Implementation Grant program. The difference in grant funding allocated between the Pajaro and Bay Area IRWM regions is mainly due to differences in population and spatial extent of the regions. As a condition of continued eligibility for grant funding from Proposition 1 and most other state grants, IRWM regions need to maintain and periodically update their IRWM Plans to meet current standards. In addition, projects applying for grant funding must be included in an IRWM plan. Planning efforts for the Pajaro and Bay Area Plans have different schedules, as determined by DWR and each region's stakeholders. The updated Pajaro IRWM Plan is being brought to the Board of Directors (Board) for consideration separate from the Bay Area Plan because the Pajaro IRWM Plan is on an earlier schedule than the Bay Area Plan and needs to be adopted for grant purposes. The Bay Area Plan will likely be brought to the Board in June 2020. The rest of this memorandum and associated Board Resolution are specific to the Pajaro IRWM region and plan.

The development and maintenance of each IRWM plan is led by a Regional Water Management Group (RWMG). The RWMG for the Pajaro IRWM region consists of a representative from Valley Water, San Benito County Water District (SBCWD) and Pajaro Valley Water Management Agency (PV Water). To update the plan, the RWMG addressed the updated DWR guidelines, integrated stakeholder feedback, and solicited new projects from stakeholders. Once the Pajaro IRWM plan was completed, the RWMG submitted the updated plan to DWR for approval in October 2019. DWR

approval of the updated plan is anticipated this month (March 2020), prior to the date on which this agenda item is brought before the Board. DWR requires the updated IRWM plans to be adopted by RWMG agencies and agencies submitting grant applications before it takes actions to confirm projects and provide funding.

The 2019 Pajaro River Watershed IRWM Plan update is complete and the updated plan is ready for adoption. The updated plan is also being considered for adoption by SBCWD and PV Water in April. The updated IRWM Plan is available at https://www.pajaroirwmp.org. The key updates to the Pajaro River Watershed IRWM Plan include 1) an improved project review process to better reflect regional goals, 2) updated groundwater quality information, 3) expanded Native American information, and 4) updated climate change information to include the most recent science.

The Pajaro River Watershed IRWM Plan builds on and integrates existing local, sub-regional, and regional water management plans, projects, and programs. For example, the goals and objectives in the IRWM Plan (Attachment 1) were originally developed by first consolidating the water resource management policies of Valley Water, SBCWD, and PV Water. Subsequent steps included incorporating broader objectives such as Pajaro River flood protection, protection of the Monterey Bay National Marine Sanctuary, addressing State priorities, the Central Coast Regional Water Quality Control Board's Basin Plan, and incorporating stakeholder input. The projects in the plan are also based on participating agencies' and organizations' existing capital improvement plans and master plans.

The Pajaro River Watershed IRWM Plan is consistent with and supports Valley Water Board policies and priorities. Specific Board policies that the IRWM Plan supports include:

- E-1.1. An integrated and balanced approach in managing a sustainable water supply, effective natural flood protection and healthy watersheds is essential to prepare for the future.
- E-1.3. Collaboration with government, academic, private, non-governmental, and non-profit organization is integral to accomplishing the District mission.
- E-2.1. Current and future water supply for municipalities, industries, agriculture and the environment is reliable.
- E-3.1. Provide natural flood protection for residents, business, and visitors.
- E-3.2. Reduce potential for flood damages.
- E-4.1. Protect and restore creek, bay, and other aquatic ecosystems.
- E-4.2. Improved quality of life in Santa Clara County through appropriate public access to trails, open space, and District facilities.

Key issues and needs identified in the IRWM Plan include water supply reliability, groundwater and surface water quality improvement, flood protection and risk management, environmental protection

and enhancement opportunities. IRWM Plan development and implementation provides a framework for collaborating with other agencies in the watershed on such issues as agricultural water quality management, water transfers, and flood protection strategies to address needs of the Pajaro River Watershed region.

Adopting this IRWM Plan update could provide funding for Advanced Metering Infrastructure in Gilroy and the Upper Struve Slough Restoration in Watsonville. It could also benefit future projects such as South County recycled water improvements, Upper Llagas Creek Flood Protection Project, and Pacheco Reservoir.

Staff will continue to work with SBCWD and PV Water on IRWM Plan implementation after the plan is adopted. Implementation includes ongoing stakeholder engagement, updating the project list, coordinating grant application development, monitoring project implementation, reviewing progress toward meeting IRWM Plan objectives, and evaluating whether IRWM Plan updates are necessary.

FINANCIAL IMPACT:

Adoption of an IRWM Plan does not entail a commitment of resources to or implementation of any project, and there is no joint commitment or responsibility by the IRWM Plan participants to implement any or all of the projects. However, if Valley Water does not adopt this updated plan, the Pajaro River Watershed IRWM region will be ineligible for future grant funding awards, including approximately the \$550,000 in grant funding that DWR is currently reviewing for Advanced Metering Infrastructure (AMI) in th City of Gilroy and the Upper Struve Slough Restoration in the City of Watsonville. DWR's funding of IRWM projects requires a local match, either in direct local funding or in-kind contributions. The local match for the AMI and slough restoration projects will come from the Cities of Gilroy and Watsonville, respectively.

CEQA:

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

ATTACHMENTS:

Attachment 1: Goals and Objectives Attachment 2: Resolution

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