Valley Water Overview

Valley Water (Santa Clara Valley Water District) is the largest multi-purpose water supply, watershed stewardship and flood management special district in California. Valley Water serves nearly 2 million people in Santa Clara County by:

- Providing a reliable and safe supply of water.
- Enhancing streams and watersheds through creek restoration and habitat protection.
- Providing flood protection for homes, schools and businesses.
- Partnering with other agencies to provide trails, parks and open space for community recreation.

Valley Water’s role as a multi-purpose agency enables it to use a comprehensive regional approach to water resources management and environmental protection that would not be possible if these services were fragmented among several agencies.

Located at the southern end of the San Francisco Bay, Santa Clara County is home to Silicon Valley. As the county’s primary water resources agency, Valley Water serves 15 cities and towns, including Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Palo Alto, San José, Santa Clara, Saratoga and Sunnyvale. Valley Water also serves the county’s unincorporated areas.

Collaboration with the community we serve is important and has proven to result in more successful outcomes. By seeking public input, Valley Water is respecting the fact that our operations and projects have a direct impact on people’s lives.

Community action created Valley Water when farmers and business representatives formed the Santa Clara Valley Water Conservation Committee in the 1920s. At that time, groundwater supplies were being overpumped, causing the land to subside or sink. The committee pursued creation of an organization to manage and replenish groundwater supplies, and the resulting Santa Clara Valley Water Conservation District later constructed reservoirs throughout the county to conserve water. The 1929 Santa Clara Valley Water District Act gives Valley Water its authority to operate as a state special district, with jurisdiction throughout Santa Clara County.

The District Act authorizes Valley Water “To provide comprehensive water management for all beneficial uses and protection from flooding within Santa Clara County. Valley Water may take action to carry out all of the following purposes:

(a) to protect Santa Clara County from flood and storm waters of the district, including tidal flood waters and the flood and storm waters of streams that have their sources outside the district, but flow into the district;

(b) to protect from those flood or storm waters the public highways, life and property in the district, and the watercourses and watersheds of streams flowing within the district;

(c) to provide for the conservation and management of flood, storm, reclaimed, or recycled waters, or other waters from any sources within or outside the watershed in which the district is located for beneficial and useful purposes, including spreading, storing, retaining, and causing the waters to percolate into the soil within the district;

(d) to protect, save, store, recycle, distribute, transfer, exchange, manage, and conserve in any manner any of the waters;

(e) to increase, and prevent the waste or diminution of, the water supply in the district;

Our mission is to provide Silicon Valley safe, clean water for a healthy life, environment, and economy.
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Today’s Santa Clara Valley Water District is the result of the consolidation of four agencies over time, as shown above. Valley Water’s products and services have grown along with its increased levels of responsibility for critical water resource and environmental management functions.

Evolution of Valley Water

- **1929** Formation of county’s first water district
- **1954** Annexation of Central district
- **1968** Merger with countywide district
- **1987** Merger with Gavilan district

**Santa Clara Valley Water Conservation District**
- Formed in 1929 to serve the more populated northern valley.
- Built eight reservoirs.
- Built sack dams and recharge ponds.

**Central Santa Clara Valley Water Conservation District**
- Formed in 1949.
- Built recharge ponds.

**Santa Clara County Flood Control and Water Conservation District**
- Formed in 1952.
- Started county’s flood protection program.
- Negotiated imported water supply from State Water Project (SWP).
- Built Rinconada Water Treatment Plant to process SWP raw water.

**South Santa Clara Valley Water Conservation District** (renamed Gavilan Water District in 1980)
- Formed in 1938.
- Built two reservoirs.
- Built recharge ponds.

**Santa Clara Valley Water District** (as named in 1974)
- Advanced county’s flood protection program.
- Built Penitencia and Santa Teresa water treatment plants.
- Negotiated imported water supply from federal Central Valley Project.
- Expanded mission to include environmental stewardship.
- In 2006, Valley Water becomes an independent special district with removal of county’s oversight of Valley Water’s budget.
- In 2019 shortened moniker to Valley Water. Official name remains Santa Clara Valley Water District.

Local Economy

Silicon Valley experienced significant changes in its economic landscape in the past year. Although successive Federal Reserve interest rate increases appear to have slowed inflation, elevated interest rates are dampening investment and growth at both national and local levels. The local unemployment rate has risen with layoffs in the tech sector and is now higher than 2022. The venture capital (VC) funding was low in 2023 compared to previous years. Nevertheless, with the growth in Artificial Intelligence (AI) companies, the region’s economy is still relatively strong. Other sectors like cultural, entertainment...
and recreational services have also seen employment growth, indicating a diversification beyond tech. In addition, Silicon Valley’s population has begun to grow again after four consecutive years of decline. Amidst these economic dynamics, the region still grapples with high consumer prices, notably in food, energy, and shelter, and faces challenges in commercial real estate and a continued housing affordability crisis.

The local area’s unemployment rate has slowly ticked downward and held steady. The April 2024 unemployment rate in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area was 3.9%, down from a revised 4.2% in March 2024, but above the estimate of 2.9% from the previous year. This rate is lower than the statewide average (4.8%) but slightly higher than the national average (3.5%) during the same period. Most industries in the region have returned to pre-pandemic levels of employment, while others are facing new realities. Silicon Valley currently has a workforce of 1.7 million people, 1% higher than 2019 (before the pandemic). Silicon Valley’s 20 largest tech companies shed 7% of their Bay Area workforce in 2023 (approximately 18,800 workers). However, employment in tech at the end of 2023 was more than 37,000 employees above prepandemic figures. Jobs in the tech sector now comprise 28% of the workforce. While the tech sector was recalibrating its workforce, other segments of the economy grew including jobs in arts, entertainment, and recreation. Jobs in community infrastructure and services (including education, construction, and healthcare) have experienced three consecutive years of growth and returned to prepandemic level of 846,000 in 2019.

The April 2024 Bay Area Consumer Price Index (CPI), a measure of price of a “market basket” of goods and services such as energy, transportation, and housing, increased by 1.8% over the previous two months. This increase was primarily influenced by higher prices for shelter and gasoline. The CPI increased 3.8% over the past year, with food prices advancing 3.1% and energy prices increasing 18%, mainly in the price of electricity. The index for all items less food and energy also increased 3.1% over the year. Annual inflation in the U.S. in April 2024 was 3.4% with consumer prices rising 0.3% on a seasonally adjusted basis, slightly down from the 0.4% increase from March. According to the latest Federal Open Market Committee (FOMC) statement released on May 1, 2024, the recent economic indicators suggest the U.S. economic activity has continued to expand at a solid pace, job gains have remained strong, and the unemployment rate has remained low. Inflation has eased over the past year, but remain elevated in the recent months. There has been a lack of further progress toward the Committee’s 2% inflation objective as the FOMC seeks to achieve maximum employment and inflation at the rate of 2% over the longer run. In support of its goals, the FOMC decided to maintain the target range for the federal funds rate at 5.25-5.5%. The FOMC does not expect it will be appropriate to reduce the target range until it has gained greater confidence that inflation is moving sustainably toward 2%. According to the U.S. Bureau of Economic Analysis, the real gross domestic product (GDP) increased slightly in the first quarter of 2024, at an annual rate of 1.6%. In the fourth quarter of the prior year, real GDP increased 3.4%. This increase reflected the following:

- Consumer spending (increase in services)
- State and local government spending (increase in compensation of state and local government employees)
- Non-residential fixed investment (increase in intellectual property products)
- Residential fixed investment (increase in brokers’ commissions, other ownership transfer cost, and new single-family housing construction)

Despite high interest rates and employment losses in the tech sector, Silicon Valley and San Francisco’s aggregate market cap hit an all-time high in February 2024. Although VC funding was low relative to the spikes in recent years, AI companies experienced a less pronounced year-over-year decline in VC funding (-14%) than overall Greater Silicon Valley totals (-36%). Silicon Valley’s population grew in 2023 after four consecutive years of decline.
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The number of people departing the region fell 52% compared to the previous year, and the number of foreign immigrants grew by 37%. Of those who moved out of Silicon Valley, 23% remained in the nine county Bay Area. Silicon Valley is attracting tech talent in greater numbers than other U.S. tech centers. But the region’s population is also aging. The share of residents 65 years or older has grown by 32% since 2012, while the number of children is down 13% over the same period. The commercial space in the region is also facing challenges. Office vacancy rates rose to nearly 19% by the end of 2023, reflecting a transitioning economy and new patterns of remote work. The volume of commercial leases declined 22% versus the previous year, leaving 31 million square feet unoccupied. A corresponding decline in rental rates has not materialized. Office rents remained at $5.85 per square foot, slightly higher (0.3%) than the previous year. The amount of office space under construction also declined by 35% in 2023. Hotel development has declined significantly and no new Industrial or R&D developments broke ground in 2023. Despite a slight 4% decrease in inflation-adjusted median home prices, mostly attributable to high interest rates, the region still has the nation’s highest housing prices. Median home sale price at the end of 2023 was $1.76 million, an amount out of reach for 74% of first-time homebuyers. Silicon Valley’s persistent housing shortage didn’t spur additional permitting activity in 2023, which declined by 52% compared to 2022. The region’s renters are more likely to be burdened by housing costs than owners, with 41% of renters spending more than 30% of their gross income on rent (compared to with 33% of homeowners spending more than 30% of their gross income). Since the pandemic-era moratorium on evictions was lifted in July 2022, the dislocation has skyrocketed with 5,500 evictions in 2023. More than 10,000 Silicon Valley residents were unhoused as of Dec. 31, 2023, including 657 unsheltered minors and young adults. The average Silicon Valley worker earns $189,000 per year; however, the region’s median household income ($149,600) is barely outpacing inflation. The growing income divide has accelerated since the beginning of the Great Recession economic recovery period, increasing twice as quickly as the state or nation between 2010 and 2022. Furthermore, the income distribution is becoming increasingly skewed by the highest income earners. The top 10% of households hold 70% of the collective wealth. If Silicon Valley’s wealth (including real estate) was evenly distributed, it would amount to $2 million per household. The income gap between residents is much wider in Silicon Valley than elsewhere. The region’s cities have tightened their budgets as revenues declined and increased pandemic-related spending became dependent on fees and charges to a greater extent than ever before. In FY2021–2022, fees and charges represented 50% of all revenues. As a result, the region’s 39 cities experienced a slight budgetary surplus with total revenues exceeding expenses by nearly $1.3 billion.

This FY 2024–25 and 2025–26 Biennial Budget represents Valley Water’s continuation of a rolling biennial budget. This process allows our agency to plan for the upcoming fiscal years 2025 and 2026 with the goal of providing longer-term transparency to the public regarding Valley Water’s plans and helps maintain our financial strength. Valley Water will continue to prudently plan for projects that we are committed to deliver for the public as we navigate through potential severe weather (drought and floods), changes in our local economy and global political and environmental changes.

1 State of California Employment Development Department (EDD), May 17, 2024, labor market info
2 Joint Venture Silicon Valley Institute for Regional Studies, 2024 Silicon Valley Index
4 US Inflation Calculator (April 2024, released May 15, 2024)
5 US BLS, May 15, 2024 - Economic News Release
6 Federal Reserve FOMC statement (May 1, 2024 release)
7 US Bureau of Economic Analysis (BEA), Gross Domestic Product, First Quarter 2024 (Advance Estimate) April 25, 2024 News Release
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Governance and Board of Directors

The District Act outlines the structure, function and operations of Valley Water’s Board of Directors, which governs Valley Water and directs the board appointed officers. Valley Water’s Board of Directors is comprised of seven members each elected from equally-divided districts drawn through a formal process. The purpose of the board, on behalf of Santa Clara County, is to provide Silicon Valley safe, clean water for a healthy life, environment and economy. The directors serve overlapping four-year terms, a structure created pursuant to the adoption of the District Act. Elections are held in November of even number years. The Valley Water Board of Directors elects a new chair and vice chair annually in January.

The Board sets direction for Valley Water through its policy governance structure. Through adopted policies, the Board determines Valley Water’s mission, goals, and outcomes to be achieved for the good of the public. Specifically, the Board’s Ends policies are the outcomes expected to be achieved by the organization for its customers. These include ensuring a safe, reliable and affordable source of water; natural flood protection; water resources stewardship; and climate change mitigation and adaptation. The CEO dedicates resources to implement programs and projects that achieve the Board’s Ends policies.

In meeting the Board’s Ends policies, the CEO and other Board Appointed Officers (BAOs) are solely accountable to the Board for organizational performance, which is monitored quarterly. The Board regularly reviews and updates Ends and Executive Limitations policies to ensure they reflect the Board’s collective values and perspectives. The Board’s Policies can be viewed at: https://www.valleywater.org/how-we-operate/board-governance-policies.

Board directorial districts
Valley Water Overview

For 92 years, Valley Water has improved and expanded its products and services to meet the growing needs of Santa Clara County residents.

**History Timeline**

**Early 1900s**

- Nearly 14,000 acres of orchards and vineyards are under irrigation in Santa Clara Valley. Local farmers begin noticing a significant drop in well water levels.

**1920s**

- Concern over land subsidence from overpumping the groundwater basin leads farmers and business leaders to push for the formation of the Santa Clara Valley Water Conservation Committee.
- 1929: The Santa Clara Valley Water Conservation District is formed by the State Legislature.

**1930s**

- Calero, Almaden, Guadalupe, Vasona, Stevens Creek and Coyote reservoirs are completed. Recharging of the underground aquifers begins.
- 1931, 1937 and 1938: Floods occur in the midst of drought and land subsidence.

**1940s**

- Significant post-war population growth.
- **1940-46:** Major drought. Land subsidence worsens in north San José due to overpumping. Voters pass construction bonds for Lexington and Anderson dams for water storage and percolation.
- 1940, 1942 and 1943: Floods occur in the midst of drought and land subsidence.

**1950s**

- Increased growth shifts county’s water use from primarily agricultural to domestic and industrial. The South Santa Clara Valley Water Conservation District builds the Chesbro and Uvas dams.
- 1952: The County Board of Supervisors forms the Santa Clara County Flood Control and Water Conservation District to protect the county from flooding and supplement local water supply with imported water. The “Christmas Week” floods of 1955 leave thousands homeless. The Guadalupe River alone floods 8,300 acres, the worst flood on that river in recorded history.

**1960s**

- 1960: The county’s population swells to 642,000.
- 1965: The state of California begins delivering water from the Sacramento-San Joaquin River Delta to Santa Clara County via the South Bay Aqueduct. Slowly, the addition of imported water to recharge efforts begins to reverse land subsidence; by 1969 it is halted for the first time in 40 years. Rinconada Water Treatment Plant begins drinking water treatment and distribution operations in Los Gatos.
- 1968: The Santa Clara Valley Water Conservation District and the Santa Clara County Flood Control and Water Conservation District merge to manage water supply and flood programs for most of the county.

**1970s**

- The Santa Clara Valley Flood Control and Water District changes its name to the Santa Clara Valley Water District. Penitencia Water Treatment Plant comes on line.
- 1976-77: Historic drought years reduce deliveries from the State Water Project; Delta water is too salty to be percolated into local aquifers, but is still used by the treatment plants. Conservation efforts achieve a 22 percent drop in water usage.
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Environmental concerns are addressed as part of every construction project. Underground storage tanks are discovered leaking and potentially contaminating drinking water. The Santa Teresa Water Treatment Plant begins operation. Severe flooding occurs; voters approve funding for much-needed flood protection projects through benefit assessments.

1980: The South Santa Clara Valley Water Conservation District is renamed the Gavilan Water District.

1987: South county voters approve annexing Gavilan Water District to the Santa Clara Valley Water District. The federal Central Valley Project, San Felipe Division, begins delivery of imported water to the county from San Luis Reservoir just as the valley enters a seven-year drought period. The county’s population nears 1.7 million.

1990s

Valley Water takes a lead role in the fight against MTBE water contamination, addresses perchlorate contamination of more than 1000 South County wells and partners with local wastewater agencies to increase recycling. The first phase of the WTIP is completed and the second phase launched.

2000: County voters approved the Clean, Safe Creeks and Natural Flood Protection Plan (Measure B) and approve a special tax to ensure continuity of flood protection and stream stewardship services for 15 more years.

2005: The 15-year, $346 million Downtown Guadalupe Flood Protection Project is completed, protecting an estimated 95,000 people from flooding and restoring critical endangered species habitat.

2006: Santa Teresa Water Treatment Plant delivers Valley Water’s first ozonated water, providing customers better-tasting, more healthful tap water.

2007: Assembly Bill 2435 is enacted, ending county oversight of Valley Water’s budget and other procedural holdovers from the 1968 merger. Penitencia Water Treatment Plant begins delivering ozonated water to customers.

2009: Valley Water Board calls for 15% mandatory conservation in response to continuing water shortage; recession drives significant Valley Water budget reductions.

2010: Assembly Bill 466 enacted, increasing the boundaries for the Board of Directors from five to seven districts.

2012: 74% of county voters approve the Safe, Clean Water (Measure B), a special tax to ensure continuity of flood protection, dam maintenance and stream stewardship services for 15 more years.

2014: The Silicon Valley Advanced Water Purification Center is completed, producing 8 million gallons a day of purified recycled water to enhance the quality of recycled “purple pipe” water used for non-potable purposes and demonstrating technologies that can be used to purify water to augment drinking water supplies.

2015: Entering the fourth year of drought, the Board adopted a resolution calling for a countywide water use reduction of 30% compared to 2013. Valley Water began a large-scale modernization of the Rinconada Water Treatment Plant, the second-largest of Valley Water’s plants.

2016: Mid-year, the Board voted to reduce the water use reduction target to 20%. The implementation of fluoridation was completed in December 2016 for South, East and North San José, and Milpitas.

2017: In January, the Board adopted a resolution continuing the 20% water use reduction target and three day per week watering restriction.

2018: After a 2017 flood impacted neighborhoods along Coyote Creek, the Board approved changes to Anderson Reservoir operations to reduce the risk of flooding downstream. Crews completed short-term flood protection improvements in the Rock Springs neighborhood before the winter began.

2019: The California Water Commission awarded the Pacheco Reservoir Expansion Project $484.55 million under Proposition 1, and approved Valley Water’s request for early funding of $24.2 million to proceed with next steps, such as completing environmental documents and permit applications.

2020: In November, Santa Clara County voters overwhelmingly approved Measure S, a renewal of Valley Water’s Safe, Clean Water and Natural Flood Protection Program that will continue to provide the funding for local projects that support Valley Water’s mission.

2021: As Santa Clara County endures a second year of drought, the Valley Water Board declared a drought emergency in June and called for 15% mandatory conservation. In July, Valley Water held a groundbreaking ceremony for the Anderson Dam Tunnel Project.

2022: In April, Valley Water held a groundbreaking ceremony to commemorate the start of construction on the first phase of the South San Francisco Bay Shoreline Project. Valley Water is partnering with the U.S. Army Corps of Engineers, the California State Coastal Conservancy, and the U.S. Fish & Wildlife Service on the construction of this multi-objective infrastructure project.

2023: In August, the Valley Water Board of Directors certified the Fish and Aquatic Habitat Collaborative Effort’s final environmental impact report. The document details how Valley Water proposes to release water from our reservoirs to balance water supply needs while also providing habitat for steelhead in Stevens Creek and both steelhead and Chinook salmon in the Guadalupe watershed. The document also details a range of non-flow measures that provide improvements for the fisheries in the creeks, such as removal of passage barriers and adding beneficial in-stream habitat.
**Board Committees**
Committees are made up of board members that advise the Board on an ongoing basis for an assigned subject purpose.

**Board Policy and Monitoring Committee:** Provides support to the Board in areas of:
1. Board planning process.
2. Board Committees’ principles and structures.
4. Board and Director identified issues related to Diversity and Inclusion.
5. Other tasks as assigned by the Board.

**Board Audit Committee:** Assist the Board, consistent with direction from the full Board, to identify potential areas for audit and audit priorities, and to review, update, plan and coordinate execution of Board audits.

**Board Ethics and Conduct Ad Hoc Committee:** Consider initiation of investigation of allegations against a Board member in accordance with Board Governance Policy GP-6.

**Capital Improvement Program (CIP) Committee:** Provide a venue for more detailed discussions regarding capital project validation, including recommendations on prioritizing, deleting, and/or adding projects to the CIP, as well as monitoring implementation progress of key projects in the CIP.

**Environmental Creek Cleanup Committee:** Discuss homelessness and encampment issues and bring discussion and recommendations back to the Board.

**Recycled Water Committee:** Develop a long-term proposal for how Valley Water can work together with other local agencies on recycled water opportunities within Valley Water boundaries, to establish a collaborative process to facilitate policy discussion and sharing of technical information on recycled water issues.

**Stream Planning and Operations Committee (SPOC):** Track progress of Initialing Parties of the FAHCE Settlement Agreement in completing requirements enabling dismissal of water rights complaint and commencement of restoration program. Identify/recommend Board actions to ensure expeditious completion of requirements defined in Purpose 1, including engagement with appointed boards and senior officials of other Initialing Parties. Identify/track progress of District and non-District activities that may affect the FAHCE Settlement Agreement and implementation.

**Water Supply and Demand Management Committee:** Receive and discuss information on issues related to additional water storage options. Support the Board in achieving its policy to provide a reliable water supply to meet current and future water usage by making policy recommendations related to demand management.
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**Board Advisory Committees**
Committees made up of constituents/elected officials that are formed and managed in accordance with Board resolution.

**Agricultural Water Advisory Committee:** To assist the Board with policies and issues pertaining to agricultural water supply and use, and in the annual review of groundwater production charges.

**Environmental and Water Resources Committee:** To assist the Board with policies and issues pertaining to water supply, flood protection and environmental stewardship.

**Santa Clara Valley Water Commission:** To assist the Board with policies and issues pertaining to water supply, flood protection and environmental stewardship, as well as in the annual review of groundwater production charges.

**Santa Clara Valley Water District Youth Commission:** Assist the Board with policy review and development, provide comment on activities in the implementation of Valley Water’s mission for Board consideration, and to identify Board-related issues pertaining to public policy education, outreach, and all matters impacting Santa Clara County youth and Valley Water.

**Joint Committees**
Committees made up of board members and other agency staff that are formed to advise the Board and or in accordance with agreements, contracts, etc.

**Joint Recycled Water Advisory Committee with the City of Sunnyvale:** Develop a long-term proposal for how Valley Water and City of Sunnyvale can work together on recycled water opportunities, to establish a collaborative process to facilitate policy discussion and sharing of technical information on recycled water issues.

**Joint Recycled Water Policy Advisory Committee with the City of San José/Santa Clara/TPAC:** Required per term in the City–Valley Water 40-year Integration Agreement. The Committee shall tender its advice to Valley Water’s Board of Directors and the City Council of the City of San José with respect to policy matters relating to the production, distribution and use of recycled water from facilities under administration by these agencies.

**Joint Recycled Water Policy Committee with the Cities of Palo Alto, East Palo Alto, and Mountain View:**
Develop a long-term proposal for how Valley Water and the Palo Alto Regional Water Quality Control Plant (RWQCP) partner agencies, other stakeholders, and interested parties, can work together on recycled water opportunities, to advance common interest, and to establish a collaborative process to facilitate policy discussion and sharing of technical information on recycled water issues.

**Joint Water Resources Committee with the Cities of Morgan Hill and Gilroy:**
Advance common South County water interests and receive input from stakeholders and interested parties when undertaking the following:

1. Reviewing current practices and future needs for groundwater management in the Llagas groundwater sub-basin.
2. Facilitating policy discussion and sharing of technical information on water supply planning for South County.
3. Identifying the current and future demand for recycled water as well as jointly identifying funding sources for implementation of the South County Recycled Water Master Plan.
4. Facilitating policy discussion and sharing of technical information on furthering development and use of recycled water in South County.

5. Facilitating policy discussion and sharing of socio-economic information on homelessness in South County.

**San Felipe Division Reach One Committee:** Discuss the Initial Asset Evaluation Report, attempt to reach a joint recommendation for a Condition Level, and discuss policy issues.

**Board Working Groups**
Board Working Groups are made up of board members that advise the Board on an assigned subject/purpose, limited in scope and duration.

**Delta Conveyance Authority Group:** Information sharing.

**Environmental Stakeholder Group:** Information sharing.

**External Monitoring Committee**
Committee made up of members of the community nominated by the Directors.

**Renewed Safe, Clean Water Independent Monitoring Committee:** Annually reviews the implementation of the intended results of the program and reports its findings to the Board, which makes the Committee report available to the residents and voters of Santa Clara County.
Groundwater Benefit Zones in Santa Clara County

As part of Valley Water’s core water supply function, four distinct groundwater benefit zones form the basis for establishing District water charges. Zone W-2 roughly encompasses the Santa Clara Subbasin north of Metcalf Road. Zone W-5 encompasses the valley floor of the Llagas Subbasin from approximately East Main Avenue in Morgan Hill south to the Pajaro River. Zone W-7 encompasses the Coyote Valley south of Metcalf Road to just north of East Main Avenue. Zone W-8 encompasses portions of the outlying areas south of the Uvas and Chesbro reservoirs, west of Santa Teresa Boulevard, and generally north of Hecker Pass Highway. Water charges are set separately for each zone, reflecting Valley Water activities benefiting each zone.

Watershed Areas and Flood Control Zones of Santa Clara County

More than 800 miles of creeks flow through Santa Clara County. Valley Water works to protect both the natural attributes of these waterways and the communities that surround them as part of its watershed stewardship core function. Sixty-eight years of working for flood protection has reduced the intensity and frequency of flooding in Santa Clara County.