

April 5, 2023

**MEETING NOTICE & REQUEST FOR RSVP****TO: SANTA CLARA VALLEY WATER COMMISSION****Municipality**

City of Campbell  
City of Cupertino  
City of Gilroy  
City of Los Altos  
Town of Los Altos Hills  
Town of Los Gatos  
City of Milpitas  
City of Monte Sereno  
City of Morgan Hill  
City of Mountain View  
City of Palo Alto  
City of San Jose  
City of Santa Clara  
City of Saratoga  
City of Sunnyvale  
Santa Clara County Board of  
Supervisors  
Midpeninsula Regional Open Space  
District  
Open Space Authority Santa Clara  
Valley

**Representative**

Hon. Susan M. Landry  
Hon. Kitty Moore  
Hon. Dion Bracco  
Hon. Neysa Fligor  
Hon. Lisa Schmidt  
Hon. Maria Ristow  
Hon. Carmen Montano  
Hon. Evert Wolsheimer  
Hon. Gino Borgioli  
Hon. Lucas Ramirez  
Hon. Lydia Kou  
Hon. Domingo Candelas  
Hon. Karen Hardy  
Hon. Chuck Page  
Hon. Alysa Cisneros  
Hon. Sylvia Arenas  
Hon. Jed Cyr  
Hon. Mike Flaughner

**Alternate**

Hon. Sergio Lopez  
Hon. Liang Chao  
Hon. Fred Tovar  
Hon. Pete Dailey  
  
Hon. Matthew Hudes  
  
Hon. Bryan Mekechuk  
Hon. Yvonne Martinez-Beltran  
Hon. Pat Showalter  
Hon. Vicki Veenker  
Kerrie Romanow  
Hon. Kathy Watanabe  
Hon. Belal Aftab  
Hon. Richard Mehlinger  
Hon. Cindy Chavez  
  
Hon. Yoriko Kishimoto  
  
Hon. Helen Chapman

The regular meeting of the Santa Clara Valley Water Commission is scheduled to be held on **Wednesday, April 12, 2023, at 12:00 p.m., In-Person at, Santa Clara Valley Water District, Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, California 95118.**

Enclosed are the meeting agenda and corresponding materials. Please bring this packet with you to the meeting. Additional copies of this meeting packet are available on-line at <https://www.valleywater.org/how-we-operate/committees/board-advisory-committees>.

A majority of the appointed membership is required to constitute a quorum, which is fifty percent plus one. A quorum for this meeting must be confirmed at least 48 hours prior to the scheduled meeting date or it will be canceled.



Further, a quorum must be present on the day of the scheduled meeting to call the meeting to order and take action on agenda items. Members with two or more consecutive unexcused absences will be subject to rescinded membership.

Please confirm your attendance **no later than Monday April 10, 2023; noon** by contacting Glenna Brambill at 1-408-630-2408, or [gbrambill@valleywater.org](mailto:gbrambill@valleywater.org).

Enclosures

**Join Zoom Meeting for Public and Non-presenting Staff**

<https://valleywater.zoom.us/j/91095453959>

Meeting ID: 910 9545 3959

One tap mobile

+16699009128,,91095453959# US (San Jose)

Dial by your location

+1 669 900 9128 US (San Jose)

Meeting ID: 910 9545 3959

Find your local number: <https://valleywater.zoom.us/j/aAkvNqMhu>



## **Santa Clara Valley Water District Santa Clara Valley Water Commission Meeting**

**Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose CA 95118**

Alternate Address:  
4235 County Road 2600, Lometa, Texas, 76853

### **REGULAR MEETING AGENDA**

**Wednesday, April 12, 2023  
12:00 PM**

**District Mission: Provide Silicon Valley safe, clean water for a healthy life, environment and economy.**

Hon. Karen Hardy, Chair  
Hon. Kitty Moore, Vice Chair

Director John L. Varela, District 1  
Director Barbara F. Keegan, District 2  
Director Naii Hsueh, District 5

All public records relating to an item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the Clerk of the Board at the Santa Clara Valley Water District Headquarters Building, 5700 Almaden Expressway, San Jose, CA 95118, at the same time that the public records are distributed or made available to the legislative body. Santa Clara Valley Water District will make reasonable efforts to accommodate persons with disabilities wishing to attend Board of Directors' meeting. Please advise the Clerk of the Board Office of any special needs by calling (408) 265-2600.

Rachael Gibson  
Melanie Richardson  
(Staff Liaisons)

Glenna Brambill (Commission  
Liaison)  
Management Analyst II  
gbrambill@valleywater.org  
1-408-630-2408

**Note: The finalized Board Agenda, exception items and supplemental items will be posted prior to the meeting in accordance with the Brown Act.**

**Santa Clara Valley Water District**  
**Santa Clara Valley Water Commission**  
**REGULAR MEETING**  
**AGENDA**

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Wednesday, April 12, 2023

12:00 PM

Headquarters Building Boardroom

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**\*\*\*IMPORTANT NOTICES AND PARTICIPATION INSTRUCTIONS\*\*\***

Santa Clara Valley Water District (Valley Water) Board of Directors/Board Committee meetings are held as a “hybrid” meetings, conducted in-person as well as by telecommunication, and is compliant with the provisions of the Ralph M. Brown Act.

To maximize public safety while still maintaining transparency and public access, members of the public have an option to participate by teleconference/video conference or attend in-person. To observe and participate in the meeting by teleconference/video conference, please see the meeting link located at the top of the agenda. If attending in-person, you are required to comply with Ordinance 22-03 - AN ORDINANCE OF THE SANTA CLARA VALLEY WATER DISTRICT SPECIFYING RULES OF DECORUM FOR PARTICIPATION IN BOARD AND COMMITTEE MEETINGS located at <https://s3.us-west-2.amazonaws.com/valleywater.org.if-us-west-2/f2-live/s3fs-public/Ord.pdf>

In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee at a video conferenced meeting, during public comment or on any item listed on the agenda, should use the “Raise Hand” tool located in the Zoom meeting link listed on the agenda, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

- Members of the Public may test their connection to Zoom Meetings at: <https://zoom.us/test>
- Members of the Public are encouraged to review our overview on joining Valley Water Board Meetings at: <https://www.youtube.com/watch?v=TojJpYCxXm0>

Valley Water, in complying with the Americans with Disabilities Act (ADA), requests individuals who require special accommodations to access and/or participate in Valley Water Board of Directors/Board Committee meetings to please contact the Clerk of the Board’s office at (408) 630-2711, at least 3 business days before the scheduled meeting to ensure that Valley Water may assist you.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Sections 54950 et. seq. and has not been prepared with a view to informing an investment decision in any of Valley Water’s bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of

uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of Valley Water's bonds, notes or other obligations and investors and potential investors should rely only on information filed by Valley Water on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures and Valley Water's Investor Relations website, maintained on the World Wide Web at <https://emma.msrb.org/> and <https://www.valleywater.org/how-we-operate/financebudget/investor-relations>, respectively.

Under the Brown Act, members of the public are not required to provide identifying information in order to attend public meetings. Through the link below, the Zoom webinar program requests entry of a name and email address, and Valley Water is unable to modify this requirement. Members of the public not wishing to provide such identifying information are encouraged to enter "Anonymous" or some other reference under name and to enter a fictional email address (e.g., attendee@valleywater.org) in lieu of their actual address. Inputting such values will not impact your ability to access the meeting through Zoom.

**Join Zoom Meeting:**

**<https://valleywater.zoom.us/j/91095453959>**

Meeting ID: 910 9545 3959

Join by Phone:

1 (669) 900-9128, 91095453959#

**1. CALL TO ORDER:**

1.1. Roll Call.

**2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON THE AGENDA.**

*Notice to the Public: Members of the public who wish to address the Commission on any item not listed on the agenda should access the "Raise Hand" tool located in Zoom meeting link listed on the agenda. Speakers will be acknowledged by the Commission Chair in order requests are received and granted speaking access to address the Commission. Speakers comments should be limited to two minutes or as set by the Chair. The law does not permit Commission action on, or extended discussion of, any item not on the agenda except under special circumstances. If Commission action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Commission may take action on any item of business appearing on the posted agenda.*

**3. APPROVAL OF MINUTES:**

**3.1. Approval of Minutes.**

[23-0401](#)

Recommendation: Approve the January 25, 2023, Meeting Minutes.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: 01252023 Water Comm Draft Mins](#)

Est. Staff Time: 5 Minutes

**4. CONSENT CALENDAR:**

**5. REGULAR AGENDA:**

**5.1. Review Proposed Fiscal Year 2023-24 Groundwater Production Charges and Receive Commission Feedback.**

[23-0402](#)

Recommendation: Review Proposed Fiscal Year 2023-24 Groundwater Production Charges and Receive Commission Feedback.

Manager: Darin Taylor, 408-630-3068

Attachments: [Attachment 1: PowerPoint Presentation](#)

Est. Staff Time: 20 Minutes

**5.2. Drought Emergency Response and Water Supply Update.**

[23-0404](#)

Recommendation: Receive Drought Emergency Response and Water Supply Update.

Manager: Kirsten Struve, 408-630-3138

Attachments: [Attachment 1: PowerPoint Presentation](#)

Est. Staff Time: 20 Minutes

**5.3. Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda.**

[23-0405](#)

Recommendation: Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.

Manager: Candice Kwok-Smith, 408-630-3193

Attachments: [Attachment 1: Water Comm 2023 Work Plan](#)

Est. Staff Time: 5 Minutes

**6. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS.**

*This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during the meeting.*

**7. REPORTS:**

7.1. Director's Report

7.2. Manager's Report

7.3. Commission Member Report

7.4. Informational Links:

<https://www.valleywater.org/how-we-operate/committees/board-committees>

- Board Policy and Planning Committee (BPPC)
- Stream Planning and Operations Committee (SPOC) (formerly FAHCE Ad Hoc Committee)
- Environmental Creek Cleanup Committee formerly Homeless Encampment Committee
- Water Storage Exploratory Committee (WSEC)

<https://www.valleywater.org/how-we-operate/committees/board-advisory-committees>

- Water Conservation and Demand Management Committee (WCaDMC)

<https://www.valleywater.org/your-water/water-supply-planning/monthly-water-tracker>

- Water Tracker

## **8. ADJOURN:**

8.1. Adjourn to Regular at 12:00 p.m., on Wednesday, October 25, 2023. {At its January 10, 2023 board meeting, the board approved designating July 2023 as a Board and Committee meeting recess period. A special meeting can be scheduled per the request of the commission.}







# Santa Clara Valley Water District

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**File No.:** 23-0401

**Agenda Date:** 4/12/2023

**Item No.:** 3.1.

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## **COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission**

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### **SUBJECT:**

Approval of Minutes.

### **RECOMMENDATION:**

Approve the January 25, 2023, Meeting Minutes.

### **SUMMARY:**

A summary of Committee discussions, and details of all actions taken by the Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval.

Upon Committee approval, minutes transcripts are finalized and entered into the District's historical records archives and serve as historical records of the Committee's meetings.

### **ATTACHMENTS:**

Attachment 1: 01252023 Water Comm Draft Meeting Minutes

### **UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193





SANTA CLARA VALLEY WATER COMMISSION MEETING

# DRAFT MINUTES

WEDNESDAY, JANUARY 25, 2023

(Paragraph numbers coincide with agenda item numbers)

A regular scheduled meeting of the Santa Clara Valley Water Commission (Commission) was held on January 25, 2023, at Santa Clara Valley Water District, Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose CA 95118.

**1. CALL TO ORDER/ROLL CALL**

Chair Hon. Pam Foley called the meeting to order at 12:02 p.m. A quorum of 13 was established.

**Members in attendance were:**

**Municipality**

City of Campbell  
City of Cupertino  
City of Los Altos  
Town of Los Gatos  
City of Monte Sereno  
City of Morgan Hill

**Representative**

Hon. Susan M. Landry  
Hon. Kitty Moore  
Hon. Neysa Fligor

**Alternate**

Hon. Matthew Hudes  
Hon. Bryan Mekechuk  
Hon. Yvonne Martinez-Beltran

City of Mountain View  
City of Palo Alto  
City of San José  
City of Santa Clara  
City of Saratoga  
Santa Clara Valley Open Space  
Authority

Hon. Lucas Ramirez  
Hon. Lydia Kou  
Hon. Pam Foley  
Hon. Karen Hardy  
Hon. Chuck Page  
Hon. Mike Flaughner

Midpeninsula Regional Open Space District

Hon. Jed Cyr

**Members not in attendance were:**

<b><u>Municipality</u></b>	<b><u>Representative</u></b>	<b><u>Alternate</u></b>
City of Campbell		Hon. Sergio Lopez
City of Cupertino		Hon. Liang Chao
City of Gilroy	Hon.. Dion Bracco	Hon. Fred Tovar
Town of Los Altos Hills	Hon. Lisa Schmidt	
Town of Los Gatos	Hon. Maria Ristow	
City of Milpitas	Hon. Carmen Montano	
City of Monte Sereno	Hon. Evert Wolsheimer	
City of Morgan Hill		
City of Mountain View		Hon. Pat Showalter
City of Palo Alto		Hon. Vicki Veenker
City of San José		Kerrie Romanow
City of Santa Clara		Hon. Kathy Watanabe
City of Saratoga		Hon. Belal Aftab
City of Sunnyvale	Hon. Alysa Cisneros	Hon. Richard Mehlinger
County of Santa Clara		Hon. Cindy Chavez
Santa Clara Valley Open Space Authority		Helen Chapman
Midpeninsula Regional Open Space District		Hon. Yoriko Kishimoto

Board member in attendance was: Director Barbara F. Keegan (District 2, Board Representative).

Staff members in attendance were: Jennifer Abadilla, Aaron Baker, Roseryn Bhudsabourg, Neeta Bijoor, Rechelle Blank, Glenna Brambill, Rick Callender, Jennifer Codianne, Anthony Fulcher, Rachael Gibson, Chris Hakes, Emelia Lamas, Shanika Medina, Rene Moreno, Carmen Narayanan, Carlos Orellana, Melanie Richardson, Metra Richert, Don Rocha, Ashley Shannon, Kirsten Struve, Darin Taylor, and Gregory Williams.

Guests in attendance were: Lisa Au (City of Mountain View), Katja Irvin (Sierra Club Loma Prieta Chapter), Hon. Lynette Lee Eng (City of Los Altos), and Mansour Nasser (City of Sunnyvale).

**2. TIME OPEN FOR PUBLIC COMMENT ON ANY ITEM NOT ON AGENDA**

There was no one present who wished to speak.

**3. APPROVAL OF MINUTES**

It was moved by Hon. Susan M. Landry, seconded by Hon. Karen Hardy, and by majority vote approved the October 26, 2022, Santa Clara Valley Water Commission meeting minutes as presented. There were abstentions by Hon. Kitty Moore, Hon. Neysa Fligor, and Hon. Yvonne Martinez-Beltran.

4. **CONSENT CALENDAR:**  
Nothing on the consent calendar.

5. **REGULAR AGENDA ITEMS:**  
**5.1 ELECTION OF CHAIR AND VICE CHAIR**

Commission Chair Hon. Pam Foley opened the floor for nominations for Chair and Vice Chair.

Hon. Karen Hardy self-nominated and was unanimously elected as Water Commission Chair for 2023. Hon. Kitty Moore self-nominated and was unanimously elected as Water Commission Vice Chair for 2023.

**5.2. REVIEW AND APPROVE 2022 ANNUAL ACCOMPLISHMENTS REPORT FOR PRESENTATION TO THE BOARD (COMMISSION CHAIR)**

Commission Chair Hon. Karen Hardy reviewed the materials as outlined in the agenda item.

The Santa Clara Valley Water Commission took the following action.  
It was moved by Hon. Bryan Mekechuk, seconded by Hon. Susan Landry, and unanimously approved the 2022 Annual Accomplishments Report.

**5.3. UPDATE ON PROGRESS TOWARDS VALLEY WATER'S DROUGHT EMERGENCY RESPONSE AND DROUGHT-RELATED WATER CONSERVATION EFFORTS**

Neeta Bijoor reviewed the materials as outlined in the agenda item.

The Santa Clara Valley Water Commission discussed the following: non-functional turf, conservation messaging is helpful, implications of drought, semi-tropic water, water wasters, Model Water Efficient New Development Ordinance (MWENDO), adoption, reach codes, percolation ponds, subsidence, and Water 101 Academy open application period until February 5, 2023.

Hon. Bryan Mekechuk left at 12:53 p.m. and did not return.

Kirsten Struve, Rachael Gibson, Roseryn Bhudsabourg, were available to answer questions.

The Santa Clara Valley Water Commission took no action.

**5.4 REVIEW AND APPROVE 2022 ANNUAL ACCOMPLISHMENTS REPORT FOR PRESENTATION TO THE BOARD (COMMISSION CHAIR)**

Carmen Narayanan reviewed the materials as outlined in the agenda item.

Hon. Pam Foley left at 1:04 p.m. and did not return.

The Santa Clara Valley Water Commission discussed the following: simplified rate

differences, purified water, Advanced Water Purification Center tour, purple piping, treated water, recharge concerns, desalination, costs, debt service, population/housing, RHNA numbers, Pacheco Reservoir, and different rates and zones.

The Santa Clara Valley Water Commission took no action.

Kirsten Struve, Melanie Richardson, Chris Hakes, and Darin Taylor were available to answer questions.

The Santa Clara Valley Water Commission took no action.

**5.5. REVIEW SANTA CLARA VALLEY WATER COMMISSION WORK PLAN, THE OUTCOMES OF BOARD ACTION OF COMMISSION REQUESTS AND THE COMMISSION'S NEXT MEETING AGENDA**

Commission Chair Hon. Karen Hardy reviewed the materials as outlined in the agenda item.

The Santa Clara Valley Water Commission took the following actions:

It was moved by Hon. Chuck Page, seconded by Hon. Mike Flaughner, and by majority vote approved to add Percolation Ponds to the work plan. Hon. Lucas Ramirez voted no.

It was moved by Hon. Susan M. Landry, seconded by Hon. Kitty Moore, and by majority vote approved to add Riparian Corridors and Development Guidelines to the work plan. Hon. Lucas Ramirez voted no.

Hon. Lucas Ramirez left at 2:01 p.m. and did not return. Hon. Matthew Hudes left at 2:02 p.m. and did not return. Hon. Susan M. Landry left at 2:03 p.m. and did not return.

**6. INFORMATIONAL ITEMS:**

**6.1 REVIEW FISCAL YEAR 2022-2023 BOARD WORK PLAN**

Glenna Brambill reviewed the materials as outlined in the agenda item.

The Santa Clara Valley Water Commission took no action.

**7. CLERK REVIEW AND CLARIFICATION OF COMMISSION REQUESTS TO THE BOARD**

Glenna Brambill reported there were the following action items.

Agenda Item 5.2:

The Water Commission approved the 2022 Annual Accomplishments Report.

Agenda Item 5.5:

The Water Commission approved adding percolation ponds, riparian corridors and developmental guidelines to the work plan.

## **8. REPORTS**

### **8.1 Director's Report**

None.

### **8.2 Manager's Report**

Don Rocha reported on Grants:

- Safe Clean Water and Natural Flood Protection Grants/Partnerships Program is year-round, 2 grant opportunities:
  - ✓ County \$5,000 per grant towards the purchase, installation, and maintenance of a water refill station of your choice
  - ✓ County \$5,000 per grant towards the purchase, installation, and maintenance of a water refill station of your choice.
  - ✓ Mini grants program small \$5,000 grants that are related to water conservation, environmental stewardship and flood protection located within Santa Clara County.
  - ✓ Grants information is at our website:  
<https://www.valleywater.org/learning-center/grants-partnerships>

### **8.3 Commission Member Report**

None.

### **8.4 Informational Links Report**

Information located on the agenda.

## **9. ADJOURNMENT**

Commission Chair Hon. Karen Hardy adjourned at 2:05 p.m. to the next regular meeting on Wednesday, April 12, 2023, at 12:00 p.m.

Glenna Brambill  
Board Committee Liaison  
Office of the Clerk of the Board

Approved:







# Santa Clara Valley Water District

**File No.:** 23-0402

**Agenda Date:** 4/12/2023

**Item No.:** 5.1.

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## COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### SUBJECT:

Review Proposed Fiscal Year 2023-24 Groundwater Production Charges and Receive Commission Feedback.

### RECOMMENDATION:

Review Proposed Fiscal Year 2023-24 Groundwater Production Charges and Receive Commission Feedback.

### SUMMARY:

The recent much needed rain has helped improve Valley Water's water supply outlook significantly. In just a few months' time, Santa Clara County has moved from the classification of extreme drought to being out of the drought, based on the U.S. Drought Monitor. On March 24, 2023, the Governor announced that he is rescinding his voluntary call for 15 percent water use reduction and requirement that urban water suppliers activate Level 2 of their water shortage contingency plans; however, he left in place the statewide drought proclamation and many water use restrictions.

Recovering from the recent drought conditions coupled with high inflation across the nation has impacted everyone in Santa Clara County. The combination of reduced revenues, driven by necessary conservation, and necessary expenses to maintain the current water supply into the future will continue to put significant pressure on water rates over the next couple of years.

Since the publishing of Valley Water's Annual Report on the Protection and Augmentation of Water Supplies (PAWS), which can be found at [www.valleywater.org](http://www.valleywater.org) <<http://www.valleywater.org>>, staff has reduced the operations costs projection for FY 2023-24 by \$26 million, mainly by reduced emergency water purchases. Consequently, for North County Zone W-2, in which the near term rate projection was most impacted by the drought, the staff proposed groundwater production charge increase is lower than the proposed maximum groundwater production charge shown in the PAWS report.

Staff proposes a 14.5% increase in the North County Zone W-2 Municipal and Industrial (M&I)

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groundwater production charge, from \$1,724 per acre foot (AF) to \$1,974/AF. Staff recommends maintaining the treated water surcharge on treated water delivered under the contracts with retail agencies at \$115/AF, and maintaining the non-contract treated water surcharge at \$200/AF. The proposal equates to a monthly bill increase for the average household of \$8.61 or about 29 cents a day.

In the South County Zone W-5, staff proposes a 6% increase in the M&I groundwater production charge from \$513/AF to \$543.50/AF. The proposal equates to a monthly bill increase for the average household of \$1.05 or about 4 cents per day.

In the South County Zone W-7, staff proposes a 12.9% increase in the M&I groundwater production charge from \$582.50/AF to \$657.50/AF. The proposal equates to a monthly bill increase for the average household of \$2.58 or about 9 cents per day.

The treated water surcharge is proposed to remain the same as last year (\$115/AF for contract water, \$200/AF for non-contract water).

In the South County Zone W-8, staff proposes an 8% increase in the M&I groundwater production charge from \$368.50/AF to \$398/AF. The proposal equates to a monthly bill increase for the average household of \$1.02 or about 3 cents per day.

Customers in both areas of North and South County may also experience additional charge increases enacted by their retail water providers.

For agricultural groundwater users, staff proposes an increase of 8% from the prior year, which equates to setting the agricultural groundwater charge at 10% of the lowest M&I rate (Zone W-8), consistent with Board direction from January 12, 2021. The proposed agricultural groundwater production charge in any groundwater benefit zone would change from \$36.85/AF to \$39.80/AF, or roughly a \$0.49 increase per month per acre, assuming two acre-feet of water usage per acre per year.

The proposed groundwater production charges for FY 2023-24 are necessary to pay for (1) the Anderson Dam Seismic Retrofit, which will improve public safety and restore operational capacity; (2) key infrastructure projects such as the Rinconada Water Treatment Plant reliability improvement, the 10-year pipeline rehabilitation program, the Almaden Valley Pipeline Replacement project, which is critical to the county's water supply, and the recycled pipeline expansion in South County which would help preserve potable water supplies; and (3) to pay for general inflation impacting materials and supplies necessary to complete Water Utility projects.

The Board is seeking input with regard to staff's groundwater production charge recommendation for FY 2023-24.

#### **ATTACHMENTS:**

Attachment 1: PowerPoint Presentation

**UNCLASSIFIED MANAGER:**  
Darin Taylor, 408-630-3068





FISCAL YEAR 2023-24

# Groundwater Production & Other Water Charges

Santa Clara Valley Water Commission Meeting

Presented by  
Carmen Narayanan, Financial Planning & Revenue Manager  
April 12, 2023



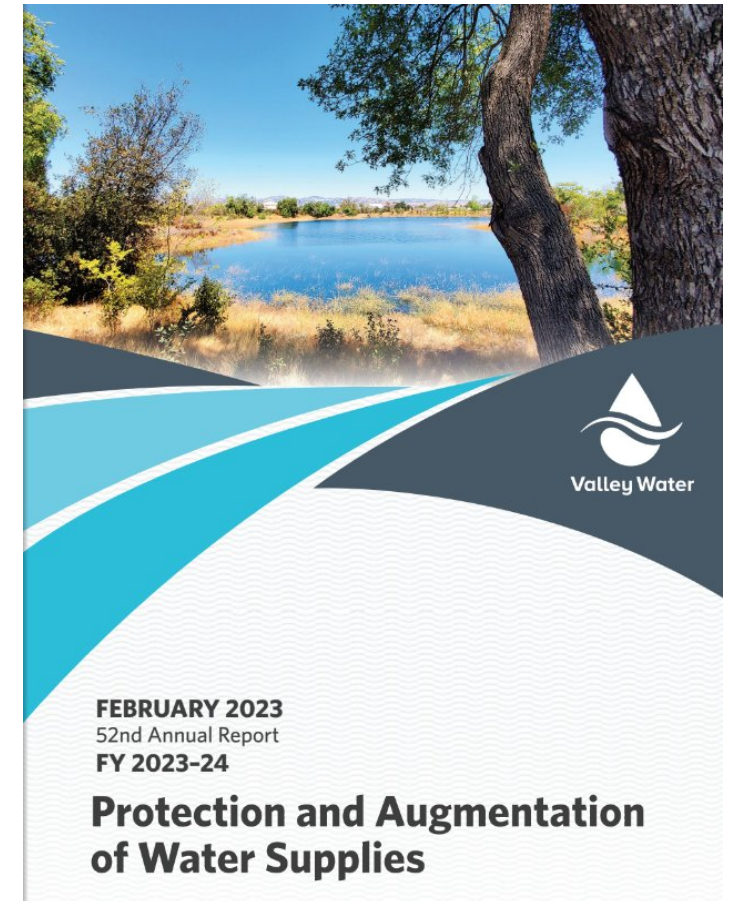
# 52<sup>nd</sup> Annual Report Released

Annual Protection and Augmentation of  
Water Supplies Report provides  
information & accountability

Filed February 24, 2023

Available Online:

<https://www.valleywater.org/ProposedWaterCharges>





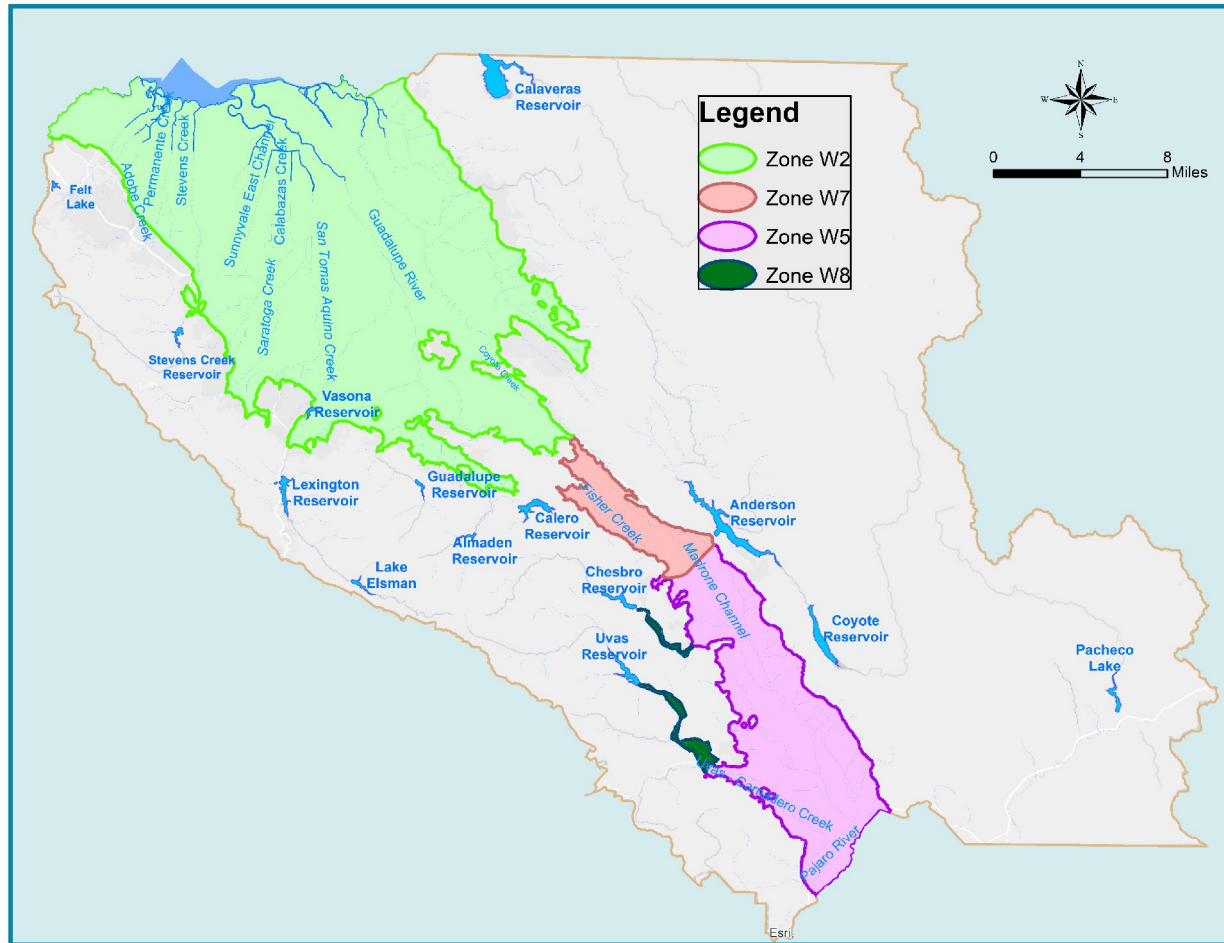
# A comprehensive, flexible water system

## SERVING OVER 2.0 MILLION PEOPLE



# Resolution 99-21 is the Board's Pricing Policy

4



## Board Pricing Policy Summary

- Groundwater charges are levied within a zone for benefits received
  - Modified zones shown in the map became effective on 7/1/2020
- All water sources and water facilities contribute to common benefit within a zone regardless of cost, known as “pooling” concept
  - Helps maximize effective use of available resources
- Agricultural water charge shall not exceed 10% of M&I water charge





# Infrastructure

## DRIVES DIFFERENT GROUNDWATER PRODUCTION CHARGES IN EACH ZONE

### North County

- 3 water treatment plants
- Reservoirs –
  - Almaden
  - Calero
  - Guadalupe
  - Lexington
  - Stevens Creek
  - Vasona
- Silicon Valley Advanced Water Purification Center
- Imported Water – State Water Project

### Shared

- Reservoirs –
  - Anderson
  - Coyote
  - Pacheco
- Imported Water –
  - Central Valley Project
- Shared facilities do not benefit Zone W-8

### South County

- Reservoirs –
  - Chesbro
  - Uvas
    - Does not benefit Zone W-7
- SCRWA Recycled Water System
  - Benefits Zone W-5 only

# Ongoing Drought Drives Near-Term Water Rates

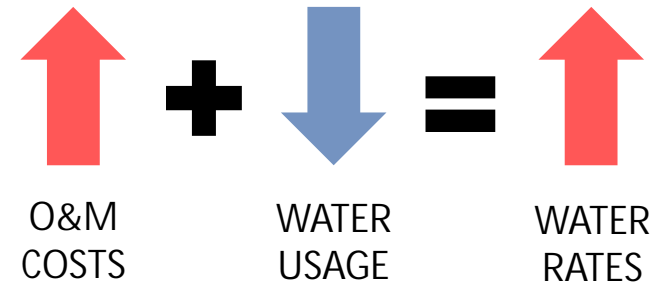
## Key drivers of near-term rate projection (FY 24 and FY 25)

### Ongoing Drought Puts Pressure on Water Rates:

#### O&M Costs up

Reduced  
\$26M  
in FY24

- Emergency Water Purchases projected to be \$24.5M in FY24 & FY25
- Emergency Conservation activities projected to be \$7.0M in FY24 & FY25



Water Usage down: Mandatory 15% call for conservation compared to 2019 (on track to achieve in FY23)

- Results in lower revenue to pay for highly fixed cost structure

### Continued Measures to Soften Water Rate Impact:

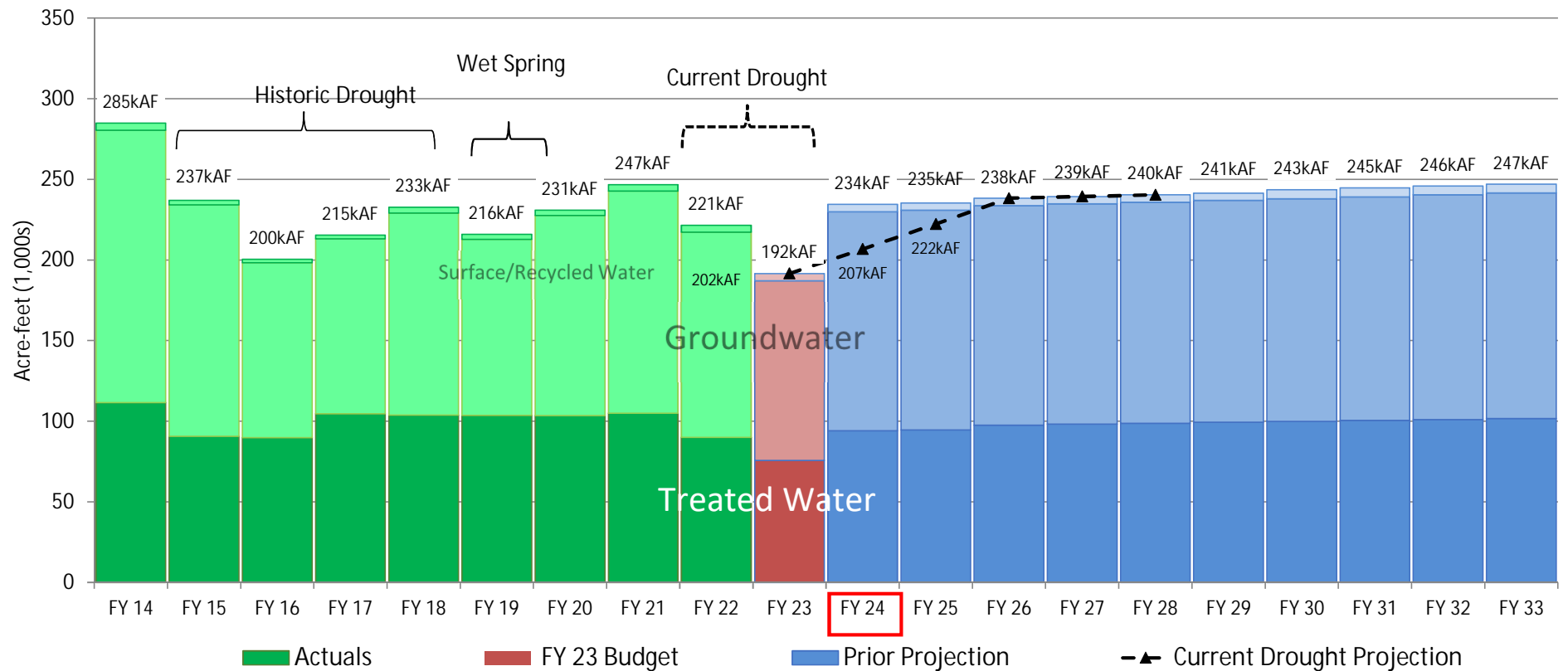
- Draw down Rate Stabilization reserves in FY 24 & FY 25
- Suspension of certain position backfills, sharing certain positions between multiple divisions, careful scrutiny of draft biennial budget to offset inflation impact



# Water Usage (District Managed)

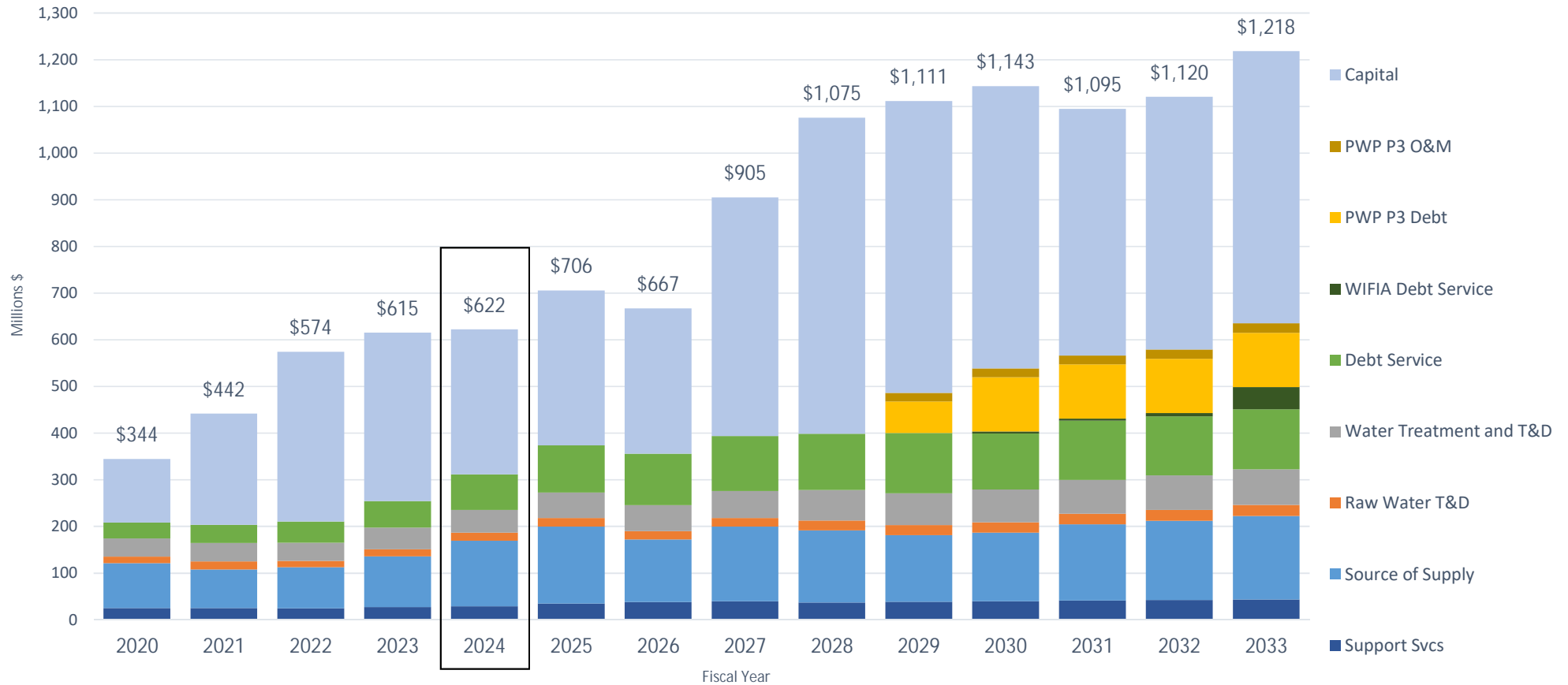
7

Water Usage (District Managed)



# Long Term Cost Projection

8



O&M: Operations and Maintenance  
T&D: Transmission and Distribution



## Infrastructure Repair and Water Supply Investments Drive Medium-Term and Long-Term Water Rates

### Key drivers of medium-term rate projection (FY 26 thru FY 30)

Rinconada Water Treatment Plant Reliability Improvement (Total Project Cost [TPC] \$628M)

- Extend service life of plant for next 50 years and expand plant capacity

Purified Water Program (TPC \$1.218B)

- Provide incremental drought proof water supply

### Key drivers of medium-term (FY 26 thru FY 30) & long-term rate projection (Beyond FY 30)

Anderson Dam Seismic Retrofit all projects combined (TPC \$1.419B)

- Address public health and safety concerns and relieve operations restrictions
- Medium-term rate impact partially mitigated by WIFIA loan repayment terms

### Key drivers of long-term rate projection (Beyond FY 30)

Pacheco Reservoir Expansion TPC \$2.780B)

- Add water storage to help face extended droughts
- Medium-term rate impact mitigated by grant funding and WIFIA loan repayment terms



# Rate setting strategy for FY 2023-24

## FY 24 BASELINE CASE ASSUMPTIONS:

### Drought Related

- ~~Emergency Water Supply Purchases anticipated in FY24 (\$19.5M) and FY25 (\$5.0M)~~ **Eliminated in FY24 & FY25**
- Slight increase in District-managed water usage – projected at 207 kAF (vs. 192 kAF in FY23)

### Secure Existing Supplies and Infrastructure

- Baseline Projects\*
- Anderson Dam Seismic Retrofit with WIFIA loan (up to 49% of TPC)
- Master Plan Projects Placeholder\*\*: Assumes \$333M from FY26-FY33
- State Water Project (SWP) Tax pays for 100% of SWP costs (excludes SWP portion of Delta Conveyance)
- Delta Conveyance SWP portion continues at 3.23%

### Expand Conservation and Reuse

- Purified Water Expansion via P3 with operations beginning in FY28, assumes 100% debt financing through P3 entity

### Optimize the System

- Pacheco Reservoir Expansion Project (PREP) with \$504M Proposition 1 grants, WIFIA loan (up to 49% of TPC) and Partnership Participation at 35% of TPC
- Los Vaqueros (Transfer Bethany Pipeline) with up to 50 kAF Storage

\* Includes but not limited to dam seismic retrofits, Rinconada WTP reliability improvement, 10-year pipeline rehabilitation program

\*\* Master Plan Project Placeholder includes anticipated costs for new pipelines, pipeline rehabilitations, treatment plant upgrades & SCADA implementation projects

TPC: Total Project Cost | P3: Public-Private Partnership | WIFIA: Water Infrastructure Finance & Innovation Act



# FY 2023-24 Recommended Groundwater Charge Projection

11

Reflects Staff Proposed Revisions

M&I Groundwater Charge Year to Year Growth %

	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
North County Zone W-2	<del>14.5%</del> <del>15%</del>	<del>14.5%</del> <del>15%</del>	9.9%	9.9%	9.9%	9.9%	9.9%	<del>6.8%</del> <del>6.3%</del>	<del>6.8%</del> <del>6.3%</del>	<del>6.8%</del> <del>6.3%</del>
Prior Year	15%	15%	9.1%	9.1%	9.1%	9.1%	9.1%	5.0%	5.0%	
South County Zone W-5	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Prior Year	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	5.2%	
South County Zone W-7	12.9%	12.9%	12.9%	12.9%	12.9%	12.9%	12.9%	12.9%	12.9%	12.9%
Prior Year	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	
South County Zone W-8	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Prior Year	8%	8%	8%	8%	8%	8%	8%	8%	8%	



# Estimated Monthly Impact to Average Household

## M&I Groundwater Charge Monthly Impact to Average Household

Reflects Staff Proposed Revisions

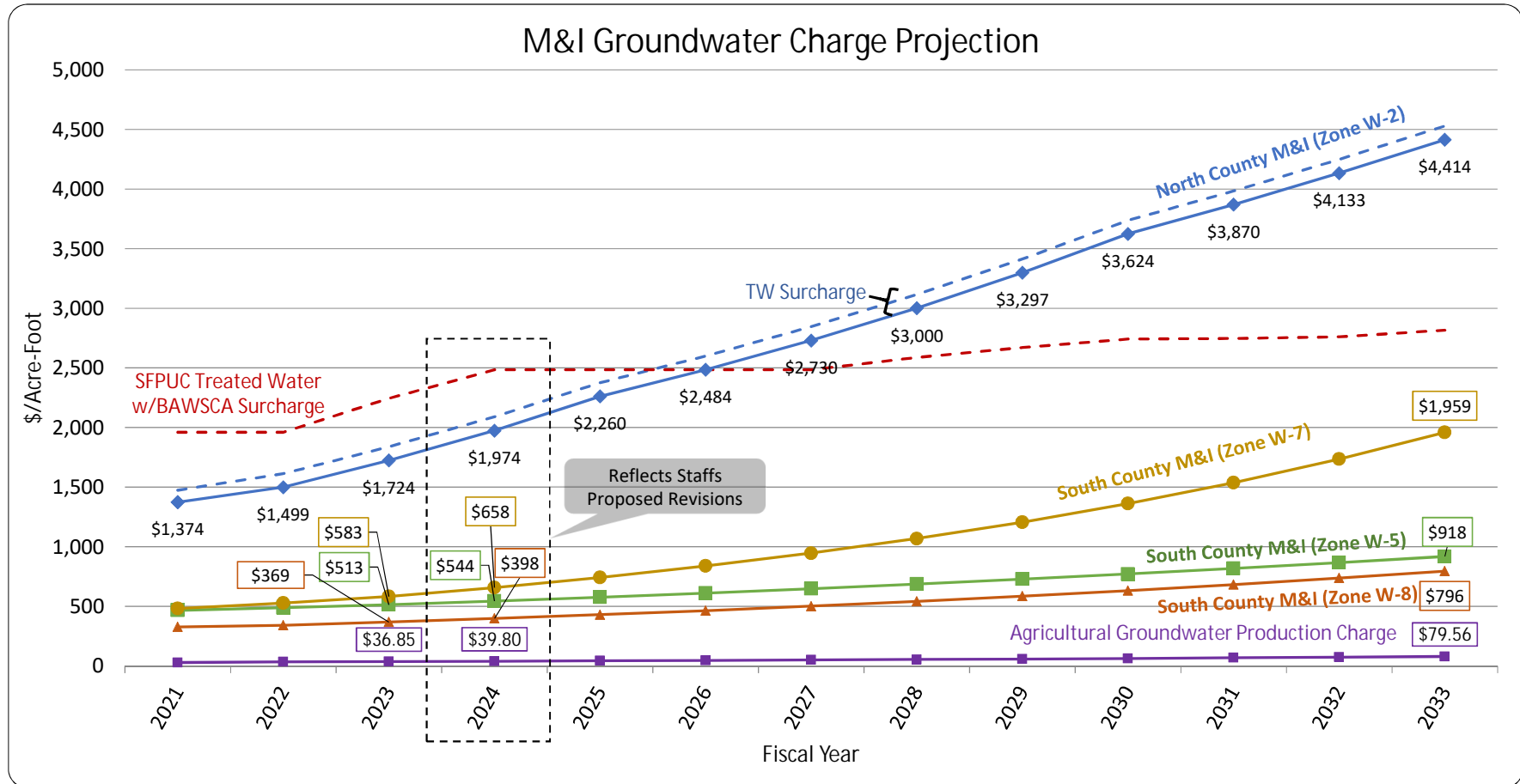
Staff Recommendation	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
North County Zone W-2	<del>\$8.92</del>	<del>\$10.24</del>	<del>\$7.77</del>	<del>\$8.54</del>	<del>\$9.39</del>	<del>\$10.32</del>	<del>\$11.34</del>	<del>\$8.18</del>	<del>\$8.72</del>	<del>\$9.28</del>
	\$8.61	\$9.86	\$7.71	\$8.47	\$9.31	\$10.23	\$11.24	\$8.49	\$9.06	\$9.68
South County Zone W-5	\$1.05	\$1.12	\$1.19	\$1.26	\$1.34	\$1.42	\$1.50	\$1.59	\$1.69	\$1.79
South County Zone W-7	\$2.58	\$2.92	\$3.30	\$3.72	\$4.20	\$4.75	\$5.36	\$6.05	\$6.83	\$7.71
South County Zone W-8	\$1.02	\$1.10	\$1.18	\$1.28	\$1.38	\$1.49	\$1.61	\$1.74	\$1.88	\$2.03





# FY 2023-24 Recommended Groundwater Charge Projection

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# FY 2023-24 North County Zone W-2 Maximum Proposed Charges

Zone W-2 (North County)	Dollars Per Acre Foot			Reflects Staff Proposed Revisions
	FY 2021-22	FY 2022-23	Proposed Maximum FY 2023-24	
Basic User/Groundwater Production Charge				
Municipal & Industrial	1,499.00	1,724.00	<del>1,983.00</del>	\$1,974
Agricultural	34.15	36.85	39.80	
Surface Water Charge				
Surface Water Master Charge	40.90	47.10	<del>54.20</del>	\$54.00
Total Surface Water, Municipal & Industrial*	1,539.90	1,771.10	<del>2,037.20</del>	\$2,037
Total Surface Water, Agricultural*	75.05	83.95	<del>94.00</del>	\$93.80
Treated Water Charges				
Contract Surcharge	115.00	115.00	115.00	
Total Treated Water Contract Charge**	1,614.00	1,839.00	<del>2,098.00</del>	\$2,089
Non-Contract Surcharge	200.00	200.00	200.00	
Total Treated Water Non-Contract Charge***	1,699.00	1,924.00	<del>2,183.00</del>	\$2,174



\* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge

\*\* The total treated water contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the contract surcharge

\*\*\* The total treated water non-contract charge is the sum of the basic user charge (which equals the groundwater production charge) plus the non-contract surcharge

M&I Increase approximately \$8.61 per month increase to the average household user.

Note: Does not include any increase that a retailer would layer on top



# FY 2023-24 South County Zone W-5 Maximum Proposed Charges

Zone W-5 (Llagas Subbasin)	Dollars Per Acre Foot			Reflects Staff Proposed Revisions
	FY 2021–22	FY 2022–23	Proposed Maximum FY 2023–24	
Basic User/Groundwater Production Charge				
Municipal & Industrial	488.00	513.00	543.50	
Agricultural	34.15	36.85	39.80	
Surface Water Charge				
Surface Water Master Charge	40.90	47.10	<del>54.20</del>	\$54.00
Total Surface Water, Municipal & Industrial*	528.90	560.10	<del>597.70</del>	\$597.50
Total Surface Water, Agricultural*	75.05	83.95	<del>94.00</del>	\$93.80
Recycled Water Charges				
Municipal & Industrial	468.00	493.00	523.50	
Agricultural	61.55	64.25	67.20	



\* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge

M&I Increase approximately \$1.05 per month increase to the average household user.

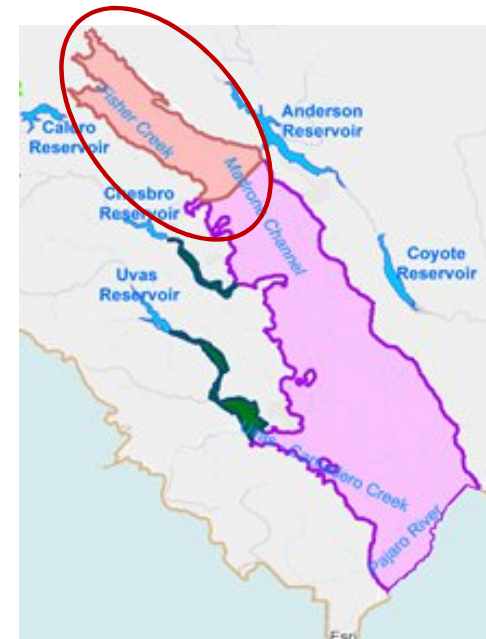
Note: Does not include any increase that a retailer would layer on top



# FY 2023-24 South County Zone W-7 Maximum Proposed Charges

Zone W-7 (Coyote Valley)	Dollars Per Acre Foot			
	FY 2021-22	FY 2022-23	Proposed Maximum FY 2023-24	
Basic User/Groundwater Production Charge				
Municipal & Industrial	528.50	582.50	657.50	
Agricultural	34.15	36.85	39.80	
Surface Water Charge				
Surface Water Master Charge	40.90	47.10	<del>54.20</del>	\$54.00
Total Surface Water, Municipal & Industrial*	569.40	629.60	<del>711.70</del>	\$711.50
Total Surface Water, Agricultural*	75.05	83.95	<del>94.00</del>	\$93.80

Reflects  
Staff  
Proposed  
Revisions



\* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge



M&I Increase approximately \$2.58 per month increase to the average household user.

Note: Does not include any increase that a retailer would layer on top

# FY 2023-24 South County Zone W-8 Maximum Proposed Charges

Zone W-8 (Uvas / Chesbro)	Dollars Per Acre Foot		
	FY 2021-22	FY 2022-23	Proposed Maximum FY 2023-24
Basic User/Groundwater Production Charge			
Municipal & Industrial	341.50	368.50	398.00
Agricultural	34.15	36.85	39.80
Surface Water Charge			
Surface Water Master Charge	40.90	47.10	<del>54.20</del>
Total Surface Water, Municipal & Industrial*	382.40	415.60	<del>452.20</del>
Total Surface Water, Agricultural*	75.05	83.95	<del>94.00</del>

Reflects  
Staff  
Proposed  
Revisions

\$54.00

\$452.00

\$93.80



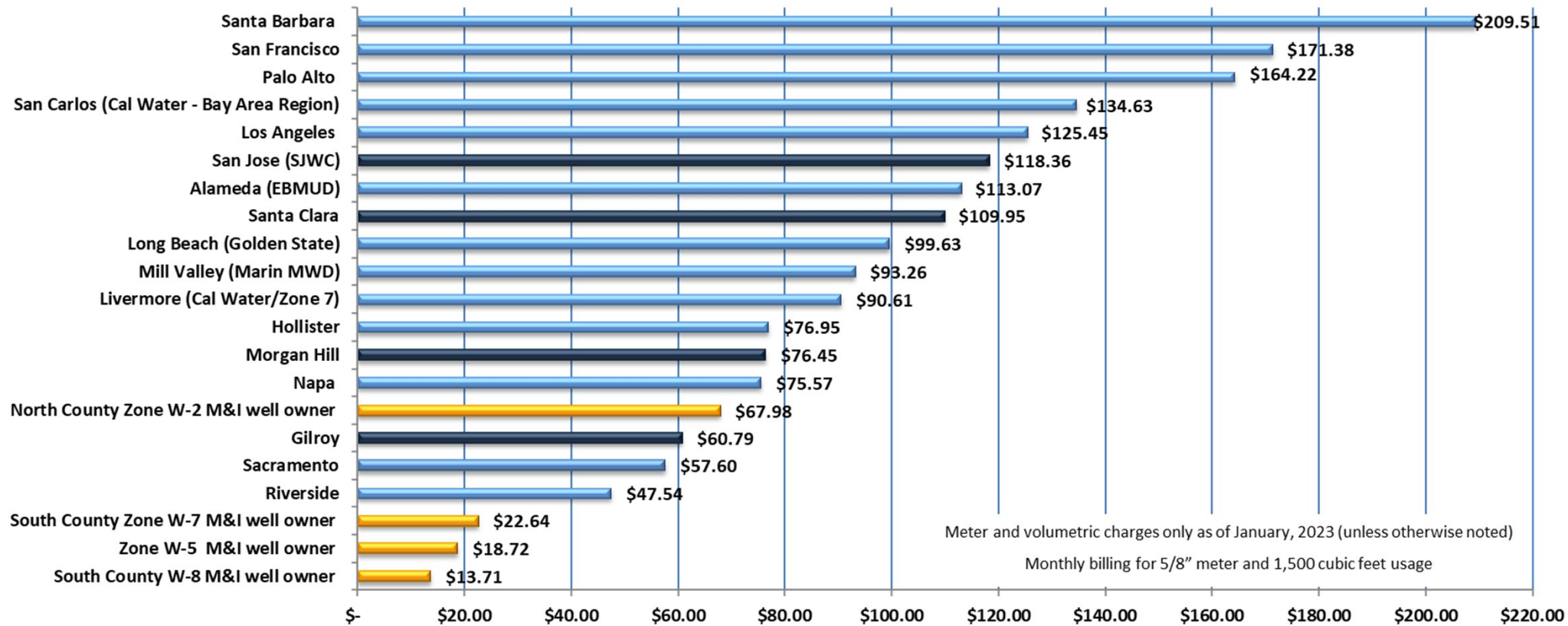
\* The total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge



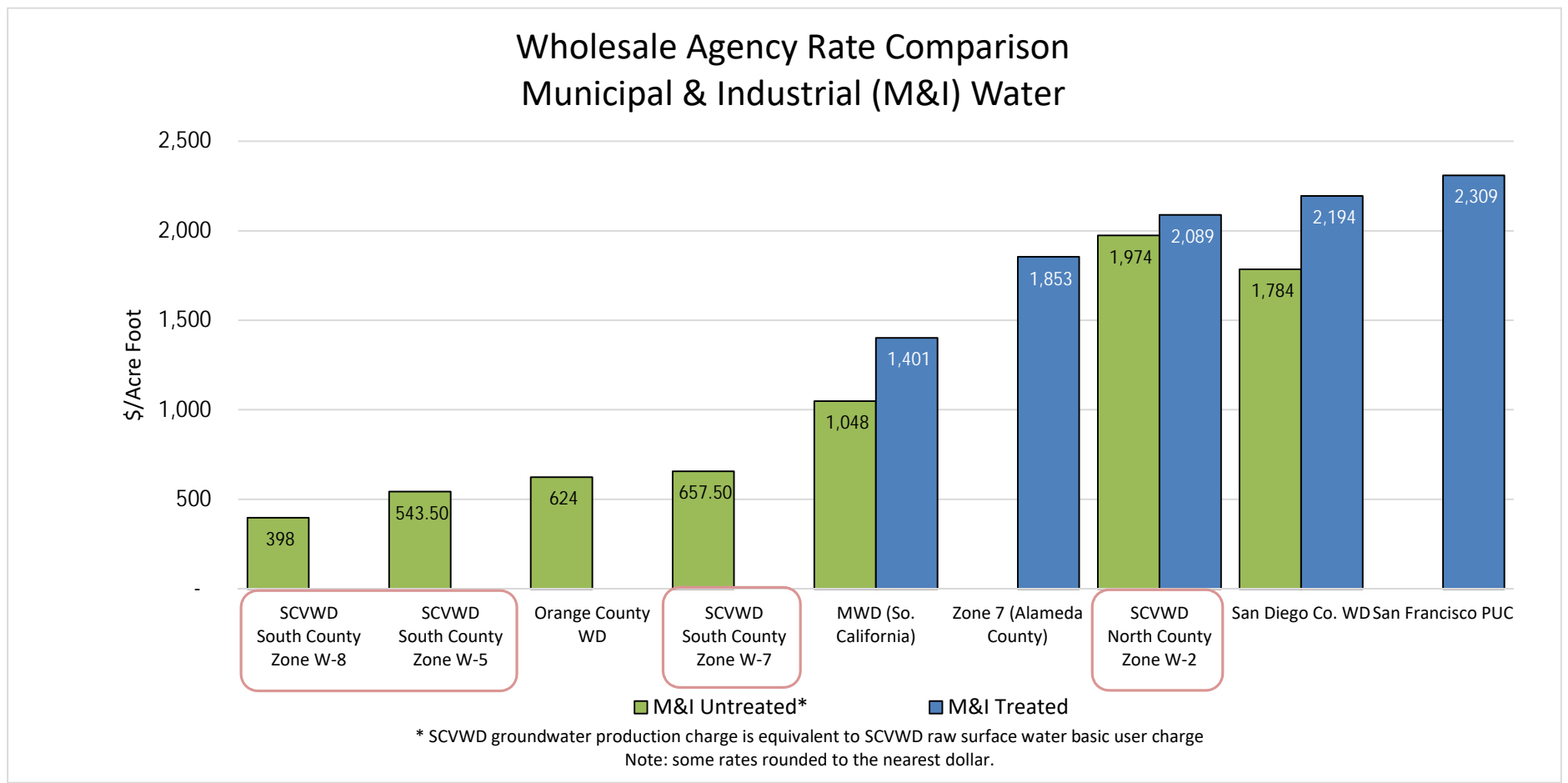
M&I Increase approximately \$1.02 per month increase to the average household user.  
Note: Does not include any increase that a retailer would layer on top

# Retail Agency Benchmarks

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# Wholesale Agency Rate Comparison



Valley Water FY 24 Proposed Maximums Shown versus FY24 projected comparator rates





# FY 2023-24 State Water Project Tax Recommendation

20

- Staff recommends maintaining the SWP tax at \$27M (current FY 2022-23 SWP tax is \$27M)
- The annual SWP tax bill for the average single-family residence would remain at about \$41.00
- Impact if SWP tax not approved:

- \$162/AF additional increase in terms of North County M&I groundwater production charge
- In terms of South County M&I groundwater production charge, additional increases of:
  - \$33/AF for Zone W-5
  - \$59/AF for Zone W-7
  - \$29/AF for Zone W-8

- Placing all SWP expenses on groundwater rates would impact affordability

- \$792,330 additional increase in terms of Open Space Credit

TAXING AGENCY	VALUE	RATES (%)	PRORATION (%)	AMOUNT
LAND, IMPROVEMENTS, PERSONAL PROPERTY				
1% MAXIMUM LEVY	1,718,310	1.000000		
CO BOND 2008 HOSP FAC	1,718,310	0.006900		
CO LIBRARY RETIREMENT	1,718,310	0.002400		
CO RETIREMENT LEVY	1,718,310	0.038800		
CO. HOUSING BOND 2016	1,718,310	0.010000		
COMM COLLEGE BONDS	1,718,310	0.019900		
ELEM OR UNIF SCH BONDS	1,718,310	0.104600		
TOTAL ASSESSED VALUE TAXES	1,718,310	1.182600		
LAND AND IMPROVEMENTS			50.00	10,160.37
SCVWD-STATE WATER PROJ	1,718,310	0.004100		
TOTAL LAND & IMPROVEMENT TAXES	1,718,310	0.004100	50.00	35.23
ROUNDING ADJUSTMENT				0.00
TAXES DUE				\$10,195.60





## 2023 Schedule

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Jan 9	Ag Water Advisory Committee
Jan 10	Board Meeting: Preliminary Groundwater Charge Analysis
Jan 18	Water Retailers Meeting: Preliminary Groundwater Charge Analysis
Jan 23	Water Commission Meeting: Preliminary Groundwater Charge Analysis
Feb 7	Board Meeting: Set time & place of Public Hearing
Feb 24	Mail notice of public hearing and file PAWS report
Mar 7	Board Meeting: Budget development update
Mar 15	Water Retailers Meeting: FY 24 Groundwater Charge Recommendation
Apr 3	Ag Water Advisory Committee
Apr 11	Open Public Hearing
Apr 12	Water Commission Meeting
Apr 13	Continue Public Hearing in South County
Apr 25	Conclude Public Hearing
Apr 26-27	Board Meeting: Budget work study session
May 16	Adopt budget & groundwater production and other water charges



# Summary and Next Steps

## Key Drivers for Near-Term Water Rate Increases:

- Recovery from current historic drought (reduced water usage due to necessary conservation)

## Key Drivers for Medium-Term & Long-Term Water Rate Increases:

- Smart infrastructure investments: Rinconada Water Treatment Plant, Purified Water Program, Anderson Dam Seismic Retrofit & Pacheco Reservoir Expansion Project
  - Investing now remains the most cost-efficient way to get critical multi-year projects done

## Proposed Maximum FY 24 Groundwater Production Charge for North County in terms of average household increase are:

- Increase of \$8.61 per month in Zone W-2 for groundwater and treated water

## Proposed Maximum FY 24 Groundwater Projection Charges for South County in terms of average household increase are:

- Increase of \$1.05 per month in Zone W-5
- Increase of \$2.58 per month in Zone W-7
- Increase of \$1.02 per month in Zone W-8

## Next Steps

- Continue Public Hearing on April 13<sup>th</sup>





# Santa Clara Valley Water District

**File No.:** 23-0404

**Agenda Date:** 4/12/2023

**Item No.:** 5.2.

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## **COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission**

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### **SUBJECT:**

Drought Emergency Response and Water Supply Update.

### **RECOMMENDATION:**

Receive Drought Emergency Response and Water Supply Update.

### **SUMMARY:**

#### **Drought Conditions**

On June 9, 2021, the Board adopted Santa Clara Valley Water District (Valley Water) Resolution 21-68 which declared a water shortage emergency condition pursuant to California Water Code §350, called for water use reduction of 15% compared to 2019, and urged the County of Santa Clara (County) to proclaim a local emergency. The County ratified its proclamation of a drought emergency on June 22, 2021. Valley Water Resolution 22-20 amended Valley Water Resolution 21-68 on April 12, 2022, to call for no more than 2 days of irrigation in a week for ornamental lawns and prohibit excessive runoff, midday irrigation, and irrigation after rainfall. On May 24, 2022, the Board pursuant to Water Code §375 adopted Ordinance 22-02 to enforce these restrictions. Ordinance 22-02 went into effect on June 1, 2022, and was amended on September 13, 2022, to include the State's watering ban on watering non-functional turf at Commercial, Industrial, and Institutional (CII) properties.

On February 13, 2023, Governor Newsom signed Executive Order N-3-23 that maintained almost all of the drought-response actions of his prior drought-related proclamations and executive orders. Executive Order N-3-23 ordered state agencies to submit their recommendations on existing provisions in the Governor's drought proclamations and executive orders. State agencies are required to submit their recommendations to the Governor no later than April 28, 2023.

Since then, Valley Water's water supply outlook has improved significantly, due to several atmospheric rivers since December 2022. In January 2023, California experienced one of the wettest three-week periods on record, yielding a snowpack that is well above average. In response to the improved hydrologic conditions, imported water allocations have been increased significantly. In

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addition to imported water allocations improving, Valley Water's ten local reservoirs are collectively at 179% of restricted storage capacity and the 2023 end of year groundwater storage is projected to be in the normal range.

On March 24, 2023, the Governor announced that he is rescinding his voluntary call for 15 percent water use reduction and requirement that urban water suppliers activate Level 2 of their water shortage contingency plans; however, he left in place other State water use restrictions, including, but not limited to, a ban on watering lawns within 48 hours of rain, using hoses without shut-off nozzles, and using drinking water to irrigate non-functional turf on commercial industrial and institutional properties.

As recommended by the Water Conservation Demand Management Committee on March 27, 2023, staff proposed a resolution for the Board's consideration on April 11, 2023 which would rescind the Emergency Water Shortage Condition. This would remove the mandatory call for water use reduction, consistent with the Governor's action, and also remove the 2-day per week watering call for nonfunctional residential turf. Staff also recommended suspending enforcement of prohibition 3.1 (a), the 2-day per week watering limit of residential nonfunctional turf, in Amended Water Use Restriction Ordinance 22-02. As the Board's decision on April 11, 2023 was not available at the time of this memorandum's posting, the Board action will be shared verbally during this Committee meeting.

Staff will continue to assess the water supply outlook in the County along with other related State actions. Staff is developing proposed actions to make water conservation a way of life following the end of drought emergency actions. These actions may include a call for permanent water use reduction restrictions, amending or suspending the enforcement ordinance, issuing a voluntary call for conservation, and/or other actions, and will align with the State's actions as appropriate.

### **Water Conservation Outreach and Programs**

Our water conservation campaigns continue with tips for saving water and messaging to dial back on irrigation during rains. Program participation remains high, compared to pre-drought levels. Media interest has focused on continued rain events and their effect on the drought and Santa Clara County's water supply. Staff also launched a new campaign aimed at helping Commercial, Industrial and Institutional (CII) entities apply for rebates. Community outreach through Speakers Bureau presentations continues.

### **Countywide Water Use Reduction**

Countywide water savings compared to 2019 (Valley Water's baseline) and 2020 (State's baseline) is shown below. Countywide water savings were 1% in February 2023 compared to February 2019 and 21% compared to February 2020. Winter use represents indoor water use, which increased because of COVID generally due to increased water use for sanitation.

	Santa Clara County	
Baseline Year	2019	2020
February 2023 Savings	1%	21%
Cumulative*	7%	12%
* Cumulative for 2019 baseline begins in June 2021 and for 2020 baseline begins in July 2021		

### **Water Waste Enforcement**

Valley Water's Water Waste Program is continuing its educational mission while enforcing mandatory water use restrictions for outdoor landscapes. Valley Water is addressing these complaints and coordinating with water retailers and municipalities on enforcement efforts. Over 2,000 water waste complaints were received since the enforcement program was launched in June. Enforcement has been successful as there have been only nine complaints of water waste following the first complaint, which suggests that people are addressing their water waste following the first complaint.

### **Model Water Efficient New Development Ordinance**

Valley Water continues to monitor actions and provide staff support to municipalities for their consideration and adoption of all or parts of the Model Water Efficient New Development Ordinance (MWENDO), as part of ongoing efforts to support cities' and the County's interests in expanding water efficiency measures. While the 2022 version of California's triennial Title 24 building code update was effective January 1, 2023, jurisdictions can adopt additional measures included in MWENDO at any time.

### **ATTACHMENTS:**

Attachment 1: PowerPoint Presentation

### **UNCLASSIFIED MANAGER:**

Kirsten Struve, 408-630-3138





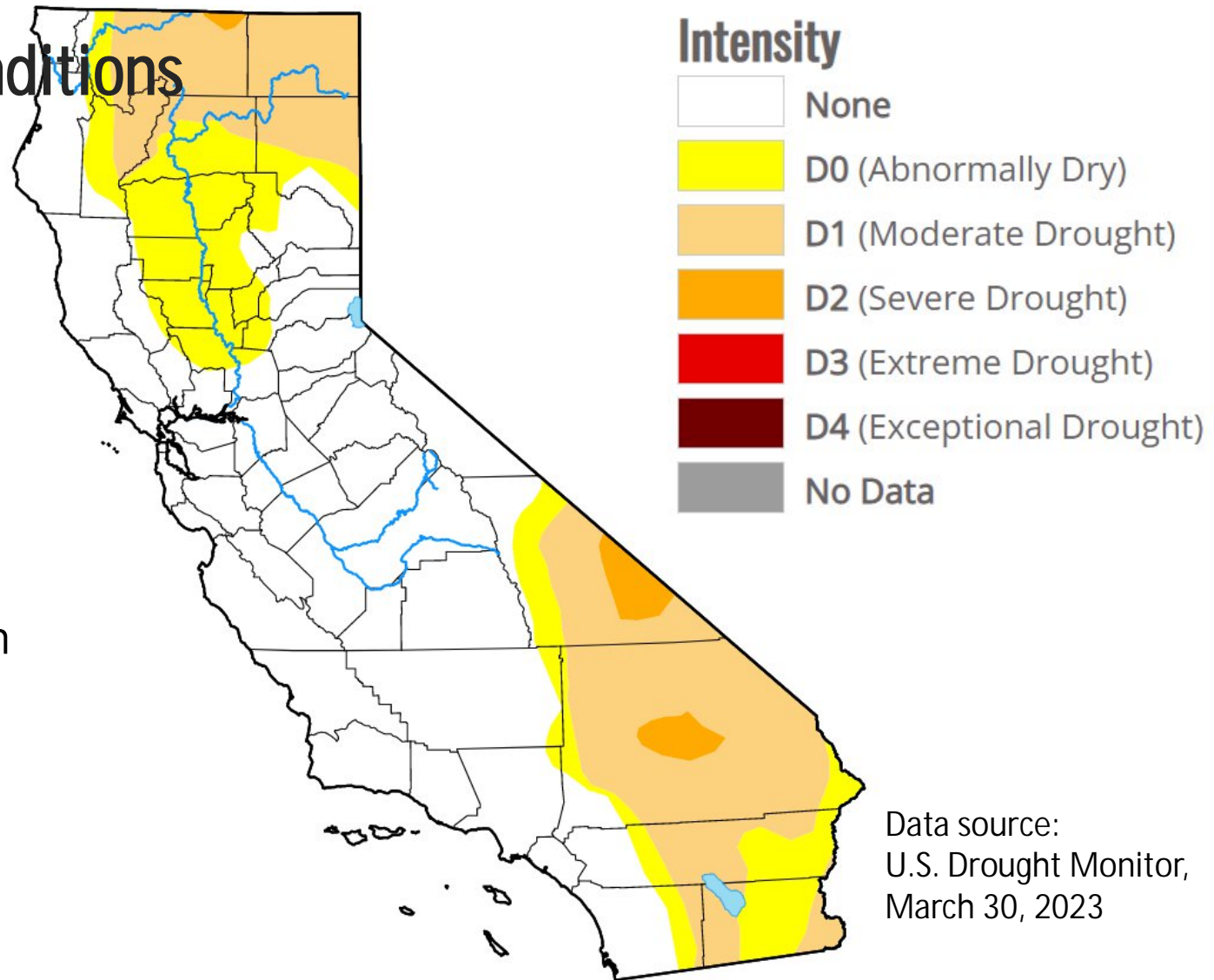


# Drought Emergency Response and Water Supply Update

Santa Clara Valley Water Commission  
April 12, 2023

## Improved water conditions

- Healthy water supplies
- Imported water allocations increased
- Groundwater within normal levels
- Board recommendation on April 11



Data source:  
U.S. Drought Monitor,  
March 30, 2023



## Recommendations to Board

- End 15% mandatory call for water use reduction compared to 2019
- Continue enforcement of water waste restrictions  
(except for 2-day watering limit for consistency with State action)
- Maintain conservation
- Direct CEO to bring back additional recommendations to make sure water conservation is a way of life

# Increased Imported Water Allocations

- Increase in State's reservoir levels
- State Water Project – 75% allocation
- Central Valley Project – 80% Ag, 100% M&I allocation
- Additional water available

# Water Conservation

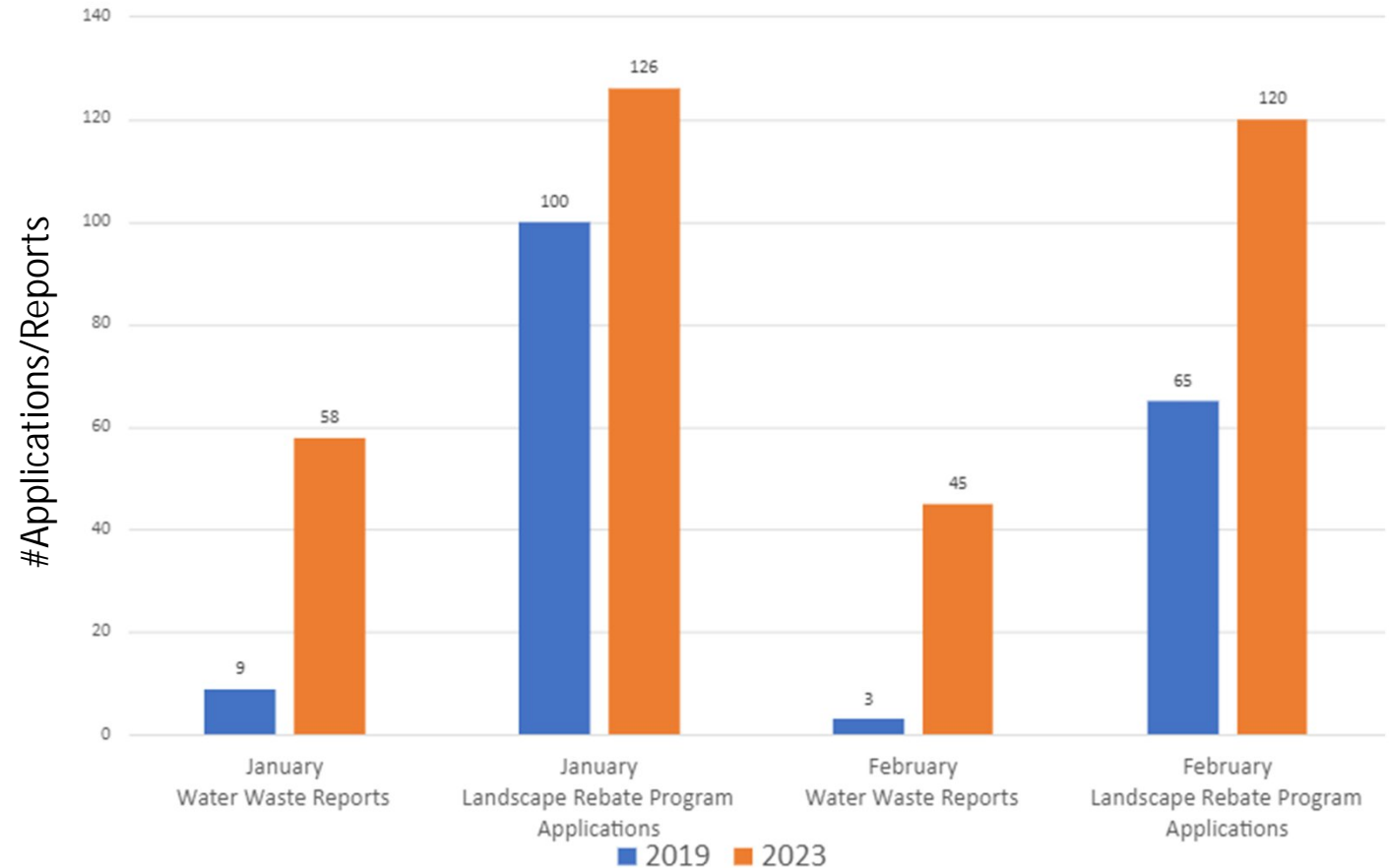
## Participation

- Remains high relative to 2019

## E-cart

- 230 orders

Participation Summary



# Water Use Reduction Enforcement Updates

Over 2,000 reports received since June (enforcement launch)

Enforceable Water Waste Violations	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
More than 2 days of watering per week	76	39	113	83	54	26	17	12	8
Watering from 9AM-6PM	84	30	92	45	29	14	4	0	2
Watering within 48 hours of rainfall	11	4	3	21	4	19	17	19	7
Runoff	199	95	210	129	118	46	21	18	7
Watering CII non-functional turf	n/a	n/a	n/a	15	38	18	5	1	4
<b>Total</b>	<b>370</b>	<b>168</b>	<b>418</b>	<b>293</b>	<b>243</b>	<b>123</b>	<b>64</b>	<b>50</b>	<b>28</b>

# Drought and Conservation Outreach

- Water Conservation as Way of Life campaigns
- Media coverage on water supply and allocations
- ABC News purified water documentary
- Speakers Bureau presentations



# Water Conservation as a Way of Life

- Rebates

- Landscape Rebate Program
- Graywater Laundry-to-Landscape
- Water Efficient Technology (WET)
- Submeter Rebate Program

- Programs & Services

- Large Landscape Survey Program
- Water Wise Outdoor Surveys
- Water Waste Enforcement
- Agricultural Mobile Irrigation Lab
- Free water saving devices (eCart)
- Fixture Replacement Program
- And more!

- Outreach and Education

- Webinars
- Landscape professional training
- Literature
- Online resources



[www.watersavings.org](http://www.watersavings.org)



# Santa Clara Valley Water District

**File No.:** 23-0405

**Agenda Date:** 4/12/2023

**Item No.:** 5.3.

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## **COMMITTEE AGENDA MEMORANDUM Santa Clara Valley Water Commission**

Government Code § 84308 Applies: Yes ☐ No ☒  
(If "YES" Complete Attachment A - Gov. Code § 84308)

### **SUBJECT:**

Review Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests; and the Commission's Next Meeting Agenda.

### **RECOMMENDATION:**

Review the Commission work plan to guide the commission's discussions regarding policy alternatives and implications for Board deliberation.

### **SUMMARY:**

The attached Work Plan outlines the Board-approved topics for discussion to be able to prepare policy alternatives and implications for Board deliberation. The work plan is agendized at each meeting as accomplishments are updated and to review additional work plan assignments by the Board.

### **BACKGROUND:**

#### **Governance Process Policy-8:**

The District Act provides for the creation of advisory boards, committees, or commissions by resolution to serve at the pleasure of the Board.

Accordingly, the Board has established Advisory Committees, which bring respective expertise and community interest, to advise the Board, when requested, in a capacity as defined: prepare Board policy alternatives and provide comment on activities in the implementation of the District's mission for Board consideration. In keeping with the Board's broader focus, Advisory Committees will not direct the implementation of District programs and projects, other than to receive information and provide comment.

Further, in accordance with Governance Process Policy-3, when requested by the Board, the Advisory Committees may help the Board produce the link between the District and the public

through information sharing to the communities they represent.

**ATTACHMENTS:**

Attachment 1: Water Commission 2023 Work Plan

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193



## 2023 Work Plan: Santa Clara Valley Commission

Update: April 2023

The annual work plan establishes a framework for committee discussion and action during the annual meeting schedule. The committee work plan is a dynamic document, subject to change as external and internal issues impacting the District occur and are recommended for committee discussion. Subsequently, an annual committee accomplishments report is developed based on the work plan and presented to the District Board of Directors.

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
1	Election of Chair and Vice Chair for 2023	January 25	<ul style="list-style-type: none"> <li>Commission Elects Chair and Vice Chair for 2023 <b>(Action)</b></li> </ul>	<b>Accomplished January 25, 2023:</b> The Water Commission elected Hon. Karen Hardy as 2023 Water Commission Chair. Also, elected Hon. Kitty Moore as 2023 Water Commission Vice Chair.
2	Annual Accomplishments Report	January 25	<ul style="list-style-type: none"> <li>Review and approve 2022 Accomplishments Report for presentation to the Board. <b>(Action)</b></li> <li>Submit requests to the Board, as appropriate.</li> </ul>	<b>Accomplished January 25, 2023:</b> The Water Commission reviewed and approved the 2022 Accomplishments Report for presentation to the Board. <i>The Board received the Commission's presentation at its March 28, 2023, meeting.</i>
3	Update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts.	January 25 April 12 October 25	<ul style="list-style-type: none"> <li>Receive Update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts. <b>(Action)</b></li> </ul>	<b>Accomplished January 25, 2023:</b> The Water Commission received an update on progress towards Valley Water's drought emergency response and drought-related water conservation efforts and took no action.
4	Review and Comment to the Board on the Fiscal Year 2023–2024 Preliminary Groundwater Production Charges.	January 25	<ul style="list-style-type: none"> <li>Review and comment to the Board on the Fiscal Year 2024 Preliminary Groundwater Production Charges. <b>(Action)</b></li> <li>Submit comments to the Board, as appropriate.</li> </ul>	<b>Accomplished January 25, 2023:</b> The Water Commission reviewed and made no comments on the Fiscal year 2024 Preliminary Groundwater Production Charges.

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1  
Page 1 of 7

# 2023 Work Plan: Santa Clara Valley Commission

Update: April 2023

ITEM	WORK PLAN ITEM BOARD POLICY	MEETING DATE	INTENDED OUTCOME(S) (Action or Information Only)	ACCOMPLISHMENT DATE AND OUTCOME
5	Consent Calendar	January 25 April 12 October 25	•Consent Calendar (the Chair will note those items on each agenda that are of no impact (information only) to move the meeting more efficiently).	<b>Accomplished January 25, 2023:</b> The Water Commission had no items on the consent calendar.
6	Review of Santa Clara Valley Water Commission Work Plan, the Outcomes of Board Action of Commission Requests, and the Commission’s Next Meeting Agenda	January 25 April 12 October 25	•Receive and review the 2023 Board-approved Commission work plan. <b>(Action)</b>  •Submit requests to the Board, as appropriate.	<b>Accomplished January 25, 2023:</b> The Water Commission received and reviewed the 2023 work plan and took no action.
7	Standing Items Reports Fiscal Year 2023:	January 25	•Receive quarterly reports on standing items. <b>(Information)</b>	<b>Accomplished January 25, 2023:</b> The Water Commission received the quarterly report and took no action.
GOAL		OBJECTIVE	FY23 TACTICS	MONITORING COMMITTEE
INTEGRATED WATER RESOURCES MANAGEMENT “Efficiently manage water resources across business areas.”		<u>Objective #1 Challenge/Opportunity</u> The maintenance of Valley Water’s infrastructure is crucial to ensuring we continue to provide safe, clean water and critical flood protection for our communities. Timely maintenance is the most cost-effective investment, whereas deferred maintenance disproportionately increases costs and causes unplanned outages and failures risking the population of the county. In addition, aging assets are reaching the end of the design life and will require major recapitalization.	<ul style="list-style-type: none"><li>• Develop a Fuel Management Policy to guide the incorporation of wildfire planning efforts in an integrated and programmatic way.</li><li>• Continue a robust preventive maintenance program including monitoring asset condition and risk.</li><li>• Strategically plan for larger infrastructure renewal projects through Safe Clean Water Project F8 – Sustainable Creek Infrastructure for Continued Public Safety; Water Treatment Plant, Distribution System, and SCADA Implementation Plans; Watersheds and Water Utility Operations and Maintenance Plans; and various Asset Management Plans.</li><li>• Advance infrastructure renewal projects identified in strategic planning efforts by initiating new Capital or Small Capital Projects, or by conducting work as part of ongoing operations projects.</li><li>• Develop comprehensive infrastructure master plans for all water utility treatment plant and distribution infrastructure (e.g. pipelines and pump stations) to plan out 30-year capital investments that meet future regulatory requirements, and fold in projects identified in the Asset Management and Operations &amp; Maintenance Plans.</li></ul>	Board Policy and Planning Committee (BPPC) CIP Committee (CIPC)

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	<p><u>Objective #2 Challenge/Opportunity</u> Valley Water continues to pursue legislative and administrative solutions to resolve regulatory and permitting issues at the federal and state levels. The Board's efforts will continue to focus on improving internal capacity when applying for permits, as well as continuing to build relationships with regulatory agencies and staying abreast of the regulatory environment.</p>		<ul style="list-style-type: none"> <li>• Expedient execution of the adopted Capital program and projects.</li> <li>• Continue to provide for agency-wide regulatory planning and permitting effort and pursue other efforts at the state and federal level to expedite permit review.</li> <li>• Continue to foster better relationships with regulatory agencies and open dialogue with environmental, environmental justice and other stakeholders.</li> <li>• Continue to work with the Regional Water Quality Control Board (RWQCB) under the terms of our memorandum of understanding (MOU) to expedite issue resolution and prevent regulatory overreach.</li> <li>• Collaborate with RWQCB on the Steelhead Regional Temperature Study.</li> </ul>	BPPC
<b>WATER SUPPLY</b> <i>"Provide a reliable, safe, and affordable water supply for current and future generations in all communities served."</i>	<p><u>Objective #1 Challenge/Opportunity</u> Half of Santa Clara County's water supply is imported from outside the county. At this time, when there is a lot of water, Valley Water may not be able to take advantage of these supplies due to limitations in existing storage and transmission infrastructure as well as regulatory constraints. Having a diverse portfolio of storage options helps Valley Water be resilient. Therefore, Valley Water is evaluating whether diversifying its storage portfolio could help maximize our use of storage and stored water recovery under future conditions. Water storage in reservoirs also provides environmental, recreational, and incidental flood risk reduction benefits. Challenges include determining the appropriate level of participation for Valley Water in collaborative water storage projects and prioritizing projects within funding constraints.</p>		<ul style="list-style-type: none"> <li>• Explore opportunities to develop new surface and groundwater storage projects that help Valley Water meet future water supply needs and be resilient to climate change.</li> <li>• Determine level of participation for projects and decisions about partnerships in accordance with the Water Supply Master Plan and water affordability.</li> <li>• Explore partnership opportunities for the Pacheco Reservoir Expansion Project</li> <li>• Validate Valley Water's continued participation in the Pacheco Reservoir Expansion Project during the MAP review process, bi-annual budget development, and following review and certification of the project's Environmental Impact Report (EIR).</li> </ul>	Water Storage Exploratory Committee (WSEC)
	<p><u>Objective #2 Challenge/Opportunity</u> The Water Supply Master Plan's "Ensure Sustainability" strategy includes securing existing water supplies and infrastructure. Valley Water's local and imported water supplies are vulnerable to climate change impacts, droughts, earthquake, and regulatory requirements that may restrict the amount of available water.</p>		<ul style="list-style-type: none"> <li>• Participate in and influence decisions regarding the Delta Conveyance Project.</li> <li>• Participate in regional water supply resilience efforts.</li> <li>• Build and maintain effective partnerships to increase resiliency.</li> <li>• Complete and implement infrastructure master plans and asset management plans.</li> <li>• Partner with the California Department of Water Resources (DWR) to</li> </ul>	Water Conservation and Demand Management Committee (WCaDMC) (Groundwater) CIPC (infrastructure projects)

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			ensure reliability of the South Bay Aqueduct.	
	<p><u>Objective #3 Challenge/Opportunity</u> Recycled and purified water is a drought resilient, locally controlled water supply important to long-term sustainability. The Water Supply Master Plan includes developing up to 24,000 acre-feet per year of purified water by 2040. Purified water is recycled water that has been treated further using reverse osmosis and other advanced treatment to make it fit for drinking. Valley Water is pursuing indirect potable reuse which would use this purified water to replenish our groundwater. Implementation challenges include securing wastewater supply contractual agreements with wastewater agencies, available land, stringent regulatory requirements, and implementation costs.</p>		<ul style="list-style-type: none"> <li>• Implement the first phase of the Purified Water Program, including release of a Request For Proposal (RFP) and enter into a contract for an Indirect Potable Reuse project that is implemented via a Public Private Partnership.</li> <li>• Implement the Countywide Water Reuse Master Plan.</li> <li>• Develop a Comprehensive Water Reuse Agreement for South County to advance water reuse and its production, distribution, and wholesaling in South County.</li> <li>• Continue to actively be involved with the Direct Potable Reuse (DPR) guidance and ensure Valley Water is positioned to implement a DPR project in the future.</li> <li>• Continue collaboration on the Silicon Valley Advanced Water Purification Center including building a strong collaborative relationship with the San José-Santa Clara Regional Wastewater Facility to expand the facility.</li> </ul>	Recycled Water Committee (RWC)
	<p><u>Objective #4 Challenge/Opportunity</u> As our largest reservoir, Anderson serves not only as a critical water supply facility, but also supports Valley Water's mission of flood protection and environmental stewardship. Given the reservoir's critical importance to ensuring safe, clean water for our communities and to protect public safety, it is imperative that the Anderson Dam Seismic Retrofit Project (ADSRP) move forward expeditiously. This includes the reconstruction of the Dam and completion of the interim risk reduction measures resulting from the February 20, 2020, directive from the Federal Energy Regulatory Commission (FERC).</p>		<ul style="list-style-type: none"> <li>• Maintain the Anderson Reservoir level at the FERC directed level.</li> <li>• Complete the construction on the Anderson Dam Tunnel Project (ADTP).</li> <li>• Complete the design of the ADSRP.</li> <li>• Continue to work with appropriate regulatory agencies to advance the ADSRP.</li> <li>• Release the Draft Environmental Impact Report for the ADSRP.</li> <li>• Obtain all necessary permits for ADSRP construction.</li> <li>• Continue to educate and engage the public, key stakeholders, decision makers, and elected officials of the project progress and construction timeline.</li> <li>• Coordinate long term ADSRP operations with the Fisheries and Aquatic Habitat Collaborative Effort (FAHCE).</li> </ul>	CIPC Stream Planning and Operations Committee (SPOC)
	<p><u>Objective #5 Challenge/Opportunity</u> Droughts are a recurring feature of California's climate and may intensify with climate change. Water conservation is an essential component in providing a reliable water supply and Valley Water has set a water conservation goal for annual water savings of 99,000 acre-feet (AF) by 2030 and 109,000 AF by 2040. As Valley Water faces challenges from climate change and drought, water conservation will continue to be amongst the most cost-effective tools for efficiently meeting current and future demands</p>		<ul style="list-style-type: none"> <li>• Continue communication and educational outreach to promote Valley Water's water conservation programs.</li> <li>• Increase collaboration with our retailer partners to promote Valley Water's water conservation programs.</li> <li>• Implement new water conservation programs and engagement strategies identified within the Water Conservation Strategic Plan.</li> <li>• Engage and support private-sector stakeholders, local, state, and federal agencies that promote water conservation.</li> <li>• Develop and implement a Drought Response Plan with support and input from our retailer partners and the broader community to guide short-term behavioral changes during water shortages.</li> </ul>	WCaDMC

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	<i>while mitigating droughts.</i>			
<b>NATURAL FLOOD PROTECTION</b> <i>“Provide Natural Flood Protection to reduce risk and improve health and safety.”</i>	<u>Objective #1 Challenge/Opportunity</u> <i>Valley Water is challenged to sustain ecosystem health while managing local water resources for flood protection and water supply. By using an integrated approach to planning and designing flood protection planning, there is an opportunity to create projects with multiple benefits.</i>		<ul style="list-style-type: none"> <li>• Make significant progress on One Water plans for the Guadalupe and Pajaro watersheds.</li> <li>• Complete construction of Reaches 1-3 of the Shoreline Phase I Project and pursue funding alternatives for Reaches 4-5 to provide 100-year coastal flood risk management, ecosystem restoration, recreational opportunities, and resiliency for sea level rise.</li> <li>• Complete construction of Phase 2A of the Upper Llagas Flood Protection Project to provide flood protection and habitat enhancement.</li> <li>• Advance the Palo Alto Flood Basin Project into construction, a repair project to ensure a functional flood basin with wetland habitat.</li> <li>• Advance the Sunnyvale East/West Channels Project into construction to provide 100-year storm water flood protection.</li> <li>• Complete the U.S. Army Corps of Engineers Upper Guadalupe River Project General Reevaluation Study to provide 100-year flood protection.</li> <li>• Advance the San Francisquito Creek upstream 101 Project into construction to provide flood protection.</li> <li>• Advance the Coyote Creek Flood Mitigation and Flood Protection Projects into construction to provide flood protection for an event equivalent to the 2017 storm event.</li> </ul>	CIPC BPPC
	<u>Objective #2 Challenge/Opportunity</u> <i>As Valley Water continues to advance flood protection projects, the Board has an opportunity to strengthen relationships and improve coordination with conservation and environmental justice groups, as well as other local jurisdictions, with a specific focus on ensuring the voices of disadvantaged communities are equitably represented.</i>		<ul style="list-style-type: none"> <li>• Advance One Water Countywide Framework in a comprehensive manner that includes diverse community-wide stakeholders and the incorporation of environmental justice policies in all planning efforts.</li> <li>• Continue progress on flood protection capital projects consistent with Valley Water’s commitment to the Safe, Clean Water Program and equitability in all regions.</li> <li>• Plan flood risk reduction projects to provide a minimum level of protection countywide.</li> </ul>	CIPC BPPC
<b>ENVIRONMENTAL STEWARDSHIP</b> <i>“Sustain ecosystem health while managing local water resources for flood protection and water supply.”</i>	<u>Objective #1 Challenge/Opportunity</u> <i>Valley Water’s projects and programs require integrated planning to ensure capital improvements, operations, and maintenance activities are balanced with environmental stewardship goals. Valley Water strives to protect and restore habitats to support native species throughout Santa Clara County.</i>		<ul style="list-style-type: none"> <li>• Continue to develop an integrated water resource plan for each watershed, including appropriate metrics to monitor Valley Water’s impacts on and benefit to the environment.</li> <li>• Implement high priority actions included in the Climate Change Action Plan.</li> <li>• Make significant progress on the grant-funded planning study for the San Tomas Aquino Calabazas Creek Realignment Project.</li> </ul>	BPPC

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			<ul style="list-style-type: none"> <li>• Advance construction for the Bolsa Creek and Hale Creek projects to begin in Summer 2022.</li> <li>• Advance Almaden Lake Improvement Project to begin construction in 2023.</li> <li>• Continue to develop and build on partnerships with environmental organizations and tribal communities when developing projects.</li> </ul>	
	<u>Objective #2 Challenge/Opportunity</u> Valley Water continues to coordinate with local cities and agencies to improve the health of our local waterways, including pollution prevention and addressing threats to water quality. Opportunities exist to further collaborate with the County, cities, and social services agencies on encampment abatement efforts and to develop long-term solutions for the homeless to keep our creeks clean.		<ul style="list-style-type: none"> <li>• Continue efforts to protect the ecosystem and water quality of our water bodies and the integrity of our infrastructure. Such efforts include preventing stormwater pollution, increased implementation of green stormwater infrastructure, addressing mercury pollution, and homeless encampment clean ups.</li> <li>• Coordinate with the County, cities, and other service providers to try to ensure the permanent removal of homeless encampments from creeks and trails.</li> <li>• Continue partnerships and investments on a regional scale such as the South Bay Salt Pond Restoration and Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP).</li> </ul>	Environmental Creek Cleanup Committee (ECCC) (SPOC)
	<u>Objective #3 Challenge/Opportunity</u> For nearly 20 years, Valley Water has been working to resolve a water rights complaint surrounding fish, wildlife, water quality, and other beneficial uses in Coyote Creek, Guadalupe River, and Stevens Creek watershed areas. Challenges include completing the environmental review process, obtaining federal and state permits from multiple regulatory agencies, refining and processing water rights change petitions, the technical complexity of the fisheries impacts analysis, coordination with other ongoing related projects and managing stakeholder expectations.		<ul style="list-style-type: none"> <li>• Finalize the June 2021 Guadalupe River and Stevens Creek Environmental Impact Report (EIR) consistent with existing stakeholder agreement.</li> <li>• Advance 10 water right change petitions for securing water right orders.</li> <li>• Continue to implement the pilot flow program in Guadalupe and Stevens Creek.</li> <li>• Continue to implement feasibility studies, monitoring activities, and Planning and construction of various fish passage improvements as identified in existing stakeholder agreement.</li> <li>• Continue fisheries monitoring program.</li> <li>• Continue to support an adaptive management program that encompasses all three creeks.</li> </ul>	SPOC
CLIMATE CHANGE "Mitigate Carbon Emissions and Adapt Valley Water Operations to Climate Change Impacts."	<u>Objective #1 Challenge/Opportunity</u> Valley Water's ability to fulfill its mission will be challenged in the future by warmer temperatures, changing precipitation patterns, reduced snowpack, and rising sea levels. Valley Water has been working on greenhouse reduction efforts since 2008 and many adaptation actions over the past decade; however, with adoption of the Climate Change Action Plan there is an opportunity for greater impact.		<ul style="list-style-type: none"> <li>• Update carbon accounting and establish new emissions reduction goal if needed.</li> <li>• Make significant progress on development of an agency-wide greenhouse gas reduction plan.</li> </ul>	Climate Adaptation and Sustainability Committee (CAaSC)

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	<p><b>BUSINESS MANAGEMENT</b>  <i>"Promote effective management of water supply, flood protection, and environmental stewardship through responsive and socially responsible business services."</i></p>	<p><u>Objective #1 Challenge/Opportunity</u>  <i>Valley Water is committed to creating and maintaining a diverse, inclusive, and equitable work environment that is devoid of discrimination and harassment and provides equal opportunity employment and advancement. Valley Water aims to implement the same values in the community through its flood protection, water supply, and environmental stewardship projects, and has an opportunity to serve as a leader for racial equity, diversity, and inclusion throughout the state.</i></p>	<ul style="list-style-type: none"> <li>• Develop and implement a Diversity, Equity and Inclusion Master Plan that institutes best practices to address internal and external disparities and builds an organizational culture that is consistent with the Board's Resolution addressing racial equity, diversity, and inclusion.</li> <li>• Remain committed to environmental justice and the fair treatment and meaningful engagement of all people regardless of race, color, national origin, religion, gender identity, disability status, tribe, culture, income, immigration status, or English language proficiency, with respect to the planning, projects, policies, services, and operations of Valley Water.</li> <li>• Continue to collaborate with external stakeholders that are engaged in developing diversity, equity, and inclusion initiatives and actively participate in and provide leadership for diversity, equity, and inclusion efforts throughout the state.</li> <li>• Advance and foster mutually beneficial partnerships with regional tribal communities.</li> </ul>	<p>Diversity &amp; Inclusion Ad Hoc Committee (DIAHC)</p>
8	<p><b>Review and Comment to the Board on the Fiscal Year 2022 - 2023 Proposed Groundwater Production Charges.</b></p>	<p>April 12</p>	<ul style="list-style-type: none"> <li>• Review and comment to the Board on the Fiscal Year 2023 Proposed Groundwater Production Charges. <b>(Action)</b></li> <li>•</li> </ul>	
9	<p><b>Updates on Valley Water's Encampment Cleanup Operations.</b></p>	<p>TBD</p>	<ul style="list-style-type: none"> <li>• Received information on the Updates on Valley Water's Encampment Cleanup Operations. <b>(Information)</b></li> </ul>	

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