

October 13, 2017

## **MEETING NOTICE**

### **WATER CONSERVATION AND DEMAND MANAGEMENT COMMITTEE**

Members of the Water Conservation and Demand Management Committee:

Director Nai Hsueh  
Director Linda J. LeZotte, Vice Chair  
Director Richard P. Santos, Chair

Staff Support of the Water Conservation and Demand Management Committee:

Norma Camacho, Chief Executive Officer  
Nina Hawk, Chief Operating Officer, Water Utility  
Rick Callender, Chief of External Affairs  
Stanly Yamamoto, District Counsel  
Erick Soderlund, Ast. District Counsel  
Garth Hall, Deputy Operating Officer, Water Supply Division  
Rachael Gibson, Interim Deputy Administrative Officer, Government Relations  
Bart Broome, Assistant Officer  
Antonio Alfaro, Government Relations Advocate  
Jerry De La Piedra, Water Supply Planning and Conservation Manager, Water Supply  
Planning and Conservation Unit  
Vanessa De La Piedra, Groundwater Management Manager, Groundwater Monitoring and  
Analysis Unit  
Tracy Hemmeter, Senior Project Manager

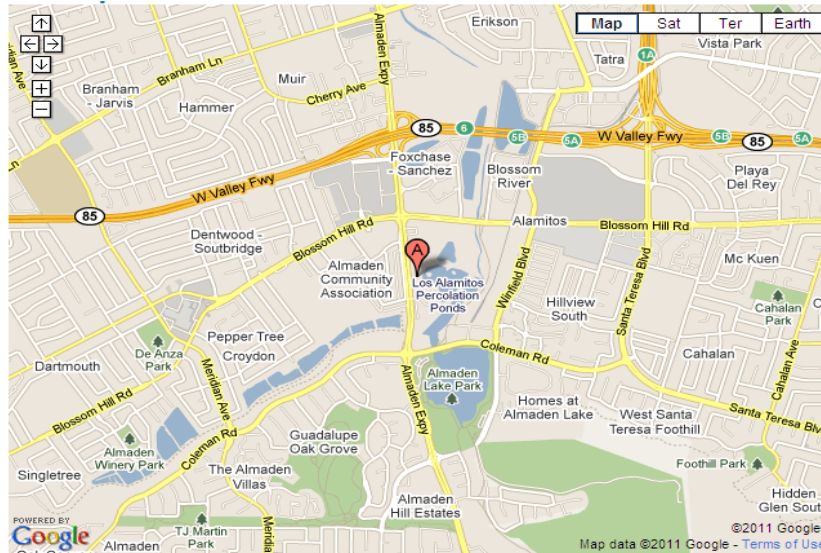
The regular meeting of the Water Conservation and Demand Management Committee is scheduled to be held on **Thursday, October 19, 2017, at 10:00 a.m.** in the Headquarters Building Boardroom, located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

Enclosed are the meeting agenda and corresponding materials. Please bring this packet with you to the meeting.

Enclosures



**Santa Clara Valley Water District - Headquarters Building,  
5700 Almaden Expressway, San Jose, CA 95118**



**From Oakland:**

- Take 880 South to 85 South
- Take 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Morgan Hill/Gilroy:**

- Take 101 North to 85 North
- Take 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- Cross Blossom Hill Road
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Sunnyvale:**

- Take Highway 87 South to 85 North
- Take Highway 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From San Francisco:**

- Take 280 South to Highway 85 South
- Take Highway 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Downtown San Jose:**

- Take Highway 87 - Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (first traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**From Walnut Creek, Concord and East Bay areas:**

- Take 680 South to 280 North
- Exit Highway 87-Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

**AGENDA**  
**WATER CONSERVATION AND DEMAND MANAGEMENT COMMITTEE**

**THURSDAY, OCTOBER 19, 2017**

**10:00 a.m. - 12:00 p.m.**

**Santa Clara Valley Water District  
Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose, CA 95118**

**Time Certain**

**10:00 a.m.**

- 1. Call to Order/Roll Call**
- 2. Time Open for Public Comment on Any Item Not on the Agenda**  
*Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.*
- 3. Approval of Minutes**  
3.1 Approval of Minutes – August 28, 2017, meeting
- 4. Discussion/Action Items**
  - 4.1 Legislative Update/ Making Water Conservation a California Way of Life)  
State Long-Term Framework (Rachael Gibson/Jerry De La Piedra)  
**Recommendation: Receive updates on state and federal water conservation and demand management related legislation.**
  - 4.2 Sustainable Groundwater Management Act (SGMA) Update – SGMA Authority  
Implementation Framework Concepts (Vanessa De La Piedra)  
**Recommendation: This is a discussion item and the Committee may provide comments, however, no action is required.**
  - 4.3 Review of Water Conservation and Demand Management Committee Work Plan, any  
Outcomes of Board Action or Committee Requests and the Committee’s next meeting  
agenda (Committee Chair)  
**Recommendation: Review the Committee work plan to guide the Committee’s  
discussions regarding policy alternatives and implications for Board deliberation.**
- 5. Clerk Review and Clarification of Committee’s 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 discussion of Item 4.*
- 6. Adjourn:** Adjourn to next regularly scheduled meeting at 10:00 a.m., **December 14, 2017**,  
in the Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, CA 95118

REASONABLE EFFORTS TO ACCOMMODATE PERSONS WITH DISABILITIES WISHING TO ATTEND COMMITTEE MEETINGS WILL BE MADE. PLEASE ADVISE THE CLERK OF THE BOARD OFFICE OF ANY SPECIAL NEEDS BY CALLING (408) 630-2277.

Meetings of this committee will be conducted in compliance with all Brown Act requirements. All public records relating to an open session 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 same time that the public records are distributed or made available to the legislative body, at the following location:

Santa Clara Valley Water District, Office of the Clerk of the Board  
5700 Almaden Expressway, San Jose, CA 95118

Water Conservation and Demand Management Committee:

Purpose: To support the Board of Directors 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.



WATER CONSERVATION AND DEMAND MANAGEMENT COMMITTEE MEETING

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# DRAFT MINUTES

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**MONDAY, AUGUST 28, 2017  
10:00 AM**

(Paragraph numbers coincide with agenda item numbers)

A meeting of the Water Conservation and Demand Management Committee was held on August 28, 2017, in the Headquarters Building Boardroom at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

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

Chair, Director Richard P. Santos called the meeting to order at 10:02 a.m.

Board Members in attendance were: Director Nai Hsueh (District 5), Director Linda J. LeZotte (District 4), and Director Richard P. Santos (District 3).

Staff members in attendance were: Glenna Brambill, Justin Burks, Rick Callender, Jerry De La Piedra, Vanessa De La Piedra, Mike Duffy, Vicki Elam, Marty Grimes, Tracy Hemmeter, Bassam Kassab, Erick Soderlund, and Darin Taylor

**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 Director Linda J. LeZotte, seconded by Director Nai Hsueh and unanimously carried, to approve the minutes of the June 15, 2017, Water Conservation and Demand Management Committee meeting, as presented.

**4. DISCUSSION/ACTION ITEMS**

**4.1 GOLF COURSE PROPOSAL**

Mr. Justin Burks reviewed the materials as outlined in the agenda items.

Mr. Brian Boyer of Cinnabar Hills Golf Club also, gave some additional information on formulas and rainfall data.

Director Nai Hsueh spoke regarding budget issues.

No action was taken.

#### **4.2 OUTREACH MESSAGING**

Mr. Marty Grimes reviewed the materials as outlined in the agenda items.

Mr. John Tang from San Jose Water Company spoke about the events they were sponsoring.

Director Nai Hsueh spoke about the outreach efforts on water conservation.

No action was taken.

#### **4.3 THE WATER CONSERVATION AND DEMAND MANAGEMENT COMPONENTS OF THE WATER SUPPLY MASTER PLAN (AMI, LEAK DETECTION, RAINWATER HARVESTING, STORMWATER CAPTURE, MODEL ORDINANCE, ETC.)**

Ms. Tracy Hemmeter reviewed the materials as outlined in the agenda items.

Directors Linda J. LeZotte and Nai Hsueh, Mr. Doug Muirhead of Morgan Hill, Mr. Bill Tuttle and Mr. Curt Rayer of San Jose Water Company, spoke about water conservation, water supply master plan and demand management concerns.

Mr. Jerry De La Piedra was available to answer questions.

#### **The Committee took the following action:**

It was moved by Director Nai Hsueh, seconded by Director Linda J. LeZotte and unanimously carried, to have the Board consider approving staff to begin implementation of those “No Regrets” items on the list and begin working on pre-planning budget for the next fiscal year.

#### **4.4 SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE – PRELIMINARY ANALYSIS OF GROUNDWATER EXTRACTION REGULATION**

Ms. Vanessa De La Piedra reviewed the materials as outlined in the agenda items.

Mr. Tim Guster of Great Oaks Water, Mr. Tom Zigterman Stanford University, Mr. Bill Tuttle of San Jose Water Company spoke on the SGMA regulations.

No action was taken.

#### **4.5 SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE – PRELIMINARY ANALYSIS OF FIXED CHARGE**

Mr. Darin Taylor reviewed the materials as outlined in the agenda items.

Mr. Tim Guster of Great Oaks Water, Mr. John Tang and Mr. Curt Rayer of San Jose Water Company and Director Nai Hsueh spoke on the SGMA charges.

#### **The Committee took the following action:**

It was moved by Director Nai Hsueh, seconded by Director Linda J. LeZotte and unanimously carried, to have the Board consider approving staff to continue with the next steps of the SGMA rates.

**4.6 REVIEW OF WATER CONSERVATION AND DEMAND MANAGEMENT COMMITTEE WORK PLAN, ANY OUTCOMES OF BOARD ACTION OR COMMITTEE REQUESTS AND THE COMMITTEE'S NEXT MEETING AGENDA**

Ms. Glenna Brambill reviewed the materials as outlined in the agenda items.

No action was taken.

**5. CLERK REVIEW AND CLARIFICATION OF COMMITTEE'S REQUESTS**

Ms. Glenna Brambill stated there were two action items for Board consideration.

**Committee actions:**

1, Agenda 4.3: The Committee approved to have the Board consider approving staff to begin implementation of those "No Regrets" items on the list and begin working on pre-planning budget for the next fiscal year.

2. Agenda 4.5: The Committee approved to have the Board consider approving staff to continue with the next steps of the SGMA rates.

**6. ADJOURNMENT**

Chair Santos adjourned at 11:34 a.m. to the next regularly scheduled meeting at 10:00 a.m., October 19, 2017, in the Headquarters Building Boardroom, 5700 Almaden Expressway, San Jose, CA 95118.

Glenna Brambill  
Office of the Clerk of the Board

Approved:







Committee: Water Conservation and Demand Management  
Meeting Date: 10/19/17  
Agenda Item No.: 4.1  
Unclassified Manager: Rachael Gibson  
Email: [rgibson@valleywater.org](mailto:rgibson@valleywater.org)  
Est. Staff Time: 20 minutes

## COMMITTEE AGENDA MEMO

**SUBJECT:** Legislative Update/Making Water Conservation a California Water of Life, State Long-Term Framework

### RECOMMENDED ACTION:

Receive updates on state and federal water conservation and demand management related legislation.

### FEDERAL LEGISLATIVE SUMMARY

The Board took support or support and amend positions on seven federal bills (detailed below) relating to demand management that deal with issues such as recycled water, conservation rebates, efficiency improvement, project funding, resilient water systems, better reporting, affordability, permit coordination, and research.

#### **S 1464 (Feinstein) and HR 448 (Huffman) - Water Conservation Tax Parity Act**

These bills will eliminate the IRS Form 1099 requirement for water conservation rebates. This is currently required for any rebate over the amount of \$600, making the rebate taxable income.

S 1464 is awaiting a hearing in the Senate Finance Committee. HR 448 is awaiting a hearing in the House Ways and Means Committee.

#### **S 1700 (Udall) Water Efficiency Improvement Act of 2017, HR 3248 (Cartwright) Water Advanced Technologies for Efficient Resource Act of 2017, and HR 3275 (McNerney) Water and Energy Sustainability through Technology (WEST) Act**

All of these bills will establish a WaterSense program within the Environmental Protection Agency. The WaterSense Program seeks to reduce water use, reduce the strain on water, wastewater, and storm water infrastructure, to conserve energy used to pump, heat, transport, and treat water, and preserve water for future generations through voluntary labeling and other communications. Supporting the WaterSense program is a District federal priority.

S 1700 is awaiting a hearing in the Senate Environment and Public Works Committee. HR 3248 and HR 3275 are awaiting hearings in multiple House Committees

## **HR 434 (Denham) New WATER Act**

This bill authorizes the Department of the Interior to provide secured loans or loan guarantees for infrastructure projects.

Funding is for water projects that would contribute to safe, adequate water supply for domestic, agricultural, environmental, or municipal and industrial water use, enhanced energy efficiency in the operation of a water system, accelerated repair and replacement of an aging water distribution facility; brackish or sea water desalination project; and acquisition of real property or an interest in real property for water storage, reclaimed or recycled water, or wastewater, if the acquisition is integral to a project.

This bill is awaiting a hearing in the House Natural Resources Committee.

## **HR 2799 (McNerney) Western Water Recycling and Drought Relief Act**

This bill specifically requests authorization of and appropriations for the following recycled water projects in the District:

- o Mountain View Recycled Water System Expansion -- \$5 million
- o Palo Alto Recycled Water Pipeline Project -- \$8.25 million
- o Sunnyvale Continuous Recycled Water Production Project -- \$0.5 million
- o Wolfe Road Recycled Water Project -- \$4.375 million

The legislation also requests amending the authorization of the South Santa Clara County Recycled Water Project from \$7 million to \$17.95 million.

This bill is awaiting a hearing in the House Natural Resources Committee.

## **STATE LEGISLATIVE SUMMARY**

The Board took positions of support or support and amend on five state bills (detailed below) relating to demand management that deal with issues such as potable reuse, water conservation standards and planning, finance, and research.

### **AB 574 (Quirk) Potable Reuse**

AB 574 amends California law regarding the potable reuse of recycled water by changing regulatory definitions to clarify where in the process the recycled water is being added to the water sources used. Specifically, this legislation removes the existing statutory terms of “direct potable reuse,” “indirect potable reuse for groundwater recharge,” and “surface water augmentation,” replacing them with the following:

- a) Groundwater augmentation;
- b) Reservoir augmentation;
- c) Raw water augmentation; and
- d) Treated water augmentation.

The bill would also require the State Water Resources Control Board (State Water Board) to establish a framework for the regulation of potable reuse projects by June 1, 2018.

Finally, the bill would require the adoption of uniform water recycling criteria for potable reuse through raw water augmentation, by December 31, 2023. The bill would prohibit the State Water Board from adopting the uniform water recycling criteria until the expert review panel adopts a finding that the proposed criteria is protective of public health. The State Water Board would be allowed to extend the date by which the uniform water recycling criteria is to be adopted if the research in the feasibility report has not been completed. The bill was signed by the Governor and is now law.

## **AB 1668 (Friedman) Water Management Standards**

AB 1668 is the water use efficiency standard-setting portion of the Administration's efforts to implement the recommendations made in the "Making Water Conservation a California Way of Life" framework. SB 606 (Skinner/Hertzberg) contains the other half of the recommendations made to improve the Urban Water Management Planning Act.

AB 1668 and SB 606 both failed to move during the end of the legislative session. AB 1668 remained in the Senate Rules committee where the bill is eligible to move at any time during the 2018 session. Staff expects that stakeholders will be working during the fall to address any issues that kept the bill from garnering the necessary votes to pass.

## **SB 606 (Skinner/Hertzberg) Water Management Planning**

SB 606 is the second component to enact the recommendations made in the "Making Water Conservation a California Way of Life" framework. SB 606 is distinct from AB 1668 in that this bill addresses the planning components for future water conservation versus setting the standards as in AB 1668.

SB 606 is pending on the Assembly Floor, and if passed there, would need to return to the Senate Floor for a concurrence vote before going to the Governor. Stakeholders likely will work during the fall recess on amendments to satisfy the concerns of legislators whose votes are needed to secure the passage of the bill.

## **SB 564 (McGuire) Joint Powers Authorities: Water Bill Savings Act**

SB 564 would allow a joint powers authority created for these purposes to finance water conservation improvements on private property in the Bay Area and Los Angeles County through an agreement with willing local water purveyors. The home improvements would be paid for by charges collected through a customer's monthly water bill. The new law would allow the JPA to sell bonds to finance the water conservation program. The bill sets forth extensive requirements intended to protect agencies that are willing to participate in the program. The bill also provides protections for customers to ensure that repayment requirements are clearly understood. The bill was signed by the Governor and will take effect on January 1, 2018.

## **SB 5 (de León) The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018**

SB 5 would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters in the June 5, 2018 statewide primary election, would authorize the issuance of general obligation bonds in an amount of \$4 billion to finance programs related to drought, water, parks, climate change, coastal protection, and outdoor access. SB 5 also would reallocate \$100 million of unissued bonds authorized by Proposition 1 (2014), Proposition 84 (2006), and Proposition 40 (2002) to finance the purposes and programs outlined in the proposed bond.

There are numerous possible funding opportunities for the District in SB 5, mostly focused on habitat restoration and flood protection; however, the proposed bond measure also includes \$290 million, available upon appropriation by the legislature, for drought and groundwater investments to achieve regional sustainability. Chapter 11.6 of the proposed bond would allocate funds drought and groundwater programs as follows.

- (1) \$120 million for purposes to be determined by the legislature for the planning, design, and implementation of projects, provided through competitive grants and loans, for investments in groundwater recharge with surface water, storm water, recycled water, and other conjunctive use benefits, as well as for projects to prevent or clean up contamination of groundwater that serves as a source of drinking water.
- (2) \$50 million for the Proposition 1 program established in Section 79775 of the Water Code funding groundwater plans and projects.
- (3) \$100 million for the Proposition 1 program established in Section 79765 of the Water Code, et seq., funding water recycling and desalination projects.
- (4) \$20 million for the California Department of Food and Agriculture State Water Efficiency and Enhancement Program for agricultural irrigation water efficiency grants.

SB 5 passed both houses of the legislature with the 2/3 vote of support required by law and is awaiting action by the Governor.

**ATTACHMENT(S):**

None.



Committee: Water Conservation and Demand Management  
Meeting Date: 10/19/17  
Agenda Item No.: 4.2  
Unclassified Manager: Garth Hall  
Email: [ghall@valleywater.org](mailto:ghall@valleywater.org)  
Est. Staff Time: 10 minutes

## COMMITTEE AGENDA MEMO

**SUBJECT:** Sustainable Groundwater Management Act (SGMA) Update – SGMA Authority Implementation Framework Concepts

### RECOMMENDED ACTION:

This is a discussion item and the Committee maybe provide comments, however, no action is required.

### SUMMARY:

The Sustainable Groundwater Management Act (SGMA) provides Groundwater Sustainability Agencies (GSAs) like the District with various authorities to ensure groundwater sustainability. Per the District's 2016 Groundwater Management Plan (GWMP), the District is evaluating the regulation of pumping and implementation of different fee types as potential tools that may be needed to ensure continued sustainability. The Board referred related stakeholder engagement to the Water Conservation and Demand Management Committee (Committee).

At previous 2017 Committee meetings, staff presented an overview of groundwater rights, an updated stakeholder engagement plan for the evaluation of new SGMA authorities, a summary of how other agencies have regulated pumping, and preliminary analyses of SGMA groundwater extraction authorities and fixed charges. In previous meetings, Committee members have affirmed that continued effective collaboration with major pumpers is the preferred way to ensure ongoing groundwater sustainability. This agenda item outlines a conceptual implementation framework for pumping regulation under SGMA, should they ever be needed. The proposed steps of this framework have been identified to promote discussion by the Committee and interested stakeholders (Attachment 1).

### BACKGROUND:

In 2014, SGMA was enacted as California's first comprehensive, statewide regulatory program for groundwater. SGMA provides GSAs with various authorities to regulate groundwater extraction by restricting or suspending well production, prohibiting new well construction, imposing well spacing requirements, and requiring measurement and reporting of groundwater production by well owners (Water Code §§ 10725.8, 10726.4(a)). As noted in the GWMP and previous Committee meetings, the potential regulation of pumping is a complex and controversial topic, and SGMA acknowledges related limitations. Per the Committee workplan, discussion of the conceptual approach to regulating pumping is intended to inform development of a related draft implementation framework, which will be discussed at the December 2017 Committee meeting.

## **Conceptual Implementation Framework for Potential Well/Pumping Regulation Under SGMA**

The existing groundwater management framework in Santa Clara County, which includes coordination with major pumpers, is expected to support continued, sustainable conditions as it has for nearly 50 years. While the SGMA authorities may never be needed, District staff has identified a conceptual framework (Attachment 1 and described below) to ensure local groundwater resources continue to be protected. This framework or process allows for moving between the following steps linearly or using feedback loops.

As discussed in previous Committee meetings, the proposed framework approach avoids prescriptive basin triggers and related requirements and focuses on clarifying the process to respond to worsening conditions. This maintains maximum flexibility for the District and major pumpers to respond to changing conditions and avoid unnecessary or ineffective actions.

### Normal Operations

Comprehensive planning through the District's Urban Water Management Plan and Water Supply Master Plan ensures long-term water supply reliability (including groundwater) in accordance with level of service targets. Development of these plans includes coordination with water retailers and land use agencies, and the District encourages input from interested stakeholders. This regular, proactive planning avoids chronic shortages.

Operations planning helps meet near-term demands, protect groundwater reserves, and ensure adequate carryover supplies. Through this ongoing process, District staff develops operations scenarios based on the availability of imported and local supplies, including their optimal use and distribution. Water supply conditions are discussed with water retailers at least quarterly through Water Retailers Committee and Groundwater Subcommittee meetings. Current water supply information is also communicated to interested stakeholders through monthly Water Tracker updates and Groundwater Condition Reports, and the availability of groundwater level and other water supply data at [www.valleywater.org](http://www.valleywater.org).

Receiving input on groundwater management issues from interested stakeholders is also an important part of normal operations. This could take the form of Board correspondence, an inquiry through Access Valley Water, or an email directly to staff. The District evaluates all input and inquiries to determine if additional action is needed to protect groundwater resources.

### Issue Identified

Through the ongoing assessment of groundwater conditions described above, an issue requiring further action may be identified. This could be a new regulatory requirement, such as the need to limit water supply well construction near an indirect potable reuse project, or an observed or projected undesirable result. Per Water Code §10721, the following conditions constitute an undesirable result if they are determined to be significant and unreasonable: chronic lowering of groundwater levels, reduction of groundwater storage, seawater intrusion degraded water quality, land subsidence, or depletion of interconnected surface water.

If an issue requiring further action is identified, the District will inform potentially affected stakeholders and immediately move to the next step in the framework.

### Preliminary Assessment

Once an issue requiring further action has been identified, District staff will use available information to evaluate the issue and summarize the findings in a technical memorandum. The memorandum will describe the area impacted, potential causes and impacts of taking no action, and potential mitigation options. These options may include District action, such as more focused monitoring, recommended shortage response per the Water Shortage Contingency Plan, efforts to acquire supplemental supplies, or incentives for the use of treated water. Mitigation options could also include the reduction of pumping within the impacted area.

### Initial Stakeholder Consultation

After completing the prior step, District staff will meet with major pumpers within the affected area to discuss groundwater conditions and the preliminary assessment. Depending on the nature of the issue, other affected stakeholders may also be consulted during this stage. The District will work with the stakeholders to evaluate additional data and update the preliminary assessment as necessary. The District and affected stakeholders will identify the schedule to develop an action plan as well as related roles and responsibilities.

### Action Plan

Based on the timeline and roles identified during the initial stakeholder consultation, District staff and/or affected stakeholders will develop a draft action plan to address the issue. This action plan will identify the desired outcome and clearly define actions needed, roles and responsibilities, implementation schedule, and how the issue will be monitored. The action plan will also explain the mechanism and timing of status reports to the Board and interested stakeholders. If the proposed mitigation involves pumping curtailment, staff recommends that affected pumpers have the first opportunity to propose an action plan to meet the desired outcome.

It is expected that some issues can be effectively resolved at the staff level, with ongoing reporting to the Board Committee and stakeholders. For example, District staff and San Jose Water Company collaborated effectively in 2014 to reduce localized pumping and minimize the risk of subsidence. However, effective action plans for more severe, challenging, or widespread issues may need to be developed in consultation with all potentially interested stakeholders through the open forum of the Board Committee.

### Voluntary Action (Preferred Option)

Staff, affected pumpers, and other interested stakeholders will work to reach consensus on an action plan that is likely to be effective in addressing the identified issue. This is the preferred option, which avoids resorting to the need to potentially regulate pumping under SGMA authorities. If agreement for voluntary action is reached, all entities identified in the action plan will need to concur with the action plan. The next step will then be to move to the *Implementation, Monitoring, and Reporting* step.

### Potential Well/Pumping Regulation

The District and affected pumpers may not reach consensus on a voluntary action plan or if implementation of the plan is not effective in addressing the identified issue, the District may need to consider implementing any of the tools allowed under SGMA. In that case, the District will do the following:

1. Discuss groundwater conditions and the potential need for pumping regulation at the Water Conservation and Demand Management Committee and receive input from the Committee and stakeholders;
2. Implement action recommended by the Committee, which may include, but not be limited to, discussion with the full Board, further District action, or additional attempts to reach consensus on voluntary action;
3. Prepare a draft ordinance to regulate groundwater extraction in accordance with Water Code §10726.4 or otherwise exercise authorities provided by SGMA; and
4. Conduct a public hearing for Board consideration of the proposed ordinance.

### Implementation, Monitoring, and Reporting

The District and affected pumpers will implement the voluntary and/or mandatory actions described in the action plan and/or ordinance. District staff will monitor groundwater conditions and performance in meeting the desired outcome, and will report out to the Committee and/or Board as well as interested stakeholders per the action plan or ordinance. Based on the monitoring results and progress toward meeting the desired outcome, operations may return to normal or the voluntary/mandatory action may need to be modified.

## **Implementation Time Frame**

There are no fixed time frames assigned to each step above due to the wide range of possibilities in terms of potential issues and related action needed. Staff anticipates that, for more manageable issues, effective action could be implemented within six months. More severe or widespread issues would likely take longer to address, but every effort would be made to expedite an effective response to minimize the potential for permanent harm to groundwater resources.

### **Summary and Next Steps**

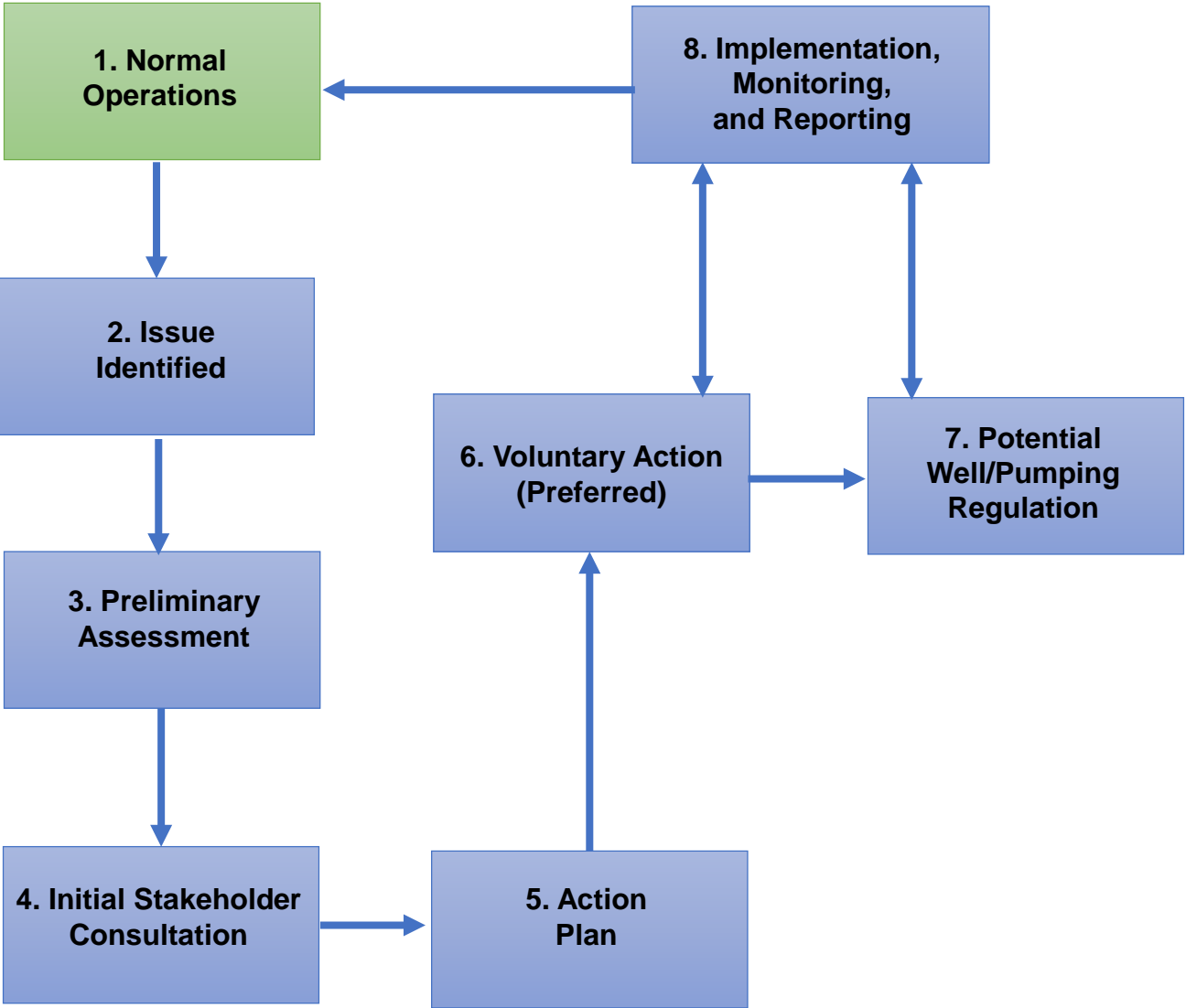
This item is intended to generate discussion of the proposed concepts for the implementation framework. Committee and stakeholder input on the concepts presented in this item will inform the development of a draft implementation framework, which will be presented in December 2017 through this Committee.

### **ATTACHMENT(S):**

Attachment 1: Draft Conceptual Implementation Framework for Potential Well/Pumping Regulation Under SGMA



# Draft Conceptual Implementation Framework for Potential Well/Pumping Regulation Under SGMA



1. Evaluate groundwater conditions, coordinate with water retailers, and receive stakeholder input
2. Identify new regulatory requirement or observed/projected undesirable result
3. Prepare memo describing issue and potential mitigation (e.g., additional supplies and/or demand reduction)
4. Meet with affected pumpers and/or other stakeholders to discuss issue and preliminary assessment
5. Develop draft action plan including desired outcome, roles, actions, schedule, monitoring, and reporting
6. Agree to implement voluntary actions to address issue (preferred)
7. Develop Board ordinance to implement SGMA authorities through Committee and public process
8. Implement voluntary and/or mandatory actions described in action plan and/or ordinance, monitor and report out to Board and stakeholders

Note: Depending on the severity and challenges of the issue identified, the implementation of any step could be elevated to the Committee and/or Board.

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Committee: Water Conservation and Demand Management  
Meeting Date: 10/19/17  
Agenda Item No.: 4.3  
Unclassified Manager: Michele King  
Email: [mking@valleywater.org](mailto:mking@valleywater.org)  
Est. Staff Time: 5 Minutes

## COMMITTEE AGENDA MEMO

**SUBJECT:** Review of Water Conservation and Demand Management Committee Work Plan, any Outcomes of Board Action or Committee Requests and the Committee's Next Meeting Agenda

### RECOMMENDED ACTION:

Review the Committee work plan and Planning Calendar to guide the Committee's discussions regarding policy alternatives and implications for Board deliberation.

### SUMMARY:

The attached Work Plan and Planning Calendar outlines the topics for discussion to be able to prepare policy alternatives and implications for Board deliberation. The work plan and planning calendar are agendaized 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.

The Board Ad Hoc Committee is comprised of less than a quorum of the Board and/or external members having a limited term, to accomplish a specific task, is established in accordance with the Board Ad Hoc Committee procedure (Procedure No. W723S01), and will be used sparingly. Annually, the purpose of an established Ad Hoc Committee will be reviewed to determine its relevance.

In keeping with the Board's broader focus, Board Committees will not direct the implementation of District programs and projects, other than to receive information and provide advice and comment.

### ATTACHMENT(S):

Attachment 1: Water Conservation and Demand Management Committee 2017 Work Plan

Attachment 2: Water Conservation and Demand Management Committee October 19, 2017 Draft Agenda



# 2017 Work Plan: Water Conservation and Demand Management Committee

Update: October 2017

ITEM #	WORK PLAN ITEM	MEETING	ACTION/DISCUSSION OR INFORMATION ONLY	ACCOMPLISHED OUTCOMES
1	Receive Information on Conservation Measure Connections/Obligations addressed in the CA Waterfix	1-25-17	Discussion/Action Item	<b>Accomplished January 25, 2017:</b> The Committee received information on conservation measure connections/Obligations addressed in the CA Waterfix and took no action.
2	Consideration of potential approaches for receiving input from key stakeholders on development of plans, where necessary, for implementation of authorities available to the District under the Sustainable Groundwater Management Act (SGMA)	1-25-17	Discussion/Action Item	<b>Accomplished January 25, 2017:</b> The Committee considered potential approaches for receiving input from key stakeholders development of plans, where necessary, for implementation of authorities available to the District under the Sustainable Groundwater Management Act (SGMA) and took no action.
3	Receive an Update on the District's Outreach Campaign (HOAs, Neighborhood Groups, Developers, Planning Agencies)	1-25-17	Discussion/Action Item	<b>Accomplished January 25, 2017:</b> The Committee received an update on the District's Outreach Campaign (HOAs, Neighborhood Groups, Developers, Planning Agencies and took no action.

Yellow = Update Since Last Meeting

Blue = Action taken by the Board of Directors

Attachment 1

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ITEM #	WORK PLAN ITEM	MEETING	ACTION/DISCUSSION OR INFORMATION ONLY	ACCOMPLISHED OUTCOMES
4	Update on Golf Course Coalition Proposal	1-25-17 2-23-17 3-24-17 4-27-17 8-28-17 12-14-17	Discussion/Action Item	<p><b><u>Accomplished January 25, 2017:</u></b>                      The Committee received an update on Golf Course Coalition Proposal and took no action.</p> <p><b><u>Accomplished February 23, 2017:</u></b>                      The Committee received an update on Golf Course Coalition Proposal and took no action.</p> <p><b><u>Accomplished March 24, 2017:</u></b>                      The Committee received an update on Golf Course Coalition Proposal and took no action.</p> <p><b><u>Accomplished April 27, 2017:</u></b>                      The Committee received an update on Golf Course Coalition Proposal and took no action.</p> <p><b><u>Accomplished August 28, 2017:</u></b>                      The Committee received an update on Golf Course Coalition Proposal and took no action.</p>

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ITEM #	WORK PLAN ITEM	MEETING	ACTION/DISCUSSION OR INFORMATION ONLY	ACCOMPLISHED OUTCOMES
5	Review of 2017 Water Conservation Ad Hoc Committee Work Plan and the Outcomes of Board Action of Committee Requests	1-25-17 2-23-17 3-24-17 4-27-17 6-15-17 8-28-17 10-19-17 12-14-17	Discussion/Action Item	<p><b><u>Accomplished January 25, 2017:</u></b> The Committee reviewed their work plan for 2017 and added Safe, Clean Water Conservation Grant Research Results to their work plan. Joined items #11, 12 and 13 to #4 Water Master Plan and correct #14f to read hold conversations.</p> <p><b><u>Accomplished February 23, 2017:</u></b> The Committee reviewed their work plan for 2017 and removed item #12 since all of its elements are included in work plan items 1 - 11.</p> <p><b><u>Accomplished March 24, 2017:</u></b> The Committee reviewed their work plan for 2017 and took no action.</p> <p><b><u>Accomplished April 27, 2017:</u></b> The Committee reviewed their work plan for 2017 and took no action.</p> <p><b><u>Accomplished June 15, 2017:</u></b> The Committee reviewed their work plan for 2017 and took no action.</p> <p><b><u>Accomplished August 28, 2017:</u></b> The Committee reviewed their work plan for 2017 and took no action.</p>
6	Update on State Water Resources Control Board (SWRCB) (Emergency Regulation; Making Water Conservation a California Way of Life)	2-23-17	Discussion/Action Item	<p><b><u>Accomplished February 23, 2017:</u></b> The Committee received an update on State Water Resources Control Board (SWRCB) (Emergency Regulation; Making Water Conservation a California Way of Life) and took no action.</p>

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ITEM #	WORK PLAN ITEM	MEETING	ACTION/DISCUSSION OR INFORMATION ONLY	ACCOMPLISHED OUTCOMES
7	Update on the Evaluation of New Sustainable Groundwater Management Act (SGMA) Authorities	2-23-17 3-24-17 4-27-17	Discussion/Action Item	<p><b><u>Accomplished February 23, 2017:</u></b> The Committee received an update on the Evaluation of New Sustainable Groundwater Management Act (SGMA) Authorities and took no action.</p> <p><b><u>Accomplished March 24, 2017:</u></b> The Committee received an update on the Evaluation of New Sustainable Groundwater Management Act (SGMA) Authorities and took no action.</p> <p><b><u>Accomplished April 27, 2017:</u></b> The Committee received an update on the Evaluation of New Sustainable Groundwater Management Act (SGMA) Authorities and took no action.</p>

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ITEM #	WORK PLAN ITEM	MEETING	ACTION/DISCUSSION OR INFORMATION ONLY	ACCOMPLISHED OUTCOMES
8	<p><b>Presentation on Conservation and Demand Management Elements of the Draft 2017 Water Supply Master Plan Include in the plan:</b></p> <p><b>Water Use Efficiency Standards and Requirements</b></p> <ul style="list-style-type: none"> <li>• Green Business Program</li> <li>• LEED certification</li> <li>• CalGreen</li> <li>• Ordinances</li> </ul> <p><b>Information on new technology related to water conservation, including:</b></p> <ul style="list-style-type: none"> <li>• Smart metering (AMI),</li> <li>• Leak detection/repair</li> <li>• Others?</li> </ul> <p><b>If needed, invite experts to present to the Committee</b></p> <p><b>Should District invest/get involved in development of new local water, i.e.</b></p> <ul style="list-style-type: none"> <li>• Rainwater harvesting</li> <li>• On-site storm water retention</li> <li>• Infiltration of high quality storm water</li> <li>• Gray Water</li> </ul> <p><i>Committee to review the issue question, and include working with cities on building codes and future planning, offering incentives, and identifying District role.</i></p>	<p>1-25-17 3-24-17</p>	<p>Discussion/Action Item</p>	<p><b><u>Accomplished January 25, 2017:</u></b> The Committee received a presentation on conservation and demand management elements of the Draft 2017 Water Master Plan and took no action.</p> <p><b><u>Accomplished March 24, 2017:</u></b> The Committee received a presentation on conservation and demand management elements of the Draft 2017 Water Master Plan and took no action.</p>
9	<p><b>Legislative Update/Making Water Conservation a California Way of Life) State Long-Term Framework</b></p>	<p>4-27-17 10-19-17</p>	<p>Discussion/Action It</p>	<p><b><u>Accomplished April 27, 2017:</u></b> The Committee received a presentation on making water conservation a California Way of Life and took no action.</p>

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ITEM #	WORK PLAN ITEM	MEETING	ACTION/DISCUSSION OR INFORMATION ONLY	ACCOMPLISHED OUTCOMES
10	The water conservation and demand management components of the Water Supply Master Plan (AMI, leak detection, rainwater harvesting, stormwater capture, model ordinance, etc. Exploration of South County Treatment Plant	6-15-17 8-28-17 12-14-17	Discussion/Action Item	<p><b>Accomplished June 15, 2017:</b> The Committee received a presentation on the water conservation and demand management components of the Water Supply Master Plan and took no action.</p> <p><b>Accomplished August 28, 2017:</b> The Committee received a presentation on the water conservation and demand management components of the Water Supply Master Plan and took the following action:</p> <ul style="list-style-type: none"> <li>The Committee approved to have the Board consider approving staff to begin implementation of those “No Regrets” items on the list and begin working on pre-planning budget for the next fiscal year.</li> </ul> <p><i>The Board approved at their September 19, 2017, meeting</i></p>
11	SGMA Update – Potential Basin Triggers Related to SGMA Authorities	6-15-17	Discussion/Action Item	<p><b>Accomplished June 15, 2017:</b> The Committee received a presentation on SGMA Update – Potential Basin Triggers Related to SGMA Authorities and took no action.</p>
12	SGMA Update – Discussion of Fixed and/or Tiered Fees	6-15-17	Discussion/Action Item	<p><b>Accomplished June 15, 2017:</b> The Committee received a presentation on SGMA Update – Discussion of Fixed and/or Tiered Fees and took no action.</p>
13	Outreach/Messaging	8-28-17 12-14-17	Discussion/Action Item	<p><b>Accomplished August 28, 2017:</b> The Committee received an update on Outreach/Messaging and took no action.</p>

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# 2017 Work Plan: Water Conservation and Demand Management Committee

Update: October 2017

ITEM #	WORK PLAN ITEM	MEETING	ACTION/DISCUSSION OR INFORMATION ONLY	ACCOMPLISHED OUTCOMES
14	SGMA Update – Preliminary Analysis of Groundwater Extraction Regulation	8-28-17	Discussion/Action Item	<p><b>Accomplished August 28, 2017:</b>                      The Committee received an update on SGMA Update – Preliminary Analysis of Groundwater Extraction Regulation and took no action.</p>
15	SGMA Update – Preliminary Analysis of SGMA Charge	8-28-17	Discussion/Action Item	<p><b>Accomplished August 28, 2017:</b>                      The Committee received an update on SGMA Update – Preliminary Analysis of SGMA Charge and took the following action.</p> <ul style="list-style-type: none"> <li>• The Committee approved to have the Board consider approving staff to continue with the next steps of the SGMA rates.</li> </ul>
16	SGMA Update – SGMA Authority Implementation Framework Concepts	10-19-17	Discussion/Action Item	
17	SGMA Update – SGMA Authority Draft Implementation Framework and Next Steps	12-14-17	Discussion/Action Item	

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DRAFT AGENDA

WATER CONSERVATION AND DEMAND MANAGEMENT COMMITTEE

THURSDAY, DECEMBER 14, 2017

10:00 a.m. - 12:00 p.m.

Santa Clara Valley Water District  
Headquarters Building Boardroom  
5700 Almaden Expressway  
San Jose, CA 95118

Time Certain

10:00 a.m.

1. **Call to Order/Roll Call**
2. **Time Open for Public Comment on Any Item Not on the Agenda**  
*Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.*
3. **Approval of Minutes**  
3.1 Approval of Minutes – October 19, 2017, meeting
4. **Discussion/Action Items**
  - 4.1 Update on Golf Course Coalition Proposal (Jerry De La Piedra)  
**Recommendation: This is a discussion item and the Committee may provide comments, however, no action is required.**
  - 4.2 Outreach Messaging (Marty Grimes/Jose Villarreal)  
**Recommendation: This is a discussion item and the Committee may provide comments, however, no action is required.**
  - 4.3 The water conservation and demand management components of the Water Supply Master Plan (AMI, leak detection, rainwater harvesting, stormwater capture, model ordinance, etc. Exploration of South County Treatment Plant (Tracy Hemmeter)  
**Recommendation: This is a discussion item and the Committee may provide comments, however, no action is required.**
  - 4.4 SGMA Update – SGMA Authority Draft Implementation Framework and Next Steps (Vanessa De La Piedra)  
**Recommendation: This is a discussion item and the Committee may provide comments, however, no action is required.**
  - 4.5 Review of Water Conservation and Demand Management Committee Work Plan, any Outcomes of Board Action or Committee Requests and schedule the Committee's next meeting (Committee Chair)  
**Recommendation: Review the Committee work plan to guide the Committee's discussions regarding policy alternatives and implications for Board deliberation.**

5. **Clerk Review and Clarification of Committee's 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 discussion of Item 4.*

6. **Adjourn:** Adjourn

REASONABLE EFFORTS TO ACCOMMODATE PERSONS WITH DISABILITIES WISHING TO ATTEND COMMITTEE MEETINGS WILL BE MADE. PLEASE ADVISE THE CLERK OF THE BOARD OFFICE OF ANY SPECIAL NEEDS BY CALLING (408) 630-2277.

Meetings of this committee will be conducted in compliance with all Brown Act requirements. All public records relating to an open session 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 same time that the public records are distributed or made available to the legislative body, at the following location:

Santa Clara Valley Water District, Office of the Clerk of the Board  
5700 Almaden Expressway, San Jose, CA 95118

Water Conservation and Demand Management Committee:

Purpose: To support the Board of Directors 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.