



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: DEBRA FIGONE
City Manager

HONORABLE BOARD
OF DIRECTORS

BEAU GOLDIE
Chief Executive Officer

SUBJECT: SEE BELOW

DATE: April 8, 2010

SUBJECT: STATUS REPORT ON COOPERATIVE EFFORTS BETWEEN THE CITY OF SAN JOSE AND THE SANTA CLARA VALLEY WATER DISTRICT

RECOMMENDATION

1. Accept the 2009 Annual Status Report on cooperative efforts between the City of San José and the Santa Clara Valley Water District relating to:
 - A. Flood Protection
 1. Flood Preparedness
 2. Floodwater Management
 3. Dam Safety
 - B. Water Supply
 1. Water Supply Outlook
 2. Water Conservation
 3. Water Recycling
 - C. Watershed Protection
 1. Trash Removal from Creeks
 2. Countywide Efforts Focused on Reducing Trash
 3. Coyote Valley Projects
 4. Santa Clara Valley Habitat Plan – A Conservation Legacy
 5. Parks, Trails, and Open Space Partnership
 - D. Policy/Planning Initiatives
 1. Adopting Joint Priorities for 2009-2010
 2. Protection and Augmentation of the Water Supply
 3. District Comprehensive Plan
 4. Water Resources Planning

EXECUTIVE SUMMARY

Over the past seven years, the City of San José (City) and the Santa Clara Valley Water District (District) have expanded the level and frequency of interagency coordination to the benefit of such projects as expansion of the trail network, facilitated construction and maintenance of capital projects, and an increased level of creek clean-ups. Ongoing projects are described in more detail in subsequent sections.

BACKGROUND

In January 2002, the San José City Council (Council) and the Santa Clara Valley Water District Board of Directors (Board) met for the first time in joint session. The goal was to identify the many areas where the two agencies have overlapping responsibilities and to find ways to enhance coordination. Since then, the Board and Council have met at least annually to review progress, discuss issues of joint concern, and provide additional direction to staff. This memorandum is a review of progress and suggested next steps on a broad variety of City/District cooperative projects.

In addition to an annual review of cooperative efforts, the Council and Board began holding semi-annual Joint Study Sessions to focus on specific water issues. The most recent session was held on April 23, 2009 and focused on water supply issues including: future outlook, conservation plans and programs, and expanding the use of recycled water.

Both the Council and Board have requested that staff bring forward for consideration the kinds of opportunities for joint lobbying that might improve the likelihood of securing state and federal funding. This memorandum includes a summary of joint priorities adopted to date.

ANALYSIS

A. Flood Protection

The City and the District are working on a number of significant floodplain management issues. Many of these were discussed at the Joint Study Session on flood management, held in late 2007. Project updates are detailed below:

1. Flood Preparedness

a) U.S. Army Corps of Engineers Flood Protection Project Inspection Program

The U.S. Army Corps of Engineers (Corps) recently implemented a more rigorous annual inspection program for completed federally-funded flood control works which include the Guadalupe and Coyote levees in the City boundary. The rating system for the inspection program has numerous components with three overall possible project ratings:

Acceptable, Minimally Acceptable, and Unacceptable. In 2009, the Guadalupe River and Coyote Creek levees were both rated Minimally Acceptable. City and District staffs have worked together in 2009 to perform video inspection for culverts that penetrate the levees. The levee penetrations will be subject to the Corps' periodic inspection in March and April 2010.

Next Steps: The presence and growth of vegetation on the levees is the main reason causing the Corps to rate the levees as minimally acceptable. District staff will evaluate the Corps' procedure to apply for a variance from the vegetation standard and determine the best course of action. Information will be reported to the Council and Board in future status reports.

b) FEMA Map Modernization Project

In May of 2009, the Federal Emergency Management Agency (FEMA) released new Digital Flood Insurance Rate Maps (DFIRMs) for Santa Clara County. After the release, it became apparent that the new maps do not uniformly align with the old paper maps. For San José and the other cities, there were some discrepancies with the boundaries of the creek and the 100-year floodplain. The City has heard from some property owners that have their homes incorrectly designated within the 100-year floodplain and have been required by their mortgage lenders to carry flood insurance. These homeowners were not notified of any flood zone changes prior to the effective date of the maps because no map changes were anticipated (even by FEMA staff) in these areas. It appears to be a simple map-alignment issue, but with significant consequences to some properties.

District staff sent letters to the FEMA Regional office in Oakland, CA and to FEMA Headquarters in Washington D.C. asking FEMA to re-examine this map issue. In support of this request, the District has provided FEMA with detailed topographic data and accurate creek alignments. The District also requested that FEMA correct these inadvertent additions to the 100-year floodplain on a countywide extent to preclude homeowners from individually hiring consultants at considerable expense to correct the map errors.

Concurrently, the City's Floodplain Management staff has been directly working with FEMA, on a case-by-case basis, to correct the maps where defensible topographic or other data is available. FEMA has been amenable to making specific map corrections where documentation is provided, but has declined responsibility to take on the task of correcting the issue countywide.

2. Floodwater Management Projects

a) Shoreline Area Projects

Two projects, the South San Francisco Bay Shoreline Study and the South Bay Salt Pond Restoration Project, are designed to restore bayside wetlands, provide tidal flood protection to low-lying bayside communities (some of which are below sea level due to subsidence), and enhance public access and recreation opportunities. Sponsoring agencies for both efforts are working with local municipalities regarding specific areas of interest. In San José, the central focus is the Treatment Plant lands.

- **South San Francisco Bay Shoreline Study:** The District, U.S. Army Corps of Engineers, and Coastal Conservancy are the project sponsors of the first phase of the Shoreline Study, which focuses on Santa Clara County baylands and a small portion of southern Alameda County. The U.S. Fish and Wildlife Service (the main property owner) is also an important partner. The Study began in 2005 to address “tidal and fluvial flood damage reduction, environmental restoration and related purposes”. This study is to establish the level of federal participation in any project proposed for these purposes. By July 2010, the Study will finish defining what is projected to occur if no additional flood protection measures are taken and limited maintenance of the dirt levees is provided (i.e.; if there is no project). It is anticipated that the existing salt pond levees would weaken over time and the risk of tidal flooding would increase. Three different scenarios of sea level rise are being used. Maps showing the extent of projected flooding exposure are being produced and will be available for public review in July 2010. These maps may be important for City consideration with Envision 2040 and Treatment Plan Master Plan. The Study report should be completed by October 2014. Implementation plans and costs will be determined by the Corps at a future date. City staff is engaged with the Corps for future levee alignments protecting the San Jose/Santa Clara Water Pollution Control Plant as well as providing information on potential economic damages from flooding.
- **South Bay Salt Pond Restoration Project:** The goal of the South Bay Salt Pond Restoration Project is to restore the 15,000 acres of former salt evaporator ponds acquired by the State and Federal governments in 2003. The project will restore tidal marshes and related habitats, and address flood management; public access and recreation. The California Coastal Conservancy and landowners California Department of Fish and Game and U.S. Fish and Wildlife Service led a broad coalition of agency staff, scientists and the public through the five-year development of a restoration plan for this property. January 2009 marked the completion of the project’s planning phase when the project received permits and US Fish and Wildlife Service signed the Record of Decision.

Now, the largest wetland restoration project on the West Coast has started the implementation phase. The restoration of Pond SF2 at the western end of the Dumbarton Bridge, a very high visibility site, is nearly complete. The establishment

of a muted tidal connection at Pond A8 is currently underway, with other Phase I projects proceeding through 2012.

Adaptive management based on sound scientific study will be used to determine future phases of the project. This project is being closely coordinated with the South San Francisco Bay Shoreline Study to restore the South Bay. The project management team includes the Conservancy, the landowners, a lead scientist, representatives from the private foundations that helped fund the acquisition, the District, and Alameda County Flood Control and Water Conservation District. The cost to prepare the programmatic plan was approximately \$20 million. Of that, \$15 million was contributed by private foundations (Hewlett, Packard, Moore, and Goldman), \$500,000 by the District, and the balance from the State, through bond funding. Implementation is anticipated to cost approximately \$1 billion.

- **Pond A8 Applied Study.** One of the Phase I projects of the South Bay Salt Pond Restoration Project is the establishment of a muted tidal connection between Pond A8 and Alviso Slough. The District, working in partnership with property owner U.S. Fish and Wildlife Service and the California Coastal Conservancy, is currently managing the construction of an armored notch in the eastern levee of Pond A8. Uncertainties about legacy mercury concentrations in the Guadalupe River watershed and potential flood protection impacts require more knowledge before this area could be restored to full tidal action. The armored notch will be fitted with flashboards to allow phased opening and/or closure of the notch, based on monitoring of key mercury and flood protection indicators. Adaptive management will drive operations of the notch until such time as full tidal restoration can be approved or ruled out, depending on the monitoring results. Total project costs are estimated to be \$5 million. The notch construction will be completed by September 2010. Both state (Prop 84) and federal stimulus funding has been secured and will be applied to the project's construction cost.

b) Guadalupe Watershed Flood Protection Projects

- **Guadalupe River Railroad and Vehicle Bridge Crossings.** The U.S. Army Corps of Engineers (Corps) received \$12.5 million in federal stimulus funding in 2009 to complete the construction of the new railroad and a vehicular bridge just south of Coleman Avenue. The Corps is currently securing the remaining environmental clearances and permits, and is planning to award the construction contract in spring 2010.

Other than the outstanding bridges, work remaining involves finalizing real estate transactions between the City and the District and final project accounting among the Corps, the District and the City/Redevelopment Agency. The Corps is also completing the new Autumn Street rail crossing at San Jose Market Center as part of this project, which is of major importance to future downtown access.

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- **Upper Guadalupe River Reach 6.** District staff plans to request the Board of Directors to award the construction contract for this first reach of the Upper Guadalupe River Flood Protection Project in spring 2010. Reach 6 extends from Highway 280 upstream to the Union Pacific Railroad (UPRR) Bridge near Willow Street. District staff coordinated closely with City staff on the design of the West Virginia Street Bridge Extension and on the City's completion of a trail on the west bank of the river from near Woz Way upstream to West Virginia Street. The City has awarded a construction contract and expects construction of this trail to commence during Spring 2010.

Staff from both agencies worked together at the executive level to facilitate the delivery of the project to the community. Staff will be developing a process to streamline inter-agency property transactions to reduce costs and risks to delay in projects.

- **Upper Guadalupe River Reaches 7-12.** The federally funded portion of the Upper Guadalupe River Flood Protection Project continues upstream from Reach 6, extending from the UPRR Bridge to Blossom Hill Road. The Corps of Engineers has completed stream improvements and riparian revegetation in Reach 10b. Design plans for channel improvements in Reach 12 are also nearly complete. If adequate funding is appropriated by Congress, the Corps will proceed with awarding a construction contract for Reach 12 this year.

c) **Coyote River Watershed Flood Protection Projects**

- **Mid-Coyote Project:** The Mid-Coyote Project extends 6.1 miles from Montague Expressway to Interstate 280. The project's primary objective is to enhance the creek's conveyance to protect homes, schools, businesses, and highways from a 100-year flood event. Additionally, the project will improve fisheries and habitat values and provide public access opportunities in cooperation with the City. District staff has held a series of community meetings in the past 6 to 8 months to present potential flood protection alternatives and obtain input and feedback from the community.

Staff is currently evaluating additional alternatives that would modify upstream reservoirs to provide greater storage during flood events, and thus reduce flood flows in Coyote Creek. Staff is also evaluating off-stream storage alternatives in the upper portions of the Coyote Watershed that would flood during high flow events, and thus minimize the volume of creek flows through the urban areas. The results of these alternative evaluations will be presented at upcoming community meetings in spring 2010.

District staff is participating on the City's Technical Advisory Committee for the Coyote Creek Trail Master Plan (Highway 237 to Story Road) to ensure that flood control and trail improvements can function within the constrained riparian corridor

- **Upper Berryessa Creek Project.** This flood protection project originally extended approximately 4.3 miles from Calaveras Boulevard in Milpitas upstream to near Old Piedmont Road in San José. It is being developed in partnership with the US Army Corps of Engineers (Corps). The Corps is the project lead and the project is currently in the planning phase. It has experienced delays over the past several years due to federal budget constraints, but work has recently resumed, and the Corps plans to prepare their General Re-evaluation Report (GRR) and environmental documents by the end of calendar year 2010. Due to benefit/cost constraints, the Corps can now only fund flood protection improvements from Calaveras Boulevard up to Interstate 680 (2.4 miles). The District is going to evaluate potential alternatives and costs for implementing flood protection elements from I-680 upstream to Old Piedmont Road that will be supported by neighborhood groups in that area..
- **Upper Penitencia Creek Project.** This project extends approximately 4.2 miles, from the confluence with Coyote Creek (near Berryessa Road) upstream to Dorel Drive, all within the City of San José. It is currently in the planning stage and the Corps is the project lead. The Corps is currently developing a number of feasible alternatives to address flooding while improving riparian and fish habitat, reducing sedimentation and maintenance requirements, and providing for future trails improvements by the City. Alternatives being considered include excavated benches, levees and floodwalls, or combinations of these measures to minimize bypass culverts. The next step is for the Corps to select a federally recommended plan and prepare the appropriate engineering and environmental documents for public review and comment. These documents are anticipated to be completed in summer of 2011.

The City continues to strongly support this project to 1) remove up to 5,000 properties from a flood hazard zone, and 2) to allow for the reconstruction of the King Road Bridge, which is currently a traffic, pedestrian and bicycle bottleneck on this important major thoroughfare. The City has offered to support or partner with any efforts to prioritize federal funding for this construction.

- **Lower Silver Creek Project.** This project extends approximately 4.6 miles from the confluence with Coyote Creek (at Watson Park) to Lake Cunningham, all within the City of San José. The project was developed by NRCS in 1983, and reformulated in 1998, to provide 1% flood protection. It is segmented into 6 reaches. Construction for Reaches 1 to 3, from the confluence to Highway 680, was completed in 2007. Completion of flood protection improvements for Reaches 4 to 6 was put on hold due to lack of available funding.

Federal stimulus funding of \$18 million was allocated to this project in spring 2009 by NRCS. Preliminary construction work was completed in summer 2009, and the final design for Reaches 4 to 6 is nearing completion. The District will continue with construction of flood protection elements in Reaches 4 and 5 in summer 2010.

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District staff is coordinating with City staff to seek means to preserve and/or enhance the master planned trail alignment along Lower Silver Creek, particularly between Jackson Avenue and Capitol Expressway.

3. Dam Safety

As part of the District's comprehensive dam safety program, District staff routinely monitors and studies the condition of each of its 10 dams to ensure public safety. Although all of the dams have withstood earthquakes in the past, analyzing their seismic safety is ongoing as new technology and geologic information becomes available. The status report on the seismic stability evaluation of District dams pertinent to San José is as follows:

a) Anderson Dam Seismic Stability Evaluation

The Anderson Dam Seismic Stability Evaluation is about 62% complete, and \$1.87 million (60%) of the contract amount has been expended. All of the originally planned drilling and sampling work at the dam is complete and data has been received from the laboratory.

Findings to date indicate that original alluvial soils in the foundation of the dam's upstream shell is not as thick or as uniformly distributed as had been originally assumed. However, the amount of alluvial soil in the upstream shell is still potentially significant and must be analyzed further.

Data from the field investigation also indicates that some material used to construct the dam shells has the characteristics of a soil, rather than rock fill, as specified and shown on the "as-built" drawings. This material is located next to the dam foundation low in the structure. If the strength of this zone of fill is low, it could impact the seismic stability of the dam. The upstream alluvial soils and downstream soil-like material in the embankment will be the focus of analyses to be conducted in the next several months.

Work continues on obtaining right of entry and environmental clearances for the fault rupture study. As noted earlier, three mapped fault traces exist under the dam and outlet structure. They are not expected to impact the dam itself because the dam is constructed of materials that will accommodate likely fault movements. However, they could possibly cause damage to the outlet. The additional field work will help determine if the faults are either inactive or potentially active.

The Anderson Dam seismic stability evaluation is on track to be completed by the December 2010 commitment to Division of Safety of Dams (DSOD) and the Federal Energy Regulatory Commission (FERC).

b) Almaden, Calero and Guadalupe Dam Seismic Stability Evaluations (SSE1B)

The SSE1B is about 10% complete, and about \$0.25 million (8%) of the contract amount has been expended.

The majority of the originally planned field investigation and sampling has been completed at Almaden and Calero Dams. Barge drilling for the upstream dam shells will begin later in February. The field investigation has confirmed the presence of alluvial materials under most of the downstream section of these two dams, although it has not been determined if this material is liquefiable or not.

DSOD permit approval has been issued for the Guadalupe Dam field exploration, and drilling started on Wednesday, February 10, 2010.

c) Chesbro, Lenihan, Stevens Creek, and Uvas Dam Seismic Stability Evaluations (SSE2)

The consultant contract is on track to be brought to the Board of Directors for approval by May, 2010. This schedule will meet our commitment to DSOD and the District Board of Directors. Consultants are already expressing interest in this work, with 31 consultants and contractors from 15 different firms attending the pre-proposal meeting and site visit on January 26. This work will be completed by 2013.

d) Anderson Dam Emergency Action Plan Update

The Anderson Dam Emergency Action Plan (EAP) update, including updated inundation maps, was completed in December 2009 and provided to the downstream agencies including the City in January 2010. The District held a face-to-face meeting with Santa Clara, San Benito, Monterey, and Alameda Counties, and Gilroy, Morgan Hill, and Watsonville, and California OES to review the EAP on February 3, 2010. Most of the agencies present expressed interest in helping plan and execute an emergency drill to both meet FERC requirements and to ensure adequate emergency preparedness. District staff will be contacting the other agencies that were not able to be present to ensure they have been well briefed on the new EAP, including City staff.

B. Water Supply

Water supply is a key component of sustainable living and a vital economy in San José. Santa Clara County is the Bay Area's most populous county, with 24 percent of Bay Area residents living in it. The Association of Bay Area Governments projects that the population of the county will increase to 2.4 million by the year 2035, almost a 32 percent increase over the year 2008 population. New population growth brings an increased demand for water. Although the City and District have been aggressively working to reduce residential and commercial water use through conservation and efficiency programs, these programs alone are not enough. This report provides an update on work to date.

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1. Water Supply Outlook

Water supply in any given year is comprised of “incoming” supplies from local and imported sources, as well as previously-stored supplies withdrawn from in-county and/or out-of-county storage. Local water supplies originate from runoff from precipitation, captured in local reservoirs and released for groundwater recharge and for the treatment plants. An additional local water supply is highly-treated recycled water used for non-potable purposes.

The District’s imported sources of supply originate from natural runoff and releases from statewide reservoirs and pumped out of the Sacramento-San Joaquin Delta by the State Water Project (SWP) and federal Central Valley Project (CVP). The annual allocations of contracted supplies from the SWP and CVP are subject to cutbacks due to dry hydrologic conditions and to Delta pumping restrictions. Additionally, eight water retailers, including the City, purchase water from the City and County of San Francisco that originates from the Hetch Hetchy watershed and watersheds in the Bay Area.

Year 2010 began with the question of whether the state is entering a fourth year of drought. The initial 2010 allocation of supply from the State Water Project (SWP) was at 5 percent, due to low carryover storage in the SWP reservoirs, 2010 SWP contractor demands, ongoing drought conditions and federally mandated environmental restrictions on water deliveries from the Sacramento-San Joaquin Delta to protect endangered fish species. Five percent is the lowest initial allocation percentage since the SWP began delivering water in 1967.

On February 26, 2010, the SWP increased its projected deliveries to 15 percent. On the same day, the US Bureau of Reclamation announced a conservative forecast of delivering 55 percent of CVP supplies to municipal and industrial users and five percent to agricultural users south-of-the-Delta. Nevertheless, state reservoir storage levels are still low and statewide water supply conditions are best summarized in a statement by Director Mark Cowin of the State Department of Water Resources that: “After three years of drought conditions and a number of mandated pumping restrictions even a wet year won’t get us out of the woods”.

While reservoirs are a visible indicator of our local water supply, the majority of our local reserves lie hidden beneath our feet in the groundwater aquifers. Because the groundwater sub-basins can store three times more water than all of the local surface water reservoirs combined, Santa Clara County depends on maintaining adequate storage in the groundwater sub-basins in wet and average years to get through extended dry periods like these past three years. The District’s water management programs, including the mandatory 15 percent conservation target imposed in 2009, were able to keep the groundwater sub-basin storage at healthy levels. Additionally, the District has invested in a water banking program at the Semitropic Water Storage District which provides 350,000 acre-feet (af) of out-of-county water storage capacity.

District staff begins preparing the District’s Annual Water Supply Operations and Contingency Strategy for the upcoming calendar year in the fall of each year. In conjunction with surface water supplies, groundwater reserves are managed to supplement available supplies and to

minimize water shortages. The strategy will be continuously updated throughout the year to account for water supply operations to-date and real-time conditions.

In March 2009, the District Board of Directors adopted Resolution 09-25 calling for 15 percent mandatory conservation in response to a third consecutive dry year, court ordered pumping restrictions in the Delta, operational uncertainty and declining local reserves. The resolution was extended until June 30, 2010. By then, staff will return to the Board with a recommendation based on the 2010 water supply outlook and annual water supply decision making.

2. Water Conservation

- **Joint Goal: Reduce water use to meet short-term supply issues and conserve approximately 100,000 acre-feet per year countywide by 2030**

Water conservation is a key strategy to meet demand. Conservation programs reduce demand on existing water and energy supplies, helping to defer the costs and environmental impacts of developing additional supplies. These programs also protect the South Bay salt-marsh habitat by reducing freshwater discharges from wastewater treatment facilities. In addition to meeting long-term water supply and reliability goals, water-use efficiency programs help meet short-term demands during critical dry periods or unexpected developments (i.e. regulatory issues) such as disruptions in supplies flowing through the Delta.

The District's long term goal is to reduce demand by approximately 100,000 acre-feet/year of water by 2030 (using 1992 as a base-year) through implementation of water conservation. As half of the county's population, the City's long term goal is to achieve approximately half of this reduction within San José. The District's and City's goals are consistent with recent state legislation requiring all water retailers to reduce per capita water use by 20% by 2020. Conservation efforts to date by the District, cities, and water retailers have already reduced countywide water demand by 48,000 acre-feet/year.

In addition to its long-term conservation goal, the District is calling for reduction in water use due to consecutive dry years as well as the issues with Delta. Because of this, the District has been working closely with the water retailers and cities in Santa Clara County to determine the measures needed to best reach these short-term water savings goals. Examples of these measures include: increased marketing/outreach/education, increased program activity, adoption/enforcement of water waste ordinances, and/or water rationing or conservation pricing. In San José, the City's Municipal Water System responded by implementing a voluntary water budget program, which provided its customers with a suggested amount of water use per day and per month.

In March 2009, the District led an effort with local cities including San José to create a model ordinance that restricts actions that waste water or that prohibit such actions during a water shortage. The City passed a resolution strengthening its existing water waste prevention ordinance to match this model ordinance, and City staff is enforcing the ordinance primarily through education. Another ordinance effort began in September 2009 after the State adopted a model water efficient landscape ordinance and required local jurisdictions to enforce the State

ordinance or adopt a similar one. City and District staff participated in efforts to create a simpler, equally effective version of this ordinance for local jurisdictions to consider adopting in lieu of the State's ordinance. City staff will use the local model ordinance to draft an update to the City's current landscape ordinance for Council consideration by summer 2010

Public Education/Outreach

Every year, the District, in collaboration with its water retailers, produces a spring/summer media campaign focusing on using water efficiently. This campaign has become increasingly important as we are experiencing multiple dry years. In March 2009, a third consecutive dry year and limitations of imported water lead the District's Board of Directors to adopt a resolution calling for a 15 percent mandatory reduction in county-wide water use. The District launched a 12 month multi-lingual drought response outreach campaign that urged residents and businesses to reduce their water consumption by 15 percent. The 2009 campaign, which included television, radio, print, online, outdoor and movie theater media outlets, identified an easy to convey residential savings goal, 20 gallons per person per day, and communicated this target through the motivational message "For a better world...save 20 gallons".

The District and City partnered and coordinated efforts on multiple community and educational events, workshops, and presentations to the community, including Sustainable Silicon Valley's Water Summit, the *Green Vision/Green Schools* conference, City Hall Tuesday Markets and a National Pollution Prevention Week Resource Fair. The District also produced its 17th annual water-efficient landscape workshop series, and supported the annual Going Native Garden Tour.

3. Water Recycling

- **City's Green Vision Goal: Utilize Recycle or beneficially reuse 40 million gallons per day (45,000 acre feet per year) by 2022**
- **District Goal: Maximize recycled water used in the county and integrate recycled water into the overall District water supply portfolio to diversify and strengthen it.**

Recycled water is a reliable local water supply that helps maintains our economy, environment and quality of life. The City's Green Vision Plan (Goal 6) and the District's goal for recycled water require both agencies to diligently and aggressively expand recycled water use. These mutual interests and objectives can be summarized as follows:

- Reusing is a precious resource that should not be wasted;
- Further developing a reliable drought-proof water supply for the community;
- Working together in partnership with the community to increase recycled water use;
- Investing in treatment technology that produces highly purified water that can be blended with recycled water to improve its quality and expand its use;
- Continuing to limit effluent discharges to the Bay to protect habitat.

There are a number of significant recycled water efforts in progress as detailed below.

a) **Joint Long-term Recycled Water Agreement**

In August 2008 the City and District formed the Recycled Water Liaison Committee (RWLC) to develop key terms of an agreement to promote mutually beneficial collaboration on the management and operation of their respective recycled water facilities. The Committee was comprised City of San José Council members Kansan Chu and Pierluigi Oliverio; Santa Clara Mayor Patricia Mahan; and Santa Clara Valley Water District Board members Rosemary Kamei, Tony Estremera and Patrick Kwok. Their seventh and final meeting was held in December 2009. Two agreements were developed from RWLC recommendations and these forty-year agreements are called the Integration Agreement and the Site Lease Agreement. These agreements were executed by the Board of Directors of the Santa Clara Valley Water District on February 23, 2010 and by the City of San José Council on March 2, 2010.

1. Integration Agreement

The “Agreement Between the City of San José and the Santa Clara Valley Water District for Integration of Facilities and Programs for the Use of Recycled Water in Santa Clara County” is a long-term agreement to promote cooperation between City and District related to the management and operation of their respective recycled water facilities. Under this agreement the City will contribute \$11 million to the District for the construction of an Advanced Water Treatment Facility (AWTF). The remaining estimated balance of \$37 million will be funded by the District. The District and the City will both contribute toward the costs associate with the operation and maintenance of both the AWTF and the South Bay Water Recycling system, with the net total cost to the City not to exceed the current level of support for the SBWR of \$2 million per year. The Agreement also provided for the formation of a joint Recycled Water Policy Advisory Committee to make recommendations to the City Council and District Board on matters related to the production and use of recycled water, and on costs and budgets for recycled water.

2. Site Lease Agreement

The “Ground Lease and Property Use Agreement By and Between the City of San José and the Santa Clara Valley Water District for Advanced Water Treatment Facility” between the City and the District will provide the District with the long-term use of approximately five (5) acres of property located at the San Jose/Santa Clara Water Pollution Control Plant for the purpose of constructing and operating an Advanced Water Treatment Facility (AWTF) and will allow the District to use other Plant property as necessary to connect the AWTF to the Plant. The AWTF will receive up to 12 mgd from the San Jose/Santa Clara Water Pollution Control Plant secondary treatment process and produce 10 mgd of recycled water meeting Title 22 standards through microfiltration treatment and ultraviolet disinfection or 8 mgd of highly purified water through reverse osmosis treatment. While the District is responsible for all costs related to the operation and maintenance of the AWTF except as stipulated in the Integration Agreement, it may

choose to contract the operation of the facility to a third party, either a private firm or possibly the City of San José, subject to the City's approval.

b) Status of Proposed Advanced Water Treatment Facility

The City and District continue to work together on a plan to construct an Advanced Water Treatment Facility (AWTF) to enhance and purify the quality of recycled water. The \$59 million facility (design, construction, and land acquisition costs) would include microfiltration, reverse osmosis, and ultraviolet light disinfection treatment trains sufficient to produce 10 million gallons of recycled water per day (mgd) at the San Jose/Santa Clara Water Pollution Control Plant. The District served as Lead Agency for environmental review of the AWTF. The District prepared an Initial Study (IS) and Mitigated Negative Declaration (MND), which was published and received public comment according to the provisions of the California Environmental Quality Act. The IS/MND was approved by the Santa Clara Valley Water District on February 23, 2010. Up to \$11.25 million in state and federal funding became available for the project in 2009/10. Additional funding will be sought in subsequent years.

c) Recycled Water Public Outreach

The Integration Agreement has terms that specifically address collaboration and coordination on recycled water public outreach. Outreach staff from both agencies have collaborated on efforts developing information for public outreach and these efforts will intensify over the years in order to secure the expanded use of recycled water in this county.

d) Recycled Water Reimbursement Rebate

Since April 7, 1998, the City and District have had an agreement entitled "South Bay Water Recycling Reimbursement Agreement for Development and Utilization of Non-potable Recycled Water between the City of San José and the Santa Clara Valley Water District" whereby the District provided a incentive payment of \$115/acre-foot for South Bay recycled water use that offset District potable water supplies. In March of 2009, the Board extended that agreement for an additional period of approximately four months (through June 30, 2009) while the long-term agreements between the District and City were being developed. There is currently no reimbursement agreement. The District sought to move away from passive incentives and embark on aggressive efforts to expand recycled water used in this county. One effort was to construct an AWTF and continue efforts to integrate recycled water into the water supply portfolio. The Integration Agreement recently executed has terms having the District provide \$1 million annually to the City starting August 1, 2010 and only until the AWTF is operational, estimated in Fall 2012, and therefore with the last payment ending August 1, 2012 unless the AWTF is operational before August 1, 2012.

e) Status of Recycled Water Research Projects

While District policies call for the expansion of recycled water in Santa Clara County, joint studies continue to focus on means of ensuring that groundwater basins are not affected by irrigation with recycled water.

- **Integrated Device Technology (IDT) Study - Study of Groundwater Impacts from the Expanded Use of Recycled Water for Irrigation**

The District is in the midst of a multi-year study to evaluate potential groundwater impacts from the expanded use of recycled water for irrigation at the campus of Integrated Device Technology (IDT, Inc.) in San José. The pilot project began in July 2007 and involved soil column study, soil attenuation study through saturated and unsaturated soil, and groundwater and soil pore water quality monitoring at the IDT, Inc. site. The goal of the study is to identify best management practices related to the use of recycled water in irrigation applications. The study will be completed in late 2010.

- **Update of South Bay Water Recycling Groundwater Monitoring and Mitigation Plan (GMMP)**

In 2009 the City hired a consultant to review all groundwater data collected since the inception of the program for any evidence that irrigation with recycled water may have altered the quality or impaired the use of local groundwater. The consultant was also tasked to recommend appropriate changes that would improve the effectiveness of the GMMP. Although the project was solely funded by the City of San José, project scope and consultant were both discussed with the Santa Clara Valley Water District. The analysis, completed in November 2009, concluded that the original GMMP has been generally effective in monitoring groundwater quality changes and that no significant changes have occurred in the water quality in deep aquifers. The report also concluded that water quality changes detected in some shallow aquifers were most likely the result of influences other than irrigation with recycled water. As a result, the report recommended that the City should continue to implement a modified version of the GMMP, to further ensure that irrigation with SBWR recycled water does not negatively impact underlying groundwater. Modifications included the elimination of some secondary constituents (e.g. Total Organic Carbon and Chemical Oxygen Demand) from the monitoring program, and consideration of the use of stable isotopes to establish a recycled water "signature," possibly in conjunction with future regional groundwater monitoring efforts.

f) Expanding the Recycled Water System

Currently, SBWR delivers about 10,000 acre-feet of water per year to over 600 landscape and industrial customers, reducing summer discharge to the Bay by up to 15 mgd and providing an alternative water supply equivalent to the amount used by as many as 100,000 people. About two-thirds of the recycled water is used for irrigation by landscape customers

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in San José, Santa Clara and Milpitas, including Great America, the San Francisco 49ers Training Field, San Jose Municipal Stadium, Silver Creek Golf Course and dozens of local parks and schools. The remaining third is used for manufacturing by industrial customers including California Paperboard and in cooling towers operated by San Jose State University, Silicon Valley Power and Metcalf Energy Center, among others. Recycled water also is used by the Plant for both irrigation and industrial purposes. Since the Plant currently treats an average of 100 mgd of wastewater and the SBWR system has the capacity to distribute a daily average of 35 mgd, there is significant potential to increase recycled water deliveries to additional customers through SBWR pipeline.

A number of extensions to the recycled water system have been designed and are scheduled for construction this summer. These include the Santa Clara Central Park Extension which will provide recycled water for irrigation of Santa Clara Central Park and the Airport Extension providing recycled water to the renovated Mineta-San José International Airport for indoor and outdoor use. In addition, a total of six more projects have been proposed for construction with funding from the American Recovery and Reinvestment Act of 2009, when available. Projects in downtown San José, Milpitas and Santa Clara would extend the SBWR system to the San Jose Convention Center, San Jose High Academy, Milpitas parks and schools and four data centers in Santa Clara now under construction.

C. Watershed Protection

In addition to its water supply and flood protection partnerships, the City and the District work together to protect water quality, habitat, and streamside properties throughout the watershed. The section below discusses the achievements and next steps for five cooperative projects focused on watershed protection.

1. Trash Removal From Creeks

In September 2004, the City and District executed a Memorandum of Agreement (Agreement) for trash prevention and removal. The Agreement formalized the commitment of the City and District to increase coordination and collaboration on a variety of activities to achieve cleaner urban creek areas. The two agencies revised the Agreement in February, 2008, to incorporate the following:

- Monthly encampment cleanups led by the City,
- Weekly encampment cleanups led by the District, and
- An increase in the number of partnered cleanups to up to 5 per year (previously up to 3).

The 2008 revision also modified the reporting timeline from the calendar year to an active year starting September 1. The first report covered activities in the interim from January 1, 2008 to August 31, 2008. This summary addresses activities that occurred from September 1, 2008 to June 30, 2009.

The key accomplishments for fiscal year 2008-09 and planned activities for FY 2009-10 are:

Task	Description	Accomplishment Trash Removed 9/1/08 to 6/30/09	Planned For FY 09-10
1. Monthly Encampment Cleanup Program	The Monthly Encampment Cleanup Program is a weekend program coordinated by the San Jose Police Metro Unit to remove trash from large active encampments one weekend a month	578 cubic yards (65.2 tons)	10 one day clean up events
2. Weekly Encampment Cleanup Program	The Weekly Encampment Cleanup Program is a weekly activity coordinated by Santa Clara Valley Water District to remove trash from smaller encampments one day a week.	574 cubic yards (83.82 tons)	Average 50 one day clean up events
3. Partnered Cleanup Projects Program	Partnered Cleanup Projects Program is joint City/District projects which target trash clean-up sites that don't fall within other programs.	20 cubic yards (1.36 tons)	Complete 5 clean-up events

The planned activities for FY 09-10 are on target. The amount of trash removed since the report was completed is being compiled and will be available at the joint meeting.

The monthly encampment cleanup program focuses on the removal of active illegal encampment sites and is led by the City. Activities are typically conducted during the weekend, averaging approximately one day per month. These cleanups typically occur the fourth Saturday of the month with sites selected by the San Jose Police Department (SJPD) based on complaints from the public. The City and District staffs who conduct the weekend cleanups also perform a variety of police and field maintenance activities which can occur on weekends.

For monthly encampment cleanups, the SJPD arranges for and supervises a labor crew from County Department of Corrections. The Water District provides rear-loading compactor trucks, drivers, portable sanitation equipment, tools, supplies, and personal protection equipment for the workers. The City's Environmental Services Department pays for disposal of the debris collected. Police Department Officers post signs at the cleanup sites at least 72 hours in advance of the cleanup to warn that all materials will be collected and disposed of, and that any valuables found can be claimed at the Police Department's property warehouse. Additionally, the City's Department of Housing arranges for social service providers to offer shelter beds and other services to individuals occupying the encampments. Hopefully, they can use these services to permanently vacate the illegal encampments.

The weekly encampment cleanup program usually focuses on the cleanup of Inactive Illegal Encampment sites, but may also include cleaning Active Illegal Encampment sites. The weekly encampment cleanup program is led by the District under the auspices of the Agreement and the District's Clean Safe Creeks – Good Neighbor Program. If required, assistance from the SJPD is

available on call. Activities are conducted typically Monday through Friday, approximately one day per week.

The agreement also calls for the City and District to consider opportunities to manage and schedule routine cleanup activities performed by both parties with the intent of providing equitable exchange of services.

Stormwater Permit Trash Requirements

On October 14, 2009, the San Francisco Bay Regional Water Quality Control Board adopted the Municipal Regional Stormwater NPDES Permit (Stormwater Permit) for the San Francisco Bay Regional. The City and District are among the 76 co-permittees under this new Stormwater Permit. Trash is specifically highlighted as a priority pollutant and the permit contains aggressive goals and requirements for controlling and reducing trash in local creeks and waterways. Specifically, the Stormwater Permit lays out goals of reducing trash loading from the storm sewer system to receiving waters by 40% by 2014, 70% by 2017, and 100% by 2022. Additionally, the Stormwater Permit requires identification and annual clean up, to the point of no visual impact, of creek Trash Hot Spots (32 Hot Spots for the City; 12 Hot Spots for the District).

The list of selected Trash Hot Spots and initial assessment is due to the Regional Board by July 1, 2010. Both City and District staff have been working with the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) to select the Trash Hot Spots. In December 2009, stakeholder forums were held throughout Santa Clara County to collect input and identify potential hot spots in local creeks and waterways. City and District staff are also working to coordinate Hot Spot selection in an effort to align and leverage resources between both agencies, realize efficiencies while conducting the annual clean-ups and assessments, and make significant impacts in reducing litter and trash in high priority creek locations.

2. Countywide Efforts Focused on Reducing Trash

In addition to the Agreement between the City and District, there are several countywide efforts. The same staff that is working on the City-District trash agreement is also coordinating with these other efforts including:

- Structural Trash Management Pilot: The City, in coordination with the City of Sunnyvale and the Santa Clara Valley Urban Runoff Pollution Prevention Program (Program), continued implementation of a trash pilot project with the intent of testing inlet-based structural controls to prevent trash from entering the creeks and storm drains as well as to facilitate cleanup of trash before it reaches the creeks. Preliminary results indicate that the screens are effective at preventing material from entering the stormwater conveyance system, without significantly affecting catch basin function or capacity. However, results are based on a dryer than average wet season. Preliminary results also indicate that the majority of material captured is leafy debris. Catch basin size, shape, and plumbing constraints prohibit installation of in-basin structural controls in many inlets; however,

targeted applications of the inserts may be beneficial. Results from this pilot study will be used to inform the development the methodology for determining Baseline Trash Load Levels and track Trash Load Reduction as required by the Stormwater Permit.

- Program Trash Ad Hoc Task Group (Trash Group): The City and District, in coordination with the other Program co-permittees, participate in the Trash Ad Hoc Task Group with the goal of implementing the requirements and maintaining compliance with activities prescribed in the Stormwater Permit. Additional goals include developing a strategy for addressing trash problems associated with urban runoff and littering. Activities include documenting trash management practices, collaborating structural trash pilots currently underway in San José and Sunnyvale, and conducting trash assessments, developing guidance materials for co-permittees for implementing the trash requirements of the Stormwater Permit.
- Silicon Valley Anti-Litter Campaign: Year 2 of the Silicon Valley Anti-Litter Campaign (Campaign), formerly known as the Santa Clara County Litter Technical Advisory Committee, continued its efforts 'to further beautify Santa Clara County by preventing and removing litter through enforcement, education, volunteerism, and abatement.' This Campaign brings diverse stakeholders (e.g. District Attorney's Office, CalTrans, San José Mercury News, municipal agencies, etc.) together to address litter concerns within the County. The Chair of the Campaign is Councilmember Nora Campos, Vice-Chair is Councilmember Kansen Chu, and Director Richard Santos is a committee member. The Campaign's five-year mission is '*to further beautify Santa Clara County by preventing and removing litter through enforcement, education, volunteerism and abatement.*' Last year 1,785 volunteers collected 634 bags of litter and 63 bags of recyclable materials in three hours during the Great American Litter Pick Up. Additionally, Our City Forest planted 55 new trees at Mise Park and T.J. Martin Park as part of the City beautification effort. There are currently three active sub-committees which include Enforcement, Education, and Volunteers. Each subcommittee is developing its annual workplan, which will include setting an achievable goal and actions for the year. The Campaign is currently focused on planning for the 2010 Great American Litter Pick-Up which is scheduled for March 20, 2010. For the 2010 event, two additional volunteer meeting locations were added with the goal of increasing participation and the volume of litter collected.
- Creek Connections Action Group: This group, comprised of the City, the District, and County Parks, organizes two annual creek clean-ups in Santa Clara County. National River Clean-up Day occurs the third Saturday of every May and California Coastal Clean-up Day occurs the third Saturday of every September. At the May 2009 National River Clean-up event, 967 volunteers removed over 27,935 pounds of trash and over 22,633 pounds of recyclables from 31 creek segments in Santa Clara County. At the September 2009 California Coastal Clean-up Day, 1,486 volunteers removed over 23,173 pounds of trash and over 7,499 pounds of recyclables from 35 creek segments in Santa Clara County.
- WMI Trash Summit: The Watershed Management Initiative sponsored a meeting to discuss gaps in the various Trash programs in Santa Clara County. The meeting was held on

October 15, 2008. In addition to identifying gaps in existing trash control programs and identifying actions to address those gaps, participants identified additional goals such as: listing existing programs and people running them for awareness, identifying "high level" actions needed, addressing graffiti-related litter (e.g., paint cans), identifying private sponsors and partnership opportunities, identifying needed legislative, and addressing sanitation and human waste issues relative to homeless encampments. Agencies represented included Caltrans, City of San José, City of Cupertino, City of Campbell, City of Mountain View, City of Santa Clara, City of Palo Alto, County of Santa Clara, Santa Clara Valley Water District, San Francisco Bay Regional Water Quality Control Board, Non Government Organizations included Clean South Bay, Santa Clara Valley Urban Runoff Pollution Prevention Program, San Francisco Estuary Partnership, Santa Clara County Creeks Coalition, and the Guadalupe-Coyote Resource Conservation District. The Watershed Management Initiative-Zero Litter Initiative Summit for this year is scheduled for May 10, 2010.

3. Coyote Valley Projects

There are two projects underway in Coyote Valley. They are the development of the Coyote Valley Research Park and the District's Laguna Seca Wetland Project. The proposed 689-acre Coyote Valley Research Park development includes a 6.6-million square foot office/research campus, approximately 45 acres of new and existing stream channels, and an approximately 165-acre flood detention facility consisting of two detention basins. The District is planning to construct the wetland project within the detention basin area. Under the terms of a Land Transfer and Maintenance Agreement dated February 20, 2001, and signed by the Research Park developers, the District, and the City, the District will assume ownership and the operation and maintenance of the completed stream channels and detention basins.

The Fisher Creek box culvert, detention dams, weirs, hydraulic control structures, and discharge outlet for Research Park flood protection improvements were constructed in 2006 and 2007. The developer intends to delay excavation of the detention basins until the construction of two million square feet of office space in north Coyote Valley has occurred.

The District had planned to begin construction of the wetlands in the detention basin in June 2010. However, due to the increasing trend of groundwater extraction in the Coyote sub-basin in the last two years, the District needs additional time to monitor the groundwater level at the site. If the additional data indicates that the site is still viable for a wetland restoration project, the District plans to resume the Laguna Seca Wetland project. In the last 2 years the District has been meeting with CVRP trying to clarify roles and responsibilities based on changed site conditions, define repair needs for cracks that have developed on the surface of the detention basin dam, and discuss changes to the original agreement. Because of uncertainties in groundwater table, delays in research park development, and repair needs of the dam, the progress has been slow. It is the District's intent to continue pursuing the Laguna Seca project when the conditions around the site justify the project.

4. Santa Clara Valley Habitat Plan – A Conservation Legacy

In 2001, the City, the County of Santa Clara, Santa Clara Valley Transportation Authority, and the District initiated a collaborative process to prepare and manage a Habitat Conservation Plan/Natural Communities Conservation Plan (Plan). Later, the cities of Gilroy and Morgan Hill also joined the effort. This long-range conservation Plan is being developed in partnership with the U.S. Fish and Wildlife Service, California Department of Fish and Game, National Oceanic and Atmospheric Administration (NOAA Fisheries), and other resource agencies and stakeholder groups. The goal of this Plan is to provide the means for conservation and restoration of 26 protected and endangered animal and plant species and their habitats, thereby contributing to their recovery while allowing for compatible and appropriate development. The Plan Area covers nearly 2/3 of southern Santa Clara County (over 500,000 acres) and includes urban development in Morgan Hill, Gilroy and San José excepting the Coyote Valley Specific Plan Area. The Plan also includes public projects sponsored by the Santa Clara Valley Transportation Authority and the District.

The second Administrative Draft of the Valley HP was released in July of 2009. This draft proposes the development of a reserve system of approximately 48,000 acres. US Fish & Wildlife Service (FWS), California Department of Fish & Game (DFG) and National Marine Fisheries Service (NMFS) staff reviewed the draft in detail and provided comments. Stakeholders have also reviewed the draft and provided comments. Numerous meetings have been held to understand and resolve comments and significant issues. Since so many of the comments related to the aquatic strategy, FWS, DFG and NMFS sent a letter requesting that coverage for fish species be dropped from the plan and handled separately in the District's Three Creeks HCP effort or amended back into the Valley Plan at a later date. The agencies feel it is important to go forward with the terrestrial components of the plan as soon as possible. After numerous meetings to assess the ramifications of this action, the District Board has given staff direction to drop coverage for fish from the Valley Plan.

A public review draft Habitat Plan and an environmental evaluation (EIR/EIS) will be prepared and is scheduled to be released for public comment in the Fall of 2010. Together the public review draft, EIS/EIR, Implementing Agreement and fee constitute the formal application package for the Habitat Plan. After the Valley Plan has gone through the public review process, the regulatory agencies will have to prepare Biological Opinions for the Plan including findings that the plan is adequate. After the Biological Opinions are completed, a record of decision and permits can be formally issued. Implementation can begin as soon as the permits are issued. At this time, permits are expected in mid to late 2011.

The local partners will need to devote considerable time to the funding and governance issues related to implementation that will be described in the public view draft over the next 6 months. They will also need to be actively involved in developing the Implementing Agreement which is a contract between the applicants and the regulatory agencies to carry out the habitat plan. Side agreements between the local partners about how the governance and funding of the plan will be handled will also need to be developed.

5. Parks, Trails and Open Space Partnership

- **City’s Green Vision Goal: 100 miles of trails by 2022**
- **District Goal: Community partnerships to provide 70 miles of trails countywide by 2015**

The District and the City share a common goal of developing public access to trails and open space. The goal of the District’s Clean, Safe Creeks and Natural Flood Protection Program is to identify and provide public access to 70 miles of trails countywide through community partnerships. The City is developing a 100-mile network of trails within its boundaries as defined by its Greenprint. The City’s Green Vision sets a 2022 target for completion of the network. This partnership supports the efforts of both agencies.

Projects developed jointly along waterways within District fee or easement are recognized as “Collaborative Action Plan (CAP) Trails” and require completion of a Joint Trails Agreement (JTA) between the City and District. Projects developed by the City of San José outside of the CAP partnership add additional trail mileage, contributing to the City’s Greenprint and Green Vision goals of a 100 mile network. The following chart shows the status and number of miles of trail development to date:

Status	Jointly Developed Trails (Miles)	San Jose Developed Trails (Additional Miles)
Plan	32.97	3.82
Design	1.20	0.00
Construct	0.33	0.00
Open to public	38.64	15.07

The City added 3.99 miles of new trails during 2009, exceeding the 3.30 miles required on average to complete the 100-mile trail network by 2022. Some of the newly opened trails include:

- Albertson Parkway (0.49 mile) (non-CAP)
- Coyote Creek Trail, Tully Road to Los Lagos Golf Course (0.49 mile) (CAP)
- Guadalupe Creek Trail, Meridian Avenue to Singletree Way (0.80 mile) (CAP)
- Los Gatos Creek Trail, Auzerais Avenue to San Carlos Street (0.30 mile) (CAP)
- Penitencia Creek Trail, King Road to Mabury Avenue (0.33 mile) (CAP)

At the beginning of each fiscal year, the City’s Trail Program staff issues an Annual Trail Report for the prior 12 months. The document is intended for the general public and provides an overview of trail development. The report is posted on the Trail Program’s web page www.sjpark.org/trails (click on the “Reports” link). Note that, for the purposes of this report, only the projects that are identified as part of the CAP are discussed in detail. Information on non-CAP projects being developed by the City can be found on the Trail Program web site.

The District reports on its trail activities, including those trails completed in partnership with the City, through quarterly reports to the Board and the Clean Safe Creeks and Natural Flood Protection program annual report. The annual report is posted on the District's web page <http://www.valleywater.org/Programs/MonitoringCommittee.aspx> (see annual reports on right side of page). A link to the City's Trail Program web page is also included on the District site.

Program Updates

- In September 2009, City staff and volunteers from the Friends of the Guadalupe River Park & Gardens and Silicon Valley Bicycle Coalition conducted Trail Count 2009. This was the third formal count of trail traffic and included an on-site count as well as an on-line survey. A 24% increase in traffic along the Guadalupe River Trail was documented. The on-line survey focused on safety issues, data will support improved design and operation of trails.
- The City received notification of a \$660,000 grant award for development of the Tasman Drive Under-Crossing along the Guadalupe River Trail. The improvements will reduce the occurrence of tidal floods and will not impact maintenance activities, nor impact the channel's water carrying capacity.
- Since July 2009, staff submitted six grant applications totaling \$4,559,500 to various state and local agencies. Staff awaits notice on the status of each submission.
- Three trail systems (Guadalupe River, Highway 237 Bikeway and Coyote Creek) were designated as part of the National Recreational Trail system. The designation will extend to all trail systems as the City and District address gaps and extensions to this core 16 mile system of trails.
- The newly constructed and existing southern reaches of the Coyote Creek Trail system were officially designated as part of the Bay Area Ridge Trail.
- The City will accept an Award of Achievement for the newly constructed Coyote Creek Trail at the 2010 California Parks and Recreation Society's conference.
- The City received an Award of Merit for the Trail Program web site at the 2009 Trails and Greenways Conference.

A detailed overview of each active project is provided in Attachment A.

D. Policy/Planning Initiatives

1. Adopting Joint Priorities for 2009-2010

The District and the City have worked together to secure federal funding for projects within the City limits. On February 9 2009, the Council agreed to recommend support for federal funding for several flood control projects including:

- Coyote Creek Watershed Study
- Berryessa Creek Flood Protection Project
- South San Francisco Bay Shoreline Project
- Upper Guadalupe Flood Protection Project
- Upper Penitencia Creek Flood Protection Project
- South San Francisco Bay Emergency Port Access Project

These projects not only provide flood protection for thousands of homes and businesses, but also enhance the quality of life for residents.

The South San Francisco Bay Emergency Port Access Project will result in a feasibility study for two goals: (1) the development of a Port with a navigation channel in the Alviso area, to improve navigation capabilities and enhance the potential for new economic development opportunities and diversification of this distressed area, and (2) develop ingress and egress routes out of the South San Francisco Bay Area during catastrophic events including earthquakes or other natural or man-made disasters. The project obtained federal funding from the Department of Commerce. The City of San José, County of Santa Clara, and District provided local matching funds and entered into an agreement with the Silicon Valley Chamber of Commerce to manage the feasibility study.

Additionally, the City and the District are committed to supporting statewide policies that address the issue of global climate change. The government relations staff at the District and the City will continue to coordinate and provide support and legislative recommendations related to flood protection, water supply, water reclamation, energy efficiency, carbon reduction, water conservation and other activities that support implementation of the City's "Green Vision" and the District's desire to engage on climate change.

2. Protection and Augmentation of the Water Supply

The District prepares an annual report on activities in the Protection and Augmentation of the Water Supplies (Report), formerly titled Water Utility Enterprise report. The Report also includes a financial analysis of the District's water utility system as well as proposed groundwater charges for the subsequent year.

The Report was filed with the District Clerk of the Board on February 26, 2010 and posted on the District web site. The proposed groundwater production charges recommended in the report will be the basis of public hearings to be held by the District Board of Directors, beginning on April 13, 2010 and ending on April 27, 2010. The Board is expected to adopt a final set of groundwater production charges in conjunction with the adoption of a final budget for fiscal year 2010-11.

3. District Comprehensive Plan

The Santa Clara Valley Water District is developing a Comprehensive Water Resources Management Plan (Comp Plan) for Board of Directors consideration that will provide the context for, and content of, existing District policies and information in a single document. To build community understanding of District interests, and to the extent appropriate, the format of the Comp Plan will follow the "General Plan" structure used by cities and counties. Unlike the cities and counties, water districts are not required to have single policy document or a General Plan. The following steps have been made to date:

1. A Focus Group representing municipal planning, water retailer, regulatory and community interests has been established. The group met three times and has reached a general consensus on framework for communicating existing policies.
2. Web-based Comprehensive Plan, city- and watershed-based factsheets have been drafted for review and comments.
3. A web-based comment feature has been used to facilitate input to the drafts.

On Dec. 15, 2009, the District Board adopted refinements to its Ends Policies framework, and established that the Ends are communicated in a framework from the broadest, to more defined levels of specificity as General Principles, End, Goals, Objectives, Implementing Measures, and Strategies. In accordance with this refined framework, the **Ends Policies** have been restructured and are organized to include: 1) E-1 Mission and General Principles; 2) E-2 Water Supply, 3) E-3 Natural Flood Protection, and 4) E-4 Water Resources Stewardship. In addition, for each strategy, shared responsibilities are identified to better coordinate/cooperate with others and to provide technical assistance and advocacy. This framework was adapted from the General Plan format to facilitate better understanding of District policies among its municipal partners. District is aligning its budget and planning with this refinement framework.

4. Water Resources Planning

The Santa Clara Valley Water District is in the process of developing two Master Plans – a Water Supply and Infrastructure Master Plan, and a Flood Protection and Stream Stewardship Master Plan.

The Water Supply and Infrastructure Master Plan will define the District's long-term water supply strategy and identify the water supply sources and infrastructure that will be required to meet water demands over a 25-year planning horizon. This will be the District's first water supply infrastructure plan in more than 30 years. The Water Supply and Infrastructure Master Plan is scheduled for completion by the end of 2012.

The Flood Protection and Stream Stewardship (FPSS) Master Plan will develop a multi-objective planning tool to guide the strategic investment of public funds in Santa Clara County over the next 25 years in areas of natural flood protection, reduced potential for flood damages, healthy creek and bay ecosystems, clean safe water in creeks and bay, and trails and open space. During the proposed 25-year planning horizon, the FPSS Master Plan will: 1) document the FPSS program assuming no new funding sources after the Clean, Safe Creeks Special Parcel Tax sunsets in fiscal year 2016, 2) propose a vision for the FPSS program, 3) Conduct a gap analysis and evaluate associated levels of service between scenarios 1 and 2 above, and 4) develop strategies and implementation plans to address identified gaps in funding and levels of service. The FPSS Master plan is scheduled for completion by the end of 2010.

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COST IMPLICATIONS

There are no additional cost implications at this time. The budgetary impact of each agreement will be brought to the Council and Board as part of the final approval of any such agreement.

PUBLIC OUTREACH

Public outreach has been part of many of the individual projects discussed above including numerous community meetings on water conservation, trash cleanups, the Habitat Conservation Plan, and recycled water. The City coordinated outreach with the District in 2007 to encourage litter clean-up within the Coyote Watershed, the county's largest watershed, extending from Mount Hamilton to South San Francisco Bay. Sixteen major creeks drain into this 322 square mile area. The City and Water District created a Coyote Watershed fact sheet to inform residents about the importance of the watershed and keeping creeks clean. It included information about how to report illegal dumping and how to get involved with organized clean up efforts through Adopt-a-Creek and Adopt-a-Park.

COORDINATION

This memo was coordinated with staff from the City's departments of Environmental Services; General Services, Housing, Parks, Recreation and Neighborhood Services; Planning, Building and Code Enforcement; Public Works, and Traffic, the Office of Emergency Services; the San José Redevelopment Agency, the City Attorney's Office, and the appropriate Water District staff.

CEQA

Not a Project. Environmental review was completed or is in progress as appropriate for each of the individual projects described in this Annual Status Report.



DEBRA FIGONE
City Manager
City of San José



BEAU GOLDIE
Chief Executive Officer
Santa Clara Valley Water District

Attachments:

Attachment A: Status of Priority Collaborative Action Plan Trail Projects (as of 2-08-10)

ATTACHMENT A
Current Status of Priority Collaborative Action Plan Trail Projects
 (as of 2-08-10)

Project Name / Milestone I.D.	From	To	Length (mi.)	Phase	Interim	Status
Albertson Parkway (ALB01)	Cresta Vista Drive	Curie Drive	0.49	Open		<ul style="list-style-type: none"> ▪ (Non-CAP Project) ▪ Construction completed in October 2009.
Bay Trail – Reach 9 (BAY09)	Saratoga-San Tomas Creek	Alviso Slough	1.10	Design		<ul style="list-style-type: none"> ▪ Preparation of construction and environmental documents are underway.
Bay Trail – Reach 9B (BAY09B)	Alviso Slough (north bank)	Alviso Slough (south bank)	0.10	Design		<ul style="list-style-type: none"> ▪ Preparation of construction and environmental documents are underway.
Bay Trail – Reach 7A (BAY07)	Gold Street	UPRR	0.49	Design	Interim	<ul style="list-style-type: none"> ▪ City continues discussions with property owner to secure recreational easement. ▪ JTA has been drafted and pending easement of public access.
Coyote Creek – Reach A (COY05)	Montague Exp	Highway 101	3.76	Planning		<ul style="list-style-type: none"> ▪ Preparation of master plan and environmental document are underway.
Coyote Creek – Reach B-1, B, 1a-1, 1b (COY06-10)	Highway 101	Story Road	2.67	Planning		<ul style="list-style-type: none"> ▪ Preparation of master plan and environmental document are underway.
Coyote Creek – 4a (COY13)	Tully Road	Los Lagos Golf Course (Idlewood Dr.)	0.5	Open		<ul style="list-style-type: none"> ▪ Construction completed in July 2009.
Guadalupe Creek Trail – Almaden Exp Bridge (GUC 01A)	Los Alamitos Creek Confluence	Guadalupe Creek	0.04	Design		<ul style="list-style-type: none"> ▪ Preparation of construction and environmental documents are underway.
Guadalupe River – Reach A to E (GUA01-05)	Gold St / Alviso	Hwy 880	6.70	Design	Interim	<ul style="list-style-type: none"> ▪ Construction documents developed to the 95% stage. ▪ NEPA documentation under review, with approval, construction documents to be completed.
Guadalupe River – Reach 6 (GUA16)	Woz Way	Virginia St	0.19	Construct		<ul style="list-style-type: none"> ▪ Construction contract awarded on February 9, 2010. ▪ Project expected to take one year to complete.
Hwy 237 Bikeway (H237 01)	San Tomas Aquino Creek Trail	Coyote Creek	3.54	Open		<ul style="list-style-type: none"> ▪ (Non-CAP Project) ▪ San Jose has entered into an agreement with Caltrans for long-term maintenance of the Bikeway by City staff.
Los Gatos Creek – Reach 4 (LGC 03)	Lincoln Ave.	Auzerais Ave.	0.64	Open		<ul style="list-style-type: none"> ▪ Developer turned project over to City in summer 2009

Attachment A

Project Name / Milestone I.D.	From	To	Length (mi.)	Phase	Interim	Status
Penitencia Creek – Reach 1 (PEN 12)	Alum Rock Park	Noble Ave.	0.55	Design		<ul style="list-style-type: none"> ▪ Construction documents being prepared at this time. ▪ City seeking District Grant funds for construction of trail from Noble Avenue to Dorel Drive.
Penitencia Cr. Reach 6 (PEN 02-04)	King Rd.	Mabury Ave.	0.34	Open		<ul style="list-style-type: none"> ▪ Construction completed in December 2009.
Thompson Creek (THO 01)	Tully Rd.	Aborn Rd.	1.77	Open	Interim	<ul style="list-style-type: none"> ▪ Construction documents being prepared at this time.
Willow Glen Spur (west) (WG_03-08)	Los Gatos Creek	Highway 87 Bikeway	1.48	Planning		<ul style="list-style-type: none"> ▪ (Non-CAP) (District Trail & Open Space Grant) ▪ City continues acquisition negotiations with Union Pacific Railroad.
Willow Glen Spur (east) (WG 09-11)	Highway 87 Bikeway	Coyote Creek	1.71	Planning		<ul style="list-style-type: none"> ▪ (Non-CAP) (District Trail & Open Space Grant) ▪ City to monitor opportunities for trail development.