



COUNCIL AGENDA: 06-14-11  
ITEM: 7.2

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Dennis Hawkins, CMC  
City Clerk

**SUBJECT:** SEE BELOW

**DATE:** 06-06-11

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**SUBJECT: SAN JOSE MUNICIPAL WATER SYSTEM 2010 URBAN WATER  
MANAGEMENT PLAN UPDATE.**

## RECOMMENDATION

As recommended by the Transportation and Environment Committee on June 6, 2011 and outlined in the attached memo previously submitted to the Transportation and Environment Committee:

- (a) Conduct a Public Hearing to allow community input regarding the implementation plan for complying with the requirements of Senate Bill X7-7 (SB 7), Water Conservation Bill of 2009.
- (b) Conduct a Public Hearing to allow community input regarding the draft Urban Water Management Plan prior to its adoption.
- (c) Adopt a resolution approving the San Jose Municipal Water System 2010 Urban Water Management Plan update and directing staff to file the Plan with the California Department of Water Resources.



# Memorandum

**TO:** TRANSPORTATION AND ENVIRONMENT COMMITTEE

**FROM:** John Stufflebean

**SUBJECT:** SEE BELOW

**DATE:** 5-16-11

Approved

Date

5/16/11

**COUNCIL DISTRICT:** 2, 4, 7, 8

**SUBJECT:** SAN JOSE MUNICIPAL WATER SYSTEM 2010 URBAN WATER MANAGEMENT PLAN UPDATE

## RECOMMENDATION

- a) Accept the report on the 2010 Urban Water Management Plan Update and recommend this item for full Council consideration at the June 14, 2011 Council meeting.
- b) Recommend that the City Council:
  1. Hold a public hearing to allow community input regarding the implementation plan for complying with the requirements of Senate Bill X7-7 (SB 7), Water Conservation Bill of 2009
  2. Hold a public hearing to allow community input regarding the draft 2010 Urban Water Management Plan prior to its adoption
  3. Adopt a resolution approving the San Jose Municipal Water System 2010 Urban Water Management Plan update and directing staff to file the Plan with the California Department of Water Resources.

## OUTCOME

The approval and adoption of the 2010 Urban Water Management Plan (UWMP) will allow the City's Municipal Water System staff to submit the Plan to the Department of Water Resources (DWR), which will fulfill the requirements of the 1983 California Urban Water Management Act. Additionally, it will enable the City to be eligible for a water management grant or loan administered by DWR, the State Water Resources Control Board, and/or the Delta Stewardship Council.

## **BACKGROUND**

The Urban Water Management Planning Act (AB 797), enacted in 1983, requires all California urban water retailers supplying more than 3,000 acre feet (AF) (1 AF = 325,000 gallons) per year or providing water to more than 3,000 customers to develop an UWMP. The plan is required to be updated every five years, and submitted to the Department of Water Resources before December 31 on years ending in 5 and 0. Recent changes in the Plan requirements have necessitated the need for State law to extend the 2010 deadline to July 1, 2011. However, this Plan is referred to as the 2010 Plan to retain consistency with the five-year submittal cycle. The City filed its initial plan for the San Jose Municipal Water System with the California Department of Water Resources in 1985 and filed updates to the Plan in 1991, 1996, 2001, and 2005.

The draft Plan also incorporates provisions required under recently enacted State law, including the Water Conservation Bill of 2009 and Assembly Bill (AB) 1420 Water Demand Management Measures, which require the Municipal Water System to ensure 20% per capita water use reduction by 2020. Specific requirements include identifying the base daily per capita water use, urban water use target, interim water use target, and compliance daily per capita water use.

## **ANALYSIS**

The 2010 Plan (Attachment A) satisfies the requirements of AB 797 and discusses the following:

- Water sources, water supply outlook, and water use;
- Reliability of water supply and actions to be taken to ensure a reliable water supply;
- Baseline water use and urban water use targets for 2015 and 2020 as required by the Water Conservation Bill of 2009
- Water conservation measures currently implemented.

The main objective of the updated UWMP is to address and analyze long-term water management planning. The Plan evaluates the water supply available to San Jose Municipal Water System up to the year 2035 under normal and drought conditions and projects water demand based on expected new development. Water demand projections are based on the City's draft Envision San Jose 2040 General Plan Update. The UWMP also details the stages of conservation actions to be implemented in the event of a water supply shortage.

San Jose Municipal Water System's demands are projected to increase from 21,545 AF in 2010 to 45,779 AF in 2035. Demands will be met from a combination of increased potable and recycled water supplies. Potable demands are met from two sources:

1. San Francisco Public Utilities Commission (SFPUC)

Hetch Hetchy water is supplied to the North San Jose/Alviso area. The current contract with SFPUC expires in 2018.

2. Santa Clara Valley Water District (District)

The District delivers treated surface water to the Evergreen area. Groundwater is available from existing wells throughout all of San Jose Municipal Water System's service areas.

Long-term planning and modeling analysis of countywide supplies and demands performed by the District as part of their draft UWMP 2010 indicates that future countywide demands can reliably be met. Additionally, the District found that during multiple dry years, small supply shortages could be managed through demand reduction programs and voluntary cutbacks without significant economic losses to the community. In the event of a significant decrease in available supplies, the UWMP details a water shortage contingency analysis.

The 2010 Plan defines the baseline daily per capita water use in the San Jose Municipal Water System's service area as 180 gallons per person per day. It sets an urban water use target of 162 gallons per person per day by 2015 and 144 gallons per person per day by 2020. To achieve these targets, the City will implement various demand management measures as described in the 2010 Plan. The City will also continue working with the District and other agencies on efforts to decrease overall potable water demand, and to evaluate possibilities for further demand reduction in areas where an increase in per capita water use is expected by 2015 and 2020. To implement these measures, City staff anticipates that future water rates may need to cover the cost of this implementation in the San Jose Municipal Water System's service area. Staff does not anticipate a disproportionate burden on any particular customer sector.

### EVALUATION AND FOLLOW UP

The City will continue to work with the District and SFPUC to ensure long-term water supply reliability and avoid water shortages. City staff shall monitor usage to ensure 2015 and 2020 water demand targets are met. Staff will submit the adopted 2010 UWMP to DWR, the California State Library, and Santa Clara County within 30 days of adoption.

### POLICY ALTERNATIVES

*Alternative #1:* Not adopt the resolution approving the 2010 UWMP.

**Pros:** None

**Cons:** Violation of AB 797.

**Reasons for not recommending:** Public water systems failing to prepare and adopt an updated UWMP will not be eligible for grant and loan funding administered by DWR, the State Water Resources Control Board, and/or the Delta Stewardship Council.

### **PUBLIC OUTREACH/INTEREST**

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item does not meet any of the above criteria. Coordination during the planning process was maintained with local agencies, including the District and SFPUC, as well as other local retailers sharing the same drinking water sources. Preliminary notification of the Plan update was published in the San Jose Mercury News on February 25, 2011 and notification letters were sent to local governing agencies. Following noticing in the Mercury News and San Jose Post Record, a public meeting was held on March 21, 2011, at the San Jose Municipal Water System office to receive public input about the proposed urban water use targets. Notice of the required SB 7 and UWMP adoption hearings was published in the Mercury News on May 13 and 20, 2011, and was posted on Muni Water's website. A public meeting to solicit input on the draft UWMP was scheduled for May 31, 2011.

### **COORDINATION**

This report was coordinated with the City Attorney's Office and the Planning, Building and Code Enforcement Department.

**CEQA**

The preparation and adoption of an UWMP is exempt from the CEQA process per California Water Code section 10652.

/s/  
JOHN STUFFLEBEAN  
Director, Environmental Services

Attachment A: San Jose Municipal Water System 2010 Urban Water Management Plan

For questions please contact Mansour Nasser, Deputy Director, at (408) 277-4218