



# Santa Clara Valley Water District Joint Recycled Water Policy Advisory Committee

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

Join Zoom Meeting  
<https://valleywater.zoom.us/j/83371245441>

## SPECIAL MEETING AGENDA

**Wednesday, September 4, 2024  
12:00 PM**

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

JOINT RECYCLED WATER POLICY ADVISORY  
COMMITTEE W/ CITY OF SAN JOSE, SANTA  
CLARA/SCVWD

Tony Estremera - SCVWD Dist. 6  
Richard Santos - SCVWD Dist. 3  
Jim Beall - SCVWD Dist. 4  
David Cohen - City of San Jose Dist. 4  
Peter Ortiz - City of San Jose, Dist. 5  
Karen Hardy - City of Santa Clara, Dist. 3

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Kirsten Struve (Staff Liaison)

Nicole Merritt  
(COB Liaison)  
Asst. Deputy Clerk II  
[nmerritt@valleywater.org](mailto:nmerritt@valleywater.org)  
408-630-3262

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

**Santa Clara Valley Water District  
Joint Recycled Water Policy Advisory Committee  
with Cities of San Jose and Santa Clara**

**SPECIAL MEETING AGENDA**

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In accordance with the requirements of Gov. Code Section 54954.3(a), members of the public wishing to address the Board/Committee during public comment or on any item listed on the agenda, may do so by filling out a Speaker Card and submitting it to the Clerk or using the “Raise Hand” tool located in the Zoom meeting application to identify yourself in order to speak, at the time the item is called. Speakers will be acknowledged by the Board Chair in the order requests are received and granted speaking access to address the Board.

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

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**Join Zoom Meeting:**

**<https://valleywater.zoom.us/j/83371245441>**

**Meeting ID: 83371245441**

**Join by Phone:**

**1 (669) 900-9128, 83371245441#**

**1. CALL TO ORDER:**

1.1. Roll Call.

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

*Notice to the public: Members of the public who wish to address the Board/Committee on any item not listed on the agenda may do so by filling out a Speaker Card and submitting it to the Clerk or using the "Raise Hand" tool located in the Zoom meeting application to identify yourself to speak. Speakers will be acknowledged by the Board/Committee Chair in the order requests are received and granted speaking access to address the Board/Committee. Speakers' comments should be limited to three minutes or as set by the Chair. The law does not permit Board/Committee action on, or extended discussion of, any item not on the agenda except under special circumstances. If Board/Committee action is requested, the matter may be placed on a future agenda. All comments that require a response will be referred to staff for a reply in writing. The Board/Committee may take action on any item of business appearing on the posted agenda.*

**3. APPROVAL OF MINUTES:**

- 3.1. Approval of May 29, 2024 Joint Recycled Water Policy Advisory Committee Meeting Minutes. [24-0743](#)  
Recommendation: Approve the minutes.  
Manager: Candice Kwok-Smith, 408-630-3193  
Attachments: [Attachment 1: 052924 JRWPAC Minutes](#)  
Est. Staff Time: 5 Minutes

**4. REGULAR AGENDA:**

- 4.1. Expansion of the Purified and Recycled Water System and Development of a Potable Reuse Project. [24-0762](#)  
Recommendation: Receive information and provide feedback on progress towards the development of purified water and expansion of recycled water programs to ensure our community is more drought resilient.  
Manager: Kirsten Struve, 408-630-3138  
Attachments: [Attachment 1: PowerPoint](#)  
Est. Staff Time: 10 Minutes

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

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

**6. ADJOURN:**

- 6.1. Adjourn to Regular Meeting at 10:00 a.m., on April 17, 2025 or TBD per Committee.



# Santa Clara Valley Water District

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**File No.:** 24-0743

**Agenda Date:** 9/4/2024  
**Item No.:** 3.1.

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**COMMITTEE AGENDA MEMORANDUM**  
**Joint RWPAC with Cities of San Jose/Santa Clara**

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

**SUBJECT:**

Approval of May 29, 2024 Joint Recycled Water Policy Advisory Committee Meeting Minutes.

**RECOMMENDATION:**

Approve the minutes.

**SUMMARY:**

A summary of Committee discussions, and details of all actions taken by the Committee, during all open and public Committee meetings, is transcribed and submitted for review and approval. Upon Committee approval, minutes transcripts are finalized and entered into the Valley Water's archives and serve as the historical record of the Committee's meeting.

**ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:**

The approval of minutes is not subject to environmental justice analysis.

**ATTACHMENTS:**

Attachment 1: 052924 JRWPAC Minutes

**UNCLASSIFIED MANAGER:**

Candice Kwok-Smith, 408-630-3193

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For full meeting record, please review meeting videos at:  
<https://www.valleywater.org/how-we-operate/committees/board-committees>

**JOINT RECYCLED WATER POLICY ADVISORY COMMITTEE  
CITY OF SAN JOSÉ/SCVWD/CITY OF SANTA CLARA**

**DRAFT MINUTES**

**WEDNESDAY, MAY 29, 2024  
11:30 AM**

(Paragraph numbers coincide with agenda item numbers)

**1. CALL TO ORDER:**

A special meeting of the Santa Clara Valley Water District (Valley Water) and the Cities of San José and Santa Clara was called to order at San José City Hall at 200 East Santa Clara Street, San José, California, and by Zoom teleconference at 11:33 a.m.

**1.1 Roll Call**

City of San José members in attendance were City of San José Councilmember David Cohen and City of San José Councilmember Peter Ortiz.

City of Santa Clara members in attendance were City of Santa Clara councilmember Kathy Watanabe as an Alternate.

Valley Water Board Committee members in attendance were District 4 Director Jim Beall, District 3 Director Richard Santos, and District 6 Director Tony Estremera constituting a quorum of the Committee.

City of San José staff in attendance were: Kip Harkness, Kerrie Romanow, Jeff Provenzano, Rosa Tsongtaatarii, Pedro Hernandez, Sierra Knoley-Chavez, Henry Louie, and Joe Foster.

City of Santa Clara staff in attendance were: Gary Welling and Shilpa Metha.

Valley Water staff in attendance were: Aaron Baker, Medi Sinaki, Kirsten Struve, Lei Hong, Sam Bogale, Hossein Ashktorab, Nicole Merritt, and Brian Hopper.

Public in attendance were: Sanjay Reddy (Carollo Engineers), and participants were also on Zoom teleconference.

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

Chairperson Estremera declared time open for public comment to any items not on the agenda. There was no one who wished to speak.

**1.2 Director Santos motioned to nominate Director Estremera for Chairperson;**

For full meeting record, please review meeting videos at:  
<https://www.valleywater.org/how-we-operate/committees/board-committees>

Councilmember Watanabe seconded the motion to nominate Director Estremera for Chairperson. The motion was unanimously approved.

## **2. APPROVAL OF MINUTES:**

- 2.1 Approval of December 15, 2023 Joint Recycled Water Policy Advisory Committee Meeting Minutes. Director Santos motioned to approve; Director Beall seconded the motion. The motion was approved, Councilmember Watanabe abstained.

## **3. REGULAR AGENDA:**

- 3.1 Update on Roadmap for implementation of Direct Potable Reuse (DPR) pilot project.

Kirsten Struve and Jeff Provenzano presented the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachment 1 were reviewed by staff as follows: Kirsten Struve reviewed slides 1 through 6; Jeff Provenzano reviewed slides 7 through 9, and Kirsten Struve reviewed slide 10.

Kirsten Struve, Jeff Provenzano, Aaron Baker, and Kip Harkness were available to answer questions.

Public Comments: None.

The Committee received the information, requested the Committee meet before the end of 2024 to receive an update on the project status.

- Director Santos, Councilmember Watanabe, and Councilmember Ortiz inquired about the project's resource allocation for staff positions. Director Estremera, Director Beall, and Councilmember Cohen commented on the timeline of the project and inquired about financing, including grant competition. Staff provided feedback to the Committee regarding leveraging the existing advanced water purification facility infrastructure and knowledge-gained that may benefit the timeline, planning, and design of the purified water demonstration facility and full-scale facility. San José staff clarified the City will have dedicated staff, funded by Valley Water, to advance the project. Councilmember Watanabe mentioned the Treatment Plant Advisory Committee (TPAC), City staff indicated an update would be provided to TPAC in the future. Councilmember Watanabe and Director Beall commented on similar projects in southern California and Texas, including the potential for elected officials to tour facilities in southern California. Staff provided information regarding the similarities and differences between the projects.

Recommendation:

- A. Receive information and provide feedback on the roadmap and next steps to develop needed agreements for the expansion of the purified and recycled water system and development of a potable reuse project to ensure our community is more drought resilient; and



B. Provide feedback on resource needs to support a direct potable reuse collaborative project.

3.2 Review Proposed Fiscal Year 2023-2024 Budgets for Silicon Valley Advanced Water Purification Center and South Bay Water Recycling System.

Sam Bogale and Jeff Provenzano presented the information on this item, per the attached Committee Agenda Memo, and the corresponding presentation materials contained in Attachment 1 were reviewed by staff as follows: Sam Bogale reviewed slides 1 through 5; and Jeff Provenzano reviewed slides 6 through 9.

Sam Bogale and Jeff Provenzano were available to answer questions.

Public Comments: None.

The Committee noted the information and took no formal action.

Recommendation:

A. That the Joint Recycled Water Policy Advisory Committee make recommendations to the Santa Clara Valley Water District Board of Directors and the San José City Council on their respective proposed budgets for the ensuing fiscal year for the maintenance, expansion, replacement, improvement, and operation of the South Bay Water Recycling system and the Silicon Valley Advanced Water Purification Center.

**4. CLERK REVIEW AND CLARIFICATION OF COMMITTEE REQUESTS:**

Chair Estremera requested more frequent meetings.

**5. ADJOURN:**

Adjourn to next scheduled meeting September 4, 2024.

Chairperson Estremera adjourned the meeting at 12:33p.m., to the next scheduled meeting.

Pedro Hernandez  
Senior Program Manager

Date Approved:

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# Santa Clara Valley Water District

File No.: 24-0762

Agenda Date: 9/4/2024

Item No.: 4.1.

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## COMMITTEE AGENDA MEMORANDUM Joint RWPAC with Cities of San Jose/Santa Clara

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

### SUBJECT:

Expansion of the Purified and Recycled Water System and Development of a Potable Reuse Project.

### RECOMMENDATION:

Receive information and provide feedback on progress towards the development of purified water and expansion of recycled water programs to ensure our community is more drought resilient.

### SUMMARY:

#### Background

In January 2023, Santa Clara Valley Water District (Valley Water) and the Cities of San José and Santa Clara (Cities) executed a Letter of Intent for Collaborating on the Expansion of Recycled and Purified Water in Santa Clara County (LOI). The LOI recognizes that climate change makes our community more vulnerable to extreme weather conditions, including periods of long-term drought and more intense wet-weather events. To prepare for these extreme and uncertain events, the availability of a drought proof water supply and efficient water management justifies the significant and rapid expansion of recycling treated wastewater from the San José-Santa Clara Regional Wastewater Facility (RWF).

On November 17, 2023, the Valley Water Board and San José City Council provided the following guidance to staff to ensure development of collaborative win-win solutions that meet the Cities' and Valley Water's needs:

- Confirmed support for aggressively pursuing a joint project to meet local water supply needs, including both a demonstration and full-scale potable reuse project that is the largest size practicable within funding, environmental, and technical constraints.
- Confirmed support for development of a feasibility study, demonstration facility and institutional arrangements, including land lease and wastewater availability agreements, within two years.
- Confirmed support for a coordinated public outreach program to ensure the success of a direct potable reuse project.

- Twice-yearly or as-needed updates to the Joint Recycled Water Policy Advisory Committee (JRWPAC).

On December 6, 2023, the JRWPAC requested staff to return to the Committee by April 2024 with a project roadmap, including mutual objectives, timelines and resources needed to complete necessary interagency agreements within two years. At the May 2024 JRWPAC meeting, the committee reviewed the draft roadmap provided by staff. This memo summarizes progress since May 2024 and provides an update on the Cities' efforts to expand non-potable reuse.

## **Agreements**

### *Staff Funding*

Since May 2024, staff from the Cities and Valley Water have developed two City staff funding agreements. The agreement with the City of San José was approved at the August 2024 Treatment Plant Advisory Committee (TPAC). Valley Water will reimburse City of San José staff work supporting the demonstration and full-scale DPR facilities at up to \$1 million per year. The capital improvement funds budgeted by Valley Water for this project will provide the needed funding. The agreement with the City of Santa Clara is under development for up to \$350,000 of similar technical support.

The City of San José has recently appointed a new Deputy Director of Purified Water and Regulatory Affairs. This position will lead the City's negotiations and collaboration with Valley Water on the region's first Direct Potable Reuse (DPR) project, including serving as the advanced technical lead for the development of the demonstration and full-scale facilities. A portion of this support will be funded with the staff funding agreement.

### *Demonstration Facility Agreements*

The following agreements that support the existing Silicon Valley Advanced Water Purification Center (SVAWPC) will be reviewed and amended as needed to enable the construction and operation of the DPR Demonstration Facility and the associated Visitor and Learning Center:

- Integration Agreement
- Operations and Maintenance Agreement
- Land Lease Agreement

Microsoft Corp. is currently planning to build an access road to a data center on an adjacent privately owned parcel. Construction for the access road is planned for June 2025. City and Valley Water staff are working together on this project, which also necessitates amendment of the existing land lease agreement. Staff plans to include the needed land for the DPR Demonstration facility in the land lease amendment.

## **Roadmap**

Based on the roadmap previously presented, City and Valley Water staff will embark on facilitated

processes to develop a project charter which will form the basis of future long-term agreements. This project charter will include mutual objectives discussed at the May 2024 JRWPAC meeting, identify roles and responsibilities, and the risks and opportunities to ensure the project can be implemented. One of the first discussions in the facilitated process will be a staff workshop with San Francisco Public Utilities Commission (SFPUC), Valley Water, and the Cities to discuss partnership on purified water. As discussed previously, one of the mutual objectives is for Valley Water to support the Cities in securing a long-term water supply from SFPUC.

Long-term interagency agreements for the full-scale facility will be developed in parallel to address wastewater availability, operations and maintenance of the full-scale DPR facility, RO concentrate and wastestream management, and a land lease.

### ***Technical Studies***

As presented to the JRWPAC previously, several technical, environmental, regulatory, financial and institutional elements are needed to develop a large direct potable reuse project. The following technical evaluations are ongoing:

- Evaluation of the newly state adopted DPR regulations and size needs for the demonstration facility,
- Evaluating opportunities for a learning center to provide public outreach and education,
- Completing necessary engineering analyses for the demonstration and future full-scale facility, including various options to provide the best water supply reliability and flexibility, and
- Wastewater availability and sizing of the full-scale facility.

On August 6, 2024, the California Office of Administrative Law (OAL) approved the final DPR regulations. The final DPR regulations were filed with the Secretary of State and will take effect on October 1, 2024.

### ***Grants and Feasibility Study***

Valley Water staff has been working to procure engineering consultant assistance to develop a San Jose DPR project feasibility study and provide future grant application support for the design and construction of a full-scale project. In August 2024, Valley Water initiated the procurement process to select a technical consultant to provide multi-year support to promote state and federal grant and loan applications. City of San José staff are directly supporting the review and selection of an engineering consultant to provide this support. The San José-Santa Clara Purified Water Program Feasibility Study was previously estimated at \$1,524,996 and was recently funded with \$381,249 by the Bureau of Reclamation. Preparation of a feasibility study is a prerequisite for obtaining design and construction grants in the future with the Cities and Valley Water committed to work together on its development.

### ***SBWR Update***

In addition to working on a potable reuse project, the City of San José manages the South Bay Water

Recycling Program (SBWR), which reuses about eleven percent of the wastewater produced for non-potable purposes such as landscape irrigation, cooling towers and data centers.

The system is currently being expanded by recycled water retailers, including a new pipeline reaching up to five parks and five schools in San José. SBWR continues to partner with San Jose Water to provide up to an additional 5,000 acre-feet-per-year for irrigation to offset potable usage. In the past year, SBWR has conducted stakeholder engagement with various data centers to develop strong business interest in recycled water.

**Outreach**

On August 28, a media event is planned to celebrate the 10<sup>th</sup> anniversary of the SVAWPC, which opened in July 2014. Media will be invited to the SVAWPC to hear about the future of water reuse and take a tour of the facility.

Valley Water staff is working with a polling consultant to administer this year's poll to gauge public perception on water reuse and using purified water for drinking water purposes.

**Next Steps**

The focus of the next six months will be: amending existing agreements to develop the demonstration facility and release an RFP for a design consultant. In addition, develop a charter as a basis for long-term agreements related to the full-scale facility, work with regulatory agencies and continue outreach efforts.

**ENVIRONMENTAL JUSTICE AND EQUITY IMPACT:**

There are no environmental justice and equity impacts associated with this item.

**ATTACHMENTS:**

Attachment 1: PowerPoint

**UNCLASSIFIED MANAGER:**

Kirsten Struve, 408-630-3138



# Joint Recycled Water Policy Advisory Committee

## Valley Water, City of San Jose, City of Santa Clara

September 4, 2024



# Joint Council and Board – November 17, 2023

## Valley Water Board and San José City Council provided guidance to staff:

- Aggressively pursuing a joint project to meet local supply needs that is the largest size practicable within funding, environmental and technical constraints.
- Development of a feasibility study, demonstration facility, and institutional arrangements.
- Coordinated public outreach program.
- Twice-yearly or as-needed updates to the Joint RWPAC.



# Institutional Arrangements

Agreement	Status
Staff Funding Agreement	Completed
Amending Existing Agreements:	
<ul style="list-style-type: none"><li>• Land Lease Agreement</li></ul>	In Progress
<ul style="list-style-type: none"><li>• Operations and Maintenance Agreement</li><li>• Integration Agreement</li></ul>	Complete within 6 months

# Staff Funding Agreement Development

## City of San José

- Up to \$1M per year for three years
- Approval by SJ City Council August 20, 2024

## City of Santa Clara

- Estimated cost is up to \$350,000 to support negotiations

# San Jose Staff Introductions



**Eric Dunlavy**

## Deputy Director of Purified Water and Regulatory Affairs

- 21+ years exp. in water utility compliance
- Regional Leader wastewater regulations and science
- Previously oversaw SJ/SC Regional Wastewater Facility NPDES permit compliance
- City's lead for purified water negotiations and advanced technical lead



**Pedro Hernandez**

## Sr. Program Manager, Purified Water Program

- 15+ years of exp. with recycled water utility
- CA WaterReuse Staff Person of the Year 2018
- Previously oversaw South Bay Water Recycling
- Negotiations, technical support
- FTE



**Recruitment**

## Supervising Environmental Services Specialist, Purified Water Program

- Support for funding, regulatory analysis, outreach, data requests, contract coordination, technical studies, feasibility study, interagency engagement, and stakeholder coordination.
- FTE

# Lease Agreement and Microsoft Project Update



# Outreach – 10-year anniversary of SVAWPC

Press Event: August 28, 2024

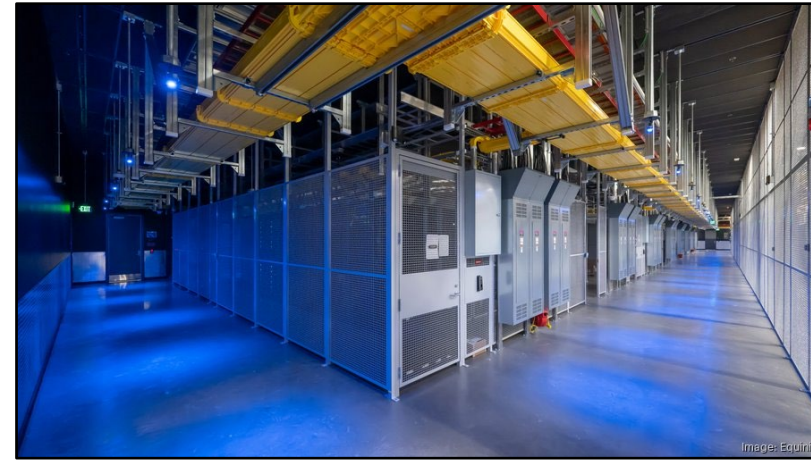


# Grants

- August 2024 – Valley Water procurement for technical consultant to provide multi-year support for state and federal grant and loan applications.
- Valley Water continues acquiring an engineering consultant to assist in developing a San José Purified Water Project feasibility study.
  - The feasibility study is required for future grant applications to support design and construction of the full-scale project.
  - City of San José staff are directly supporting the review and selection of engineering support.

# SBWR update

- Data Centers
  - 19 current, more in planning stages
  - 1000 AFY
- New pipelines: parks & schools
- SJW Amended & Restated Agreement for additional 5,000 AFY
- SBWR remains committed to developing strong business and community interest
- Continue to add customers



# Next Steps

## Focus of Collaboration

- Modifying existing agreements for demonstration Facility within six months and developing agreements for the Full-Scale Facility
- Develop necessary data/information for the Agreements
- Chartering process
- Workshop with SFPUC