



Agenda Report

20-887

Agenda Date: 10/13/2020

REPORT TO COUNCIL

SUBJECT

Approval to Negotiate Expansion of Recycled Water and Potable Reuse through a Proposed Purified Water Project at the Regional Wastewater Facility (RWF) [Council Pillar: Promote Sustainability and Environmental Protection]

BACKGROUND

Santa Clara has a long-term commitment and history of regional collaboration regarding the use and expansion of recycled water dating back to 1986, when recycled water began to be used to irrigate the City's golf course. In 2014, Levi's Stadium became the first stadium in California to use recycled water and in 2018, the City received a Resource Efficiency Award from the California Public Utilities Commission (CPUC). Currently, approximately 20% of the City's water supply portfolio consists of recycled water.

The City has three potable water supplies; groundwater from its more than 20 active groundwater wells, treated water from the Santa Clara Valley Water District (Valley Water), and San Francisco Public Utilities Commission (SFPUC) water delivered via the Hetch Hetchy reservoir and distribution system. Having multiple sources of water provides operational flexibility and sustainability of the City's water supply. The City's effort to ensure long term sustainability of its water supply is ongoing on several fronts due to increased density through development and the susceptibility to drought in the region. Recycled water is utilized at irrigated sites, data centers and office buildings with over 280 customers.

Recycled water is produced by treating sewage at the San José-Santa Clara Regional Wastewater Facility (RWF), jointly owned with the City of San José. It is distributed to Santa Clara and other customers through South Bay Water Recycling for non-potable uses since 1996 via the recognizable purple pipes. There has been some movement recently by some water suppliers towards using advanced treatment techniques that would allow recycled water to supplement the potable supply through direct or indirect potable reuse.

DISCUSSION

In December of 2019, Valley Water reached an agreement with the cities of Mountain View and Palo Alto to fund a majority of the cost to construct a local advanced treatment facility for recycled water at the Regional Water Quality Control Plan (RWQCP), operated by the City of Palo Alto. In addition, Valley Water agreed to purchase effluent from the RWQCP, that would ultimately be treated and used to supplement the potable water supply. The agreement was highlighted by Valley Water as an important step towards reaching their goal of doubling the use of recycled water by 2025, a goal outlined in their Countywide Recycled Water Master Plan.

In January of 2020, Valley Water approached San José and Santa Clara regarding an expansion of recycled water and potable reuse through a proposed Purified Water Project at the RWF. Valley Water is interested in a negotiated agreement that is modeled after the agreement reached with the cities of Mountain View and Palo Alto. Two discussion meetings were held between the parties in February and March of 2020. At that time, both San José and Santa Clara staff indicated that they would need guidance from their respective Councils to enter into negotiations. In September, San José Council authorized staff to do so. Santa Clara staff is seeking that same authorization in order to negotiate an agreement that provides Santa Clara with a local and drought-resilient water supply through water reuse programs. Any proposed agreement will have to be approved by Council at a future date.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

Authorizing staff to negotiate does not have any fiscal impact. Any proposed agreement that is the result of these negotiations would require separate Council action.

COORDINATION

This report was coordinated with the City Attorney’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>>.

RECOMMENDATION

Authorize the City Manager, or her designee, to negotiate with the City of San José and Valley Water regarding expansion of recycled water and potable reuse through a proposed Purified Water Project at the RWF.

Reviewed by: Gary Welling, Director, Water & Sewer Utilities

Approved by: Deanna J. Santana, City Manager