



Agenda Report

21-1664

Agenda Date: 12/7/2021

REPORT TO COUNCIL

SUBJECT

Santa Clara Valley Water District Presentation - (Valley Water) Update on the Purified Water Project

COUNCIL PILLAR

Enhance Community Engagement and Transparency and Promote Sustainability and Environmental Protection

BACKGROUND

Valley Water is working to implement the Purified Water Project (proposed Project) which includes the construction of a new advanced water purification facility (AWPF), water conveyance pipelines to the existing Los Gatos Recharge System complex located in the City of Campbell, lateral pipelines, and associated facilities. Valley Water is working on two proposed locations for the AWPF: either at the existing Silicon Valley Advanced Water Purification Center on Zanker Road at the San José/Santa Clara Regional Wastewater Facility in San José or at the Former Los Altos Treatment Plant (FLATP) in Palo Alto. It is the City's understanding that Valley Water's Recycled Water Committee will consider a recommendation to focus resources on finalizing agreements with the City of Palo Alto in order to proceed with releasing the Request for Proposal (RFP) for the FLATP location, while continuing discussions with the Cities of San José and Santa Clara for a potential future purified project.

The conveyance pipeline will traverse through several miles in the City of Santa Clara regardless of the location of the AWPF. The proposed Project would use advanced water purification processes, including reverse osmosis (RO) treatment and would generate purified water for ground water recharge.

The purpose of the proposed Project is to establish greater water supply reliability for Santa Clara County and to help ensure continued groundwater sustainability. The proposed Project's objectives to meet this purpose are as follows:

- Support Valley Water's water supply reliability goals, including the provision of at least 10% of all water supplies through recycled water
- Develop the use of purified water, consistent with Valley Water's adopted Water Supply Master Plan 2040.
- Implement a potable reuse supply project that provides 10 million gallons per day (MGD) to 12.5 MGD production capacity for an annual yield of approximately 11,200 acre-feet per year (AFY) of sustainable purified water supply for long-term/future demands.

Valley Water is implementing this project using a design-build-finance-operate-maintain (DBFOM) delivery method, also referred to as a public private partnership (P3). The proposed Project will require extensive coordination with City staff throughout the planning, design, and construction phases as well as outreach to Santa Clara residents. Valley Water and the City are currently working on a reimbursement agreement to cover the costs of City staff time spent on the proposed Project.

Valley Water, acting as lead agency for the proposed Project, has determined that an Environmental Impact Report (EIR) is required to satisfy the requirements of CEQA. The draft EIR will evaluate the proposed Project's environmental conditions, range of alternatives, potential environmental impacts associated with the proposed Project implementation, and provide mitigation measures.

Valley Water's procurement process is ongoing. A Request for Qualification (RFQ) was released and eight statements of qualifications were submitted. A Request for Proposal (RFP) and the draft EIR will be released in the winter. A tentative timeline is as follows:

- Selection and contract award: 2022
- Design: 2022 - 2024
- Construction: 2024-2028

FISCAL IMPACT

There was no fiscal impact in preparing this report.

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>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Receive information on the Santa Clara Valley Water District (Valley Water) Purified Water Project and Note and File.

Reviewed by: Gary Welling, Director of Water and Sewer Utilities

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Deanna J. Santana, City Manager