

San Luis & Delta-Mendota Water Authority



P.O. Box 2157
Los Banos, CA 93635
Phone: (209) 826-9696
Fax: (209) 826-9698

December 10, 2021

VIA U.S. MAIL

Ms. Teresa Alvarado
Chair, California Water Commission and Commissioners
P.O. Box 942836
Sacramento, California 94236-0001

Re: Water Storage Investment Program: Support for Continued Eligibility and Feasibility Determination of the Pacheco Reservoir Expansion Project

Dear Chair Alvarado and Commissioners:

The San Luis & Delta-Mendota Water Authority (Water Authority) writes today to express our support for the Pacheco Reservoir Expansion Project (Pacheco Project) and urge the California Water Commission (Commission) to make the appropriate finding for eligibility and feasibility as required by Water Code Section 79757 established by Proposition 1.

The Water Authority is a joint powers authority of 27 member agencies that serves two important roles: 1) to provide representation on common interests of the Water Authority's member agencies; and 2) to operate and maintain the Delta Division and south of Delta Central Valley Project (CVP) facilities, including the Jones Pumping Plant, the Delta-Mendota Canal, and the O'Neill Pumping Plant, upon which the Water Authority's member agencies are reliant for delivery of CVP water.

Water Authority member agency Santa Clara Valley Water District (Valley Water) and its agency partners, the Pacheco Pass Water District, and the San Benito County Water District (also a Water Authority member), have worked diligently over the last three years to ensure the requirements for the January 1, 2022 Commission deadline is met. The Pacheco Project delivers critical emergency water supply and environmental benefits to Santa Clara, San Benito, Monterey, and Santa Cruz counties. It also provides incidental flood protection benefits for disadvantaged communities along the Pajaro River.

Proposition 1, The Water Quality, Supply, and Infrastructure Act of 2014, was approved by the voters of California based on the promise of improved water security and environmental stewardship through strategic investment in projects and programs that deliver public benefits.

The Pacheco Project was previously determined to meet the requirements of the Water Storage Investment Program (WSIP) by the Commission as the highest scoring project, and as such, was awarded conditional eligibility for \$496 million, which includes a subsequent 2.5 percent adjustment for inflation.

The expanded Pacheco Reservoir, supplied by natural inflows and federal Central Valley Project water from nearby San Luis Reservoir, would be operated to provide a host of environmental, water supply, and societal benefits. Among the most notable benefits are emergency water supplies for Silicon Valley, a region of 2 million people that is a cornerstone of the state and national economies. By modifying Pacheco Creek from an ephemeral stream to a creek that flows throughout the year, the Project will provide critical environmental benefits, establishing high-quality habitat for the threatened South-Central California Coast steelhead.

Another key public benefit of the Pacheco Reservoir expansion is increased flood protection for downstream, disadvantaged communities. These communities experienced flooding in 2017 that would have been prevented had the Pacheco Project been in place. In addition, this project will solve raw water quality issues impacting Santa Clara and San Benito Counties by addressing the San Luis Low Point problem. In the event algae blooms occur in San Luis Reservoir due to elevated temperature combined with declining water levels, local water agencies can shift to the improved and interconnected Pacheco Reservoir to avoid costly treatment.

The environmental benefits go beyond providing new habitat for threatened steelhead. The expanded Pacheco Reservoir will enable the participating agencies to import CVP water supplies at times most supportive for Delta fish species and store that water for future use. The increased storage also will help address unmet water demand for South-of-Delta wetland wildlife refuges through dedication of a portion of Valley Water's CVP supply to the Grassland Water District, another Water Authority member agency. This 2,000-acre-foot designation will provide water supplies necessary for optimal management of refuges and supporting birds migrating along the Pacific Flyway.

As we know, California is experiencing significant impacts as a result of increased hydrologic variability resulting from climate change. Increased water storage is a critical adaptation of our water system from one dependent on snowpack to one that is based on precipitation from large rain events. The Pacheco Reservoir Expansion Project delivers a new storage facility to allow conveyance of water from where it falls to where it is stored for human and environmental uses. If the Pacheco Project were in operation from 2017 through the current extreme drought, we understand that Santa Clara County and Silicon Valley would not be struggling with a water shortage emergency condition.

The Pacheco Project improves the regional water supply for the economically vital technology sector of Silicon Valley, while also reducing flood risk for disadvantaged communities, supporting sustainable groundwater recharge, and expanding habitat for wildlife, including threatened

Chair Alvarado and Commissioners of the California Water Commission

December 10, 2021

Page **3** of **3**

species. I urge the Commission to continue your full support of the Pacheco Project and make the appropriate finding for continued eligibility and feasibility.

Regards,



Federico Barajas, Executive Director
San Luis & Delta-Mendota Water Authority