SUMMARY
The Leroy Anderson Dam and Reservoir, owned by the Santa Clara Valley Water District (Valley Water), has been determined by local, state, and federal officials to be at risk of an uncontrolled release of water, caused by a large earthquake, that could inundate cities and rural areas from San Francisco Bay south to Monterey Bay, including much of Silicon Valley.

The Expedited Dam Safety for Silicon Valley Act is an urgency bill to facilitate the speedy and expert construction of the Anderson Dam Seismic Retrofit Project – needed this year due to a recent FERC order that mandates the reservoir be drained until the project can be completed. This critical infrastructure project will protect lives and property from dam failure, reduce flood risk for downstream communities, and restore Anderson Reservoir’s supply of clean, safe drinking water for the region. Expediting the Anderson Dam project also expedites the creation of thousands of good-paying jobs beginning in 2021 to aid in California’s economic recovery.

BACKGROUND
Built in 1950 to the safety standards of the day, Anderson Dam would not withstand a large earthquake on the nearby Calaveras and Coyote Creek faults. A breach of the dam at full capacity would have catastrophic consequences for life and property, inundating an area extending more than 30 miles northwest to San Francisco Bay, including the cities of San José, Santa Clara, Sunnyvale, Milpitas, and more than 40 miles southeast to Monterey Bay, including the cities of Morgan Hill, Gilroy, and Watsonville.

Clean, Safe Drinking Water for Silicon Valley - Anderson is the largest reservoir in Santa Clara County and it is a critical part of the region’s drinking water supply. With a capacity of nearly 90,000 acre-feet, it holds enough water to supply a million people for a year. Anderson is larger than all of Valley Water’s other reservoirs combined, and is a vital source of water for the region.

Reduces Flood Risk for Downstream Communities - In February 2017, a series of storms filled Anderson Reservoir, resulting in flows over the dam’s spillway that were beyond the capacity of Coyote Creek. The creek flooded homes and businesses in economically diverse neighborhoods in San José, including disadvantaged communities and communities of color, requiring the evacuation of 14,000 people. The dam’s outlet, used to draw down the reservoir in an emergency, is too small by current standards. In advance of the 2017 storms, the outlet had been releasing as much water as possible for over a month and still, the dam spilled.

Critical Dam Safety Improvements - The Anderson Dam Seismic Retrofit Project is estimated to cost $576 million, create 5,400 jobs, and will remove and replace most of the existing dam. The new dam will be constructed to current seismic and dam safety standards, including increased capacities for the spillway and outlet to allow a rapid, controlled drawdown in an emergency. These features increase dam safety and flood protection.

Safety Demands Action Now - On February 20, the Federal Energy Regulatory Commission (FERC), the lead federal regulator for the dam, issued an order to implement interim risk reduction measures prior to construction of the full seismic retrofit project. These measures lower the seismic restriction on Anderson Reservoir’s operating level from 58% to 35% capacity, and direct Valley Water, by October 1 of this year, to begin draining the reservoir to empty. Valley Water already had been operating the reservoir at 30% capacity in anticipation of winter rainfall. Draining the reservoir to empty will have water supply and environmental impacts that could begin by the end of 2020. In order to comply with the FERC order, Valley Water, the State of California, and stakeholders will need to expedite regulatory processes in order to best mitigate these water supply and environmental impacts.

SOLUTION
AB 3005 will expedite the critical replacement of Anderson Dam by authorizing the quickest, safest, and best overall value selection of the construction contractor and requires a skilled and trained workforce for the project. The bill also requires expedited processing of state permits by the Department of Fish and Wildlife and the State Water Resources Control Board, with costs covered by Valley Water, not the state.

Economic Stimulus for California - With the California economy already in recession due to the impacts of the COVID-19 pandemic, California needs to protect the jobs we
we have and create new ones. Expediting the Anderson Dam project with AB 3005 not only helps save Silicon Valley’s technology sector from catastrophic dam failure, but also creates 5,400 high-paying, skilled-labor construction jobs. Under the expedited schedule for the project, jobs would be created in 2021 and extend over a period of 7-9 years with a multiplying effect on regional economic activity reaching far beyond the half-billion-dollar local infrastructure investment.

Faster Permits Protect the Environment & Public Safety - The permitting of the Anderson project will require interagency cooperation at every level of government. AB 3005 would require the Department of Fish and Wildlife to expedite streambed alteration agreements and require the State Water Resources Control Board to expedite federal Clean Water Act certification. Pre-consultation with state and federal permitting agencies has already begun, allowing ample time to consider environmental impacts, mitigation, and appropriate permit conditions. The purpose is to protect our natural resources with the timely review and approval of permits, expediting the delivery of critical public safety benefits.

Costs Paid Locally, Not by the State - State permitting agencies are authorized to charge fees for permit processing. However, expedited treatment of permitting for the Anderson Dam project could result in additional state costs not contemplated in the existing fee schedules. This bill authorizes any state agency to enter an agreement with Valley Water to ensure state costs associated with expedited permitting will be covered by Valley Water, and not be borne by the state.

SUPPORT
Valley Water (Sponsor)
AFSCME Local 101
American Council of Engineering Companies
Association of California Water Agencies (ACWA)
Bay Area Council
California Legislative Conference of the Plumbing, Heating and Piping Industry
California Municipalities Utilities Association
Campbell Chamber of Commerce
City of Gilroy
City of Milpitas
City of Morgan Hill
City of Mountain View
City of San Jose
City of Santa Clara
City of Sunnyvale
Cities Association of Santa Clara County
Gilroy Chamber of Commerce
Honorable Anna G. Eshoo, Member of Congress
Honorable Jimmy Panetta, Member of Congress
Honorable Ro Khanna, Member of Congress
Honorable Zoe Lofgren, Member of Congress
IFPTE Local 21
National Electrical Contractors Assn (California Chapters)
Midpeninsula Regional Open Space District
Milpitas Chamber of Commerce
Minority Business Consortium
Morgan Hill Chamber of Commerce
Northern California Allied Trades
San Francisco Public Utilities Commission
San Jose/Silicon Valley Branch of the NAACP
San Jose Water
Santa Clara & San Benito Counties Building & Construction Trades Council
Santa Clara Valley Open Space Authority
Silicon Valley Black Chamber of Commerce
Silicon Valley Central Chamber of Commerce
Silicon Valley Leadership Group
Silicon Valley MEPS
Southern California Glass Management Assn
State Building and Construction Trades Council of CA
Sunnyvale Chamber of Commerce
United Contractors
Wall and Ceiling Alliance
Western Wall & Ceiling Contractors Assn

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