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JOINT WATER RESOURCES COMMITTEE (CITY OF GILROY, CITY OF MORGAN HILL AND VALLEY WATER)

MINUTES

REGULAR MEETING SESSION
WEDNESDAY, APRIL 3, 2024
8:30 AM

(Paragraph numbers coincide with agenda item numbers)

1. CALL TO ORDER

A regular meeting of the Joint Water Resources Committee (City of Gilroy, City of Morgan Hill, and Valley Water) (Committee) was called to order at 8:30 a.m. at the South County Regional Wastewater Authority (SCRWA), 1500 Southside Drive, Gilroy, CA 95020.

1.1 ROLL CALL

Committee Members in attendance were: City of Gilroy Mayor and Vice Chairperson Marie Blankley and City of Gilroy Councilmember Dion Bracco; City of Morgan Hill Councilmembers Yvonne Martinez Beltran and Rene Spring; Valley Water District 3 Director Richard Santos and Valley Water District 1 Director John L. Varela, Chairperson presiding, constituting a quorum of the Committee.

Valley Water staff in attendance: Hossein Ashktorab, Walter Gonzalez, Susana Inda, Nicole Merritt, Carmen Narayanan, Kirsten Struve, and Dave Tucker.

SCRWA, City of Gilroy, and City of Morgan Hill staff in attendance: SCRWA Environmental Programs Manager Saeid Vaziry, City of Gilroy Utilities Director Heath McMahon, and City of Morgan Hill Public Services Director Chris Ghione.

Public in Attendance was: Doug Muirhead.

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

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

2.1. Election of 2024 Committee Chairperson and Vice-Chairperson.

Recommendation: Election of 2024 Committee Chairperson and Vice-Chairperson.

Public Comment:
None.

It was moved by Director Santos and seconded by Councilmember Spring and unanimously carried that Chairperson Varela remain Chairperson and Vice Chairperson Blankley remain Vice Chairperson.

3. APPROVAL OF MINUTES:

3.1. Approval of January 3, 2024 Joint Water Resources Committee Meeting Minutes.

Recommendation: Approve the minutes.

The Committee considered the attached minutes of the January 3, 2024 Committee meeting.

Public Comments:

None.

It was moved by Director Santos and seconded by Councilmember Spring and unanimously carried that the minutes be approved.

4. REGULAR AGENDA:

4.1. Receive South County Water Reuse Collaboration and Implementation Update and Provide Feedback.

Recommendation: Receive an update and provide feedback on the South County water reuse collaboration and implementation.

Heath McMahon was introduced to the Committee.

Chris Ghione and Dave Tucker reviewed the information on this item per the attached Committee agenda memo, and the corresponding presentation materials contained in Attachment 1 were reviewed as follows: Chris Ghione reviewed Slides 1 through 6 and Dave Tucker reviewed Slides 7 through 9.

Chris Ghione, Dave Tucker, and Kirsten Struve were available to answer questions.

Public Comments:

Doug Muirhead expressed support for staff's presentation, but noted concern over the City of Gilroy and South County Regional Wastewater Authority (SCRWA) being the South County Master Plan's focus and not including enough opportunities for the City of Morgan Hill, and disappointment in the lack of sense of urgency to ensure future water for South County against potential droughts.

The Committee received the information, took no formal action, and noted the following:

- The Committee confirmed that operating costs for each of the Morgan Hill water reuse options are being reviewed conceptionally and options are currently at the planning level.
- The Committee reconfirmed that SCRWA is using all the recycled water during summer peak times.

- The Committee noted costs will be the main issue with moving forward on the reuse options in addition to the limited available wastewater, and the importance of the joint partnerships to collaborate on federal and state funding.
- The Committee noted staff's interest in working towards narrowing down to a joint preferred reuse option to expedite progress.
- The Committee noted interest in obtaining further information regarding local potential water resources and smaller scale reuse options that focus on individual homes and businesses.
- The Committee noted staff are reviewing various potential scenarios and resources under the Water Supply Master Plan to ensure water for South County, confirmed concern over time delays, and requested staff to provide further details on the status of the near-term projects at a future meeting.
- The Committee noted interest in a representative from agriculture attending a future meeting to discuss their water needs.
- The Committee confirmed the South County Master Plan identified as Attachment 2 would be reviewed by staff to ensure all dates and figures match accordingly and will return for Committee review on a future agenda.
- The Committee noted the major capital projects in the City of Morgan Hill, the increase of imported water costs, and confirmed that the South County Master Plan identified as Attachment 2 will not just pertain to the recycled water supply that comes from SCRWA.

4.2. Receive Information on Valley Water's Proposed Fiscal Year (FY) 2024-2025 Groundwater Production Charges and Provide Feedback.

Recommendation: Receive information on Valley Water's proposed FY 2024-2025 groundwater production charges and provide feedback.

Carmen Narayanan reviewed the information on this item per the attached Committee agenda memo and per the information contained in Attachment 1.

Carmen Narayanan and Kirsten Struve were available to answer questions.

Public Comments:
None.

The Committee received the information, took no formal action, and noted the following:

- The Committee noted the groundwater production charges for South County were on the lower end of the scale versus other local retail agencies identified on page 19 of Attachment 1.
- The Committee confirmed the Water Supply Master Plan 2050 looks at future population growth, climate change, droughts, and how much water will be needed and is related to the South County Master Plan through the recycled water strategies.
- The Committee confirmed that estimated costs for capital projects were included in the projected rates identified on page 18 of Attachment 1.
- The Committee confirmed that Anderson Dam, Coyote Dam, and Pacheco Reservoir are not being paid for only by the South County zones and charges are based upon benefit received for water used.

- Chairperson Varela invited the Committee to attend an upcoming future Agricultural Water Advisory Committee meeting.

4.3. Review and Accept the Joint Water Resources Committee 2024 Proposed Work Plan, and Confirm the Next Meeting Date.

Recommendation: A. Review and accept the Joint Water Resources Committee 2024 Proposed Work Plan; and
B. Confirm the next meeting date.

The Committee considered this Item without a staff presentation.

Public Comments:
None.

The Committee received the information, accepted the 2024 JWRC Work Plan by consensus without official action and confirmed the next meeting date of June 5, 2024.

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.

Nicole Merritt confirmed the Committee re-elected Director Varela as the 2024 Chairperson and Gilroy Mayor Blankley as the 2024 Vice Chairperson under Item 2.1; noted and provided feedback requesting re-review of figures/dates on the South County Master Plan and details on near-term projects, and a representative for agriculture present at a future meeting under Item 4.1; noted and provided feedback under Item 4.2; and accepted the JWRC Work Plan and confirmed upcoming meeting date under Item 4.3.

6. ADJOURN:

6.1. Adjourn to Regular Meeting at 8:30 a.m. on June 5, 2024.

Chairperson Varela adjourned the meeting at 9:59 a.m. to the regular meeting scheduled at 8:30 a.m. on June 5, 2024.

Approved: June 5, 2024

Nicole Merritt
Assistant Deputy Clerk II