



## MEMORANDUM

FC 14 (01-25-23)

**TO:** Board of Directors

**FROM:** Director John L. Varela  
JWRC 2024 Chair

**SUBJECT:** Joint Water Resources Committee (JWRC)  
with Gilroy/Morgan Hill January 3, 2024  
Regular Meeting Summary

**DATE:** April 9, 2024

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This memorandum summarizes agenda items from the meeting of the Joint Water Resources Committee (JWRC) held on January 3, 2024.

### **Receive Water Supply Master Plan (WSMP) 2050 and South County Opportunities Update and Collaboration and Implementation Update and Provide Feedback.**

The Committee received the information, took no formal action, and confirmed there are 3 additional dams outside of South County in addition to the Anderson Dam identified to be retrofitted by Valley Water per federal/state mandates. Councilmember Spring expressed interest in confirming how Valley Water plans to keep water rates affordable per the upcoming projects, inflation, and potential limits on water conservation. The Committee confirmed that Valley Water will do everything possible to maintain the current water rate structure with a potential marginal increase from 8% to 10.5%. Vice Chairperson Blankley supported confirming the expenditures from Valley Water's dam projects to understand how those costs will translate to water rates for South County constituents. The Committee noted Valley Water's partnership for imported water through the federal/state water projects, water banking with the Semitropic Water Storage District, importing water from the snowpack, and cleaning incoming water from per- and polyfluoroalkyl substances (PFAS) are outside factors contributing to the water rates. The Committee noted that environmental impacts and agencies are considered by Valley Water when planning future capital improvement projects. The Committee confirmed WSMP 2050 will be reviewed/monitored annually and fully updated every 5 years with Valley Water Board approval. The Committee confirmed staff will do a 30-year financial projection per water infrastructure modeling and state input to prepare for the costs associated with WSMP 2050 to be updated as needed and Valley Water will continue to work closely with federal and state legislators to ensure funding. The Committee noted Valley Water's 2024-2025 budget information may be finalizing through April 2024 and requested staff to provide an update at the next JWRC meeting.

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

The Committee received the information, took no formal action and noted the receipt of the United States Bureau of Reclamation (USBR) planning grant of \$330,000 for South County to fund a feasibility study which is the first step to receiving federal funding for future water reuse expansion. The Committee confirmed SCRWA is currently using every drop of recycled water in the summer as 40% goes to agriculture which could be increased with additional available water storage. The Committee noted a draft master plan report is currently available for agency feedback and the full feasibility study may take up to 2 years to evaluate the feasible water reuse options and associated costs/constraints to confirm the best projects for South County. The Committee noted that the City of Morgan Hill utilized state grant funding for stormwater basins and Valley Water

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continues to work with the agricultural community to assist with capturing storm water for South County groundwater recharge. Councilmember Spring and Vice Chairperson Blankley requested staff follow up on further information on the USBR Title XVI water recycling, desalination, and purification funding program which was provided by Dave Tucker on January 4, 2024.

**Review and Discuss the Joint Water Resources Committee 2023 Proposed Work Plan, and Next Meeting Date/Location.**

The Committee expressed support for having meetings start as 8:30 a.m. for future JWRC regular meetings. The next JWRC regular meeting was scheduled for 8:30 a.m. on April 3, 2024.

Board member comments and suggestions can be forwarded to Nicole Merritt, Assistant Deputy Clerk II, at (408) 630-3262 or by email to [nmerritt@valleywater.org](mailto:nmerritt@valleywater.org).