



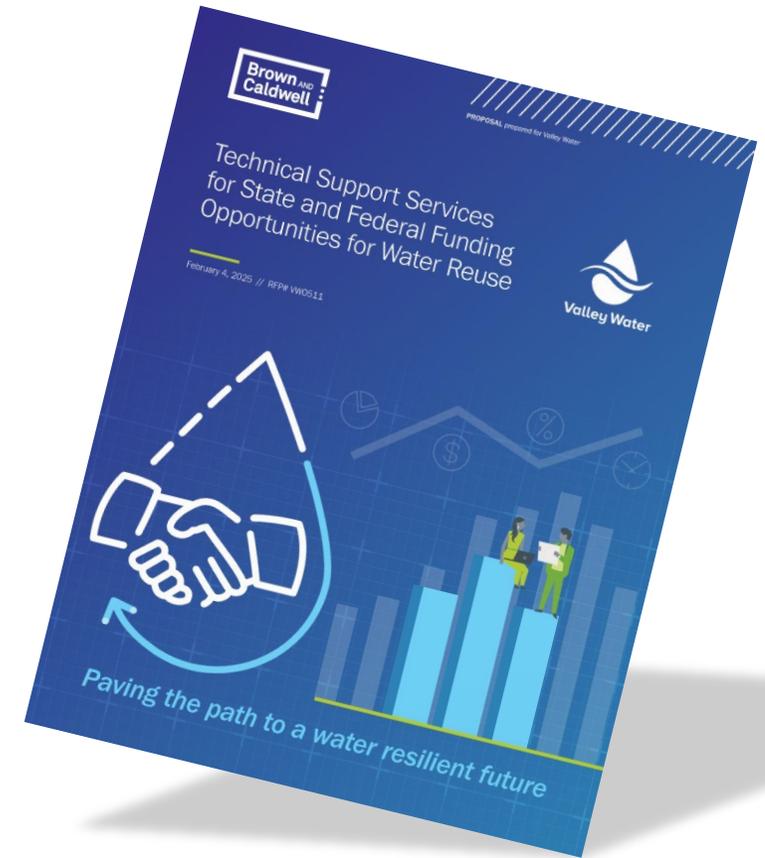
South County Water Reuse Program Feasibility Study Overview Meeting



Recycled Water Committee
March 25, 2026

Planning for the Future – Expanding Water Reuse

- Valley Water, SCRWA, Gilroy, Morgan Hill developing non-potable and potable water reuse in South County.
- Valley Water pursuing funding opportunities for the planning, design, and/or construction of these reuse projects.



Development of a Title XVI Feasibility Study

- Title XVI Feasibility Study will position Project Partners for future implementation funding.
- Need to identify the Preferred Project and Project Alternatives.



— BUREAU OF —
RECLAMATION

South County Water Reuse Program Title
XVI Feasibility Study

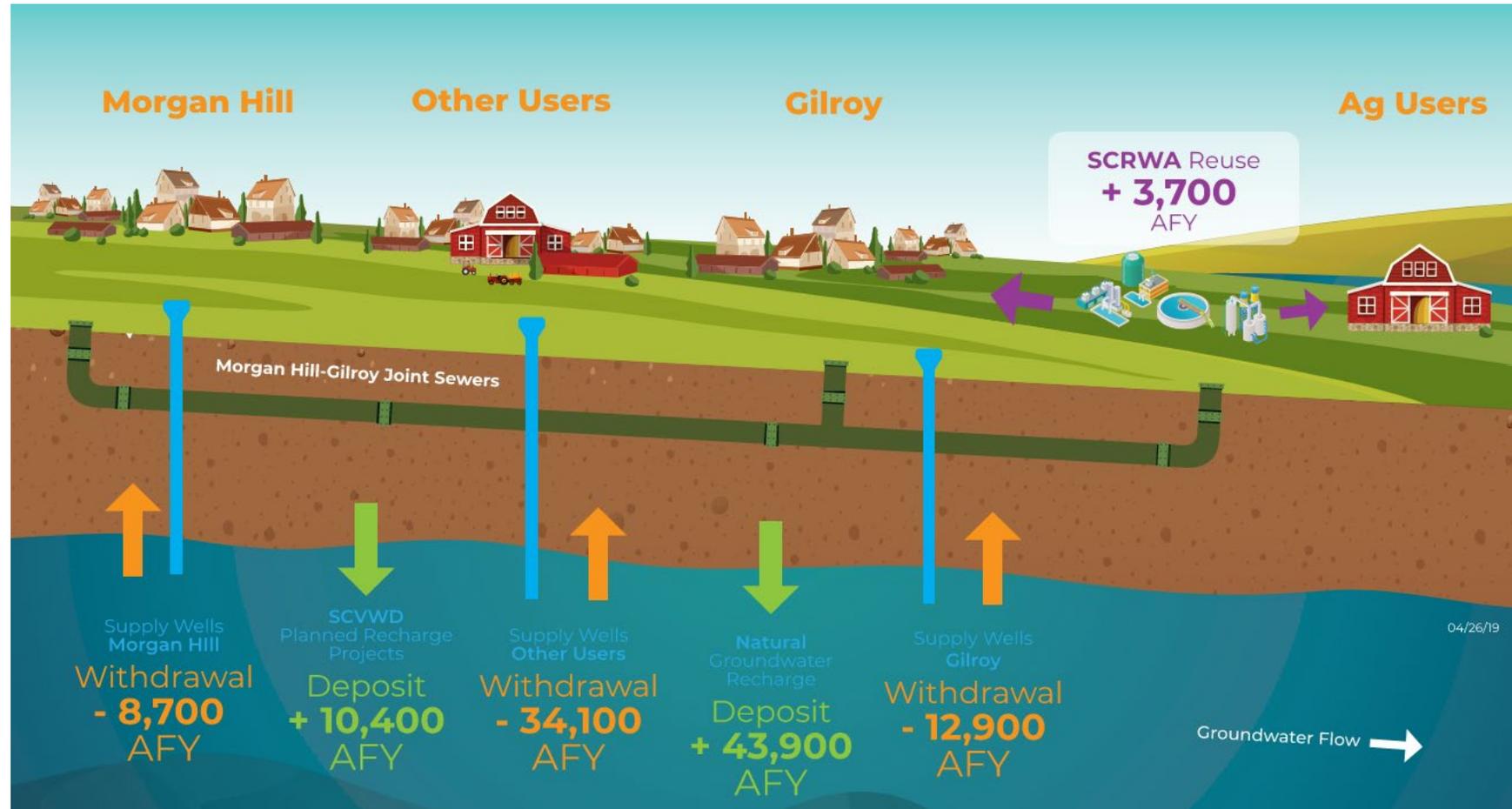
Why are we here today?

- Provide project overview and work completed to date.
- Review South County Project Alternatives.
- Present summary of Project Alternatives evaluation.
- Recommendations.



South County Water Supply

- Primary source is groundwater.
- Recycled water & local surface water remaining supply.



Llagas Groundwater Subbasin 2035 Budget

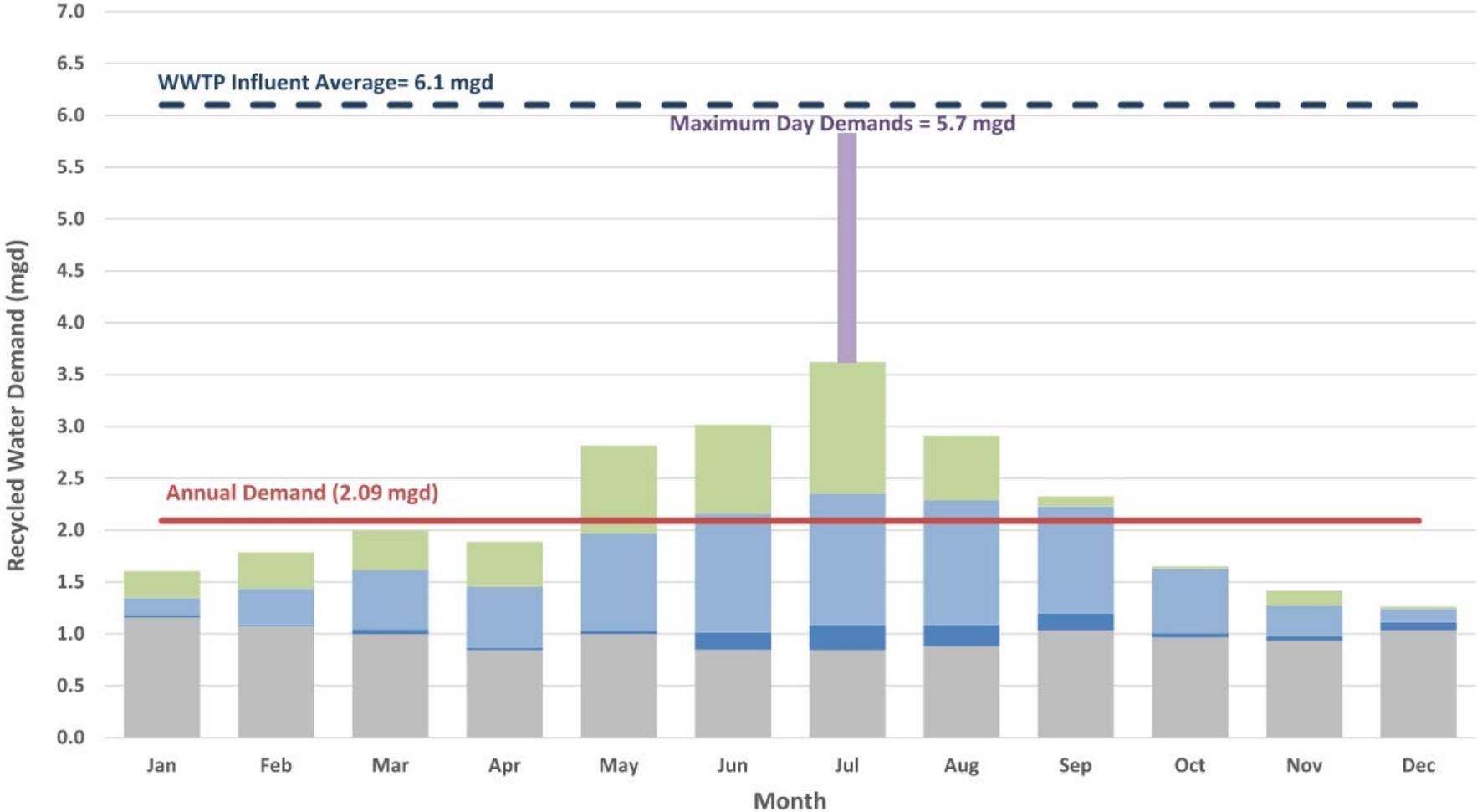
From 2019 City of Gilroy and City of Morgan Hill Sustainable Water Management Planning

Attachment 1

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Available Effluent from SCRWA

- LEGEND**
- WWTP Utility Water
 - M&I
 - Irrigation
 - Agriculture
 - Average Monthly Demand (Billing Records)



Background Assessment Summary

- Well pumping relatively constant in recent years.
 - DPR sizing evaluated water demands for blending.
- SCRWA wastewater flows are currently limited.
 - New projects must consider existing recycled water users.
 - SCRWA influent flows will increase and provide additional water.
- Net benefit from the Project should consider both Morgan Hill and Gilroy.

Project Alternatives

A) Near Term Improvements to South County RWS

B) Continued NPR Expansion

B.1) Gilroy

B.2) Morgan Hill

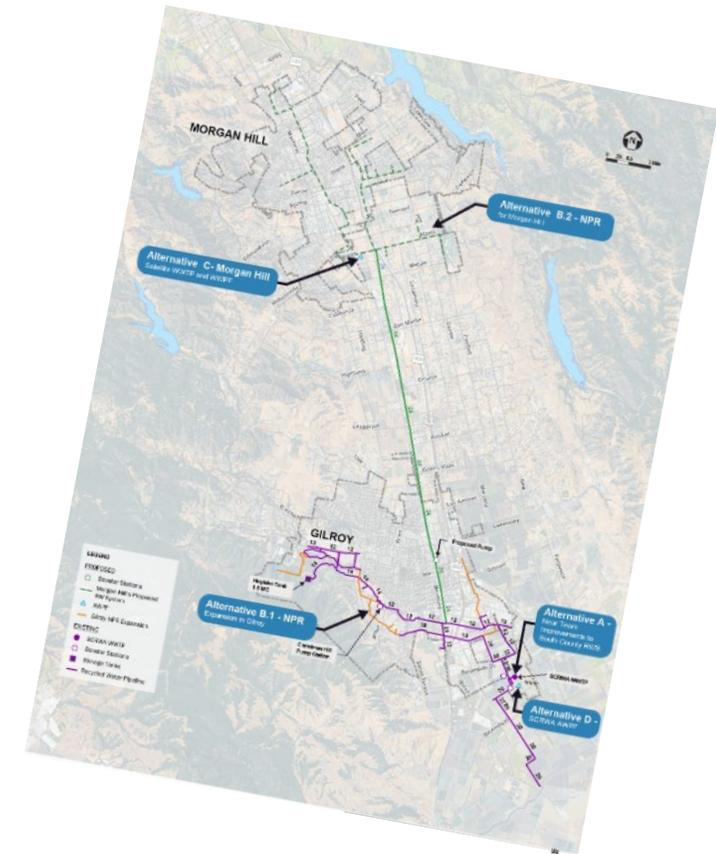
C) Morgan Hill Satellite WWTP & AWPf for TWA

D) SCRWA AWPf

D.1) TWA to Gilroy

D.2) TWA to Morgan Hill

D.3) TWA to Gilroy and Morgan Hill



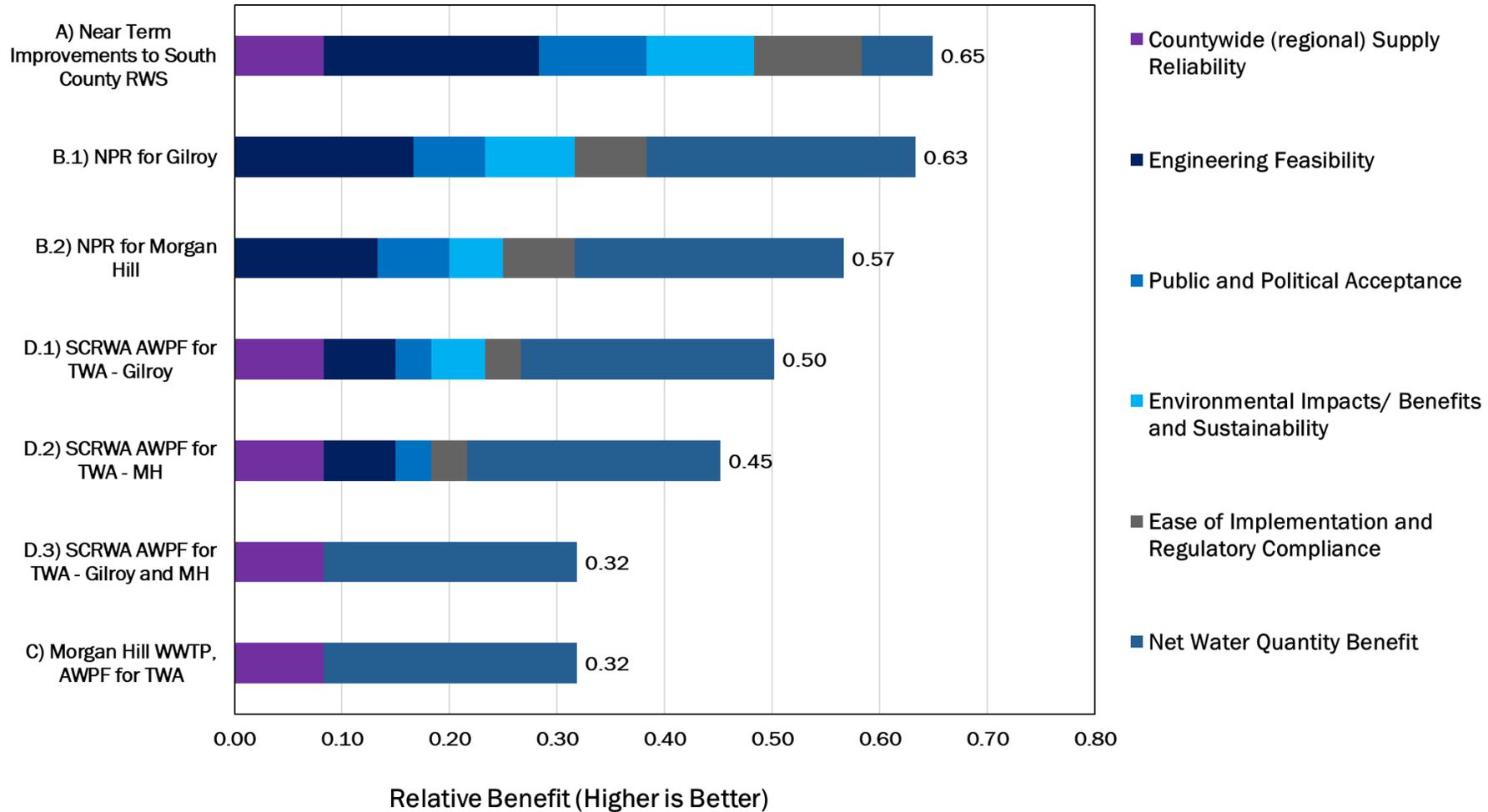
Preliminary Cost Comparison of Alternatives

Project Alternatives Cost Summary				
Project Alternative	Yield (AF)	Capital Cost (\$M)	Annual O&M Cost	Unit Cost (\$/AF)
A) South County RWS Improvements	450	\$15.0	\$0.67	\$3,200
NPR alternatives dependent on availability of future wastewater flows (2035-2045)				
B.1) NPR for Gilroy Buildout	1,700	\$67.8	\$5.7	\$3,300
B.2) NPR for Morgan Hill	1,700	\$232.9	\$3.9	\$9,300
Implementation of DPR alternatives is highly complex and present several items that still need to be assessed				
C) Morgan Hill Satellite AWWP, TWA	1,600*	\$284.5	\$4.9	\$11,600
D.1) SCRWA AWWP, TWA in Gilroy	1,600*	\$159.0	\$3.8	\$7,100
D.2) SCRWA AWWP, TWA in Morgan Hill	1,600*	\$328.0	\$7.0	\$14,100
D.3) SCRWA AWWP, TWA in Morgan Hill & Gilroy	1,600*	\$342.5	\$7.5	\$14,900

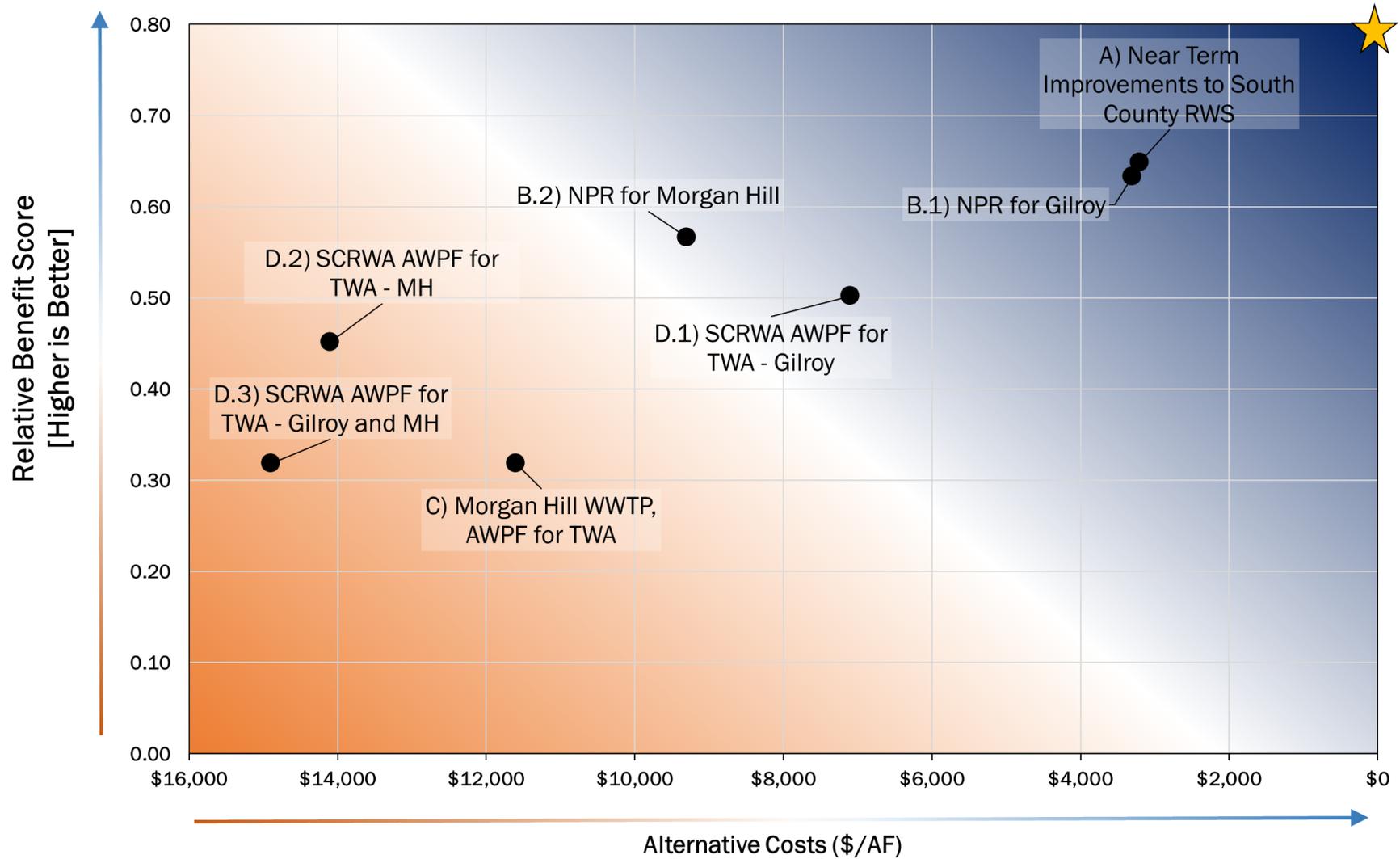
*Based on current potable water demands and blending ratio of 50/50. Future effort required for TWA tie-ins, ROC management cost development.

Project Alternatives Benefit Scores

South County Water Reuse Program Project Alternatives



Benefit and Cost Assessment



Recommendations for Title XVI Feasibility Study

- **Preferred Project:** Near-Term Improvements to South County RWS project.
- **Project Alternatives:** NPR expansion for Gilroy and Morgan Hill.
 - *NPR options are better defined and easier to implement.*
 - *Implementation of DPR is more complex and presents more unknowns.*



Thank you.

Questions?



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