



# City of Morgan Hill

## Legislation Text

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## **CITY COUNCIL STAFF REPORT**

### **MEETING DATE: JANUARY 18, 2017**

PREPARED BY: Karl Bjarke, Public Works Director  
APPROVED BY: City Manager

### **JOINT CITY COUNCIL-SOUTH COUNTY REGIONAL WASTEWATER AUTHORITY (SCRWA)-SANTA CLARA VALLEY WATER DISTRICT (DISTRICT) BOARD COMMITTEE TO ADVANCE COMMON SOUTH COUNTY WATER INTERESTS**

#### **RECOMMENDATION(S)**

1. Approve City participation in the Joint Committee with City of Gilroy, South County Regional Wastewater Authority and Santa Clara Valley Water District; and
2. Appoint two City Council members to the Joint Committee as part of the Council's annual review of outside agency assignments.

#### **COUNCIL PRIORITIES, GOALS & STRATEGIES:**

##### **Ongoing Priorities**

Enhancing public safety  
Protecting the environment  
Maintaining fiscal responsibility  
Preserving and cultivating public trust

##### **2016 Focus Areas**

Planning Our Community  
Developing Our Community  
Enhancing Our Services  
Improving Our Communication  
Participating in Regional Initiatives

#### **REPORT NARRATIVE:**

The City's water supply needs have always been dependent on cooperation and collaboration with the Santa Clara Valley Water District (SCVWD) because the City's only current source of municipal potable water is from the groundwater basins and SCVWD is responsible for the management of those basins. This partnership will continue to be vital long into the future as the City strives to maintain a sustainable water supply. However, recent events have created an opportunity for expanding the water supply planning effort in a more formal manner with the City of Gilroy and the South County Regional Wastewater Authority (SCRWA).

The current 5 year drought that has affected all water retailers in California has emphasized the reality that water can become a scarce resource and that drought conditions are likely to become more common in the future. Having a collaborative plan to ensure water is available for Morgan Hill residents into the foreseeable future is essential. In May 2016, the SCVWD completed the 2015 South County Recycled Water Master Plan Update. This document explored the options for expanding the recycled wastewater program at the SCRWA treatment plant. Currently, approximately 2,000 acre-feet of water are recycled at the SCRWA plant servicing agriculture, park, and golf course users in the Gilroy area with non-potable water. Morgan Hill receives none of the recycled water at this time but the 2015 Master Plan Update provides for potential opportunities in the future. The Master Plan Update lays out a \$98M capital improvements plan for expanding recycled water to the entire South County.

Lastly, because of the drought, the State of California adopted the Sustainable Groundwater Management Act (SGMA) in 2014 which requires that critical groundwater basins be governed by a Groundwater Sustainability Agency to formally manage such basins. The SCVWD is the Groundwater Sustainability Agency for the Santa Clara and Llagas sub-basins. This designation provides for new authorities for SCVWD meant to help sustain the groundwater basins. Among those new authorities is the ability to restrict new well locations and pumping. With this new designation, SCVWD staff have committed to working with retailers such as the City of Morgan Hill towards long term water sustainability.

The SCVWD Board of Directors has reached out to the cities of Morgan Hill and Gilroy (and indirectly to the SCRWA whose own Board is made up of Morgan Hill and Gilroy appointed council members) to create a joint recycled water advisory committee. The July 27, 2016 letter from the Chair of the SCVWD Board of Directors to Mayor Tate extending this invitation is attached.

Upon receipt of the letter, the Gilroy City Administrator and Morgan Hill City Manager requested to meet and discuss the purpose of the proposed committee and other opportunities that could be considered for the committee. As a result of the meeting between the three agencies, attached is a January 4, 2017 letter from SCVWD Interim CEO, Norma Camacho, with a proposal for the makeup and purpose of such a committee. The purpose of the Committee is generally to advance common South County water interests (of which recycled water is one component) and to receive input from stakeholders. As proposed, the committee would be comprised of two City Council members each from Gilroy and Morgan Hill and two SCVWD Board members. To ensure SCRWA is represented, at least one council member from each city must also sit on the SCRWA Board.

Staff recommends the formation of the proposed committee and participation by the City Council as suggested by the SCVWD. If the Council chooses to endorse the creation of the committee and to participate, two Council members are to be appointed to the committee. As stated above, one Council Member must also be a City designated representative on the SCRWA Board of Directors. Staff recommends that the two Council Members be selected during the Council's annual review of its outside agency assignments.

## **COMMUNITY ENGAGEMENT: Inform**

No formal community engagement has occurred prior to this report. If the advisory committee is formed as recommended, residents and other stakeholders in the South County will have a new venue to discuss water management and planning activities.

**ALTERNATIVE ACTIONS:**

The Council could decide not to participate in a South County advisory committee.

**PRIOR CITY COUNCIL AND COMMISSION ACTIONS:**

No previous actions related to this recommendation.

**FISCAL AND RESOURCE IMPACT:**

The creation of and participation in the proposed advisory committee will have no direct fiscal impact. If created, some staff time will be required to assist with preparation of information and materials needed for meetings.

**CEQA (California Environmental Quality Act):**

Not a Project

**LINKS/ATTACHMENTS:**

1. July 27, 2016 Letter from SCVWD Board Chair
2. January 4, 2017 Letter from SCVWD Interim CEO