



## B. OLD BUSINESS

### B-1 WRFCAC SUB-COMMITTEE UPDATES

Mary Garelick stated the Finance Committee met with Monica Reid from Kestrel Consulting. There was discussion regarding grants, preparation of draft resolutions for City Council, and financial documentation to back the grant application. She stated that grants are difficult to obtain.

Richard Sadowski stated because of the nitrate problem in Morro Bays wells, the availability to obtain grants is greater.

Barbara Spagnola stated Monica Reid indicated a decision needs to be made on the best overall project and grants do not drive the project, they assist in the funding and finance of loans for the project.

John Diodati suggested that the Finance Committee define how this project is innovative and can be competitive when the time comes to apply for grants.

There were no other Sub-Committee updates.

John Diodati opened Public Comment period, seeing none, closed Public Comment.

John Diodati Receive and File.

## C. NEW BUSINESS

C-1 Review of Report Regarding Initial Findings on Hydrologic Evaluation of the Potential Benefits to the City Water Supply from Increasing Wastewater Discharge to Either Morro or Chorro Creek by Cleath Harris Associates

Mike Nunley summarized the findings by Cleath Harris Associates and provided an overview of Morro Bay's water supply. There are two reports, one on Chorro Valley and the other on Morro Valley. One of the fundamental differences is the reclaimed water use in the Morro Valley Report (Rancho Colina site) versus the Chorro Valley Report (California Men's Colony/CMC site). CMC discharges to Chorro Creek and the City is limited to when water can be drawn and the amount of water that can be drawn.

Richard Sadowski provided a handout to each member of the Committee and staff regarding Chorro Valley and requested the hand out to be on record.

The Committee, staff and the consultants discussed legal issues, water right issues, and what the City can and cannot do at Chorro Valley.

Rob Livick asked the Committee to forward their questions to him and they will be addressed at the next City Council meeting.

Mike Nunley summarized the report for Morro Valley. A big benefit for the City is Morro Valley can deliver water directly to ag users. With ag users drawing less water, that could impact the City's water supply. Nunley clarified that Cayucos Sanitary District (CSD) was not listed as a partner in the Morro Valley report.

The Committee, staff and the consultants discussed legal issues, water right issues, various types of water storage, water demands if Cayucos is included, water quality and the cost of pumping water to the farmers in Morro Valley.

Mike Nunley stated the water quality requirements are water quality levels that can be achieved at a wastewater treatment plant, especially if you incorporate some level of desalination. At the CMC site, in order to meet its current permit requirements, the City cannot discharge State Water into Chorro Creek. At Morro Valley, the water may be treated at the desalinization plant. Nunley stated the Larry Walker Associates study has summary tables comparing the permit the City would have for discharge to Chorro Creek, discharge to Morro Creek, percolation pond disposal and ocean outfall. Morro Valley has direct re-use for a variety of crops and the City needs to meet the requirements of Title 22 for tertiary, disinfection and wastewater. CMC creek discharge will have more stringent requirements than Morro Creek. The purpose of these two reports is to provide information to City Council on which of the two sites provides the maximum benefit of water.

Rob Livick indicated he has asked the consultants to look at the crop value in the two basins and determine which crops we are trying to maintain.

John Diodati opened Public Comment, and seeing none, closed Public Comment.

John Diodati Receive and File.

#### COMMITTEE MEMBER CLOSING COMMENTS

Rob Livick clarified this meeting will adjourn from the Rancho Colina site.

Rob Livick stated the e-mail the members received on Assembly Bill 52 was for the members information.

Rob Livick reiterated the hand out Richard Sadowski provided earlier is on record.

Bill Woodson asked has anyone in the City of Morro Bay in an official capacity contacted anyone at CMC concerning their sewer or any plans or any coordination efforts by Morro Bay and CMC for a joint facility. Rob Livick replied yes.

Rob Livick stated this meeting will take a recess and reconvene at the Rancho Colina site.

The Committee, staff and consultants reconvened at approximately 4:30pm and toured the Rancho Colina site.

#### E. ADJOURNMENT

The meeting adjourned at 5:18pm to the next special WRFCAC meeting at the Fire Station Conference Room, 715 Harbor, on Wednesday November 5, 2014 at 3:00pm.

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John Diodati, Chairperson

ATTEST:

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Rob Livick, Secretary

